

LAFOURCHE PARISH SCHOOL BOARD

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

JUNE 30, 2010

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

Release Date 1/5/11

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, 2010***

LAFOURCHE PARISH SCHOOL BOARD

COMPREHENSIVE ANNUAL FINANCIAL REPORT
General Purpose Financial Statements
For the Year Ended June 30, 2010
With Supplemental Schedules

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LAFOURCHE PARISH SCHOOL BOARD

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Louis E. Thibodaux., President

Jo Ann Matthews., Superintendent

Lafourche Parish School Board

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Transmittal Letter

December 17, 2010

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, 2010 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, 2010, 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, 2010, 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 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 weighing up to 700,000 deadweight tons in 115 feet of water. The facility has six 600,000 barrel tanks and eight underground caverns with a total storage capacity of 50 million barrels. The port also operates a 53 mile, 48 inch pipeline that connects to a 40 inch pipeline which gives it access to 50 percent of the U. S.

refinery capacity. Additional information about LOOP can be found at <https://loopllc.com>.

The Port Fourchon is located on 3,600 acres at the mouth of Bayou Lafourche. The facility is utilized by 250 companies helping furnish the country with 15-18% of the country's entire oil supply. About 270 large supply vessels are serviced by the port with a cargo of about 38 million tons. Over 1,200 trucks travel in out of the port daily. Half of the drilling activity in the Gulf of Mexico and 75 percent of the deep water production is serviced by the Port. Additional information about the port can be found at <http://www.portfourchon.com>.

In addition to these segments, the parish has planting enterprises, mainly sugar cane, with a gross annual value of \$46.3 million, as of December 2009. The wildlife and fishery enterprises segment, mainly marine fisheries, added another of \$9.3 million to the Lafourche economy. The domestic animal enterprises segment, mainly cattle, had a gross annual value of \$11.1 million. The economy also includes agricultural-implement manufacturing, shipbuilding and machine fabrication.

The Louisiana Department of Transportation and Development is in the process of upgrading Louisiana Highway 1 that services the southern portion of the parish (<http://www.la1coalition.org/>). Phase 1 of the program which covers the construction of a replacement for the Leeville Bridge has been completed and was opened on July 8, 2009. Funding is currently being sought for the remaining portions of the program which includes Phase 2 which covers the construction of an 8.3 mile two-lane elevated highway with an estimated cost of \$220 million and Phase 3 which covers a 19.5 mile four-lane highway with an estimated cost of \$340 million and Phase 4 which covers an 8 mile elevated highway with an estimated cost of \$582 million <http://www.la1project.com>.

According to the Louisiana Department of Labor, the October 2010 employment was 46,123, which meant there was a slight increase from October 2009 (45,706). The October 2010 unemployment rate was 5.7%, which represented an increase over the October 2009 rate of 5%, but which represented a significantly smaller rate than the national rate of 9.6 in October 2010. Additional employment information can be found at <http://www.laworks.net> and <http://www.bls.gov>.

Long-term financial planning: The School Board is in the process of upgrading its facilities, a process that began 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 have been appreciated by the voters of the parish who have authorized the issuing of \$148.3 million in general obligation bonds since the beginning of this process in 1997. The bond proceeds have been combined with interest revenue and e-rate funding to provide for the construction projects which have cost \$112.9 million through June 30, 2010. The 2003 and 2007 construction funds have a combined remaining balance of \$25.7 million at the end of the 2010 fiscal year, with \$18.8 million in unissued bonds remaining from the 2007 referendum. 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	2010 (millions)	2009 (millions)
Cash on hand and in demand deposits	\$100.0	\$18.9
LAMP	\$12.9	103.0
Time Deposits	\$0.3	0.4
Total Cash Equivalents	<u>\$113.2</u>	<u>\$122.3</u>
Governmental Activities	\$104.5	\$113.8
Agency Funds	\$8.7	8.5
	<u>\$113.2</u>	<u>\$122.3</u>

The School Board has a policy of depositing funds in either interest bearing demand accounts or certificates of deposit in commercial banks secured by pledged securities and federal deposit insurance. The School Board also deposited funds in the Louisiana Asset Management Pool (LAMP), which provides 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. This year the School Board shifted a substantial portion of the funds from LAMP to interest bearing accounts in Capital One Bank. Also, the School Board has chosen a firm to serve as investment manager beginning in the 2011 fiscal year .

Construction Fund activities reduced about \$7.9 million in cash and cash equivalents mostly due to monies spent to construct new buildings and renovate older buildings. The General Fund's increase of about \$8.3 million is mostly the result of the switch from LAMP to Capital One accounts. This also applies to the increases in the Salary Supplement (\$1.5), Funds and Air conditioning Maintenance (\$1.3) funds.

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 \$4 million by June 30.

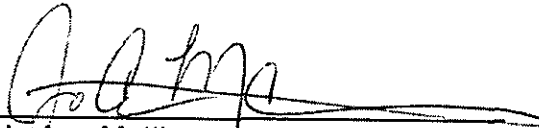
The School Board's self-funded group health insurance program had a self-insured retention of \$175,000 for each medical claim. The School Board used Benefits Management Services for the TPA services and Highmark Life Insurance Company for re-insurance coverage. The restricted net assets total in the Group Health Insurance Fund was \$5.8 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 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. The School Board has secured three layers of reinsurance, each layer has a \$5 million limit. These programs are now accounted for using the Hurricane Recovery Fund and the Loss Control Fund. At June 30, the Hurricane Recovery Fund had a net assets balance of \$810,000 and the Loss Control Fund had a net assets balance of \$1.4 million.

ACKNOWLEDGMENTS

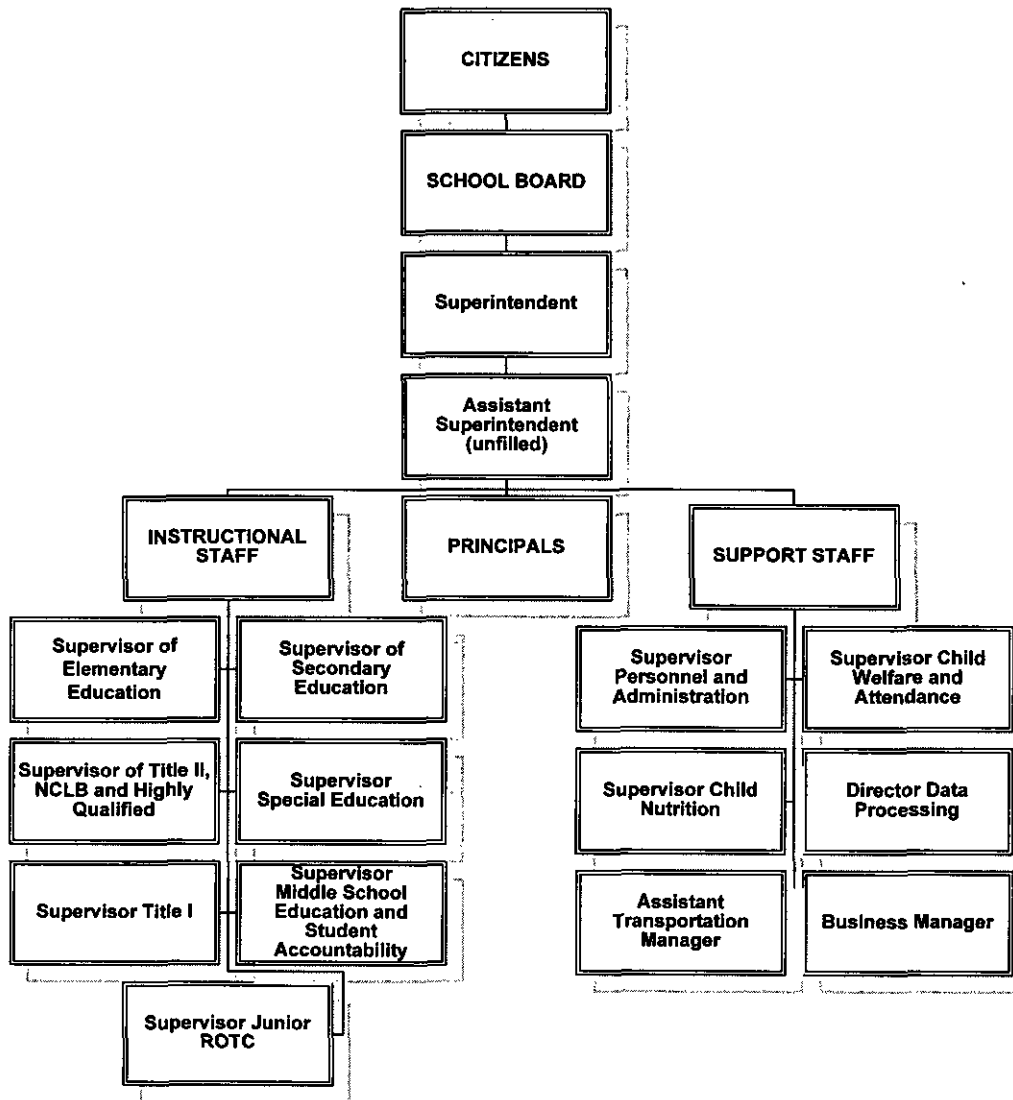
The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Sincerely,


JoAnn Matthews
Superintendent


Don Gaudet
Business Manager

LAFOURCHE PARISH SCHOOL BOARD
Organizational Structure



As of July 1, 2010

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
Louis Voiron, Jr.	Supervisor of Elementary Education
Blaine Degruise.....	Supervisor of Secondary Education
Cynthia Eliser	Supervisor of Title II, NCLB and Highly Qualified
Dr. Charles Michel.....	Supervisor of Special Education
Pamela Folse	Supervisor of Title I
Lt. Col. Arthur Rice.....	Supervisor of Junior ROTC
Julie Bourgeois.....	Supervisor of Middle School Education and 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
Matthew Hodson	Assistant Transportation Manager
Don Gaudet.....	Business Manager

LAFOURCHE PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2010

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, 2010. 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 \$232.5 million, which was down from the \$233.8 million balance from preceding year. The biggest changes were from Cash and Cash Equivalents which decreased by \$9.2 million, from Receivables which increased by \$2.8 million and from Capital Assets which grew by \$6.2 million.
- ❑ Total governmental fund revenues in 2010 were \$159.5 million compared to \$160.6 million in 2009, a decrease of \$1.1 million. The biggest changes were in Federal Grants which increased by \$8.8 million, Sales and Use Tax Revenue which decreased by \$4.7 million, the Minimum Foundation Program which decreased by \$4.2 million and State Grant revenue which decreased by \$3.8 million. In addition, Property Tax revenue increased by \$1.9 million while Other Federal revenue increased by \$1.4 million
- ❑ Total governmental fund expenditures in 2010 were \$171.1 million up by \$4.8 million from 2009. The increases came from Employee Insurance costs (\$990,400), Capital Outlay (\$4 million) and Debt Service (\$835,300). Expenditures were decreased by Maintenance and Operations Services (\$1.1 million) and Property and Casualty Insurance (\$643,900)
- ❑ Governmental fund balances in 2010 were \$82.6 million compared to \$93.5 million in 2009. Reserved Fund balances decreased by \$7.2 million from the prior year while the unreserved balance declined by \$3.7 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 maintained 24 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 2007 Construction, and the Debt Service Funds, all of which are considered to be major funds. Data from the other 21 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 1,2,5 and 6 are the combining statements referred to earlier in connection with non-major governmental funds. Schedule 3 presents information concerning board member compensation that is required by the state. Finally, Schedule 4 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, 2010	June 30, 2009	Increase (decrease)
Current and other assets	\$121.7	\$129.2	(\$7.6)
Capital assets	110.9	104.6	6.2
Total assets	\$232.5	\$233.8	(\$1.4)
Current and other liabilities	\$27.6	\$25.6	\$2.0
Long-term liabilities	123.0	118.9	4.1
Total liabilities	\$150.6	\$144.5	\$6.1
Invested in capital assets, net of related debt	\$39.7	\$37.7	\$2.0
Restricted	28.6	27.7	0.9
Unrestricted	13.6	23.9	(10.3)
Total net assets	\$81.9	\$89.3	(\$7.4)

Cash and cash equivalents was the largest component of Current and Other Assets category amounting to \$113.2 million of the total which was about \$9.1 million less than in the prior year. The changes were the result of construction activities which decreased the balance by \$7.9 million due to monies spent to construct new buildings and renovate older buildings. The General Fund's increase of about \$8.3 was due from the reduction in the use of LAMP and the increase in the use of Capital One interest bearing accounts spurred by the reduction in interest rates. This also applies to the increases in the Salary Supplement (\$1.5), and Air conditioning Maintenance (\$1.3).

The increase in the Receivables balance of \$2.8 million was the other major change in the Current and Other Assets category. Federal and state grants accounted for \$1.5 million of the increase while Medicaid provided an additional \$920,000.

Capital Assets increased by \$6.2 million mostly due to the activities in the 2003 Construction, and 2007 Construction Funds. Buildings and improvements increased by \$2.3 million while Construction in Progress increased by \$3.9 million.

The changes in the Current and Other Liabilities category came mostly from Accounts and Contracts Payable. They increased by \$2.8 million mostly because of construction fund activities.

The increase in the Long-term Liabilities category of \$4.1 million was mostly the result of recognition of \$10.4 million of Accrued Unfunded Other Post Retirement Benefits that results from the provision of retiree health benefits sponsored by the School Board and a decrease of general obligation bonded debt of \$5.9 million.

The increase in the Invested in Capital Assets category of \$2 million was due to two factors; it increased because \$5.9 million in bonded debt was paid down and it decreased by \$3.9 million because of activity in the construction funds. The Net Assets Restricted category

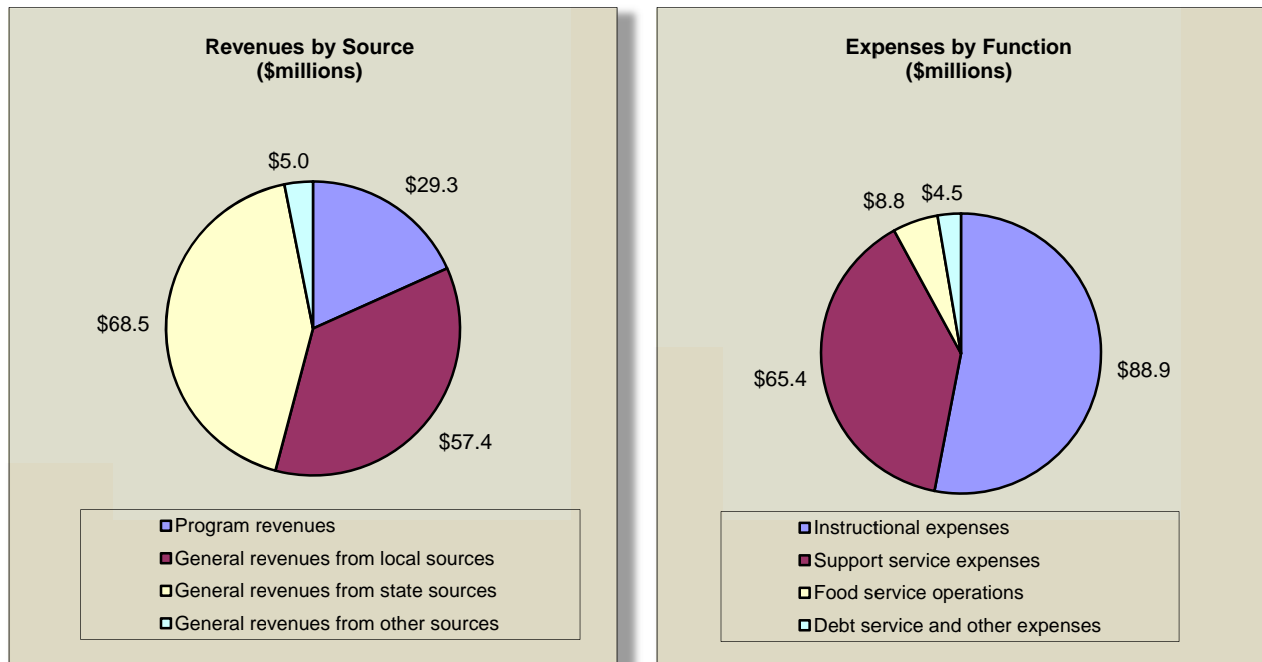
LAFOURCHE PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2010

was increased because of Debt Service activities (\$747,000) and decreased because of Construction Fund activities (\$530,600). Finally, the Net Assets Unrestricted category has decreased by \$10.3 million resulted from several factors. First, the funds included in the budget increased by \$5 million as the result of conservative budgeting on the part of the School Board and the economic activity in the parish. Second, the funds that are part of risk management activities increased by \$1.4 million mostly due the Group Health Insurance Fund activity. Finally, the accrual of unfunded other post employment benefits decreased the unrestricted category by \$10.3 million.

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

Category (\$millions)	June 30, 2010	June 30, 2009	Increase (decrease)
Program revenues	\$29.3	\$24.5	\$4.8
General revenues from local sources	57.4	60.7	(3.3)
General revenues from state sources	68.5	72.8	(4.2)
General revenues from other sources	5.0	2.9	2.1
Total revenues	\$160.2	\$160.9	(0.6)
Instructional expenses	88.9	89.6	(0.7)
Support service expenses	65.4	61.9	3.6
Food service operations	8.8	8.9	(0.1)
Debt service and other expenses	4.5	5.2	(0.6)
Total expenses	\$167.6	\$165.6	\$2.2
Changes in net assets	(7.4)	(4.7)	(2.8)
Net Assets - beginning	89.3	95.5	(6.2)
Prior Period Adjustment	-	(1.5)	1.5
Net Assets - ending	\$81.9	\$89.3	(\$7.5)

The following shows the distribution of governmental revenues and expenses:



Revenues changed slightly with only a \$598,400 decrease from the prior year. Federal Grants increased by \$8.4 million mostly due to the stimulus funds and due to the activities coordinated by the School Board's Grant Writer. The State reduced its support of the Minimum Foundation Program by \$3.8 million and its grants by \$3.9 million due to the condition of the economy and other statewide fiscal issues. Sales and use tax revenues decreased by \$4.63 million due to economic conditions similar to those experienced by the State, while property taxes increased by \$2 million due to an increase in the assessment rolls. Finally, Federal Not Specific to Programs revenue increased by \$1.3 million mostly due to FEMA revenue associated with Hurricanes Gustav and Ike.

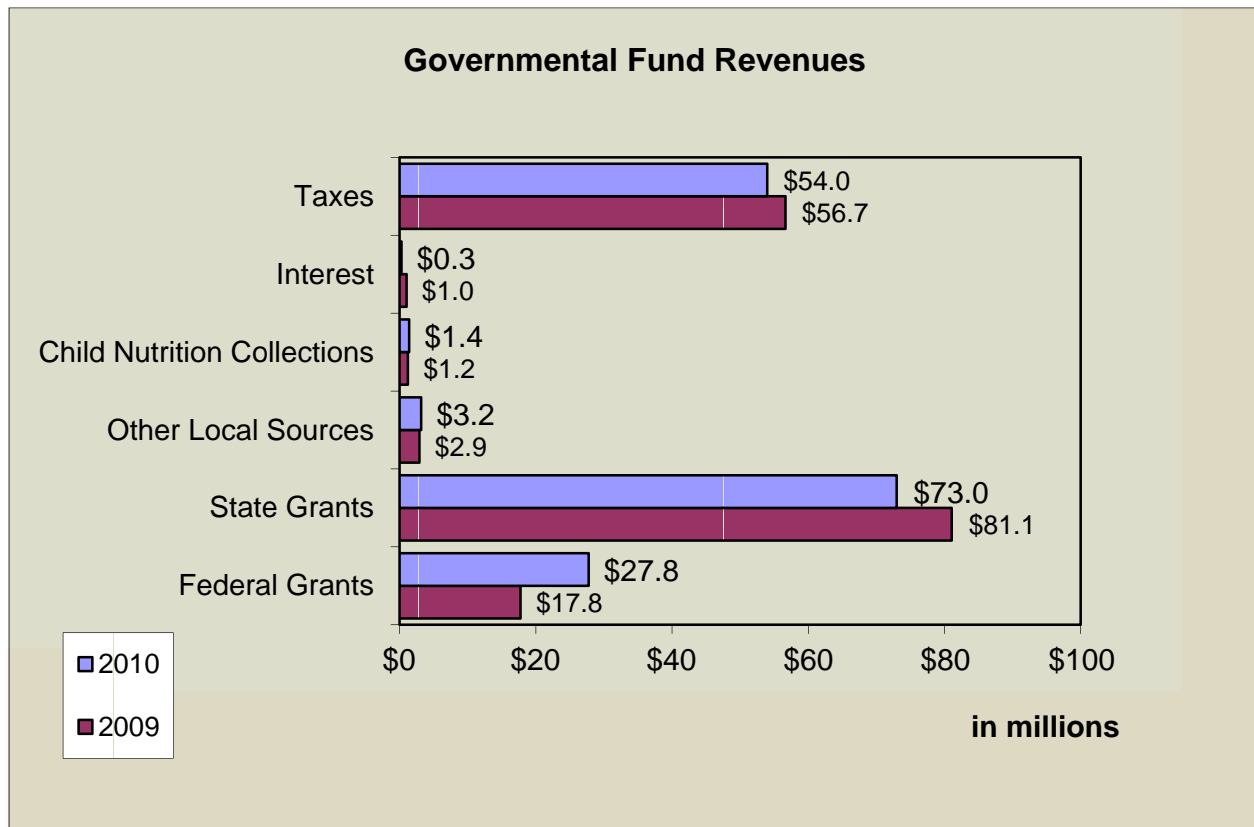
Expenses increased by \$2.1 million in the fiscal year 2010. The most significant changes came from construction funds which increased expenditures by \$3.6 million. The next largest change was in Employee Group Insurance Benefits which decreased by \$2.3 million mostly as a result of the activity in the Group Health Insurance Fund. Personal Service Contract expense had the next most significant increase, \$1.2 million, driven by instruction and school improvement initiatives. Maintenance and Operations cost reductions provided the final significant change in expenses with a \$1.1 million decrease which was the result of the completion of the repairs relating to the damages resulting from Hurricanes Gustav and Ike. FEMA payments were only received after the repairs were completed, so that the revenue from the storms was still increasing while the cost of the repairs was decreasing.

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.

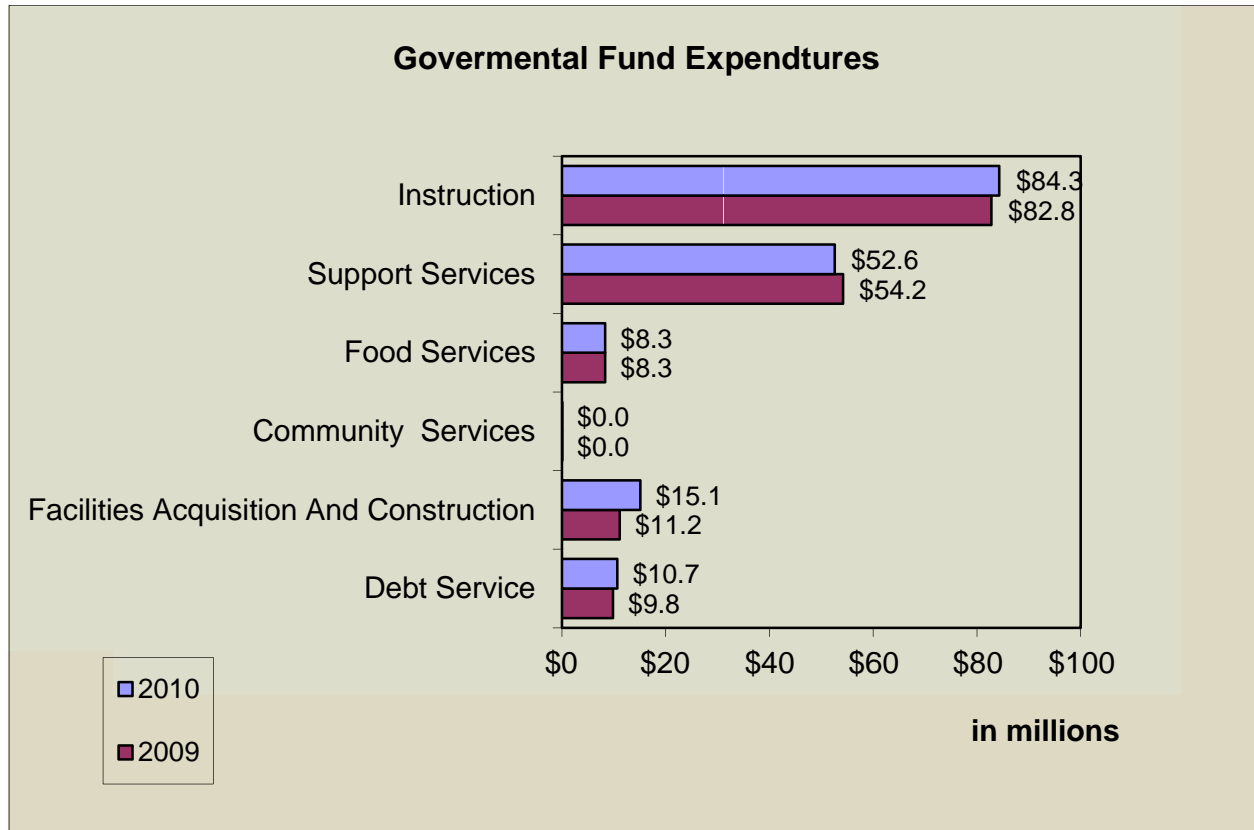
Governmental Funds: The focus of the Lafourche Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School Board's financing requirements. In particular, unreserved fund balance 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 2010 and 2009 fiscal years for all governmental fund types. In the 2010 fiscal year, revenues were \$159.5 million which was a \$1.1 million decrease over 2009 revenues.



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

The following is a recap and analysis of expenditures by program for the 2010 and 2009 fiscal years for all governmental fund types:



Governmental fund expenditures were \$171.1 million in 2010, up by \$4.8 million from 2009. The changes were the same as for Government Wide Expenses with a one exception. The notable exception was Employee Group Insurance Benefit costs because the activity in the Group Health Insurance Fund was not offset against the expenditures in this category as was done in the calculation of the related Government-Wide expense. The result was a \$985,300 increase in this expenditure as opposed to a \$2.2 million decrease in the related expense.

Proprietary Funds: The Group Health Insurance Fund ended its fiscal year with a Net Assets balance of \$5.8 million which was about \$2.3 million more than the previous year. Revenues increased by \$1.3 million mostly due to the increase in premiums charged to other funds which were set based on an expected rise claims cost. The increases expected in expenses did not materialize, in fact expenses decreased by \$2.7 million mostly due to decreases in claims and fees cost. Finally, the Beginning Net Assets balance in 2010 was \$1.6 million less than the Beginning Net Assets balance in 2009.

The Loss Control Fund had a Net Assets balance of \$1.4 million at June 30, 2010 which was \$718,000 less than in 2009. Revenues decreased by \$643,800 mostly because the premiums charged other funds were based in part on 2010 insurance program year reinsurance premiums that had decreased by \$449,000 from the 2009 insurance program

year. The related fees expense went up by \$449,900 because expenses were determined on the accrual basis. This meant that about two-thirds of the increase in re-insurance premiums from the 2009 insurance program year was included in the 2010 fiscal year expenses. Claims expenses increased by \$196,700 because of claims experience for that year. And finally, the Beginning Net Assets balance was \$540,000 more in 2010 than in 2009.

The Workers Compensation Fund ended with a Net Assets balance of \$4 million, down \$782,600 from the prior year. Revenues decreased by \$320,000 mostly due to decreases in billings which resulted from cost cutting measures in the General Fund spurred by economic issues faced in the 2010 fiscal year. Expenses increased by \$60,900 mostly from reinsurance and fee increases. Finally, the Beginning Net Assets balance was \$401,504 less in 2010 than it was in 2009.

Fiduciary Funds: The School Board had two fiduciary funds that it uses to account for the assets it holds in trust. The School Activities Fund accounted for the funds that the individual schools control. At June 30, 2010, the schools had an Ending Net Assets balance equaling \$3.8 million, which was slightly down from the 2009 balance of \$4 million.

The School Board also collected 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 \$10.8 million which was down about \$1 million from the prior year.

GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, there were no budget amendments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The net balance in capital assets for the School Board at June 30 was \$161.9 million. The following is a recap of the capital asset balances.

CATEGORY (\$millions)	COST	ACCUMULATED DEPRECIATION	NET BALANCE	
			2010	2009
Land	\$1.70		\$1.70	\$1.70
Buildings and Improvements	145.10	\$46.90	98.2	95.9
Furniture and Equipment	5.90	\$4.10	1.8	1.8
Construction in Progress	9.20		9.2	5.3
Total	\$161.90	\$51.00	\$110.90	\$104.70

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 has two construction funds representing the remaining proceeds of two referendums, the second and third phases of facility upgrades, that were progressing

LAFOURCHE PARISH SCHOOL BOARD
 Management's Discussion and Analysis
 June 30, 2010

during the 2010 fiscal year. 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 was to continue the modernization and expansion of all schools that was started during the first two construction phases. Bond proceeds received in the period beginning January 1, 1997 through June 30, 2010 combined with interest and e-rate revenues has allowed to the School Board to spend \$112.9 million during that period to upgrade its facilities. The School Board had \$25.7 million in general obligations bond funding proceeds that have not yet been expended as well as the authority to sell another \$18.8 million in general obligation bonds approved for facility improvements.

At June 30, 2010, the School Board had encumbered \$9.5 million for construction contracts that were initiated before but not yet completed by year end. These contracts are funded through the General, Air Conditioning Maintenance, Siemens Construction, 2003 Construction and 2007 Construction funds.

Long-term Debt:

The following is a recap for the various types of long-term debt outstanding:

CATEGORY (\$millions)	PROCEEDS	BALANCE	
		2010	2009
Bonded Debt	\$108.8	\$92.6	\$98.5
Certificates of Indebtedness	3.8	3.5	3.6
Capital Leases	0.6		0.1
Compensated Absences		7.4	7.5
Other Post-Employment Benefits		19.5	9.1
	\$113.2	\$123.0	\$118.8

The School Board had \$92.6 million in general obligation bonds payable on June 30, 2010 and it had a Debt Service Fund balance of \$23 million. Net bonded debt went from 9.85% of total assessed property value to 8.49% in fiscal year 2010, while the legal debt margin expanded from \$192.5 million to \$215.8 million. Both changes were the result of increased assessed value and the pay down of general obligation debt.

The Board's bond rating from Moody's Investors Service is A2 as of December 11, 2008 and from Standard and Poor's is A+ as of April 2, 2008.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following table contains the summary for the 2011 Comprehensive Original Budget.

<i>CATEGORY (\$millions)</i>	ORIGINAL BUDGET JUNE 30, 2011	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND
Local Sources	\$57.4	\$34.7	\$11.7	\$11.0
State Sources	73.4	67.2	6.2	0.0
Federal Sources	27.3	0.2	27.1	0.0
Total Revenues	158.1	102.1	45.0	11.0
Instructional Services	86.3	67.4	18.9	0.0
Support Services	54.1	42.1	11.6	0.4
Food Service Programs	8.5	0.0	8.5	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	10.6	0.4	0.0	10.2
Total Expenditures	161.4	109.9	40.9	10.6
OTHER FINANCING SOURCES (USES):	0.0	4.7	(4.7)	0.0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER				
SOURCES OVER EXPENDITURES AND OTHER USES	(3.3)	(3.1)	(0.6)	0.4
BEGINNING FUND BALANCE	52.5	16.5	12.6	23.4
ENDING FUND BALANCE	\$49.2	\$13.4	\$12.0	\$23.8

Total revenues in the 2011 budget will be \$2.2 million less than in the 2009 fiscal year because the cut in the Minimum Foundation Program formula. Expenditures have been reduced by \$5.4 million for the 2011 budget by reductions in personnel, some of which were accomplished through attrition. The resulting \$6.1 million reduction in salaries was offset by a \$1.7 million increase in employee benefits most of which is due to increases in retirement rates.

The oil spill that resulted from the drilling explosion on the Deepwater Horizon drilling structure is not expected to have as major impact on the Lafourche economy as has been predicted. Both property taxes, and sales and use taxes collections have shown signs that they will be in 2011 at least equal to or higher than they were in 2010.

The tax rates that will be effective in the 2011 fiscal year are as follows:

<i>TYPE</i>	<i>RATE</i>
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 2011 are the same as they were in fiscal year 2010.

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



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, 2010, 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, 2010, and the respective changes in financial position and cash flows where applicable thereof and the respective budgetary comparison for the major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 14, 2010 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 considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lafourche Parish School Board's basic financial statements as a whole. 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



STAGNI & COMPANY, LLC

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 or provide any assurance on it.

Stagni & Company

Thibodaux, Louisiana
December 14, 2010



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Statement A

Statement of Net Assets
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	
	6/30/10	6/30/09
ASSETS		
Cash and cash equivalents	\$104,538,072	\$113,834,712
Cash with fiscal agents	33,909	51,462
Receivables (net of allowance for uncollectibles)	10,659,000	7,816,178
Due from agency fund	4,257,318	4,908,039
Prepaid Insurance	1,170,082	1,431,821
Inventory, at cost	295,563	403,087
Bond Issuance Cost (net of amortization)	702,534	766,800
Capital assets (net of accumulated depreciation)		
Land	1,680,421	1,680,421
Buildings and improvements	98,211,645	95,916,479
Equipment	1,803,773	1,763,152
Construction in progress	9,164,123	5,286,893
TOTAL ASSETS	\$232,516,440	\$233,859,044
LIABILITIES		
Accounts payable	\$3,777,835	\$1,841,205
Contracts payable	929,204	81,975
Salaries and wages payable	15,694,943	16,499,428
Unearned interest paid by bondholder		
Accrued employee benefits - estimated liability for claims outstanding	3,894,316	3,867,307
Deferred Revenue	1,958,056	1,865,426
Intergovernmental payable	28,117	10,638
Deposits due other or subject to refund	830,761	907,005
Premiums on bonds sold (net of amortization)	505,071	572,086
Non-current Liabilities		
Due within one year	6,793,345	6,403,616
Due in more than one year	116,199,885	112,469,165
Total Liabilities	150,611,533	144,517,851
NET ASSETS		
Invested in capital assets, net of related debt	39,667,365	37,694,394
Restricted for:		
Debt service	23,525,442	23,036,067
Capital projects	5,120,318	4,707,338
Unrestricted	13,591,782	23,903,394
Total net assets	81,904,907	89,341,193
TOTAL LIABILITIES AND NET ASSETS	\$232,516,440	\$233,859,044

See notes to the financial statement.

LAFORCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENTAL TOTAL	
				6/30/10	6/30/09
Instruction:					
Regular programs	\$55,547,205		\$3,347,249	\$(52,199,956)	\$(53,868,437)
Special programs	18,965,338		3,000,765	(15,964,573)	(17,634,260)
Other programs	14,385,830		9,840,824	(4,545,006)	(4,991,518)
Support services:					
Pupil support	9,881,565		2,065,663	(7,815,902)	(7,801,099)
Instructional staff support	8,844,292		4,246,987	(4,597,305)	(4,408,474)
General administration	8,857,690			(8,857,690)	(6,907,677)
School administration	7,848,706		863	(7,847,843)	(8,203,593)
Business services	1,530,572		8,259	(1,522,313)	(1,709,115)
Operation and maintenance	17,089,557		14,855	(17,074,702)	(16,397,303)
Pupil transportation	8,253,774		604,880	(7,648,894)	(7,971,598)
Central services	3,142,072		18,631	(3,123,441)	(2,756,076)
Food service operations	8,773,631	\$1,402,631	4,734,502	(2,636,498)	(3,266,488)
Community service operations	14,278		1,718	(12,560)	(14,291)
Facilities acquisition and construction	9,346			(9,346)	(1,279,045)
Debt service:					
Interest and bank charges	4,515,502			(4,515,502)	(3,865,829)
Total governmental activities	\$167,659,358	\$1,402,631	\$27,885,196	\$(138,371,531)	\$(141,074,803)
General revenues:					
Local sources:					
Ad valorem taxes				27,785,903	25,850,287
Sales and use				25,374,941	30,048,148
Other				812,579	761,326
Rentals, leases, royalties				971,776	664,359
Earnings on investments				303,538	1,145,753
Other local				2,180,423	2,244,095
State sources:					
Grants not specific to programs				68,107,385	72,333,972
Revenue in lieu of taxes				421,034	423,205
Revenue for or on behalf of LEA				13,034	13,114
Federal sources:					
Grants not specific to programs				3,994,294	2,349,419
Revenue for/on behalf of LEA				306,110	429,771
Other:					
Insurance Proceeds from loss				661,219	150,000
Gain (loss) on disposal of capital assets				3,008	(76,141)
Total general revenues				\$130,935,244	\$136,337,308
Changes in net assets				(7,436,287)	(4,737,495)
Net Assets - beginning				89,341,194	95,541,429
Prior Period Change					(1,462,740)
Net Assets - beginning, as restated				89,341,194	94,078,689
Net Assets - ending				\$81,904,907	\$89,341,194

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Balance Sheet
Governmental Funds
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	GENERAL	2007 CONSTRUCTION
Cash and cash equivalents	\$19,677,123	\$18,919,418
Receivables	289,260	
Interfund receivable	10,334,089	
Inventory, at cost		
TOTAL ASSETS	\$30,300,472	\$18,919,418
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>Liabilities:</u>		
Accounts payable	\$787,783	2,036,425
Contracts Payable	9,419	395,995
Salaries and wages payable	12,313,209	
Interfund payable		
Intergovernmental payable		
Deposits due other or subject to refund	30,093	
Deferred Revenues	151,662	
Total Liabilities	13,292,166	2,432,420
 Fund Balances		
Reserved for encumbrances	719,441	9,022,067
Reserved for salaries	8,299,550	
Reserved for textbooks	1,428,860	
Reserved for technology		
Reserved for air-conditioning maintenance		
Reserved for school food service		
Reserved for debt service		
Reserved for capital projects		7,464,931
Unreserved - reported in General Fund	6,560,455	
Unreserved - reported in Medicare Fund		
Total Equity and Other Credits	17,008,306	16,486,998
TOTAL LIABILITIES AND FUND EQUITY	\$30,300,472	\$18,919,418

Amounts reported for governmental activities in the statement of net assets are different because:
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
 Internal Service funds are used by management to charge the cost of various insurance to individual funds. The assets and liabilities of the internal service funds are included governmental activities in the statement of net assets.
 Long-term liabilities, including bonds payable, are not due and payable in the current period and 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	
		6/30/10	6/30/09
\$23,713,644	\$26,296,967	\$88,607,152	\$99,742,582
27,572	10,342,168	10,659,000	7,702,022
		10,334,089	8,667,415
	295,563	295,563	403,087
\$23,741,216	\$36,934,698	\$109,895,804	\$116,515,106
	\$929,603	\$3,753,811	\$1,788,794
	523,790	929,204	81,975
	3,379,220	15,692,429	16,498,342
	6,076,771	6,076,771	3,759,376
	28,117	28,117	10,638
		30,093	160,799
215,774	433,232	800,668	746,206
215,774	11,370,733	27,311,093	23,046,130
	1,457,450	11,198,958	3,089,635
	3,573,423	11,872,973	11,030,115
		1,428,860	806,613
			214,920
	5,489,898	5,489,898	5,039,890
	2,692,411	2,692,411	2,897,804
23,525,442		23,525,442	23,036,067
	9,782,952	17,247,883	34,557,016
		6,560,455	12,796,916
	2,567,831	2,567,831	
23,525,442	25,563,965	82,584,711	93,468,976
\$23,741,216	\$36,934,698		
		110,859,962	104,646,945
		11,256,001	9,903,339
		(122,795,767)	(118,678,067)
		\$81,904,907	\$89,341,193

LAFOURCHE PARISH SCHOOL BOARD
 Thibodaux, Louisiana
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2010
 (With comparative totals for the year ended June 30, 2009)

	2007	
	GENERAL	CONSTRUCTION
REVENUES		
Local sources:		
Taxes:		
Ad valorem	\$7,135,779	
Sales and use	25,374,941	
Other	812,579	
Rentals, leases, royalties	971,776	
Earnings on investments	75,117	65,444
Food service collections		
Other local	641,503	
State sources:		
Unrestricted grants-in-aid	66,428,855	
Restricted grants-in-aid	455,129	
Revenue in lieu of taxes	421,034	
Revenue for or on behalf of LEA	13,034	
Federal sources:		
Unrestricted grants-in-aid - direct	888	
Restricted grants-in-aid - direct	163,888	
Restricted grants-in-aid - subgrants		
Revenue for/on behalf of LEA		
Total revenues	102,494,523	65,444
EXPENDITURES		
Instruction:		
Regular programs	49,190,837	
Special programs	14,919,176	
Other programs	4,208,744	
Support services:		
Pupil support	6,774,025	
Instructional staff support	4,134,099	
General administration	1,322,319	
School administration	7,345,387	8
Business services	1,413,801	
Operation and maintenance	10,748,814	
Pupil transportation	7,153,350	
Central services	3,005,995	
Food service operations	11,369	
Community service operations	12,560	
Facilities acquisition and construction	290,063	8,703,304

See notes to the financial statement.

**Statement D
(continued)**

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/10	6/30/09
\$11,037,356	\$9,612,768	\$27,785,903	\$25,850,287
		25,374,941	30,048,148
		812,579	761,326
65,838	64,679	971,776	664,359
	1,402,631	271,078	1,019,597
	1,538,920	1,402,631	1,217,309
		2,180,423	2,244,095
	1,678,530	68,107,385	72,333,972
	3,976,646	4,431,775	8,289,870
		421,034	423,205
		13,034	13,114
		888	8,438
	228,497	392,385	507,509
	27,054,442	27,054,442	16,810,445
	306,110	306,110	429,771
11,103,194	45,863,223	159,526,384	160,621,445
	3,235,355	52,426,192	52,534,691
	3,070,831	17,990,007	17,502,145
	9,683,736	13,892,480	12,737,272
	2,556,121	9,330,146	8,775,607
	4,496,190	8,630,289	7,313,125
352,083	312,641	1,987,043	2,345,094
	863	7,346,258	7,480,802
	20,449	1,434,250	1,657,514
	2,620,374	13,369,188	16,119,748
	327,020	7,480,370	7,744,954
	18,631	3,024,626	2,747,030
	8,335,642	8,347,011	8,341,059
	1,718	14,278	14,291
	6,130,721	15,124,088	11,151,735

LAFOURCHE PARISH SCHOOL BOARD
 Thibodaux, Louisiana
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2010
 (With comparative totals for the year ended June 30, 2009)

	GENERAL FUND	2007 CONSTRUCTION
<u>Debt service:</u>		
Principal retirement	253,958	
Interest and bank charges	161,515	
Total expenditures	<u>110,946,012</u>	<u>8,703,312</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>(8,451,489)</u>	<u>(8,637,868)</u>
<u>OTHER FINANCING SOURCES (Uses)</u>		
Transfers in (out)	2,821,292	
Sales of fixed assets	357	
Proceeds of bond sale		
Insurance Proceeds from Loss		
Total other financing sources (uses)	<u>2,821,649</u>	<u>NONE</u>
<u>NET CHANGES IN FUND BALANCES</u>	<u>(5,629,840)</u>	<u>(8,637,868)</u>
FUND BALANCES AT BEGINNING OF YEAR	22,638,146	25,124,866
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$17,008,306</u>	<u>\$16,486,998</u>

See notes to the financial statement.

**Statement D
(concluded)**

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/10	6/30/09
5,905,000		6,158,958	5,973,393
4,356,736		4,518,251	3,868,579
10,613,819	40,810,292	171,073,435	166,307,039
489,375	5,052,931	(11,547,051)	(5,685,594)
	(2,821,292)		
	1,210	1,567	64,620
	661,219	661,219	20,000,000
			150,000
NONE	(2,158,863)	662,786	20,214,620
489,375	2,894,068	(10,884,265)	14,529,026
23,036,067	22,669,897	93,468,976	78,939,950
\$23,525,442	\$25,563,965	\$82,584,711	\$93,468,976

LAFOURCHE PARISH SCHOOL BOARD
 Thibodaux, Louisiana
 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, 2010

Statement E

	6/30/10	6/30/09
Net change in fund balances - total governmental funds (Statement D)	(\$10,884,265)	\$14,529,026
<p>Amounts reported for governmental activities in the statement of activities (Statement B) are different because:</p> <p>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.</p>		
	6,213,017	5,607,143
<p>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.</p>		
	(4,117,701)	(23,400,216)
<p>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.</p>		
	1,352,662	(1,473,448)
Changes in net assets of governmental activities (Statement B)	\$3,447,978	\$(19,266,521)

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
 Budget Comparison Statements-Major Funds
 For the Year Ended June 30, 2010

Statement F
(continued)

	GENERAL FUND		DEBT SERVICE	
	ORIGINAL AND FINAL BUDGET	ACTUAL	ORIGINAL AND FINAL BUDGET	ACTUAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$6,604,800	\$7,135,779	\$10,216,100	\$11,037,356
Sales and use	28,200,000	25,374,941		
Other	760,500	812,579		
Rentals, leases, royalties	1,500,000	971,776		
Earnings on investments	367,800	75,117	286,900	65,838
Food service collections				
Other local	511,200	641,503		
State sources:				
Unrestricted grants-in-aid	68,147,799	66,428,855		
Restricted grants-in-aid	565,400	455,129		
Revenue in lieu of taxes	429,200	421,034		
Revenue for or on behalf of LEA	18,000	13,034		
Federal sources:				
Unrestricted grants-in-aid - direct	5,900	888		
Restricted grants-in-aid - direct	171,000	163,888		
Restricted grants-in-aid - subgrants	1,400			
Revenue for/on behalf of LEA				
Total revenues	107,282,999	102,494,523	10,503,000	11,103,194
EXPENDITURES				
Instruction:				
Regular programs	51,055,435	49,190,837		
Special programs	15,074,100	14,919,176		
Other programs	4,075,532	4,208,744		
Support services:				
Pupil support	6,890,110	6,774,025		
Instructional staff support	3,784,241	4,134,099		
General administration	1,674,722	1,322,319	342,800	352,083
School administration	7,542,078	7,345,387		

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
 Budget Comparison Statements-Major Funds
 For the Year Ended June 30, 2010

Statement F
 (concluded)

	GENERAL FUND		DEBT SERVICE	
	ORIGINAL AND FINAL BUDGET	ACTUAL	ORIGINAL AND FINAL BUDGET	ACTUAL
Business services	1,429,800	1,413,801		
Operation and maintenance	12,008,529	10,748,814		
Pupil transportation	7,552,300	7,153,350		
Central services	2,676,000	3,005,995		
Food service operations	9,700	11,369		
Community service operations	13,000	12,560		
Facilities acquisition and construction	1,198,500	290,063		
<u>Debt service:</u>				
Principal retirement	228,400	253,958	4,358,000	5,905,000
Interest and bank charges	171,100	161,515	5,905,000	4,355,669
Bond refunding cost				1,067
Total expenditures	115,383,547	110,946,012	10,605,800	10,613,819
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	(8,100,548)	(8,451,489)	(102,800)	489,375
<u>OTHER FINANCING SOURCES (Uses)</u>				
Transfers in (out)	4,312,786	2,821,292		
Sales of fixed assets	62,100	357		
Proceeds of bond sale				
Payments to refunded bond escrow agent				
Accrued Interest and Premiums				
Total other financing sources (uses)	4,374,886	2,821,649	\$NONE	\$NONE
<u>NET CHANGE IN FUND BALANCE</u>	(3,725,662)	(5,629,840)	(102,800)	489,375
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	19,062,508	22,638,146	25,056,423	23,036,067
<u>FUND BALANCES AT END OF YEAR</u>	\$15,336,846	\$17,008,306	\$24,953,623	\$23,525,442

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Assets: Proprietary Fund Type: Internal Service Funds

Statement G

For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				06/30/10	06/30/09
ASSETS					
Cash and cash equivalents	\$10,205,417	\$629,535	\$5,095,968	\$15,930,920	\$14,092,130
Cash with fiscal agents		24,586	9,323	33,909	51,462
Receivables					114,156
Prepaid Insurance	60,381	1,109,701		1,170,082	1,431,821
TOTAL CURRENT ASSETS	\$10,265,798	\$1,763,822	\$5,105,291	\$17,134,911	\$15,689,569
LIABILITIES					
<u>Current Liabilities:</u>					
Accounts payable	\$13,385		\$10,639	\$24,024	\$52,411
Salaries and wages payable		\$1,418	1,096	2,514	\$1,086
Deferred Revenue	1,958,056			1,958,056	1,865,426
Accrued employee benefits - estimated liability for claims outstanding	2,464,998	362,876	1,066,442	3,894,316	3,867,307
Total Liabilities	4,436,439	364,294	1,078,177	5,878,910	5,786,230
NET ASSETS					
Restricted for group health insurance	5,829,359			5,829,359	2,975,696
Restricted for property losses		1,399,528		1,399,528	2,117,885
Restricted for worker's compensation			4,027,114	4,027,114	4,809,758
Net Assets	5,829,359	1,399,528	4,027,114	11,256,001	9,903,339
TOTAL LIABILITIES AND NET ASSETS	\$10,265,798	\$1,763,822	\$5,105,291	\$17,134,911	\$15,689,569

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

Statement H

For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				06/30/10	06/30/09
<u>OPERATING REVENUES</u>					
Intergovernmental: Insurance premium billings	\$19,214,307	\$1,620,368	\$826,792	\$21,661,467	\$21,319,654
Total operating Revenues	19,214,307	1,620,368	826,792	21,661,467	21,319,654
<u>OPERATING EXPENSES</u>					
Claims expense	13,584,923	323,084	906,506	14,814,513	17,602,403
Reinsurance and administrative fees	2,791,900	2,052,710	717,540	5,562,150	4,750,481
Total operating Expenses	16,376,823	2,375,794	1,624,046	20,376,663	22,352,884
<u>NON-OPERATING REVENUES</u>					
Interest	16,179	1,671	14,610	32,460	126,156
Insurance Proceeds from loss		35,398		35,398	
Total Non-operating revenues	16,179	37,069	14,610	67,858	126,156
CHANGES IN NET ASSETS	2,853,663	(718,357)	(782,644)	1,352,662	(907,074)
PRIOR PERIOD ADJUSTMENT					(566,374)
NET ASSETS AT BEGINNING OF YEAR	2,975,696	2,117,885	4,809,758	9,903,339	11,376,787
NET ASSETS AT END OF YEAR	\$5,829,359	\$1,399,528	\$4,027,114	\$11,256,001	\$9,903,339

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, 2010
(With comparative totals for the year ended June 30, 2009)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				06/30/10	06/30/09
CASH FLOWS NON-CAPITAL					
FINANCING ACTIVITIES					
Premiums collected, received or recovered	\$18,935,348	\$1,620,368	\$826,791	\$21,382,507	\$21,028,479
Pharmacy Rebates	250,879			250,879	395,045
Retiree Drug Subsidy	234,866			234,866	203,454
Claim expenses paid	(16,498,899)	(2,058,626)	(1,557,348)	(20,114,873)	(21,418,280)
Cash provided (used) by non-capital financing activities	2,922,194	(438,258)	(730,557)	1,753,379	208,698
CASH FLOWS FROM INVESTING AND OTHER ACTIVITIES					
Interest Income	16,179	1,671	14,610	32,460	126,156
Insurance Proceeds from loss		35,398		35,398	
Cash provided from investing and other activities	16,179	37,069	14,610	67,858	126,156
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	2,938,373	(401,189)	(715,947)	1,821,237	334,854
CASH BALANCE AT BEGINNING OF YEAR	7,267,044	1,055,310	5,821,238	14,143,592	13,808,738
CASH BALANCE AT END OF YEAR	\$10,205,417	\$654,121	\$5,105,291	\$15,964,829	\$14,143,592

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Assets: Fiduciary Fund Types

Statement J

For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	SCHOOL ACTIVITY		TOTAL FIDUCIARY FUNDS	
	(Agency Fund)	SALES TAX	06/30/10	06/30/09
ASSETS				
Cash and cash equivalents	\$3,841,905	\$4,845,702	\$8,687,607	\$8,533,980
Receivables (net of allowances for uncollectibles)	25,602	5,916,455	5,942,057	7,434,771
TOTAL ASSETS	\$3,867,507	\$10,762,157	\$14,629,664	\$15,968,751
LIABILITIES				
Accounts payable	\$10,405	\$79,458	\$89,863	\$54,602
Salaries and wages payable		2,391	2,391	2,942
Deferred Revenue		23,873	23,873	
Held in trust for other funds		4,257,318	4,257,318	4,908,037
Held in trust for others	3,857,102	6,399,117	10,256,219	11,003,170
Deposits subject to refund				
TOTAL LIABILITIES	\$3,867,507	\$10,762,157	\$14,629,664	\$15,968,751

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Changes Net Assets: Fiduciary Fund Type
Statement K
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	FIDUCIARY FUND SALES TAX FUND	
	06/30/10	06/30/09
ADDITIONS		
Collections of sales tax	\$60,048,915	\$70,867,288
Fees received for tax collection	269,963	311,543
Interest on Investments	148	2,859
TOTAL ADDITIONS	\$60,319,026	\$71,181,690
DEDUCTIONS		
Remittance of taxes collected	60,192,921	69,216,366
Refunds of taxes collected	708,737	888,042
Fees paid for tax collection	269,963	311,543
Expenses of tax collection	365,508	403,316
TOTAL DEDUCTIONS	\$61,537,129	\$70,819,267
CHANGE IN NET ASSETS HELD IN TRUST	(1,218,103)	362,423
Net Assets Held in Trust - beginning	11,874,538	11,512,115
Net Assets Held in Trust - ending	\$10,656,435	\$11,874,538

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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 14,411 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.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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.

2007 Construction Fund -- accounts for the financial resources received and used for the acquisition, construction, or improvement of capital facilities approved by the voters on July 21, 2007 and funded by the issuing of general obligation bonds.

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.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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 \$5000.

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.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

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:

	June 30, 2010	June 30, 2009
General Obligation Bonds Payable	\$92,585,000	\$98,490,000
Certificates of Indebtedness	3,485,000	3,605,000
Capital Leases	10,558	144,516
Unamortized Bond Cost	(702,534)	(766,800)
Premiums on Bonds Sold (Net Of Amortization)	505,071	572,086
Unfunded Portion of Other Post Retirement Benefits	19,483,000	9,128,000
Compensated Absences	7,429,672	7,505,265
Total Long-Term Liabilities Adjustment	<u>\$122,795,767</u>	<u>\$118,678,067</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."

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The details of this difference are as follows:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Capital Outlay	\$12,735,466	\$9,884,359
Depreciation Expense	6,522,449	4,277,216
Total Capital Outlay Adjustment	<u>\$6,213,017</u>	<u>\$5,607,143</u>

Another element of that reconciliation states "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."

The details of this difference are as follows:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
General Obligation Bonds Proceeds Received		(\$20,000,000)
General Obligation Bond Sale Cost Paid		91,219
Principal on General Obligation Bonds Paid	\$5,905,000	5,745,000
Principal on Capital Leases Paid	253,958	228,393
Amortization of Bond Cost	(64,265)	(64,265)
Amortization of Premiums on Bonds Sold	67,015	67,015
Unfunded Portion of Other Post Retirement Benefits Accrued	(10,355,000)	(9,128,000)
Compensated Absences Accrued	75,591	<u>(339,578)</u>
Total long-term debt adjustment	<u>(\$4,117,701)</u>	<u>(\$23,400,216)</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.

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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. During the current fiscal year, there were no budget amendments.

B. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General, Siemens Construction, 2003 Construction, 2007 Construction, Hurricane Recovery and the Air Conditioning Maintenance. 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 balance of the outstanding purchase orders is reserved for encumbrances in the General Fund, 2003 Construction, 2007 Construction and Air Conditioning Maintenance Funds.

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 Non-Major 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 Non-Major 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 Non-Major Funds.

LAFOURCHE PARISH SCHOOL BOARD
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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 2007 Construction Fund and the unexpended proceeds of certificates of indebtedness included in the Non-Major Siemens Construction Fund, the unexpended proceeds for general obligation debt included in the Non-Major 2003 Construction Fund, and the unexpended insurance proceeds included in the Non-Major 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

LAFOURCHE PARISH SCHOOL BOARD
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in December, January, and February of the fiscal year. State revenue sharing is included in unrestricted state grants.

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

TYPE	AUTHORIZED RATE	LEVIED RATE	EXPIRATION DATE
Constitutional	3.63 Mills	3.63 Mills	None
Regular Maintenance	7.49 Mills	7.49 Mills	January 2019
Salary Supplement	7.49 Mills	7.49 Mills	January 2019
Air Condition Maintenance	7.49 Mills	7.49 Mills	January 2020
Bond and interest	17.20 Mills	17.20 Mills	None
TOTAL	43.30 Mills	43.30 Mills	

IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

On June 30, 2010, the School Board had cash and cash equivalents as follows:

	Book Balance	
	6/30/2010	6/30/2009
Cash on hand and in demand deposits	\$99,989,483	\$18,910,289
LAMP	\$12,887,215	\$103,095,168
Time Deposits	\$348,981	\$363,235
Total Cash Equivalents	\$113,225,679	\$122,368,692
Governmental Activities	\$104,538,072	\$113,834,712
Agency Funds	\$8,687,607	\$8,533,980
Total	\$113,225,679	\$122,368,692

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, 2010 the School Board had \$100.7 million in deposits (collected bank balances). These deposits are secured from risk by \$1.8 million in federal deposit insurance and \$101.9 million 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, 2010 \$99.7 million of the school board's bank balance of \$100.7 million was exposed to custodial credit risk.

LAFOURCHE PARISH SCHOOL BOARD
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Included in cash and cash equivalents is a pooled cash account totaling \$17,396,333. The funds and amounts per fund included in the pooled cash account are as follows:

FUNDS	BALANCES
Major:	
General	\$1,650,674
2007 Construction	837,403
Non Major:	
Siemens Construction	193,393
2003 Construction	951,112
Air Conditioning Maintenance	272,395
Salary Supplement	431,157
ARRA Homeless	8,799
State Fiscal Stabilization	361,356
Internal Service	
Workers Compensation	15,188
Group Health Insurance	7,307,176
Loss Control Fund	629,535
Agency:	
Sales Tax	4,738,145
TOTAL	\$17,396,333

The School Board had \$12.9 million 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, 2010 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 60 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.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
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B. RECEIVABLES

The receivables at June 30, 2010, are as follows:

CLASS OF RECEIVABLES	GENERAL FUND	DEBT SERVICE	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL	AGENCY FUNDS
Sales Tax					\$5,916,455
Property Tax	\$17,826	\$27,572	\$24,013	\$69,411	
Oil Royalties	132,953			132,953	
E-rate	92,063			92,063	
Medicaid			957,969	957,969	
Intergovernmental - Grants					
Federal	15,517		7,510,569	7,526,086	
State	30,885		1,455,023	1,485,908	
Other	16		394,594	394,610	25,602
TOTAL	\$289,260	\$27,572	\$10,342,168	\$10,659,000	\$5,942,057

C. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	BALANCE AT BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	ACCUMULATED DEPRECIATION	NET BALANCE
Land	\$1,680,421				\$1,680,421
Buildings and Improvements	136,341,702	\$9,342,436	\$590,619	\$46,881,874	98,211,645
Furniture and Equipment	5,780,344	277,073	170,654	\$4,082,990	1,803,773
Construction in Progress	5,286,893	10,842,823	6,965,593	0	9,164,123
TOTAL	\$149,089,360	\$20,462,332	\$7,726,866	\$50,964,864	\$110,859,962

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
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Depreciation was charged to general administration services in the statement of activities and recapped as follows:

	PRIOR	CURRENT EXPENSE	REDUCTIONS	ACCUMULATION
Buildings and Improvements	\$40,425,223	\$6,462,160	\$5,509	\$46,881,874
Furniture and Equipment	4,017,192	232,384	\$166,586	4,082,990
TOTAL	\$44,442,415	\$6,694,544	\$172,095	\$50,964,864

CONSTRUCTION COMMITMENTS The Lafourche Parish School Board has active construction projects as of June 30, 2010. The projects cover new construction and renovations at the schools expended through the 2003 and 2007 Construction Funds, and other such projects expended through the General and Air Conditioning Maintenance Funds. At year-end, the School Board's commitments to the contractors were as follows:

PROJECT	CONTRACT PRICE	COST TO DATE EXPENDED	RETAINAGE	BALANCE
Additions, Classrooms	\$14,376,514	\$6,864,677	\$305,263	\$7,511,837
Additions, Playground	734,254	498,327	32,517	235,927
Renovations, Exterior	1,823,153	923,538	38,855	899,615
Renovations, Parking	420,886	218,922	19,360	201,964
Renovations, Electrical	388,835	40,875		347,960
Renovations, Exterior	141,133	71,302		69,831
Renovations, HVAC	685,567	542,304	45,788	143,263
Renovations, Roofing	41,941	9,163		32,778
Renovations, Stadium	105,674			105,674
TOTAL	\$18,717,957	\$9,169,107	\$441,782	\$9,548,850

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
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E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual receivable/payable balances at June 30, 2010 are as follows:

RECEIVABLE FUND	PAYABLE FUND	AMOUNT
General	No Child Left Behind Act: Title I	\$1,045,877
General	No Child Left Behind Act: Title I AARA	538,803
General	No Child Left Behind Act: Migrant	35,951
General	No Child Left Behind Act: ESL	3,205
General	No Child Left Behind Act: HEDA	49,951
General	No Child Left Behind Act: Title IV V	17,451
General	No Child Left Behind Act: Title II	227,907
General	Individuals with Disabilities Act	217,121
General	Individuals with Disabilities Act AARA	177,713
General	Indian Education Act	120,735
General	Other Federal Grants	530,682
General	State and Local Grants	562,062
General	Salary Supplement	1,326,771
General	Hurricane Recovery	1,221,975
General	Child Nutrition	567
General	Sales Tax	4,257,318
TOTAL		\$10,334,089

Interfund transfers made during the year ended June 30, 2010 are as follows:

TRANSFERRED IN	TRANSFERRED OUT	AMOUNT
General	No Child Left Behind Act: Title I	\$232,260
General	No Child Left Behind Act: Title I ARRA	52,928
General	No Child Left Behind Act: Migrant	13,275
General	No Child Left Behind Act: ESL	951
General	No Child Left Behind Act: Title IV and VI	1,233
General	HEDA	8,888
General	No Child Left Behind Act: Title II	42,001
General	Individuals with Disabilities Act	167,393
General	Individuals with Disabilities Act ARRA	106,827
General	Indian Education Act	8,255
General	Other Federal Grants	94,495
General	Salary Supplement	3,932,983
Medicaid Fund	General Fund	1,840,197
TOTAL		\$6,501,686

F. COMPENSATED ABSENCES

At June 30, 2010, employees of the School Board have accumulated and vested \$7,429,673 of employee leave benefits, which was computed in accordance with GASB Codification C60. The total amount paid during the fiscal year amounted to \$501,191.

LAFOURCHE PARISH SCHOOL BOARD
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The liability for leave privileges not requiring current resources is recorded as long-term debt in the government-wide financial statements.

G. 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 Siemens Building Technologies, Inc. Certificate of indebtedness principal and interest payable in the next fiscal year are \$190,000 and \$152,781, respectively. The following table is the payment schedule:

YEAR	PRINCIPAL	INTEREST	TOTAL
2011	\$190,000	\$152,781	\$342,781
2012	210,000	144,728	354,728
2013	235,000	135,803	370,803
2014	255,000	125,815	380,815
2015	280,000	114,850	394,850
2016-2020	1,845,000	364,960	2,209,960
2021	470,000	21,150	491,150
	\$3,485,000	\$1,060,087	\$4,545,087

H. 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 amount of principal balance as of June 30, 2010 is \$10,558. The balance and the related interest of \$37 are both due in the next fiscal year.

I. 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, 2010 is \$92,585,000.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
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The balances of the outstanding issues are as follows:

ISSUE DATE	ORIGINAL ISSUE	INTEREST RATE	INTEREST TO MATURITY	PRINCIPAL OUTSTANDING
November 6, 2003	\$10,000,000	4.00-6.00%	\$4,032,775	\$8,530,000
June 1, 2004	20,000,000	3.00-5.00%	9,120,185	17,275,000
April 12, 2005	22,300,000	3.25-5.00%	3,972,750	17,975,000
May 4, 2005	20,000,000	4.00-7.00%	9,457,075	17,720,000
October 1, 2007	10,000,000	4.00-6.00%	5,424,553	9,550,000
May 20, 2008	6,535,000	3.00-4.00%	1,097,150	5,535,000
January 1, 2009	20,000,000	4.125-7.00%	3,275,000	16,000,000
TOTAL	\$108,835,000		\$36,379,488	\$92,585,000

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 are \$6,095,000 and \$4,094,310, respectively. At June 30, 2010 the School Board had accumulated \$23,525,442 in the debt service fund for future debt requirements.

The following schedule contains the general obligation bond debt requirements for ensuing fiscal periods:

YEAR	PRINCIPAL	INTEREST	TOTAL
2011	\$6,095,000	\$4,094,310	\$10,189,310
2012	6,285,000	3,830,585	10,115,585
2013	6,505,000	3,561,975	10,066,975
2014	6,725,000	3,269,438	9,994,438
2015	6,980,000	2,968,048	9,948,048
2016-2020	27,420,000	10,214,177	37,634,177
2021-2025	14,935,000	6,006,709	20,941,709
2026-2030	16,275,000	2,345,456	18,620,456
2031-2032	1,365,000	88,790	1,453,790
TOTAL	\$92,585,000	\$36,379,488	\$128,964,488

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, 2010 the legal debt limit was \$284.8 million while the net outstanding bonded debt, bonded debt total less debt service accumulation, was \$69 million resulting in a debt margin of \$215.7 million.

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The following is a summary of the long-term debt transactions for the year ended June 30, 2010:

DESCRIPTION	BONDED DEBT	CERTIFICATES OF INDEBTEDNESS	CAPITAL LEASES	COMPENSATED ABSENCES	OTHER POST EMPLOYMENT BENEFITS	TOTAL
Long-term obligations at July 1, 2009	\$98,490,000	\$3,605,000	\$144,516	\$7,505,265	\$9,128,000	\$118,872,781
Additions				425,599	10,355,000	\$10,780,599
Deductions	5,905,000	120,000	133,958	501,191		\$6,660,149
Long-term obligations at June 30, 2010	\$92,585,000	\$3,485,000	\$10,557	\$7,429,673	\$19,483,000	\$122,993,230
Due within one year	\$6,095,000	\$190,000	\$10,557	\$497,788		\$6,793,345
Due in more than one year	\$86,490,000	\$3,295,000	\$NONE	\$6,931,885	\$19,483,000	\$116,199,885

V. OTHER INFORMATION

A. RISK MANAGEMENT

The School Board was 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 General Fund makes payments to the Loss Control Fund based on current premium and expected losses from these types of exposure. These interfund "premiums" are reported as quasi-external transactions. The June 30, 2010 Net Asset Balance in the Loss Control Fund was \$1.4 million.

The School Board was also 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

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reported as quasi-external transactions. The Net Asset Balance in the Worker's Compensation Fund was \$4 million as of June 30, 2010.

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. The Group Health Insurance Fund has a \$5.8 million Net Assets balance at June 30, 2010.

At June 30, 2010, the outstanding claims liability accruing to the Loss Control, Worker's Compensation and Group Health Insurance Funds was \$3.9 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, 2010:

	LOSS CONTROL FUND	WORKER'S COMPENSATION FUND	GROUP INSURANCE FUND	TOTAL
Balance July 1	\$305,849	\$969,525	\$2,591,933	\$3,867,307
Current year claims and estimates	323,084	906,506	13,584,923	14,814,513
Less: Claim payments	266,057	809,589	13,711,858	14,787,504
Balance June 30	\$362,876	\$1,066,442	\$2,464,998	\$3,894,316

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 \$ \$41,327 to the State for benefits claimed during the year ended June 30, 2010. 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

LAFOURCHE PARISH SCHOOL BOARD
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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, 2010 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.

The Lafourche Parish School Board received funding under contracts for E-Rate. These contracts specify the purpose for which the monies are to be used and such contracts are subject to audit by the granting agency or its representative. If the contract monies received are not expended, the Lafourche Parish School Board may be required to reimburse the funding agency.

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 contract calls for annual payments that are contingent on meeting guaranteed and stipulated utility costs savings. The stipulated provision of the contract has been challenged in court and by the Louisiana Legislative Auditor. Under the current terms of the contract, the School Board owes Siemens \$143,203 for the program year ended May 2009 and \$147,499 for the program year ended May 31, 2009. No payments have been made yet as they are pending the resolution of all litigation.

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 2010 was \$3.3 million for retirees. The School Board's group plan enrollment at the end of the year included 1,077 retirees.

Beginning July 1, 2008, the School Board prospectively implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45), which requires the liability for these benefits be accrued as they are earned by employees.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

The School Boards Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is equal to the normal cost plus an amount necessary to amortize the Unfunded Actuarial Liability over a period of thirty (30) years. A level dollar, closed amortization period has been used. The total ARC for the fiscal year beginning July 1, 2009 is \$13,868,000 as set forth below:

DESCRIPTION	6/30/2010	6/30/2009
Normal Cost	\$7,316,000	\$ 7,408,000
Interest on Normal Cost	366,000	370,000
Amortization	5,891,000	5,066,000
Interest on Amortization	295,000	253,000
Total ARC	\$13,868,000	\$13,097,000

Net Post Employment Benefit Obligation. The School Board's Net Other Post Employment Benefit (NOO) Obligation for the fiscal year ended June 30, 2010 is \$19.5 million as set forth below:

Description	6/30/2010	6/30/2009
NOO-Beginning of Year	\$9,128,000	\$NONE
Increase in NOO		
Annual OPEB Cost	13,976,000	13,097,000
Employer Contributions	3,621,000	3,969,000
Net Increase	10,355,000	9,128,000
NOO - End of Year	\$19,483,000	\$9,128,000

For the fiscal year ended June 30, 2010, the School Board contributed 26% of the OPEB cost.

Funded Status and Funding Progress. The School Board has not established a benefit plan trust and has made no contributions to this plan other than its current share of retiree premiums. At June 30, 2010, the plan has no assets and its funded ratio is zero. At July 1, 2009, the date of its most recent actuarial valuation, the Actuarial Accrued Liability (AAL), the portion of the actuarial present value of post-employment benefits not provided by normal cost, was \$154.4 million. Since the plan has no assets, the entire AAL is unfunded.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend rate. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the Unit Credit Cost Method was used. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover. The actuarial assumptions included a 5 percent investment return and an annual healthcare cost trend rate of 10 percent for pre-Medicare costs and 9.5% for Medicare cost initially, reduced gradually to an ultimate rate of 5 percent for both classes after 10 years.

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

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2010

determined rate. The current rate is 15.5 percent of annual covered payroll for the two membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board and employees' contributions to the TRS for the years ending June 30, 2010, 2009, and 2008 were \$18,283,958, \$18,072,143, and \$17,427,838.

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 17.6% 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, 2010, 2009, and 2008 were \$1,579,985, \$1,774,355, and \$1,630,520.

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 2010 was \$13,034.

OTHER GOVERNMENTAL FUNDS
(continued)

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 1 Part C (Migrant) provides funding to assist migratory children overcome educational disruption, cultural language barriers, social isolation, and other factors that inhibit the ability of such children to achieve high academic standards.

Title III provides supplemental funding to assist the district in teaching English to limited English proficient students and to help the students meet the required state standards.

Title I ARRA- is the portion of the American Recovery and Reinvestment Act (AARA) of 2009 funding (stimulus funding) that is distributed through the Title I network to fund educational programs that would have been otherwise been cut due to economic conditions.

Title IV provides funding for the purpose of supporting programs designed to reduce drug, alcohol, and tobacco use, and violence, through education and prevention activities in schools.

Title II provides funding for preparing, training, and recruiting highly qualified teachers.

INDIVIDUALS WITH DISABILITIES ACT FUNDS

Individuals with Disabilities Act Fund accounts for the funding that is part of the ongoing federally financed program that ensures a free education in the least restricted environment to children with exceptionalities.

**OTHER GOVERNMENTAL FUNDS
(continued)**

ARRA Individuals with Disabilities Act Fund accounts for the funding from the American Recovery and Reinvestment Act (AARA) of 2009 (stimulus funding) that is distributed through the IDEA network to fund educational programs that would have been otherwise been cut due to economic conditions.

HOMELESS EDUCATION DISASTER ASSISTANCE (HEDA) FUND

The Homeless Education Disaster Assistance program is a one-year program providing districts whose enrollment of homeless students increased as a result of a natural disaster in calendar year 2008. The program supports activities that address the educational and related needs of homeless students consistent with the requirements of the McKinney-Vento Homeless Assistance Act.

ARRA HOMELESS FUND

The McKinney-Vento Homeless Assistance program funded under the American Recovery and Reinvestment Act (AARA) of 2009 approved for the fiscal years 2010 and 2011 to provide funding that would otherwise not be available due to economic conditions and which help reduce the effects homelessness on children attending public schools.

STATE FISCAL STABILIZATION FUND

The State Fiscal Stabilization program is part of the American Recovery and Reinvestment Act (AARA) of 2009 funding that has been directed by the State of Louisiana to replace funding in the Minimum Foundation Program that had been reduced due to economic conditions.

MEDICAID FUND

The Medicaid program provides funding for covered services rendered to Medicare qualified students eligible students.

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.

OTHER GOVERNMENTAL FUNDS
(continued)

OTHER FEDERAL GRANTS FUND

The Other Federal Grants Fund is used to account for the federal reimbursable grants not accounted for in the No Child Left Behind, Individuals with Disabilities Act and Indian Education Act Funds.

LOCAL AND STATE GRANTS FUND

The Local and State Grants Fund is used to account for the reimbursable grants received from the State of Louisiana as well as grants received from the Lafourche Education Foundation or other sources of grant funding.

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.

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 result 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.

**OTHER GOVERNMENTAL FUNDS
(concluded)**

SIEMENS CONSTRUCTION FUND

The Siemens Construction Fund is used to account for the financial resources received and used for the improvement of capital facilities in coordination with the Siemens Energy Performance Contract funded by the issuing of certificates of indebtedness.

2003 CONSTRUCTION FUND

The 2003 Construction Fund is used to account for the financial resources received and used for the acquisition, construction, or improvement of capital facilities approved by the voters on July 19, 2003 and funded by the issuing of general obligation bonds.

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LAFOURCHE PARISH SCHOOL BOARD
Combining Balance Sheet: Other Governmental Funds
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	ARRA						
	INDIVIDUALS WITH	INDIVIDUALS WITH	HEDA		STATE		MEDICAID
	NO CHILD LEFT	DISABILITIES	DISABILITIES	DIRECT FEDERAL	ARRA	FISCAL	FUND
	BEHIND ACT	EDUCATION ACT	EDUCATION ACT	GRANT	HOMELESS	STABILIZATION	
ASSETS							
Cash and cash equivalents					\$8,799	\$361,356	\$1,711,261
Receivables (net of allowances for uncollectibles)	2,738,666	\$394,886	\$374,880	\$61,019	\$21,816		\$957,969
Inventories							
TOTAL ASSETS	\$2,738,666	\$394,886	\$374,880	\$61,019	\$30,615	\$361,356	\$2,669,230
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	77,784	\$3,307	\$40,509	\$1,853			\$13,995
Contracts payable							
Salaries and wages payable	789,820	174,390	156,658	9,215	4,366	361,356	87,404
Interfund payable	1,869,194	217,121	177,713	49,951			
Intergovernment payable	1,868				26,249		
Deposits due other or subject to refund		68					
Total Liabilities	2,738,666	394,886	374,880	61,019	30,615	361,356	101,399
Fund balances:							
Reserved for encumbrances							
Reserved for salaries							
Reserved for capital projects							
Reserved for air-conditioning maintenance							
Reserved for child nutrition							
Unreserved - designated for Medicaid							2,567,831
Total Fund Equity	NONE	NONE	NONE	NONE	NONE	NONE	2,567,831
TOTAL LIABILITIES AND FUND EQUITY	\$2,738,666	\$394,886	\$374,880	\$61,019	\$30,615	\$361,356	\$2,669,230

INDIAN EDUCATION ACT	OTHER FEDERAL GRANTS	LOCAL AND STATE GRANTS	SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	SIEMENS CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS	
									6/30/10	6/30/09
			\$4,982,149	\$6,965,199	\$NONE	\$2,796,312	\$193,393	\$9,278,498	\$26,296,967	\$23,129,870
\$136,866	\$1,116,249	\$1,456,092	12,007	12,007	3,012,913	46,798 295,563			\$10,342,168 295,563	4,806,398 403,087
\$136,866	\$1,116,249	\$1,456,092	\$4,994,156	\$6,977,206	\$3,012,913	\$3,138,673	\$193,393	\$9,278,498	\$36,934,698	\$28,339,355
\$1,570	\$21,148	\$7,370		\$23,131 370,414	\$701,452 \$153,376	\$1,994		\$35,490	\$929,603 \$523,790	\$605,739 \$50,968
14,561	558,260	773,677		4,438		443,701		1,374	\$3,379,220	1,799,993
120,735	530,682	562,062	\$1,326,771	\$NONE	\$1,221,975	567			\$6,076,771	2,824,848
	6,159	112,983	93,962	93,962	126,098				\$28,117	10,638
136,866	1,116,249	1,456,092	1,420,733	491,945	2,202,901	446,262		36,864	11,370,733	5,669,458
				995,363	219,316		158,704	84,067	\$1,457,450	1,220,552
			3,573,423						\$3,573,423	2,840,406
				5,489,898	590,696		34,689	9,157,567	\$9,782,952	10,671,245
						2,692,411			\$5,489,898	5,039,890
									2,692,411	2,897,804
									2,567,831	
NONE	NONE	NONE	3,573,423	6,485,261	810,012	2,692,411	193,393	9,241,634	25,563,965	22,669,897
\$136,866	\$1,116,249	\$1,456,092	\$4,994,156	\$6,977,206	\$3,012,913	\$3,138,673	\$193,393	\$9,278,498	\$36,934,698	\$28,339,355

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	NO CHILD LEFT BEHIND ACT	ARRA INDIVIDUALS WITH DISABILITIES EDUCATION ACT	ARRA INDIVIDUALS WITH DISABILITIES EDUCATION ACT	HEDA DIRECT FEDERAL GRANT	ARRA HOMELESS	STATE FISCAL STABILIZATION	MEDICAID FUND
REVENUES							
<u>Local sources:</u>							
Ad valorem tax							
Earnings on investments							
Food service collections							
Other local							\$1,524,626
<u>State Sources</u>							
Unrestricted grants-in-aid							
Restricted grants-in-aid							
<u>Federal sources:</u>							
Restricted grants-in-aid - direct							
Restricted grants-in-aid - subgrants	\$7,471,514	\$3,496,628	\$2,374,020	\$186,388		\$2,131,453	
Revenue for/on behalf of LEA							
Total revenues	7,471,514	3,496,628	2,374,020	186,388		2,131,453	1,524,626
EXPENDITURES							
<u>Instruction:</u>							
Regular programs		64,424	154,118			2,111,259	7,073
Special programs		1,283,818	1,659,466				58,597
Other programs	4,795,413	44,308	103,519	26,044		20,194	
<u>Support Services:</u>							
Pupil support	217,718	1,477,022					628,836
Instructional staff support	2,102,921	379,327	350,090	146,867			101,940
General administration				4,589			
School administration							
Business services	7,208						
Operation and maintenance of plant	443	544					
Pupil transportation	1,534	79,792					546
Central services	3,629						
Food service operations							
<u>Community service Programs</u>							
Facilities acquisition and construction							
Total expenditures	7,128,866	3,329,235	2,267,193	177,500		2,131,453	796,992
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES							
	342,648	167,393	106,827	8,888			727,634

INDIAN EDUCATION ACT	OTHER FEDERAL GRANTS	STATE AND LOCAL GRANTS	SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	SIEMENS CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS	
									6/30/10	6/30/09
			\$4,806,384 12,936	\$4,806,384 18,220		\$6,446 1,402,631	\$488	\$26,589	\$9,612,768 64,679	\$8,943,125 273,039
		\$13,474				820			1,402,631 1,538,920	1,217,309 6,886
		3,976,646				1,678,530			1,678,530 3,976,646	1,678,530 1,678,530
\$174,004	\$54,493 3,395,037				3,264,900	4,734,502 306,110			228,497 27,054,442	348,934 16,810,445
174,004	3,449,530	3,990,120	4,819,320	4,824,604	3,264,900	8,129,039	488	26,589	45,863,223	29,708,039
144,139	96,685 17,817 2,399,059	599,901 39,664 2,288,399				57,756 11,469 6,800			3,235,355 3,070,831 9,683,736	197,818 1,362,879 4,820,404
	190,658 430,356	41,887 966,708	153,320	153,650	1,082				2,556,121 4,496,190	1,232,092 2,630,612
17,981		863 1,051							312,641 863	298,371 985
	126 1,785	13,549 203,864 3,047		2,421,433	184,086			12,190	20,449 2,620,374	4,364 4,186,295
		193 39,499 11,955							327,020 18,631	170,819 3,971
	1,718					8,335,642			8,335,642 1,718	8,153,517
165,749	3,355,035	3,990,120	153,320	3,794,696	3,484,351	8,335,642	16,081	1,410,676	6,130,721	5,445,222
8,255	94,495		4,666,000	1,029,908	(480,644)	(206,603)	(15,593)	(1,396,277)	5,052,931	\$1,200,690

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2010
(With comparative totals for the year ended June 30, 2009)

	NO CHILD LEFT BEHIND ACT	ARRA INDIVIDUALS WITH DISABILITIES EDUCATION ACT	ARRA INDIVIDUALS WITH DISABILITIES EDUCATION ACT	HEDA DIRECT FEDERAL GRANT	ARRA HOMELESS	STATE FISCAL STABILIZATION	MEDICAID FUND
<u>OTHER FINANCING SOURCES (USES)</u>							
Transfers in (out)	(342,648)	(167,393)	(106,827)	(8,888)			1,840,197
Insurance Proceeds from Loss Sales of fixed assets							
Total other financing sources (uses)	<u>(342,648)</u>	<u>(167,393)</u>	<u>(106,827)</u>	<u>(8,888)</u>			<u>1,840,197</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	NONE	NONE	NONE	NONE	NONE	NONE	2,567,831
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	NONE	NONE	NONE	NONE	NONE	NONE	NONE
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$NONE</u>	<u>\$NONE</u>	<u>\$NONE</u>	<u>\$NONE</u>	<u>\$NONE</u>	<u>\$NONE</u>	<u>\$2,567,831</u>

INDIAN EDUCATION ACT	OTHER FEDERAL GRANTS	STATE AND LOCAL GRANTS	SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	SIEMENS CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS 6/30/10	TOTAL OTHER GOVERNMENTAL FUNDS 6/30/09
(8,255)	(94,495)		(3,932,983)		661,219	1,210			(2,821,292)	(4,193,586)
									661,219	150,000
									1,210	2,533
(8,255)	(94,495)		(3,932,983)		661,219	1,210			(2,158,863)	(4,041,053)
NONE	NONE	NONE	733,017	1,029,908	180,575	(205,393)	(15,593)	(1,396,277)	2,894,068	(2,840,363)
NONE	NONE	NONE	2,840,406	5,455,353	629,437	2,897,804	208,986	10,637,911	22,669,897	25,510,260
\$NONE	\$NONE	\$NONE	\$3,573,423	\$6,485,261	\$810,012	\$2,692,411	\$193,393	\$9,241,634	\$25,563,965	\$22,669,897

LAFOURCHE PARISH SCHOOL BOARD
 Combining Balance Sheet: No Child Left Behind Act
 For the Year Ended June 30, 2010
 (With comparative totals for the year ended June 30, 2009)

Schedule 3

	NO CHILD LEFT BEHIND ACT						TOTAL	
	TITLE I	MIGRANT	TITLE III	Title 1-ARRA	TITLE IV & VI	TITLE II	6/30/10	6/30/09
ASSETS								
Cash and cash equivalents							\$NONE	\$NONE
Receivables (net of allowances for uncollectibles)	\$1,585,983	\$91,626	\$11,604	\$689,851	\$28,761	\$330,841	\$2,738,666	1,239,121
Inventories								
TOTAL ASSETS	\$1,585,983	\$91,626	\$11,604	\$689,851	\$28,761	\$330,841	\$2,738,666	\$1,239,121
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$51,496	\$22,497	\$580		\$848	\$2,363	\$77,784	\$125,084
Contracts payable							\$NONE	\$NONE
Salaries and wages payable	488,259	33,178	6,305	151,048	10,462	100,568	\$789,820	746,500
Interfund payable	1,045,877	35,951	3,205	538,803	17,451	227,907	\$1,869,194	356,899
Intergovernment payable	351		1,514			3	\$1,868	10,638
Deposits due other or subject to refund								
Total Liabilities	1,585,983	91,626	11,604	689,851	28,761	330,841	2,738,666	1,239,121
Total Fund Equity	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$1,585,983	\$91,626	\$11,604	\$689,851	\$28,761	\$330,841	\$2,738,666	\$1,239,121

LAFOURCHE PARISH SCHOOL BOARD
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
 No Child Left Behind Act
 For the Year Ended June 30, 2010
 (With comparative totals for the year ended June 30, 2009)

Schedule 4

	NO CHILD LEFT BEHIND ACT						TOTAL	
	TITLE I	MIGRANT	TITLE III	Title 1-ARRA	TITLE IV & VI	TITLE II	6/30/10	6/30/09
REVENUES								
Federal sources:								
Restricted grants-in-aid - subgrants	\$4,804,068	\$278,013	\$41,433	\$1,407,769	\$71,455	\$868,776	7,471,514	5,834,112
Total revenues	4,804,068	278,013	41,433	1,407,769	71,455	868,776	7,471,514	5,834,112
EXPENDITURES								
Instruction:								
Regular programs								
Special programs								
Other programs	3,212,004	191,030	33,117	1,197,102		162,160	4,795,413	3,846,675
Support Services:								
Pupil support	95,605	8,888		43,003	70,222		217,718	174,043
Instructional staff support	1,255,014	61,191	7,365	114,736		664,615	2,102,921	1,555,859
Business services	7,208						7,208	676
Operation and maintenance of plant	443						443	966
Pupil transportation	1,534						1,534	1,932
Central services		3,629					3,629	
Total expenditures	4,571,808	264,738	40,482	1,354,841	70,222	826,775	7,128,866	5,580,151
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES								
	232,260	13,275	951	52,928	1,233	42,001	342,648	\$253,961
OTHER FINANCING SOURCES (USES)								
Transfers in (out)	(232,260)	(13,275)	(951)	(52,928)	(1,233)	(42,001)	(342,648)	(253,961)
Total other financing sources (uses)	(232,260)	(13,275)	(951)	(52,928)	(1,233)	(42,001)	(342,648)	(253,961)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES								
	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
FUND BALANCES AT BEGINNING OF YEAR								
	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
FUND BALANCES AT END OF YEAR								
	\$NONE	\$NONE	\$NONE	\$NONE	\$NONE	\$NONE	\$NONE	\$NONE

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Compensation Paid Board Members Schedule 5
 For the Year Ended June 30, 2010

<u>BOARD MEMBER</u>	<u>AMOUNT</u>
Louis E. Thibodaux, president	\$10,800
Rhoda Caldwell, vice president	9,600
Richmond Boyd, Jr.	9,600
Robert P. Naquin	9,600
Stella Lasseigne	9,600
G. A. Rodrigue, Jr.	9,600
Gary Foret	9,600
Ronald J. Pere	9,600
Julie M. Breaux	9,600
Dennis Jean Chiasson	9,600
Roy Landry	9,600
Jon C. Callais	9,600
Al Archer	9,400
Larry Pitre	9,600
Lawrence M. Mounic	<u>9,600</u>
Total	<u>\$145,000</u>

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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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, 2010, which collectively comprise the basic financial statements and have issued our report thereon dated December 17, 2010. 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lafourche Parish School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lafourche Parish School Board's internal control over financial reporting.

A deficiency in internal control 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 material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Lafourche Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2010-1.

We noted certain matters that we reported to management of the Lafourche Parish School Board in a separate letter dated December 14, 2010.

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 14, 2010



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LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Schedule 6

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<u>United States Department of Agriculture Nutrition Cluster:</u>			
Passed Through Louisiana			
Department of Education:			
Cash Assistance			
National School Lunch Program		10.555	\$3,598,526
School Breakfast Program		10.553	1,125,976
Total Cash Assistance			4,724,502
National School Lunch Program - Commodity Food Distribution		10.555	306,110
National School Lunch Program - Child Nutrition Discretionary Grants Limited		10.555	10,000
Total Nutrition Cluster			5,040,612
<u>United States Department of Defense</u>			
Direct Program:			
R.O.T.C.		12.998	163,888
Passed Through Louisiana			
Department of Education:			
Emergency Rehabilitation of Flood Control Works and Federally Authorized Costal Protection Works Rehabilitation Act			
Total United States Department of Defense		12.102	888
			164,776
<u>United States Department of Homeland Security</u>			
Direct Program:			
Federal Emergency Management Act		93.036	3,264,900
<u>United States Department of Education</u>			
Direct Programs:			
Indian Education - Formula Grants to Local Educational Agencies and Tribal Schools	E060A040511	84.060	174,004
Teaching American History TAH	U215X050310	84.215X	54,493
Homeless Education Disaster Assistance	S383A090004	84.383A	186,388

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Schedule 6
 (Continued)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
Passed Through Louisiana Department of Education: Adult Education - State Administered Program			
2009 Grant	28-09-44-29	84.002A	79,504
2010 Grant	28-10-44-29	84.002A	221,560
One-Stop Centers	28-10-13-29	84.002A	3,914
Supplemental	28-10-21-29	84.002A	3,405
Corrections	28-10-23-29	84.002A	2,826
ESEA Title I - Education needs of Disadvantaged: Educationally Deprived Children 2010 Grant	28-10-T1-29	84.010	4,804,101
ESEA Title I ARRA - Education needs of Disadvantaged: Educationally Deprived Children 2010 Grant	S389A090018A	84.389A	1,407,805
Migrant Education 2009 Grant	28-09-MI-29	84.011	190,796
2010 Grant	28-10-MI-29	84.011	87,217
PL 111-5 American Recovery and Reinvestment Act of 2009 2010- State Fiscal Stabilization	28-10-AS-29	84.394A	2,131,453
I. D. E. A. - Assistance for Education of Handicapped 2010 Grant	28-10-B1-29	84.027	3,340,750
I. D. E. A. - Preschool 2010 Grant	28-10-P1-29	84.173A	155,946
I. D. E. A. - Assistance for Education of Handicapped-ARRA 2010 Grant	28-09-AI-29	84.391A	2,268,257
I. D. E. A. - Preschool-ARRA 2010 Grant	28-09-AP-29	84.392A	105,763
I. D. E. A. - Assistance for Education of Handicapped-National Board Certified 2010 National Certified Speech Path & Aud	28-09-SP-29	84.027A	56,772
2010 National Certified School Psychologists	28-09-NP-29	84.027A	73,872
2010 National Certified School Social Work	28-09-SW-29	84.027A	33,064

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Schedule 6
 (Continued)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
Vocational Education Act: Basic Grants			
2010 Carl Perkins	28-10-02-29	84.048	149,553
2009 Carl Perkins CO	28-09-02-29-C	84.048	14,472
N. C. L. B. Title IV - Drug Free Schools and Communities State Grant			
2010 Grant	28-10-70-29	84.186A	71,422
Even Start-State Educational Agencies			
2009 Grant	28-09-F1-29	84.213C	31,442
2010 Grant	28-10-F1-29	84.213C	243,320
LA 21st Century Community Learning Centers 2009 Project Promotion	28-09-C6-29	84.287C	497,881
LA 21st Century Community Learning Centers 2009 Project Graduation-Credit Recovery	662750-29	84.287C	161,541
LA 21st Century Community Learning Centers 2009 Project Graduation	28-10-75-29	84.287C	108,517
LA 21st Century Community Learning Centers 2009 Project Pass	28-09-7C-29	84.287C	79,063
N. C. L. B. Title V - Innovative Education Program Strategies			
2009 Grant	28-09-80-29	84.298A	33
Educational Technology State Grants			
2009 Grant	28-09-49-29	84.318X	16,612
2010 Grant	28-10-49-29	84.318X	30,365
Educational Technology State Grants-ARRA 2010 Grant	28-09-59-29	84.386	73,056
N. C. L. B. Title III - English as a Second Language			
2010 Grant	28-10-60-29	84.365A	41,433
N. C. L. B. Title II Teacher/Principal Training 2010 Grant	28-10-50-29	84.367	868,776

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended January 0, 1900

Schedule 6
 (Concluded)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
Math Science Partnerships			
2007 Math Science Partnerships	2807MP-29	84.366B	15,262
2008 Math Science Partnerships	2808MP-29	84.366B	100,000
2009 Math Science Partnerships	2809MP-29	84.366B	66,576
Total United States Department of Education			<u>17,951,214</u>
Department of Health & Human Resources: Passed Through Louisiana Department of Education: Temporary Assistance for Needy Families			
2010 After School For All	28-10-OS-29	93.558B	315,000
2010 Strategies to Empower People	28-10-EP-29	93.558	7,735
2010 The Cecil J Picard LA 4 Early Childhood Program	28-10-36-29	93.558	1,006,026
Total United States Department of Health and Human Resources			<u>1,328,761</u>
Total Program Activity			<u><u>\$27,750,263</u></u>

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2010

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.



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, 2010. 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.

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, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2010-1 and 2010-2.

Internal Control over Compliance

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

A deficiency in 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 material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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



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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 the responses.

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 14, 2010



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LAFOURCHE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010

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, 2010, which collectively comprise the basic financial statements and have issued our report thereon dated December 14, 2010. 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, 2010 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	YES

b. Federal Awards

Internal Control	
Material Weaknesses	No
Significant Deficiencies	No
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)? **YES**

c. Identification of Major Programs:

Homeless Education Disaster Assistance Program	84.383	\$ 186,388
Title 1, Part A Cluster:		
ESEA Title 1 Education Needs of Disadvantaged:		
Educational Deprived Children 2010 Grant	84.027	\$ 4,804,101
ESEA Title 1 ARRA – Education Needs of Disadvantaged:		
Educational Deprived Children 2010 Grant	84.389A	<u>\$ 1,407,805</u>
Total Title 1 Cluster		\$ 6,211,906
State Fiscal Stabilization Fund – Education - ARRA	84.394	\$ 2,131,453



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LAFOURCHE PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended June 30, 2010

Page 2

Identification of Major Program, continued:

Special Education Cluster (IDEA)		
Special Education - Grants to States (IDEA, Part B)	84.027	\$ 3,340,750
Special Education - Preschool Grants (IDEA Preschool)	84.173	\$ 155,946
Special Education - National Board Certificated	84.027A	\$ 163,708
Special Education - Grants to States (IDEA, Part B) - ARRA	84.391	\$ 2,268,257
Special Education - Grants to States (IDEA Preschool) - ARRA	84.392	\$ 105,763
Total Special Education Cluster (IDEA)		\$ 6,034,424
Temporary Assistance for Needy Families (TANF)		
After School for All	93.558B	\$ 315,000
Strategies to Empower People	93.558	\$ 7,735
LA 4 Early Childhood	93.558	\$ 1,006,026
Total TANF		\$ 1,328,761

Dollar threshold used to distinguish between Type A and Type B Programs: **\$832,208**

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

Section II Financial Statement Findings

2010-1 Bid Law/State Contract Purchasing Issues

Criteria: According to LRS 38:2212.1 Purchases of materials and supplies totaling \$30,000 or more must be bid, exceptions noted:

- 1) Any public entity may procure materials, supplies and equipment by using the Office of State Purchasing. Such purchases need not comply with the competitive bidding requirements, but a higher price than the price available on the state purchasing contract cannot be paid.
- 2) Local governing authorities may purchase items at the state bid price through a local vendor and may pay to the local vendor the costs for shipping, preparation, and delivery provided that the costs do not exceed the amounts provided for in RS 39:1710.

Conditions: 1) Computers for 21st Century Classrooms totaling \$244,239.90 were "new, unopened computers" purchased from a reseller of computer equipment. 2) Another purchase for Smart Boards totaling \$42,373.50 was noted to be purchased from a vendor that was not on state contract. In both instances, the client did not use the state contractor or a local vendor to purchase this equipment. On the purchase order it was noted "beat state contract pricing"; however, this equipment was not procured according to the LA



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State Bid Law (LRS 33:2212.1) or the allowable exceptions to the bid law by purchasing on State Contract or with a local vendor. These purchases were made with federal grant monies.

Effect: Non-compliance with LA State Bid Law (LRS 33:2212.1) and/or State Contract purchasing policies which also caused the purchases to be questionable costs for federal programs.

Cause: The client was attempting to get the "best price" for equipment by using vendors that were lower than state contract.

Questioned Costs: \$398,706.40

Recommendation: All purchases for equipment, materials and supplies should either be made by procuring items using state contractors under state contract pricing policies or by following the competitive bid process as set up by LRS 33:2212.1.

Section III Federal Award Findings and Questioned Costs

2010-1 Bid Law/State Contract Purchasing Issues

See above for detailed information

2010-2 TANF-Attendance Records Verification

Criteria: The documentation for attendance should agree on the monthly claims reports filed with reimbursement (computerized) and to the daily attendance records from each school.

Condition: A sample of 30 students enrolled in the TANF after school program were selected to trace the documentation for daily attendance at the schools every day for two months 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:

- 14 student records had exceptions from the daily attendance sheets to the attendance records provided with the monthly reimbursement request.
 - Of those exceptions 12 instances were noted where the student signed in on the daily attendance sheets but the hours of attendance were not listed on the attendance provided with the monthly request for reimbursement.
 - 12 instances were noted where the hours of attendance were listed on the attendance provided with the monthly request for reimbursement, but the students had not signed the daily attendance sheets and
 - Daily attendance sheets could not be located for 5 days.



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Effect: Daily attendance records did not agree to the attendance provided with the monthly claim for reimbursements 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 attendance records 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 attendance records with the claim but the supporting daily attendance logs 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 attendance records accompanying the request for reimbursement.

Questioned 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.



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LAFOURCHE PARISH SCHOOL BOARD
 Net Assets by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

Governmental activities	2010	2009	2008	2007
Invested in capital assets, net of related debt	\$39,667,365	\$37,694,394	\$34,964,937	\$20,559,357
Restricted for:				
Debt service	23,525,442	23,036,067	22,288,437	20,245,927
Capital projects	5,120,318	4,707,338	5,237,943	18,899,242
Unrestricted	13,591,782	23,903,394	33,050,112	29,812,996
Total net assets	\$81,904,907	\$89,341,193	\$95,541,429	\$89,517,522

Table 1

2006	2005	2004	2003	2002	2001
\$4,384,536	\$(15,207,119)	\$(5,464,542)	\$22,267,851	\$19,485,133	\$6,672,999
18,477,654	16,910,540	15,123,203	12,239,197	9,467,234	7,590,162
27,988,699	39,529,853	26,550,793	422,829		3,751,243
23,989,359	14,013,683	17,268,535	15,936,151	24,644,565	30,195,557
\$74,840,248	\$55,246,957	\$53,477,989	\$50,866,028	\$53,596,932	\$48,209,961

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

Expenses	2010	2009	2008	2007
Governmental activities:				
<u>Instruction:</u>				
Regular programs	\$55,547,205	\$57,022,940	\$52,587,549	\$46,514,337
Special programs	18,965,338	19,075,298	17,126,081	17,116,933
Other programs	14,385,830	13,522,567	11,819,550	10,038,923
<u>Support services:</u>				
Pupil support	9,881,565	9,323,059	8,281,719	6,732,610
Instructional staff support	8,844,292	7,788,586	6,188,070	6,600,090
General administration	8,857,690	6,907,677	6,660,082	6,262,297
School administration	7,848,706	8,216,894	7,320,574	6,463,078
Business services	1,530,572	1,713,973	1,372,896	987,959
Operation and maintenance	17,089,557	16,559,793	12,774,060	10,714,864
Pupil transportation	8,253,774	8,553,323	7,818,392	6,704,044
Central services	3,142,072	2,796,728	2,359,313	1,473,666
Food service operations	8,773,631	8,918,952	7,796,140	\$7,921,517
Community service operations	14,278	14,291	15,041	38,666
Facilities acquisition and construction	9,346	1,279,045	895,747	104,824
<u>Debt service:</u>				
Interest and bank charges	4,515,502	3,865,829	3,852,470	3,822,577
Total primary government expense:	167,659,358	165,558,955	146,867,684	131,496,385
 Program Revenues				
Governmental activities:				
Charges for services:				
Food services	1,402,631	1,217,309	1,451,487	1,427,781
Operating grants and contributions	27,885,196	23,266,843	22,203,534	19,723,806
Total primary government program rev	29,287,827	24,484,152	23,655,021	21,151,587
 Net (Expense)/Revenue				
Total primary government net expense	\$(138,371,531)	\$(141,074,803)	\$(123,212,663)	\$(110,344,798)

Table 2

2006	2005	2004	2003	2002	2001
\$42,582,418	\$42,639,191	\$40,434,737	\$43,036,073	\$38,643,134	\$35,061,812
14,977,909	15,506,790	15,783,895	15,649,530	15,357,648	15,072,212
9,111,362	9,294,838	8,544,924	8,507,177	7,170,448	6,914,835
5,691,010	5,633,395	5,220,075	5,073,883	4,207,692	3,736,661
5,751,702	6,691,205	5,662,807	6,442,736	5,925,235	5,135,461
4,773,621	5,109,512	4,132,211	3,845,748	3,295,176	2,649,854
5,468,366	5,586,289	5,351,246	5,450,923	4,815,513	4,472,164
1,335,974	1,406,502	1,303,749	1,216,790	1,259,012	743,019
9,181,022	9,043,684	8,754,979	9,474,521	5,815,538	7,825,289
6,632,918	6,135,369	5,721,887	5,346,348	5,146,986	4,626,246
1,402,167	1,081,444	1,009,889	1,374,193	989,932	629,990
6,753,894	6,580,232	6,468,308	6,675,857	6,582,304	6,254,358
12,426	10,705	6,423	10,705	6,423	10,705
972,023	469,391	355,460	(240)	852,857	(522,686)
3,360,233	3,707,847	2,065,969	2,046,463	2,158,374	2,274,899
118,007,045	118,896,394	110,816,559	114,150,707	102,226,272	94,884,819
1,255,491	1,264,606	1,244,868	1,248,274	1,294,443	1,279,323
18,817,107	17,676,209	15,163,376	14,183,909	14,194,792	13,014,579
20,072,598	18,940,815	16,408,244	15,432,183	15,489,235	14,293,902
\$(97,934,447)	\$(99,955,579)	\$(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 Ten Fiscal Years
(accrual basis of accounting)

	2010	2009	2008	2007
Net (Expense)/Revenue				
Total primary government net expense	\$(138,371,531)	\$(141,074,803)	\$(123,212,663)	\$(110,344,798)
General revenues and Other Changes in Net Assets				
<u>Local sources:</u>				
Ad valorem taxes	27,785,903	25,850,287	21,642,250	19,733,100
Sales and use	25,374,941	30,048,148	28,939,433	28,198,767
Other	812,579	761,326	635,957	580,008
Rentals, leases, royalties	971,776	664,359	1,584,317	2,254,975
Earnings on investments	303,538	1,145,753	3,490,483	4,359,704
Other local	2,180,423	2,244,095	1,517,066	4,929,995
<u>State sources:</u>				
Grants not specific to programs	68,107,385	72,333,972	71,223,923	62,564,627
Revenue in lieu of taxes	421,034	423,205	429,131	406,253
Revenue for or on behalf of LEA	13,034	13,114	18,493	20,288
<u>Federal sources:</u>				
Grants not specific to programs	3,994,294	2,349,419	433,309	774,632
Revenue for/on behalf of LEA	306,110	429,771	335,584	312,796
<u>Other:</u>				
Insurance Proceeds from loss	661,219	150,000		954,586
Gain (loss) on disposal of capital assets	3,008	(76,141)	(69,830)	(67,659)
Total primary government	130,935,244	136,337,308	130,180,116	125,022,072
Change in Net Assets				
Total primary government	\$(7,436,287)	\$(4,737,495)	\$6,967,453	\$14,677,274

Table 3

2006	2005	2004	2003	2002	2001
\$(97,934,447)	\$(99,955,579)	\$(94,408,315)	\$(98,718,524)	\$(86,737,037)	(80,590,917)
18,710,358	18,235,618	16,974,543	16,341,368	13,870,677	12,644,130
24,702,120	20,180,611	20,057,900	18,868,897	19,545,497	18,235,375
545,404	538,473	518,921	489,974	424,351	392,553
2,783,275	1,299,266	767,688	1,480,750	882,572	1,708,765
3,514,341	1,468,359	489,505	664,308	1,317,425	3,596,092
1,377,394	1,031,266	964,645	866,114	480,316	704,615
60,771,625	57,413,664	56,232,560	55,504,648	54,587,364	51,211,532
406,045	402,573	401,923	400,025	450,491	401,751
22,281	27,057	24,671	24,343	33,888	51,234
3,667,699	389,327	338,354	348,692	268,219	242,666
425,415	387,585	308,697	317,429	305,776	327,908
591,575					
10,206	7,761	(59,131)	(88,163)	(42,568)	1,926
117,527,738	101,381,560	97,020,276	95,218,385	92,124,008	89,518,547
\$19,593,291	\$1,425,981	\$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)

	2010	2009	2008	2007	2006
General Fund					
Reserved	\$10,447,851	\$9,841,230	\$8,032,967	\$4,978,952	\$3,296,139
Unreserved	6,560,455	12,796,916	13,515,263	14,381,521	11,849,933
Total general fund	<u>\$17,008,306</u>	<u>\$22,638,146</u>	<u>\$21,548,230</u>	<u>\$19,360,473</u>	<u>\$15,146,072</u>
All Other Governmental Funds					
Reserved	\$63,008,574	\$70,830,830	\$57,391,720	\$49,813,430	\$58,209,866
Unreserved, reported in:					
Construction fund					
Special Revenue Funds	<u>2,567,831</u>				
Total all other governmental funds	<u>\$65,576,405</u>	<u>\$70,830,830</u>	<u>\$57,391,720</u>	<u>\$49,813,430</u>	<u>\$58,209,866</u>

Table 4

2005	2004	2003	2002	2001
\$2,312,221	\$2,811,625	\$3,483,882	\$5,898,317	\$4,821,277
1,671,582	1,948,122	4,928,694	8,314,735	10,258,552
<u>\$3,983,803</u>	<u>\$4,759,747</u>	<u>\$8,412,576</u>	<u>\$14,213,052</u>	<u>\$15,079,829</u>
\$67,256,880	\$54,222,612	\$22,914,472	\$21,550,873	\$29,099,144
<u>\$67,256,880</u>	<u>\$54,222,612</u>	<u>\$22,914,472</u>	<u>\$21,550,873</u>	<u>\$29,099,144</u>

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

	2010	2009	2008	2007	2006
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$27,785,903	\$25,850,287	\$21,642,250	\$19,733,100	\$18,710,358
Sales and use	25,374,941	30,048,148	28,939,433	28,198,767	24,702,120
Other	812,579	761,326	635,957	580,008	545,404
Rentals, leases, royalties	971,776	664,359	1,584,317	2,254,975	2,783,275
Earnings on investments	271,078	1,019,597	3,080,202	3,890,444	3,227,318
Food service collections	1,402,631	1,217,309	1,451,487	1,427,781	1,255,491
Other local	2,180,423	2,244,095	1,517,066	4,929,995	1,377,394
Total local sources	58,799,331	61,805,121	58,850,712	61,015,070	52,601,360
State sources:					
Unrestricted grants-in-aid	68,107,385	72,333,972	71,301,001	62,564,627	60,771,625
Restricted grants-in-aid	4,431,775	8,289,870	6,244,065	2,662,055	3,496,281
Revenue in lieu of taxes	421,034	423,205	429,131	406,253	406,045
Revenue for or on behalf of LEA	13,034	13,114	18,493	20,288	22,281
Total state sources	72,973,228	81,060,161	77,992,690	65,653,223	64,696,232
Federal sources:					
Unrestricted grants-in-aid - direct	888	8,438	9,950	1,407	3,007
Restricted grants-in-aid - direct	392,385	507,509	963,153	1,083,156	493,701
Restricted grants-in-aid - subgrants	27,054,442	16,810,445	15,342,597	16,751,820	18,491,817
Revenue for/on behalf of LEA	306,110	429,771	335,584	312,796	425,415
Total federal sources	27,753,825	17,756,163	16,651,284	18,149,179	19,413,940
Total revenues	\$159,526,384	\$160,621,445	\$153,494,686	\$144,817,472	\$136,711,532

Table 5

2005	2004	2003	2002	2001
\$18,235,618	\$16,974,543	\$16,341,368	\$13,870,677	\$12,644,130
20,180,611	20,057,900	18,868,897	19,545,497	18,235,375
538,473	516,661	489,974	424,351	392,553
1,299,266	767,688	1,480,750	882,572	1,708,765
1,317,042	426,370	589,460	1,188,343	3,407,209
1,264,606	1,244,868	1,248,274	1,294,443	1,279,323
1,031,266	966,905	866,114	480,316	704,615
43,866,882	40,954,935	39,884,837	37,686,199	38,371,970
57,413,664	56,232,560	55,504,648	54,587,364	51,211,532
3,333,612	2,375,698	2,708,935	2,428,680	2,265,560
402,573	401,923	400,025	450,491	401,751
27,057	24,671	24,343	33,888	51,234
61,176,906	59,034,852	58,637,951	57,500,423	53,930,077
2,728	1,192	32,154		15,876
297,209	282,339	285,676	283,183	217,847
14,431,987	12,842,501	11,505,836	11,751,148	10,757,962
387,585	308,697	317,429	305,776	327,908
15,119,509	13,434,729	12,141,095	12,340,107	11,319,593
\$120,163,297	\$113,424,516	\$110,663,883	\$107,526,729	\$103,621,640

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

	2010	2009	2008	2007
<u>Instruction:</u>				
Regular programs	\$52,426,192	\$52,534,691	\$52,457,697	\$47,291,821
Special programs	17,990,007	17,502,145	17,243,934	17,398,736
Other programs	13,892,480	12,737,272	11,896,949	10,160,283
<u>Support services:</u>				
Pupil support	9,330,146	8,775,607	8,241,605	6,768,387
Instructional staff support	8,630,289	7,313,125	6,188,346	6,651,257
General administration	1,987,043	2,345,094	2,220,678	2,866,880
School administration	7,346,258	7,480,802	7,275,986	6,538,061
Business services	1,434,250	1,657,514	1,484,873	1,045,194
Operation and maintenance	13,369,188	16,119,748	13,783,709	11,435,674
Pupil transportation	7,480,370	7,744,954	7,805,827	6,891,578
Central services	3,024,626	2,747,030	2,345,319	1,545,588
Food service operations	8,347,011	8,341,059	7,814,820	8,161,159
Community service operations	14,278	14,291	15,041	38,669
Facilities acquisition and construction	15,124,088	11,151,735	6,560,547	15,597,260
<u>Debt service:</u>				
Principal retirement	6,158,958	5,973,393	9,868,554	3,233,913
Interest and bank charges	4,518,251	3,868,579	4,093,984	3,855,769
Bond refunding cost				
Total expenditures	\$171,073,435	\$166,307,039	\$159,297,869	\$149,480,229
Expenditures for capitalized assets contained within functional expenditure categories				
	\$12,906,120	\$10,266,939	\$7,131,886	\$16,624,323
noncapital expenditures	7.46%	6.79%	9.59%	6.05%

Table 6

2006	2005	2004	2003	2002	2001
\$43,174,996	\$42,792,145	\$41,495,824	\$42,358,577	\$38,215,752	\$35,145,134
15,267,921	15,430,148	16,137,831	15,416,442	15,196,819	15,108,178
9,257,761	9,511,274	8,714,368	8,394,897	7,101,545	6,921,969
5,732,759	5,605,655	5,342,102	5,000,536	4,166,792	3,745,520
5,809,496	6,661,562	5,800,361	6,342,137	5,870,564	5,146,058
1,903,923	2,188,600	1,876,095	2,123,735	1,661,285	1,704,324
5,537,952	5,549,645	5,528,470	5,337,259	4,744,571	4,484,173
1,360,362	1,399,163	1,331,207	1,198,678	1,251,084	744,416
11,006,112	9,196,375	8,919,338	9,152,207	9,331,055	7,908,676
6,664,756	6,074,947	5,951,276	5,279,028	5,112,172	4,704,512
1,443,728	1,076,613	1,026,723	1,361,846	982,016	631,211
7,058,529	6,546,039	6,617,053	6,579,007	6,520,716	6,254,568
12,426	10,705	6,423	10,705	6,423	10,705
18,726,389	10,278,604	3,215,208	3,226,680	10,082,134	18,747,157
3,224,348	2,445,000	1,745,000	1,674,663	1,547,235	1,537,354
3,392,385	2,941,072	2,065,969	2,046,463	2,158,374	2,277,682
\$139,573,843	\$127,707,547	\$115,773,248	\$115,502,860	\$113,948,537	\$115,071,637
\$19,599,791	\$933,908	\$603,161	\$965,870	\$1,043,713	\$1,462,211
6.54%	4.62%	3.40%	3.34%	3.60%	4.02%

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)

	2010	2009	2008	2007
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER EXPENDITURES</u>	\$(11,547,051)	\$(5,685,594)	\$(5,803,183)	\$(4,662,757)
<u>OTHER FINANCING SOURCES (Uses)</u>				
<u>REVENUES</u>				
Transfers in (out)				(500,000)
Sales of fixed assets	1,567	64,620	11,251	26,136
Proceeds of bond sale		20,000,000	16,535,000	
Proceeds of certificates of indebtedness				
Insurance Proceeds from Loss	661,219	150,000	92,425	954,586
Accrued Interest and Premiums				
Payments to refunded bond escrow agent			(125,900)	
Proceeds of capital lease				
Total other financing sources (uses)	662,786	20,214,620	16,512,776	480,722
<u>NET CHANGES IN FUND BALANCES</u>	(10,884,265)	14,529,026	10,709,593	(4,182,035)
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	93,468,976	78,939,950	69,173,903	73,355,938
<u>PRIOR PERIOD CHANGE</u>			(943,546)	
<u>FUND BALANCES AT BEGINNING AS RESTATED</u>	93,468,976	78,939,950	68,230,357	73,355,938
<u>FUND BALANCES AT END OF YEAR</u>	\$82,584,711	\$93,468,976	\$78,939,950	\$69,173,903

Table 7

2006	2005	2004	2003	2002	2001
\$(2,862,311)	\$(7,544,250)	\$(2,348,732)	\$(4,838,977)	\$(6,421,808)	\$(11,449,997)
1,267		4,043	2,100	(2,000,000)	1,926
4,384,724	42,300,000	30,000,000	400,000	6,760	
591,575	1,030,503				
	(23,527,929)				
4,977,566	19,802,574	30,004,043	402,100	(1,993,240)	1,926
2,115,255	12,258,324	27,655,311	(4,436,877)	(8,415,048)	(11,448,071)
71,240,683	58,982,359	31,327,048	35,763,925	44,178,973	55,627,044
71,240,683	58,982,359	31,327,048	35,763,925	44,178,973	55,627,044
\$73,355,938	\$71,240,683	\$58,982,359	\$31,327,048	\$35,763,925	\$44,178,973

LAFOURCHE PARISH SCHOOL BOARD
Assessed Value and Taxable Value of Property
Last Ten Fiscal Years
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				
2009	\$329,805,390	\$404,432,060	\$79,544,460	813,781,910	\$164,029,924	\$649,751,986	43.30
2008	314,929,140	372,093,440	78,649,430	765,672,010	161,085,199	604,586,811	43.30
2007	268,866,120	313,241,480	76,323,390	658,430,990	149,912,982	508,518,008	43.30
2006	260,531,040	271,490,890	75,965,010	607,986,940	147,279,352	460,707,588	43.30
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

*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 Report

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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

	2009	2008	2007	2006
Lafourche Parish Schools:				
Constitutional Tax	\$3.63	\$3.63	\$3.63	\$3.63
Salary Supplement	7.49	7.49	7.49	7.49
Maintenance	7.49	7.49	7.49	7.49
Air Conditioning Maintenance	7.49	7.49	7.49	7.49
Bonds	17.20	17.20	17.20	17.20
	<u>\$43.30</u>	<u>\$43.30</u>	<u>\$43.30</u>	<u>\$43.30</u>
Overlapping, Parishwide Taxes:				
Law Enforcement District	10.37	10.37	10.37	10.37
Health Unit	0.77	0.77	0.82	0.82
Library	5.40	5.40	5.71	7.71
Recreation	1.56	1.56	1.65	1.65
Public Buildings	2.35	2.35	2.49	2.49
Juvenile Justice	3.20	3.20	3.20	3.20
Drainage	3.34	3.16	3.34	3.34
Drainage, Health, Library	5.41	4.89	4.69	4.69
Assessment District	2.36	2.36	2.50	2.50
	<u>\$34.76</u>	<u>\$34.06</u>	<u>\$34.77</u>	<u>\$36.77</u>
Total Direct and Overlapping	<u>\$78.06</u>	<u>\$77.36</u>	<u>\$78.07</u>	<u>\$80.07</u>

Source: Lafourche Parish Assessor's Office

Table 9

2005	2004	2003	2002	2001	2000
\$3.63	\$3.63	\$3.93	\$3.93	\$3.93	\$3.93
7.49	7.49	7.49	7.49	7.49	7.49
7.49	7.49	7.49	7.49	7.49	7.49
7.49	7.49	7.49	7.49	7.49	7.01
17.20	17.20	17.20	17.20	17.20	17.20
\$43.30	\$43.30	\$43.60	\$43.60	\$43.60	\$43.12
10.37	10.37	10.37	10.37	10.37	10.37
0.82	0.90	0.90	0.90	0.90	0.90
7.71	8.50	8.50	8.50	8.50	8.50
1.65	1.82	1.82	1.82	1.82	1.82
2.49	2.75	2.75	2.75	2.75	2.75
3.20	3.20	3.20	3.20	3.20	3.20
3.34	3.68	3.68	3.68	3.68	3.68
4.69	5.17	5.17	5.17	5.17	5.17
2.50	2.50	2.50	2.50	2.39	2.39
\$36.77	\$38.89	\$38.89	\$38.89	\$38.78	\$38.78
\$80.07	\$82.19	\$82.49	\$82.49	\$82.38	\$81.90

LAFOURCHE PARISH SCHOOL BOARD
Property Tax Levies and Collections
Last Ten Fiscal Years
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
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
2008	22,018,830	21,603,435	98.11	38,815	21,642,250	98.29
2009	26,178,609	25,786,974	98.50	63,312	25,850,286	98.75
2010	28,134,260	27,651,583	98.28	134,320	27,785,903	98.76

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Principal Property Tax Payers
Current Year and Nine Years Ago
UNAUDITED

Table 11

Taxpayer	TYPE OF BUSINESS	2009		2000	
		Taxable Assessed Value	Total Taxable Value	Taxable Assessed Value	Total Taxable Value
Chouest Offshore Service	Marine Contractors	\$23,669,460	2.9%	5,646,810	-
Mars Oil Pipeline Company	Pipeline	13,680,180	1.7%	\$7,052,600	1.9%
Loop LLC	Pipeline	13,572,490	1.7%	10,304,530	2.7%
Seacor Offshore, LLC	Marine Contractors	15,321,860	1.9%	-	-
ChevronTexaco Exploration	Oil and Gas	11,520,560	1.4%	-	-
Hornbeck Offshore Service	Marine Contractors	13,713,110	1.7%	-	-
Candies, Otto LLC	Marine Contractors	10,219,600	1.3%	-	-
Entergy Louisiana, LLC	Electrical Utility	10,279,250	1.3%	8,294,390	2.2%
Locap, Inc	Pipeline	-	-	9,064,210	-
Hibernia National Bank	Bank	-	-	9,387,820	2.5%
Bellsouth Telecommunication	Telephone Utility	-	-	5,940,130	1.6%
Lafourche Telephone Co, Inc	Telephone Utility	-	-	5,524,180	1.5%
Discovery Gas Distribution LLC	Gas	13,562,980	-	7,045,890	1.8%
Alpha Marine Services, LLC	Oilfield Services	9,813,730	-	13,510,800	3.5%
		<u>\$ 135,353,220</u>	<u>13.9%</u>	<u>\$ 81,771,360</u>	<u>17.7%</u>
Total Assessed Values		<u>\$813,781,910</u>		<u>\$380,942,840</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

	2010	2009	2008
General obligation bonds (gross)	\$92,585,000	\$98,490,000	\$84,235,000
Less: Amounts set aside to repay general debt	<u>23,525,442</u>	<u>23,036,066</u>	<u>22,288,437</u>
Net Bonded Debt	<u>\$69,059,558</u>	<u>\$75,453,934</u>	<u>\$61,946,563</u>
Total assessed property value	\$813,781,910	\$765,672,010	\$658,430,990
Percentage of total assessed property value	8.49%	9.85%	9.41%
Population	B)	93,682	92,572
Per Capita (B)	B)	\$805	\$669
Percentage of personal income (B)	B)	B)	0.0025%
Personal Income (in thousands) (B)	B)	B)	3,761,199
Legal debt limit	\$284,823,669	\$267,985,204	\$230,450,847
Total net debt applicable to debt limit	<u>69,059,558</u>	<u>75,453,934</u>	<u>61,946,563</u>
Legal debt margin	<u>\$215,764,111</u>	<u>\$192,531,270</u>	<u>\$168,504,284</u>
Total net debt applicable as a percentage of the debt limit	24.25%	28.16%	26.88%

Notes:

A) See Demographics and Personal Income Table

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

Table 12

2007	2006	2005	2004	2003	2002	2001
\$77,360,000	\$80,485,000	\$83,450,000	\$65,945,000	\$37,615,000	\$39,195,000	\$40,690,000
20,245,927	18,477,654	16,910,540	15,123,203	12,239,197	9,467,234	7,590,162
\$57,114,073	\$62,007,346	\$66,539,460	\$50,821,797	\$25,375,803	\$29,727,766	\$33,099,838
\$607,986,940	\$578,811,790	\$577,193,220	\$525,528,600	\$508,942,510	\$455,698,270	\$422,875,040
9.39%	10.71%	11.53%	9.67%	4.99%	6.52%	7.83%
92,713	93,554	92,179	91,955	91,440	90,773	90,123
\$616	\$610	\$673	\$724	\$556	\$280	\$330
0.0027%	0.0031%	0.0036%	0.0037%	0.0038%	0.0039%	0.0040%
3,453,901	3,008,764	\$2,594,976	\$2,469,465	\$2,404,545	\$2,327,766	\$2,269,902
\$212,795,429	\$202,584,127	\$202,017,627	\$183,935,010	\$178,129,879	\$159,494,395	\$148,006,264
57,114,073	62,007,346	66,539,460	50,821,797	25,375,803	29,727,766	33,099,838
\$155,681,356	\$140,576,781	\$135,478,167	\$133,113,213	\$152,754,076	\$129,766,629	\$114,906,426
26.84%	30.61%	32.94%	27.63%	14.25%	18.64%	22.36%

**Lafourche Parish School Board
Demographics and Economic Statistics
Last Ten Fiscal Years**

Table 13

UNAUDITED

Education Attainment, 25 Years and Older								
Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	High School Graduates or Higher	4 or More Years of College	School Enrollment	Unemployment Rate %
2010	B)	B)	B)				14,411	5.70
2009	93,682	B)	B)				14,447	5.20
2008	92,572	\$3,761,199	\$32,395				15,712	3.50
2007	92,713	\$3,453,901	\$37,254				15,222	2.90
2006	93,554	\$3,008,764	\$27,026				15,222	2.90
2005	92,179	\$2,594,976	\$26,659				15,159	6.30
2004	91,955	\$2,469,465	\$27,465				14,964	4.90
2003	91,440	\$2,404,545	\$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

B) Information not available

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
AS OF JUNE 30 ,2010
UNAUDITED**

Table 14

<u>NAME OF EMPLOYER</u>	<u>Approximate Number of Employees</u>
Bollinger Shipyards, Inc	500-999
Crosby Tugs LLC	500-999
International Construction Group	500-999
John Deere Thibodaux Inc	500-999
Lafourche ARC	500-999
Nicholls State University	500-999
Thibodaux Regional Medical Center	500-999
Walmart Supercenter	500-999
C-Port	250-499
GIS Inc	250-499

Source: Louisiana Works, Department of Labor

LAFOURCHE PARISH SCHOOL BOARD
Statement of Direct, Overlapping and Underlying Bonded Debt
June 30, 2010 **Table 15**
UNAUDITED

Name of Government Unit	Outstanding Balance	%	School Board's Share of Debt
Direct			
Lafourche Parish School Board	\$92,585,000	100%	\$92,585,000
Overlapping and Underlying			
Hospital Service District No. 1	2,455,000	100%	2,455,000
Recreation District No. 2	336,000	100%	336,000
Fire Protection District No. 1	191,000	100%	191,000
Fire Protection District No. 6	780,000	100%	780,000
	<u>\$96,347,000</u>		<u>\$96,347,000</u>

Source: Foley & Judell, LLP

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

	2001	2002	2003
I. Regular Employees: CERTIFICATED			
A. Instructional:			
Supervising Instructors			1
Classroom Teachers - Regular Programs	808	814	796
Classroom Teachers - Special Education	233	221	200
Classroom Teachers - Vocational Education	45	40	55
Classroom Teachers - Other Instructional Programs	7	8	37
Classroom Teachers- Special Programs	64	60	61
Classroom Teachers - Adult/Continuing Ed. Programs	3	4	10
Classroom Teachers - ROTC Instructors			8
Total Classroom Teachers	<u>1160</u>	<u>1147</u>	<u>1168</u>
Therapist/Specialist/Counselor - Instructional Programs	40	39	42
Sabbatical Leave - Instructional Programs	4	4	
Total Certificated - Instructional Programs	<u>1164</u>	<u>1151</u>	<u>1168</u>
B. Instructional Support:			
Supervisors - Instructional Support Functions	9	9	10
Librarians/Media-based Teachers/Staff Instructors - Instr. Spt.	76	79	82
Therapist/Specialist/Counselor - Instructional Support Functions	62	65	70
Sabbatical Leave - Instructional Support Functions			
Total Certificated - Instructional Support	<u>147</u>	<u>153</u>	<u>162</u>
C. Support Services:			
Superintendents	1	1	1
Assistant/Associate/Deputy Superintendents	1	1	1
School Principals	29	27	27
School Assistant Principals	27	30	35
Other School Administrators			
Non-Classroom Teachers - Support Services			
Sabbatical Leave - Support Services			
Total Certificated - Support Services	<u>58</u>	<u>59</u>	<u>64</u>
Total Certificated	<u>1369</u>	<u>1363</u>	<u>1394</u>

Table 16
(continued next page)

2004	2005	2006	2007	2008	2009	2010
1	1	1	1	1	1	2
799	779	779	778	768	762	760
193	167	168	150	140	143	135
54	49	46	46	42	41	41
42	43	42	42	47	46	46
58	56	56	57	58	65	68
7	8	8	9	7	8	12
8	7	6	6	6	6	5
1162	1110	1106	1089	1069	1072	1069
44	46					
4	6	3	2	1	2	2
1166	1116	1109	1091	1070	1074	1071
10	11	10	9	10	11	16
79	78	50	48	62	66	66
76	79	122	123	126	127	133
						2
165	168	182	180	198	204	217
1	1	2	2	1	1	1
1	1	1	1	1	1	NONE
27	28	28	28	28	28	28
36	33	32	32	32	32	31
65	63	63	63	62	62	60
1396	1347	1354	1334	1330	1340	1348

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

	2001	2002	2003
ii. Regular Employees: NON-CERTIFICATED			
A. Instructional:			
Aide - Instructional Programs	307	313	311
Total Non-Certificated - Instructional Programs	307	313	311
B. Instructional Support:			
Supervisors - Instructional Support Functions			
Therapist/Specialist/Counselor - Instructional Support Functions			
Clerical/Secretarial - Instructional Support Functions	9	11	15
Aide - Instructional Support Functions			
Service Worker - Instructional Support Functions			
Skilled Craftsman - Instructional Support Functions			
Degreed Professional - Instructional Support Functions			
Other Personnel - Instructional Support Functions	16	16	21
Total Non-Certificated - Instructional Support	25	27	36
C. Support Services:			
Supervisors/Managers/Administrators - Support Services	32	32	36
Clerical/Secretarial - Support Services	72	74	75
Aide - Support Services	13	10	14
Service Worker - Support Services	305	294	296
Skilled Craftsman - Support Services	24	25	24
Degreed Professional - Support Services	7	8	10
Other Personnel - Support Services	4	6	9
Total Non-Certificated - Support Services	457	449	464
Total Non-Certificated	789	789	811
Total Regular Employees (Certificated and Non-Certificated)	2158	2152	2205

Table 16
(concluded)

2004	2005	2006	2007	2008	2009	2010
320	315	316	302	328	337	350
320	315	316	302	328	337	350
						3
14	34	31	21	19	16	12
2	1	1	1			
						28
29	32	32	34	34	35	33
45	67	64	56	53	51	76
38	38	37	39	39	43	42
77	89	86	85	79	121	135
13	14	14	14	13	15	15
329	364	399	389	350	418	402
25	27	37	39	37	43	42
10	10	9	8	11	14	13
10	8	8	7	9	33	35
502	550	590	581	538	687	684
867	932	970	939	919	1075	1110
2263	2279	2324	2273	2249	2415	2458

**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
2010	14,411	\$ 143,043,227	\$9,926	-1%	1,069	13	57%
2009	14,447	144,888,365	10,029	8%	1,072	13	59%
2008	15,712	145,605,436	9,267	20%	1,069	15	51%
2007	15,222	117,258,646	7,703	10%	1,089	14	55%
2006	14,559	101,621,576	6,980	-9%	1,104	13	63%
2005	15,159	116,495,035	7,685	3%	1,108	14	55%
2004	14,964	111,954,879	7,482	2%	1,160	13	56%
2003	15,162	111,310,310	7,341	8%	1,167	13	53%
2002	15,178	102,822,690	6,774	9%	1,147	13	54%
2001	15,229	94,862,269	6,229	2%	1,160	13	54%

LAFOURCHE PARISH SCHOOL BOARD
Capital Asset Information
UNAUDITED

Table 18

Schools	2006	2007	2008	2009
Elementary				
Buildings	95	105	106	105
Square Feet	668,224	703,880	740,894	759,682
Bayou Blue	682	779	864	896
Bayou Boeuf	210	227	223	213
Chackbay	377	410	460	452
Cut Off	502	486	507	534
Galliano	389	403	437	426
Golden Meadow Lower	246	284	297	286
Golden Meadow Upper	261	257	206	208
W.S. Lafargue	573	564	591	621
Larose Lower	341	370	417	415
Larose Upper	342	334	297	292
Lockport Lower	381	388	426	435
Lockport Upper	361	349	356	362
Raceland Lower	430	434	492	461
Raceland Upper	398	380	376	397
St. Charles	284	237	255	248
South Thibodaux	623	613	593	653
Thibodaux	579	629	588	616
Enrollment	6979	7144	7385	7515
Middle				
Buildings	43	47	47	47
Square Feet	381,052	455,530	512,783	512,783
East Thibodaux	448	390	427	382
Golden Meadow	518	479	457	451
Bayou Blue		292	320	328
Larose Cut Off	582	530	521	505
Lockport	401	372	356	343
Raceland	730	392	378	319
Sixth Ward	285	291	304	298
West Thibodaux	569	489	479	440
Enrollment	3,533	3,235	3,242	3,066
High				
Buildings	14	14	14	14
Square Feet	769,861	769,861	844,323	843,215
South Lafourche	1,332	1,221	1,161	1,143
Central Lafourche	1,466	1,322	1,237	1,217
Thibodaux	1,644	1,453	1,431	1,458
Enrollment	4,442	3,996	3,829	3,818
Alternative Schools				
Buildings	8	8	8	8
Square Feet	34,358	34,358	40,606	40,606
Administrative & Warehouse				
Buildings	9	9	9	10
Square Feet	75,176	75,176	87,682	107,178

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



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 one exception; the year of experience for one teacher was incorrectly reported. The years reported to the state were less the actual years documented in the personnel file. The exception was reported and has been corrected by the Lafourche Parish School Board.



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 14, 2010



STAGNI & COMPANY, LLC



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

December 14, 2010

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, 2010, and have issued our report thereon dated December 14, 2010. 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 2010-3 CAPITAL ASSET ADDITIONS AND DISPOSALS

Criteria: Additions to capital assets should be recorded at cost as per the vendor's invoice on a timely basis, reconciled from property accounting with purchases, and kept up-to-date. Disposals of capital assets should be declared as surplus and removed from the capital asset listing as per the capital asset policy.

Conditions: 1) During the audit it was noted that some assets purchased during the year were not entered into the capital asset system and additions were not fully reconciled with the capital outlay accounts on the general ledger. 2) Property accounting coordinators at decentralized locations (mainly at the individual schools) are allowed to make disposals and determine how to dispose of the surplus items. 3) While trying to remedy the property accounting issues brought up in past audits, the client hired a consultant to tag items with electronic scanning capable tags; however, no reconciliation between the "old property accounting system" and the "new electronic" property accounting system has been made. 4) Policies and procedures regarding property accounting thresholds, are unclear and inconsistently used.

Effect: Asset additions have to be reconciled at the end of the year – creating a monumental task. Transactions for capital assets are being coded to the wrong accounts. Assets coded to general ledger capital expenditures are not listed as additions on the capital asset system. Assets are not being disposed of as per the

capital asset policy. Property accounting issues are prevalent at the decentralized locations (schools) due to inconsistency and confusion in applying policies and procedures.

Cause: There is no reconciliation of the general ledger accounts for capital assets purchased to the capital asset system periodically during the year. There is not proper oversight of the property accounting coordinators at decentralized locations. Trying to track assets (property accounting) in two systems has been cumbersome and confusing.

Recommendations: 1) The general ledger capital expenditure accounts should be reconciled monthly to the capital asset system. 2) Management should review and train all employees of the current capital asset policy for proper additions, disposals and reconciliation of capital assets. 3) Property accounting between the two systems must be reconciled and management should provide proper oversight and communication of the capital asset/property accounting policies and procedures for additions and disposals is being followed.

Suggestion 2010-4 CONTROLS OVER INVOICE AND CONTRACTOR PAYMENTS

Criteria: There should be controls over vendor and contractor payments to insure proper payments and to avoid overpayments.

Conditions: 1) During the audit it was noted that an invoice from a vendor was overpaid by \$5,442.41. 2) It was also noted that payments to a contractor were overpaid by \$14,305.63. During the inquiry process about this one contractor, it was determined that 2-3 other contractors were overpaid throughout the year.

Effect: There are inadequate controls in the accounting department for reviewing and verifying invoices to insure proper payments or overpayments of invoices to vendors and contractors.

Cause: Changes in personnel have shifted the control for review and approval outside the accounting department – who ultimately should be responsible for proper payments.

Recommendation: The accounting department needs to develop and put into place controls that will prevent future overpayments on invoices to vendors and contractors. Controls for contractor payments should be put into place **in the accounting department** to review contractor invoices prior to the payments.



STAGNI & COMPANY, LLC

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 14, 2010
Thibodaux, LA



STAGNI & COMPANY, LLC

**LAFOURCHE PARISH SCHOOL BOARD
CURRENT YEAR FINDINGS, RECOMMENDATIONS
AND CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2010**

Submitted on December 17, 2010

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

Reference # 2010-1 Bid Law/State Contract Purchasing Issues

Description of finding: Two purchases of computers for 21st Century Classrooms totaling 244,239.90 were “new, unopened computers” purchased from a reseller of computer equipment. Another purchase for Smart Boards totaling \$42,373.50 was purchased from a vendor not on state contract. In both instances, the client did not use the state contractor or a local vendor to purchase this equipment. Client noted “beat state contract pricing” on purchase order; however, this equipment was not procured by following the LA State Bid Law (LRS 33:2212.1) or the allowable exceptions to the bid law by purchasing on State Contract or with a local vendor. These purchases were made with federal grant monies.

Auditors Recommendation: All purchases for equipment, materials and supplies should either be made by procuring items by using state contractors with state contract pricing or by following the competitive bid process as set up by LRS 33:2212.1. If equipment can be found from vendors not on state contract that offer better pricing, the bid process should be followed and allow those vendors to bid on the equipment.

Corrective Action Planned: The section on purchasing in the Business Department Handbook will be amended to comply with the law. A meeting will be held between the various Supervisors, the Land and Facilities Maintenance Manager, the Safety and Maintenance Manager and the Purchasing Agent to make sure all employees with approval authority are aware off this aspect of the bid law.

Name of Contact Person: Don Gaudet, Business Manager

Anticipated Completion Date: January 31, 2011

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

**Reference # 2010-1 - Bid Law/State Contract Purchasing Issues
See above for details**

Reference # 2010-2 TANF – Attendance Records Verification

Description of finding: A sample of 30 students enrolled in the TANF after school program were selected to trace the documentation for daily attendance at the schools every day for two months 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:

- 14 student records had exceptions from the daily attendance sheets to the attendance records provided with the monthly reimbursement request.
 - Of those exceptions 12 instances were noted where the student signed in on the daily attendance sheets but the hours of attendance were not listed on the attendance provided with the monthly request for reimbursement.
 - 12 instances were noted where the hours of attendance were listed on the attendance provided with the monthly request for reimbursement, but the students had not signed the daily attendance sheets and
 - Daily attendance sheets could not be located for 5 days.

Auditors 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.

Corrective Action Planned: Audit findings for TANF attendance data have been addressed. All federal grant student attendance data is now entered into the attendance data base by the Coordinator of After School and Summer School Programming, Donna Pierce. This ensures that student sign in sheets and online student attendance data reflect the exact information

Name of Contact Person: Julie Bourgeois, Middle School Education and Student Accountability

Anticipated Completion Date: December 31, 2010

SECTION III – MANAGEMENT LETTER COMMENTS:

Reference #: 2010-3 CAPITAL ASSET ADDITIONS AND DISPOSALS

Description of Finding: During the audit it was noted that some assets never were keyed into the asset system and were used as reconciling items and additions were not fully reconciled with the capital outlay accounts on the general ledger. Also some assets listed on the general ledger capital expenditure accounts were not recorded on the capital asset list as additions. Property accounting coordinators at decentralized locations (mainly at the individual schools) are allowed to make disposals and determine how to dispose of the surplus items. While trying to remedy the property accounting issues brought up in past audits, the client hired a consultant to tag items with electronic scanning capable tags; however, no reconciliation between the "old property accounting system" and the "new electronic" property accounting system has been made. Policies and procedures surrounding property accounting thresholds, physical counts and questions surrounding which property accounting system to maintain have also caused inaccurate record keeping.

Auditors Recommendation: The general ledger should be reconciled monthly to the asset listing for additions. Management should revise the current capital asset policy to reflect proper addition, disposal and reconciliation of capital assets. Property accounting between the two systems must be reconciled and management should provide proper oversight and communication of the capital asset/property accounting policies and procedures for additions and disposals is being followed.

Corrective Action Planned: A list of the capital assets that have been left off the inventory will be forwarded to the Land and Facility Manager to be added to the inventory. One of the Head Accountants will be assigned the duty of keeping a listing of entries made in the general ledger accounts for capital assets and noting in the listing the corresponding asset numbers recorded in the fixed asset system. This protocol will insure the coordination between the general ledger and the fixed asset inventory. This process will be required until replacement software is obtained for the current general ledger/fixed asset system. The current generation of nationally distributed government financial software technology allows for "workflow" processing so that the central database system will insure that items charged to capital accounts become fixed asset entries almost automatically.

Name of Contact Person: Don Gaudet, Business Manager

Anticipated Completion Date: March 31, 2011 for the monthly inventory and January 2012 for the upgrade to the School Board's financial software upgrade.

Reference #: 2010-4 CONTROLS OVER INVOICE AND CONTRACTOR PAYMENTS

Description of Finding: During the audit it was noted that an invoice from Terrebonne Parish School Board was overpaid by \$5,442.41. It was also noted that total payments posted on a contract \$253,035.39 was more than the total completed and stored to date per the last invoice for the year of \$238,729.64. During the inquiry process about this one contractor, it was determined that 2-3 other contractors had overpayments throughout the year. The contractor overpayments were settled in the appropriate manner by the client prior to the audit.

Auditors Recommendation: The accounting department needs to develop and put into place controls that will prevent future overpayments on invoices and to contractors. Controls for contractor payments should be put into place in the accounting department to reconcile the payments reflected on contractor invoices to the payments in the accounting system by accounting personnel to enhance Construction in Progress monitoring

Corrective Action Planned: One of the Head Accountants will be assigned the duty of reviewing the contractor bills before they are paid to make sure that all prior payments have been accounted for. The Secretary to the Land and Facilities Manager will forward the payment requests to the Head Accountant who will make digital copies and store them in a digital binder by contract. This documentation will aid in the process of making sure all prior payments have been included in the requests received from the contractors. The Head Accountant will also make sure that calculations are correct on the current request. Any request that does not pass these checks will be forwarded to the Land and Facilities Manager, who will notify the contractor of the issue involved with the faulty request. After the Head Accountant has verified the calculations, he will forward the verified request which he has initialed to the Land and Facilities Manager for his approval and coding. After receiving the Land and Facilities Manager's approval, the request will be forwarded to Accounts Payable.

Name of Contact Person: Don Gaudet, Business Manager

Anticipated Completion Date: January 31, 2011

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)

Lafourche Parish School Board
2010 Corrective Action Plan
December 17, 2010

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.

Auditors Recommendation:

We recommend that the parties amend the contract to comply with the definition of a performance-based energy efficiency contract.

Corrective Action Planned: The Superintendent and School Board Attorney have negotiated with the representative and attorney for Siemens Industry Inc. on the terms to be included in the Third Amendment to Entergy Performance Contract. The Third Amendment, which was fashioned with guidance from the Attorney General and the Legislative Auditor, has been signed by the authorized representatives of both parties. One of the Head Accountants will be assigned the task of conducting a limited review of all payment requests based on savings as calculated by the terms included in the Third Amendment. The School Board has not yet received the revised billings from Siemens.

Name of Contact Person: Don Gaudet, Business Manager

Anticipated Completion Date: January 31, 2011

LAFOURCHE PARISH SCHOOL BOARD

Status of Prior Audit Findings
For the Year Ended June 30, 2010

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
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Section I - Internal Control and Compliance Material to the Financial Statements:
NO FINDINGS TO FOLLOW UP

Section II - Internal Control and Compliance Material to Federal Awards:
NO FINDINGS TO FOLLOW UP

Section III - Management Letter:

2007-3	2007	Siemens Building Technologies, Inc. Contract Validity Because the total guaranteed energy cost savings are less than the actual cost of the contract, it does not appear that the contract meets the statutory definition of a performance-based energy efficiency contracts.	Resolved	Resolved
2008-1	2008	CAPITAL ASSET ADDITIONS AND DISPOSALS Some assets were capitalized at the purchase order price. Some assets on the general ledger capital expenditure accounts were not recorded on the capital asset list as additions. Property accounting coordinators at decentralized locations (Mainly at the individual schools) are allowed to make disposals and determine how to dispose of the surplus items.	see finding 2010-3	
2008-2	2008	CONTROLS OVER LAMP INVESTMENTS Accountant who handles the LAMP investments (approves and makes bank transfers) also records the transactions into the general ledger and reconciles and makes monthly entries for LAMP accounts.	Resolved	Resolved