

OUACHITA PARISH SCHOOL BOARD

SINGLE AUDIT REPORTING PACKAGE
YEAR ENDED JUNE 30, 2009

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 1/27/10

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SINGLE AUDIT REPORTING PACKAGE
JUNE 30, 2009**

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**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SINGLE AUDIT REPORTING PACKAGE
JUNE 30, 2009**

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LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
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INDEPENDENT AUDITORS' REPORT

Ouachita Parish School Board Monroe, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the **Ouachita Parish School Board** (the School Board) as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions 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; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Ouachita Parish School Board, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2009 on our consideration of the 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

**Ouachita Parish School Board
Independent Auditors' Report**

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The "Management's Discussion and Analysis" presented on pages 5 through 21 and the "Budgetary Comparison Schedules" presented on pages 97 through 101 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ouachita Parish School Board's basic financial statements. The Other Supplemental Information (including the Schedule of Expenditures of Federal Awards) as 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 Other Supplemental Information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Huffman, Huffman, Reynolds & Sargis

(A Professional Accounting Corporation)

December 18, 2009

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2009

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

CLAIBORNE ELEMENTARY CREDIT UNION AT SCHOOL



OUACHITA PARISH SCHOOL BOARD
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2009

Management's discussion and analysis of the Ouachita Parish School Board's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. The reader should read this discussion in conjunction with the Notes to the Basic Financial Statements, and the financial statements, which are all included in this report, to enhance their understanding of the Ouachita Parish School Board's financial performance.



Financial Highlights

- Local ad valorem taxes in the General Fund increased by \$940,420 or 7.6 percent due to increased property assessments and new construction.
- Local sales tax revenues increased by \$644,702 or 1.7%.
- State Funding (Minimum Foundation Program – MFP) increased by \$7,592,523 from \$106,261,898 to \$113,854,421.
- Federal sources of revenue increased by \$284,182 or 1.6 percent.
- The General Fund reported a decrease for the year in fund balance of \$500,166 from \$17,297,206 to \$16,797,040. The fund balance at June 30, 2009 is 12.9% of General Fund expenditures.
- The East Ouachita Bond District sold \$9.785 million in general obligation bonds for new construction and renovations.
- The West Ouachita Bond District sold \$5 million in revenue bonds for new construction and renovations.
- The West Ouachita Bond District refinanced the 1998 and 1999 revenue bonds issued for \$25 million and \$20 million, respectively, resulting in a savings to district of over \$1 million.
- The School Board's bond rating for the East Ouachita Bond District and the West Ouachita Bond District were increased to a AA-.
- Instructional staff received a state funded pay raise of \$1,019 and support employees received a state funded one-time supplement of \$1,000.
- The School Board authorized a pay increase for support and instructional staff funded by the General Fund.
- Capitalization value of capital assets increased from \$1,000 to \$5,000.



Using this Comprehensive Annual Financial Report (CAFR)

This CAFR consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Ouachita Parish School Board as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the School Board. These statements provide more detail than the Government-wide Financial Statements about the services that were financed in the short-term as well as what remains for future spending in the School Board's more significant funds as well as all other nonmajor funds. The General Fund is the Ouachita Parish School Board's most significant fund.



Reporting the School Board as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and its activities to inform the reader of the School Board's financial performance during the 2009 fiscal year. In short, is the School Board better off financially or is it worse off financially than it was this time last year? These statements report all assets and liabilities of the School Board on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting reports all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School Board's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the School Board as a whole, the financial position of the School Board improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the School Board include the parish's sales and property tax bases and the state and federal government's continued funding.

The Statement of Net Assets and the Statement of Activities report the governmental activities of the School Board. Most of the School Board's programs and services are reported here including instruction, support services, operating and maintenance of plant, student transportation, and feeding programs.



Reporting the School Board's Most Significant Funds

Fund Financial Statements

The analysis of the School Board's major funds begins on page 30. Fund Financial Statements provide detailed information about the School Board's major funds. The School Board uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School Board's most significant funds. The School Board's major governmental funds are the *General Fund*, the *District #1 Sales Tax Special Revenue Fund*, the *West Ouachita Bond No. 2 Debt Service Fund*, and the *East Ouachita 2009 Construction Capital Projects Fund*.

The *West Ouachita Bond No. 2 Debt Service Fund* changed to major fund in 2008-09 due to the refinancing of the 1998 and 1999 West Ouachita Bond District's revenue bonds. The *East Ouachita 2009 Construction Capital Projects Fund* changed from a nonmajor fund in 2007-08 to a major fund in 2008-09 due to the East Ouachita Bond District selling \$9.785 million in general obligation bonds for construction and renovations in the district. The *East Ouachita 2008 Construction Capital Projects Fund* changed from a major fund in 2007-08 to a nonmajor fund in 2008-09 due to using the bond proceeds from a prior year issue on construction projects.

Governmental Funds

Most of the School Board's activities are reported as Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Funds' statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental Fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Proprietary Funds

The School Board is self-insured for workers' compensation and general liability insurance coverage, and maintains policies with large deductibles for property and fleet vehicle insurance. A summary of the School Board's insurance coverage at June 30, 2009, has been included in the Statistical Section in the schedule titled "Insurance Coverage Data". Transactions related to meeting the claims incurred in these areas are accounted for in the *Internal Service Proprietary Fund*. Expenses in the *Internal Service Fund* are recognized as claims are incurred. Liabilities are recognized for incurred but

unpaid claims. The Internal Service Proprietary Fund transactions are reported on pages 40 through 43 in a separate section consisting of a Comparative Statement of Net Assets; a Comparative Statement of Revenues, Expenses, and Changes in Net Assets; and a Comparative Statement of Cash Flows.



The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activity funds and the Migrant Education funds of certain other parishes. All of the School Board's fiduciary activities are reported in a separate Comparative Statement of Fiduciary Assets and Liabilities on page 45. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The School Board as a Whole

The School Board's net assets decreased by \$19.2 million, from \$117.2 million at June 30, 2008, to \$98.0 million at June 30, 2009. Of the \$98.0 million of net assets at June 30, 2009, \$17.6 million were restricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Governmental Activities
Net Assets
June 30, 2009 and June 30, 2008
(in Millions)

	June 30,	
	2009	2008
Assets		
Current and other assets	\$108.9	\$105.3
Capital assets	198.0	191.2
Total assets	306.9	296.5
Liabilities		
Current and other liabilities	23.1	23.2
Long-term liabilities	185.8	156.1
Total liabilities	208.9	179.3
Net assets		
Invested in capital assets, net of related debt	87.5	88.9
Restricted	17.6	15.5
Unrestricted	(7.1)	12.8
Total net assets	\$98.0	\$117.2

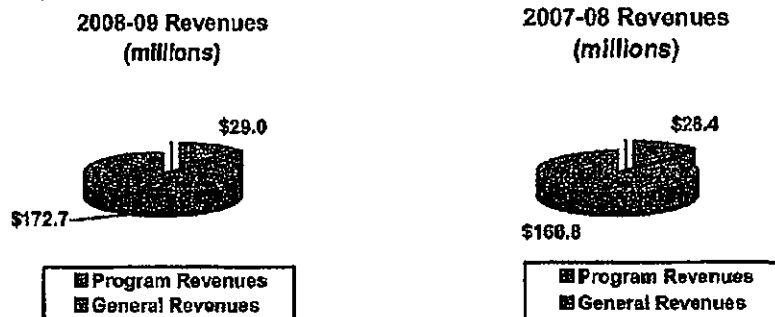
The negative balance of \$7.1 million in unrestricted assets represents the accumulated results of all past years' operations. In theory, it means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences and unfunded other post employment benefits for example) and sold all of our assets at their current value, we would not have enough funds to pay off all of our debt by \$7.1 million.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities on page 27. Table 2 reports the information from the Statement of Activities in a different format so that total revenue for the year can be more easily identifiable.

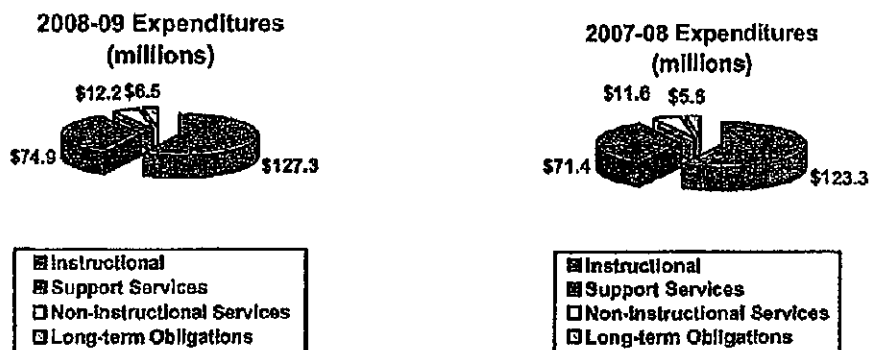
Table 2
Governmental Activities
Changes in Net Assets
Fiscal Years Ended June 30, 2009 and 2008
(in millions)

	Year Ended	
	June 30,	
	2009	2008
Revenues:		
Program revenues:		
Charges for services	\$2.4	\$2.0
Local grants	.9	1.1
State grants and entitlements	8.1	5.9
Federal grants	17.6	17.4
General revenues:		
Ad valorem taxes	18.0	16.9
Sales taxes	37.7	37.0
State Minimum Foundation Program	112.2	106.3
Interest on investments	1.9	3.0
Other general revenues	2.9	3.6
Total revenues	201.7	193.2
Functions/Program Expenses:		
Instruction:		
Regular programs	92.8	90.8
Special education programs	24.0	22.9
Vocational programs	2.0	1.6
Other instructional programs	2.1	2.0
Special programs	5.9	5.5
Adult/continuing education	.5	.5
Support services:		
Pupil support services	8.9	8.4
Instructional staff support services	12.1	11.5
General administration	1.3	2.7
School administration	11.9	11.5
Business services	3.3	3.8
Plant services	22.9	19.2
Student transportation services	11.1	10.9
Central services	3.4	3.4
Noninstructional services:		
Food services operations	12.1	11.5
Community services programs	.1	.1
Long-term obligations:		
Interest on long-term obligations	6.5	5.6
Total expenses	220.9	211.9
Decrease in net assets before special item	(19.2)	(18.7)
Special item – gain on sale of “old” Claiborne Elementary	-	1.2
Decrease in net assets	(\$19.2)	(\$17.5)

Ouachita Parish School Board's 2008-09 revenues compared to 2007-08 revenues are presented below:



Ouachita Parish School Board's 2008-09 expenditures compared to 2007-08 expenditures are presented below:



Governmental Activities

As reported in the Statement of Activities on page 27, net assets of the School Board decreased by \$19.2 million. The following factors helped contribute to this net decrease:

Major increases in 2008-09 revenues:

- Increase in ad valorem taxes - Ad valorem taxes in the parish have been increasing at a steady rate for the last several years. Property values in the parish have been increasing due to new construction and valuing previously constructed houses at current market value.
- Increase in sales tax collections - Sales tax collections increased at an average of 1.2 percent in 2008-09. The general economy of the parish continues to show a slow, steady growth resulting in increases in sales tax revenues. Part of the increase in sales tax collections was due to pipeline construction in the area.
- Change in MFP funding formula - The State Legislature made changes to the factors in the MFP funding formula and the state funded a \$1,019 instructional staff raise and a \$1,000 one-time support employee pay supplement resulting in \$7.6 million additional funding for general operations and for employee pay raises and pay supplements.

Major changes in the cost of governmental activities

- Increase in salaries and benefits of \$6 million – As previously stated the Legislature approved a salary increase for the certified staff and a one-time pay supplement for support employees. Also, the Board approved a pay increase for certified and support employees.

Major changes in capital assets and debt

- Decrease in investment in capital assets, net of related debt - Capital assets, net of related debt decreased by approximately \$1.4 million. The decrease was due to issuing additional debt that offset the increase in capital assets.
- Increase in outstanding bonded debt – Long-term outstanding bonded debt of the School Board had a net increase of \$9.3 million as the result of selling \$9.785 million of general obligation bonds and \$5 million of revenue bonds.

The cost of governmental activities exceeding restricted state and Federal grants and charges for services must be paid by the citizens of Ouachita Parish and unrestricted state grants. The following presentation shows the portion of governmental activities that must be paid by the citizens of Ouachita Parish and unrestricted state grants compared to the 2007-08 fiscal year.

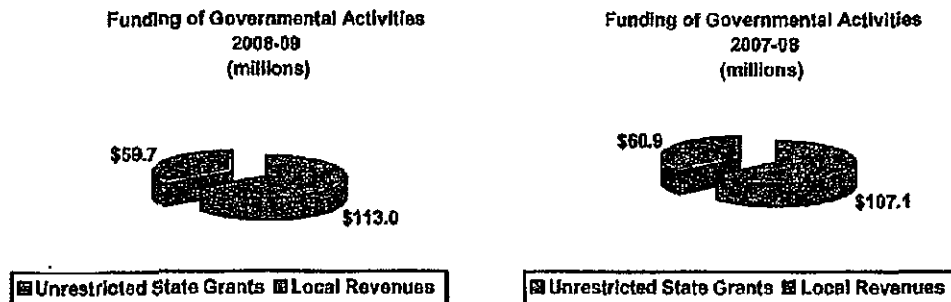


Table 3 presents the total cost of each of the School Board’s five largest functions – regular programs, special education programs, instructional staff support services, plant services, and food service operations as well as each program’s net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board’s taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Year Ended June 30, 2009
Governmental Activities
(in millions)
(With Comparative Totals For the Year Ended June 30, 2008)

	Total Cost of Services		Net Cost of Services	
	2009	2008	2009	2008
Regular programs	\$92.8	\$90.8	\$90.9	\$88.5
Special education programs	24.0	22.9	21.1	21.1
Instructional staff support services	12.1	11.5	7.3	6.5
Plant services	22.9	19.1	21.9	18.5
Food service operations	12.1	11.5	4.1	4.4
Subtotal	<u>163.9</u>	<u>155.8</u>	<u>145.3</u>	<u>139.0</u>
All others	57.0	56.1	46.6	46.4
Total	<u>\$220.9</u>	<u>\$211.9</u>	<u>\$191.9</u>	<u>\$185.4</u>

The School Board Funds

The School Board uses funds to help it control and manage money for particular purposes. Accounting for money for particular purposes in different funds helps the reader to determine whether the School Board is being accountable for the resources taxpayers and others provide to it and it may also give the reader more insight into the School Board's overall financial health.

The School Board's governmental funds had a fund balance of \$83,203,335 at June 30, 2009, which is an increase of \$3,702,551 over the previous year's fund balance. The primary reasons for the change are:

General Fund – The General Fund, the principal operating fund of the School Board, decreased its fund balance by \$500,166 from \$17,297,206 at June 30, 2008 to \$16,797,040 at June 30, 2009. This represents a 2.9 percent decrease in fund balance. In 2005-06 the General Fund's fund balance reached 19 per cent of General Fund expenditures. The Board felt that the fund balance was excessive and has tried to reduce it over the last 3 years. In 2008-09 the Board adopted a formal policy that stated that the General Fund's fund balance should be maintained between 10 and 15 per cent of General Fund expenditures.

Revenue in the General Fund had a net increase of \$7,468,977. Ad valorem taxes and the state MFP funding were up \$940,420 and \$7,493,923, respectively. Interest earnings decreased by \$875,009 or 42.3 per cent. The increase in ad valorem taxes was due to an increase in property assessment values and new construction. The MFP funding was up due to the State Legislature changing some of the factors in the formula and funding a \$1,019 certified employee pay raise and a \$1,000 support employee one-time pay supplement. Interest earnings were down due to declining investment rates.

General Fund expenditures increased by \$3,091,220. Expenditures for salaries and related benefits, which consist of 88.8 percent of total General Fund expenditures, were the main reasons for the increase in expenditures. Salaries increased by \$4.4 million. The increase in salaries was due to the state-funded raise for certified employees of \$1,019 and the one-time \$1,000 support employee pay supplement. Also, the Board authorized a pay increase for both certified and support employees to be paid from the General Fund. Related benefits increased by approximately \$500,000 as a result of the pay raises. Utilities, fuel costs, and health care costs leveled out in 2008-09 and showed very little increase. One million dollars worth of health care benefits that are normally paid by the General Fund were paid by the District #1 Sales Tax Special Revenue Fund in 2008-09.

In previous years, the General Fund has been making transfers of approximately \$500,000 to the Air Conditioning Redemption Special Revenue Fund. In 2008-09, the School Board did not transfer any funds from the General Fund to the Air Conditioning Redemption Fund. In 2008-09 the General Fund transferred \$1,495,672 to the School Food Service Special Revenue Fund to eliminate a deficit that had accumulated over several years.

District #1 Sales Tax Special Revenue Fund – The fund balance of the District #1 Sales Tax Special Revenue Fund decreased by \$418,237. The fund balance decreased from \$14,826,241 at June 30, 2008 to \$14,408,004 at June 30, 2009. In 2008-09 sales tax collections increased by \$68,176 or 1.1 percent, as compared to a 5.1 percent increase in 2007-08. Earnings on investments decreased by \$321,755 or 40.1 percent as interest rates declined substantially in 2008-09. Expenditures in the fund increased by \$734,558. The main reason for the increase in expenditures in the fund was due to the fund paying \$1 million of health care benefits that are normally paid by the General Fund. Other expenditures in the fund remained about the same as in the previous year.

West Ouachita Bond No. 2 Debt Service Fund – The fund balance in the West Ouachita Bond No. 2 Debt Service Fund increased by \$1,491,770. The increase was the result of a transfer from the Capital Projects Funds to the West Ouachita Bond No. 2 Debt Service Fund to meet the bond reserve requirements for the revenue bonds. Expenditures, Other Financing Sources, and Other Uses in the fund increased by \$1,144,307, \$32,010,542, and \$29,374,465, respectively due to refinancing the 1998 and 1999 revenue bonds issued for \$25 million and \$20 million, respectively.

East Ouachita 2009 Construction Capital Projects Fund – The fund balance in the East Ouachita 2009 Construction Capital Projects Fund increased by \$2.5 million as the result of issuing \$9.785 million of general obligation bonds and depositing the proceeds in the fund. The fund had \$7.0 million of construction projects during the year, resulting in a net increase in fund balance of \$2.5 million.

Nonmajor Governmental Funds – The nonmajor Other Governmental Funds had a net increase in their fund balances of \$620,314. The increase in the fund balances is due to the Special Revenue Funds increasing their fund balances by a net of \$3,210,448. The increase in fund balance in the Special Revenue Funds was due mainly to the West Ouachita Sales Tax Fund, which increased its fund balance by \$1,763,696. This fund is used for paying the principal and interest of the revenue bonds and paying for construction projects. The Board felt the fund balance in the account was low and that it needed to be increased to ensure that adequate funds were available to meet the bond requirements. Therefore, a minimal amount of renovations were funded from this fund in 2008-09 to build the fund balance up. The School Food Service Special Revenue Fund had an increase in its fund balance of \$1,171,245 as the result of a \$1,495,672 transfer from the General Fund to eliminate the accumulated deficit in the fund. The other nonmajor Special Revenue Funds had small changes in their fund balances.

The Debt Service Funds and the Capital Projects Funds had decreases in their fund balances of \$303,937 and \$2,286,197, respectively. The decrease in the Debt Service Funds is the result of the excess revenues collected in the West Ouachita Bond Fund for the payment of the debt service requirements on the 2001 general obligation bonds paid out in 2005-06 used for construction projects. The reason for the large decrease in fund balance in the Capital Project Funds was due to spending \$5.7 million on construction projects with bond proceeds from bond sales in previous years. Revenue bonds totaling \$5 million were sold in 2008-09 and deposited into the West Ouachita 2008 Construction Fund. The bond proceeds will be used to renovate schools in the bond district.

General Fund Budgetary Highlights

The School Board, in accordance with state law, must adopt a budget on the General Fund and all Special Revenue Funds by September 15. In accordance with state law the School Board may have variances of 5 percent of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2008-09 original budget on September 9, 2008, and revised the budget on April 7 and May 19, 2009. The original estimated General Fund revenues increased by .7% or \$867,419 from \$129,205,561 to \$130,072,980. The major change in budgeted revenue was an increase in state funding (MFP) of \$763,011 and an increase in ad valorem tax revenue of \$166,317. Earnings on investment revenues were decreased by \$500,000 or 33 percent.

The original estimated charges to appropriations decreased from the original budget to the final budget by \$1,470,032 or .4%. The Board decided to fund \$1 million of health care benefits from the District #1 Sales Tax Special Revenue Fund that were originally included in the General Fund's budget. Salaries and related benefits increased by \$338,873 from the original budget due to increasing instructional staff to lower pupil teacher ratios.

Other financing uses – transfers out increased from \$1,267,952 in the original budget to \$3,007,710 in the final budget. The increase of \$1.7 million is due to the Board deciding

to eliminate the deficit in the School Food Service Special Revenue Fund with an appropriation from the General Fund of \$1,150,000. The Board also decided to make a transfer of \$494,300 to the District #1 Sales Tax Special Revenue Fund to cover a deficit in the designated facility maintenance and operation account.



Capital Assets and Debt Administration

Capital Assets

Capital Assets of the School Board used in performance of general School Board functions are recorded in the Fund Financial Statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the Fund Financial Statements, as explained in the Notes to the Basic Financial Statements. In the Government-wide Financial Statements the capital assets are recorded as assets at their original cost at the time of purchase or their fair market value, if donated. Depreciation of capital assets has been recognized in the Government-wide Financial Statements.

At June 30, 2009, as reported on the Statement of Net Assets, the School Board had \$198.0 million invested in land, buildings and improvements, furniture and equipment, and construction in progress, net of depreciation. Net capital assets increased by \$6.8 million or 3.5 percent during the current fiscal year. Net assets were increasing on an average of \$25 million per year from the year 2000 until about 2005 when construction slowed down and net assets started increasing by approximately \$1 million per year. In 2007-08 construction started again as the result of selling additional general obligation bonds and revenue bonds in 2007-08 and in 2008-09. As a result, net assets have increased by an average of approximately \$4 million the last two years. Renovation projects were the main reason for the \$6.8 million increase in capital assets.

In 2008-09 the School Board, based on the Louisiana Department of Education's recommendation, increased the capitalization value of capital assets from \$1,000 to \$5,000. The change in capitalization value of capital assets was implemented prospectively from July 1, 2009. For more detail of capital assets, see Note 7 of the Notes to the Basic Financial Statements. Table 4 presents capital assets net of depreciation at June 30, 2009.

Table 4
Capital Assets at Year-end
Net of Depreciation
Governmental Activities
(With Comparative Totals at June 30, 2008)

	June 30,	
	2009	2008
Land	\$6,067,839	\$6,059,839
Buildings and improvements	171,427,046	166,355,712
Furniture and equipment	11,755,873	13,001,564
Construction in progress – buildings	8,755,292	5,826,932
Total	<u>\$198,006,050</u>	<u>\$191,244,047</u>

Debt

At June 30, 2009, the School Board had \$137,337,525 in bonds and limited tax certificates of indebtedness outstanding, net of deferred amount of refunding and unamortized bond discount. Of the \$137,337,525 bonds and limited tax certificates of indebtedness outstanding, \$6,960,831 are due within one year. Table 5 summarizes bonds and limited tax certificates of indebtedness outstanding at June 30, 2009.

Table 5
Outstanding Debt
June 30, 2009 and 2008
Governmental Activities

	June 30,	
	2009	2008
General obligation bonds:		
1999 East Ouachita – School improvements	\$ -	\$925,000
2000 East Ouachita – School improvements	480,000	935,000
2005 East Ouachita – School improvements (refinanced 2000 bonds)	12,215,000	12,305,000
2006 East Ouachita – School improvements (refinanced 1999 bonds)	21,525,000	21,600,000
2007 East Ouachita – School improvements	9,540,000	9,755,000
2008 East Ouachita – School improvements	9,780,000	10,000,000
2008 East Ouachita – School improvements	9,785,000	-
Less deferred amount of refunding	(83,093)	(308,692)
Unamortized bond discount	-	(28,326)
Revenue bonds:		
1998 West Ouachita – School improvements	2,670,000	19,365,000
1999 West Ouachita – School improvements	2,275,000	15,540,000
2000 West Ouachita – School improvements	605,000	885,000
2001 West Ouachita – School improvements	6,445,000	6,675,000
2002 West Ouachita – School improvements	2,680,000	2,735,000
2006 West Ouachita – School improvements (refinanced 2000 bonds)	8,155,000	8,210,000
2007 West Ouachita – School improvements	11,500,000	11,950,000
2008 West Ouachita – School improvements	5,000,000	-
2009 West Ouachita – School improvements (refinanced 1998 and 1999 bonds)	29,490,000	-
Less deferred amount of refunding	(644,048)	(225,588)
Unamortized bond discount	(334)	(669)
Limited tax certificates of indebtedness:		
2002 West Ouachita – School improvements	2,460,000	3,205,000
2003 West Ouachita – School improvements	3,460,000	4,500,000
Total	<u>\$137,337,525</u>	<u>\$128,021,725</u>

The proceeds of \$9.785 million of the 2009 East Ouachita Bond District general obligation bonds will be used to complete the construction of 2 middle schools and an agriculture/vocational center and to make renovations to the 10 schools in the district.

The proceeds of the West Ouachita Bond District 2009 revenue bonds of \$5 million will be used to make classroom additions to a school and to make renovations to the other schools in the district.

The School Board refinanced the 1998 and 1999 West Ouachita Bond District revenue bonds at a savings to the district of over \$1.3 million in interest payments over the life of the bonds.

The state limits the amount of general obligation debt that school boards can issue to 35 percent of the assessed value of all taxable property within the school board's corporate limits. At June 30, 2009, East Ouachita Bond District's maximum legal debt limit was \$73,896,626. The District's outstanding general obligation bonded debt of \$63,325,000 is below the maximum debt limit.

The bond issues are rated as follows:

	<u>Standard & Poor's</u> <u>Rating Service</u>
General Obligation Bonds:	
East Ouachita Bond - 2000	AA-
East Ouachita Bond - 2005 (Refinanced)	AA-
East Ouachita Bond - 2006 (Refinanced)	AA-
East Ouachita Bond - 2007	AA-
East Ouachita Bond - 2008	AA-
East Ouachita Bond - 2009	AA-
Revenue Bonds:	
West Ouachita Bond - 1998	AA-
West Ouachita Bond - 1999	AA-
West Ouachita Bond - 2000	AA-
West Ouachita Bond - 2001	AA-
West Ouachita Bond - 2002	AA-
West Ouachita Bond - 2006 (Refinanced)	AA-
West Ouachita Bond - 2007	AA-
West Ouachita Bond - 2008	AA-
West Ouachita Bond - 2009 (Refinanced)	AA-

Other long-term obligations of the School Board include accrued vacation pay and sick leave and other post employment benefits. We present more detailed information about our long-term obligations in Notes 1.N. and 12 to the Basic Financial Statements.



For the Future

The Ouachita Parish School Board is strong financially. Even though our net assets decreased by \$19.2 million primarily as a result of recording a liability for Other Post Employment Benefits, we feel that we will be able to meet the future financial needs of the system. The Legislature voted not to increase the 2009-10 MFP funding for the 2.75 per cent growth factor included in the MFP formula. The Legislature did not fully fund the MFP formula by approximately \$130 million. The State was able to receive Federal stabilization funds to cover the \$130 million not funded by the Legislature. Even though the Legislature did not include the growth factor in the MFP funding, our 2009-10 MFP funding did increase by approximately \$2 million as a result of an increase in students of 375. Property values have been increasing by approximately 7 percent over the last few years. Ad valorem taxes in the General Fund will increase by 6 percent in 2009-10, based on data received from the tax assessor. Our Federal grants have been increasing some over the last 3 years. In 2008-09 our Federal grant revenue increased by \$284,182. In 2009-10 we are anticipating that our Federal funds will increase over \$10 million. The increase is due to the American Recovery and Reinvestment Act Funds (ARRA). Congress authorized in February 2009 funding under the ARRA to stimulate the lagging U.S. economy and reverse its recessionary trend. These funds will be used to maintain jobs that we would have had to eliminate had we not received the funding and to provide additional instruction in the at-risk schools and to supplement the needs of special education students in the district. The ARRA funding is for a two year period.

Of concern in 2009-10 are the investment rates and our sales tax revenues. We are anticipating interest rates to stay low throughout the year. We are watching our sales tax revenues closely to see how they will be affected by the economy. During the first three months of 2009-10 sales tax collections have dropped by approximately 10 percent. We are anticipating this trend to continue for the remainder for the year. With the closing of the General Motors, Delphi Interior and Lighting plant in January 2006 and State Farm in 2005, community leaders have been seeking other businesses to replace General Motors and State Farm. Accent Marketing, a calling center, has recently moved in the State Farm building creating up to 550 new jobs. An automobile manufacturer has recently purchased the General Motors building to start production of a new type of automobile. Production is expected to start in 2011. The plant is expected to provide over 1400 jobs over the next two to three years. Our economy is currently lagging, but local economists feel that within the next year or so, the economy should pick up.

We do not anticipate any large or unusual expenditures to occur in the 2009-10 fiscal year. At present, fuel cost, utilities, and health care costs are expected to only have minimal increases in 2009-10. Funding of the MFP in future years is currently uncertain. We have started preparing for the future by reducing salaries and benefits in the General Fund by over \$1 million in 2009-10. Management is not aware of any large expenditures that will increase significantly in the foreseeable future.

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The General Fund's fund balance at June 30, 2009, was \$16.8 million or 12.9 percent of 2008-09 expenditures. The School Board would like to keep the fund balance between 10 percent and 15 percent of General Fund revenue. The Board has been reducing the fund balance the last two years to get it back within this range. Now that the General Fund balance is within the Board's recommended range, the Board plans to keep the fund balance within that range.

The School Board has been constructing new schools and remodeling existing schools for the last nine years from bond proceeds in the East Ouachita Bond District and the West Ouachita Bond District. As funds from bond proceeds were depleted in the districts, each District has been selling additional bonds to continue the construction and renovation projects. On December 2, 2009, the East Ouachita Bond District sold an additional \$9.2 million general obligation bonds at an interest rate of 4.04 percent. The bond proceeds will be used to complete the construction of two new schools and to complete renovations to the other schools in the District.

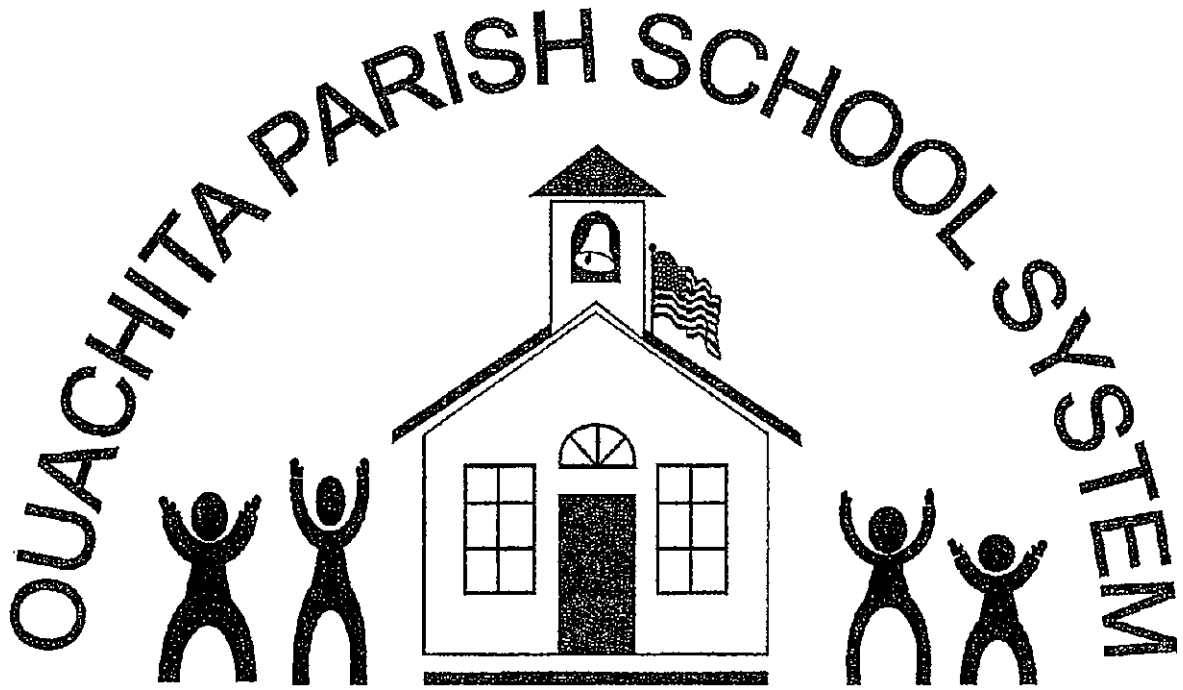
In October 2009, the West Ouachita Bond District applied for and received \$10 million in of Qualified School Construction Bonds (QSCBs). The taxable QSCBs revenue bonds will be repaid over 15 years at a 0.6 percent interest rate. The proceeds from the bonds will be used for various renovation and construction projects in the Bond District.

As discussed previously, the Ouachita Parish School Board has been building and/or remodeling all of its schools during the last nine years. When this project is complete, we will have some of the best facilities in the state to educate our children; thus, aiding in the reduction of overcrowding in our schools. We feel that a good learning environment is crucial to helping students reach their educational potential. Overall, we feel that the future of Ouachita Parish School Board is good financially, as well as educationally.



Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information contact Richie Garrett, Business Manager of Ouachita Parish School Board, P.O. Box 1642, Monroe, LA 71210-1642 or call at (318) 432-5000 or E-mail to garrett@opsb.net.



COMMITTED
to Academic Excellence
for ALL Students!

Our Mission:
Through collaboration
among all stakeholders, the
Ouachita Parish School System
will ensure that all students attain
the knowledge and skills needed
to be productive citizens.

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2009

BASIC FINANCIAL STATEMENTS



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**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2009

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

**Ouachita Parish School Board
Monroe, Louisiana**

**Statement of Net Assets
Governmental Activities**

June 30, 2009

Assets:	
Cash and cash equivalents (Note 3)	\$ 39,108,864
Investments (Note 4)	56,796,362
Receivables (Note 6):	
Ad valorem taxes	417,835
Sales and use taxes	6,154,700
Federal grants	3,435,549
Other	1,814,691
Inventory (Note 1.H.)	355,369
Bond issuance costs, net (Note 1.I.)	826,360
Capital assets, net (Note 7):	
Land	6,067,839
Buildings and improvements	171,427,046
Furniture and equipment	11,755,873
Construction in progress	8,755,292
Total assets	<u><u>306,913,780</u></u>
Liabilities:	
Accounts payable	464,459
Salaries and wages payable	20,407,587
Unearned revenues	285,248
Due to other governments	11,205
Interest payable - bonds	1,860,809
Other liabilities	33,122
Long-term liabilities:	
Due within one year (Note 12)	8,069,197
Due in more than one year (Notes 9 and 12)	177,751,380
Total liabilities	<u><u>208,883,007</u></u>
Net assets:	
Invested in capital assets, net of related debt	87,522,863
Restricted for:	
Debt service	11,150,469
Salaries and related benefits	5,716,901
Protested taxes	250,313
Federal and local grant projects	500,640
Unrestricted	(7,110,413)
Total net assets	<u><u>\$ 98,030,773</u></u>

See accompanying notes to the basic financial statements.

Ouachita Parish School Board
Monroe, Louisiana

Statement of Activities
Governmental Activities

Fiscal Year Ended June 30, 2009

	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		CAPITAL GRANTS AND CONTRIBUTIONS
Functions/programs:					
Instructional services:					
Regular programs	\$ 92,839,840	\$ -	\$ 1,938,988	\$ 43,544	\$ (90,857,328)
Special education programs	23,086,768	-	2,847,591	-	(21,139,177)
Vocational programs	1,999,442	-	353,247	15,374	(1,630,821)
Other instructional programs	2,083,292	160,063	848,154	-	(1,055,075)
Special programs	5,950,988	-	5,019,821	4,123	(927,042)
Adult/continuing education	503,588	-	449,729	-	(53,857)
Support services:					
Pupil support services	8,881,619	-	1,934,949	-	(6,946,670)
Instructional staff support services	12,143,673	-	4,800,070	2,890	(7,340,913)
General administration	1,332,393	-	58,845	-	(1,275,548)
School administration	11,888,358	-	248,055	-	(11,622,303)
Business services	3,255,800	-	778,408	-	(2,479,392)
Plant services	22,935,046	-	999,454	-	(21,936,492)
Student transportation services	11,103,627	-	474,787	-	(10,628,840)
Central services	3,438,395	-	39,881	-	(3,398,514)
Noninstructional services:					
Food service operations	12,089,841	2,208,985	5,744,063	-	(4,115,813)
Community service programs	89,785	-	46,560	-	(23,219)
Long-term obligations:					
Interest on long-term obligations	6,475,576	-	-	-	(6,475,576)
Technical services	7,433	-	-	-	(7,433)
Legal services	15,679	-	-	-	(15,679)
Total Governmental Activities	\$ 220,940,019	\$ 2,370,028	\$ 28,578,588	\$ 65,731	(191,927,672)
General revenues:					
Taxes:					
Ad valorem taxes levied for:					
General purposes					113,364,292
Debt service purposes					4,631,173
Sales taxes levied for:					
General purposes					16,275,955
Salaries and related benefits					21,421,340
Grants and contributions not restricted to specific programs:					
Minimum Foundation Program					112,173,653
State revenue sharing					830,567
Interest and investment earnings					1,892,643
Other					2,177,537
Total general revenues					172,767,170
Changes in net assets					(19,170,502)
Net assets at beginning of year					117,201,275
Net assets at end of year					\$ 98,030,773

See accompanying notes to the basic financial statements.



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**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2009

FUND FINANCIAL STATEMENTS (FFS)

Ouachita Parish School Board
Monroe, Louisiana

GOVERNMENTAL FUNDS
BALANCE SHEET

June 30, 2009

(With Comparative Totals For June 30, 2008)

	GENERAL FUND	SPECIAL REVENUE FUND - DISTRICT #1 SALES TAX	DEBT SERVICE FUND - WEST OUACHITA BOND NO. 2	CAPITAL PROJECTS FUND - EAST OUACHITA 2009 CONSTRUCTION	OTHER GOVERNMENTAL	TOTAL	
						2009	2008
Assets:							
Cash and cash equivalents (Note 3)	\$ 20,179,854	\$ -	\$ 8,160,124	\$ 4,387,028	\$ 7,536,922	\$ 38,263,925	\$ 29,145,267
Investments (Note 4)	8,483,956	14,082,769	-	16,786,460	14,816,354	53,949,578	60,161,514
Receivables (Note 6):							
Ad valorem taxes	388,100	-	-	-	29,735	417,835	340,756
Sales and use taxes	-	1,005,376	-	-	6,149,324	6,154,700	6,123,633
Federal grants	43,095	-	-	-	3,392,464	3,435,549	2,573,970
Other	34,005	-	-	-	1,780,686	1,814,691	2,116,712
Due from other funds (Note 13)	4,128,463	-	-	-	-	4,128,463	3,288,891
Inventory (Note 1.H.)	-	-	-	-	355,369	355,369	301,023
Prepaid items	-	-	-	-	-	-	8,574
Total assets	\$ 33,267,470	\$ 15,068,165	\$ 8,160,124	\$ 21,153,508	\$ 32,860,844	\$ 108,620,111	\$ 104,056,240
Liabilities and fund balances:							
Liabilities:							
Accounts payable	\$ 224,248	\$ 58,574	\$ -	\$ 9,008	\$ 169,322	\$ 451,151	\$ 1,630,702
Salaries and wages payable	18,221,185	335,086	-	-	3,951,306	20,497,587	19,401,762
Unearned revenues	-	-	-	-	285,248	285,248	213,371
Due to other governments	11,205	-	-	-	-	11,205	11,205
Other liabilities	3,781	-	-	-	29,331	33,122	11,565
Due to other funds (Note 13)	-	266,491	-	-	3,861,972	4,128,493	3,288,891
Total liabilities	18,460,430	660,151	-	9,008	8,187,179	25,316,776	24,655,456
Fund balances:							
Reserved (Note 14)	1,303,303	14,408,004	8,160,124	21,144,602	22,580,634	65,616,567	60,887,497
Designated (Note 14)	176,318	-	-	-	2,093,031	2,268,349	2,311,869
Unreserved/undesignated (Note 14)	15,318,419	-	-	-	-	15,318,419	19,321,288
Total fund balances	15,797,040	14,408,004	8,160,124	21,144,602	24,673,665	83,203,335	79,500,784
Total liabilities and fund balances	\$ 33,257,470	\$ 15,068,165	\$ 8,160,124	\$ 21,153,608	\$ 32,860,844	\$ 108,620,111	\$ 104,056,240

See accompanying notes to the basic financial statements

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Balance Sheet to the Statement of Net Assets
June 30, 2009**

Total fund balances – governmental funds		\$83,203,335
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in Governmental Funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as Governmental Activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the Governmental Funds.

Cost of capital assets	\$309,833,811	
Accumulated depreciation	<u>(111,827,761)</u>	198,006,050

The costs associated with issuing bonds are reported as expenditures in the Governmental Funds. The issuance costs are not considered financial resources in the Statement of Net Assets; therefore, the costs are reported on the Statement of Net Assets as an asset net of accumulated amortization.

Bond issuance cost	1,791,457	
Accumulated amortization	<u>(965,097)</u>	826,360

Elimination of interfund assets and liabilities.

Interfund assets	(4,128,463)	
Interfund liabilities	<u>4,128,463</u>	-

See accompanying notes to the basic financial statements.	(continued)
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**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Balance Sheet to the Statement of Net Assets (continued)
June 30, 2009**

Long term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities – both current and long term – are reported in the Statement of Net Assets.

Retainages due in the 2009-10 fiscal year on construction projects are not reported in the Governmental Funds. Retainages have been reported as a liability in the Statement of Net Assets. Post-employment benefits in the Governmental Funds are recorded as an expenditure when paid. The unfunded annual required contribution in the Statement of Net Assets is recognized as a liability as it accrues.

Balances at June 30, 2009 are:

Long-term liabilities:

Compensated absences payable	(\$6,630,486)	
General obligation bonds payable	(63,325,000)	
Deferred amount on refunding – GO bonds	83,093	
Revenue bonds payable	(68,820,000)	
Deferred amount on refunding – Rev. bonds	644,048	
Bond discount on refunding – Rev. bonds	334	
Tax liability certificates of indebtedness	(5,920,000)	
Bond premium	(113,822)	
Retainages payable	(315,083)	
Other post employment benefits	<u>(40,597,237)</u>	(\$184,994,153)

(continued)

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Balance Sheet to the Statement of Net Assets (continued)
June 30, 2009**

The School Board self-insures for general liability and workers' compensation. Funds to meet these liabilities are deposited in an Internal Service Fund. The Internal Service Fund is not reported with the Governmental Funds. The Internal Service Fund is reported in the Statement of Net Assets. The Internal Service Fund's net assets at June 30, 2009, are as follows:

Cash and cash equivalents	\$842,939	
Investments	2,846,783	
Accounts receivable	(13,308)	
Claims liability	<u>(826,424)</u>	\$2,849,990

Interest on outstanding bonds in the Governmental Funds is recorded as an expenditure when paid. Bond interest in the Statement of Net Assets is recognized as an expense as it accrues.

Accrued interest on outstanding bonds	<u>(1,860,809)</u>
Net Assets	<u>\$98,030,773</u>

See accompanying notes to the basic financial statements.

(concluded)

Ouachita Parish School Board
Monroe, Louisiana

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

Fiscal Year Ended June 30, 2009

(With Comparative Totals For Fiscal Year Ended June 30, 2008)

	GENERAL FUND	SPECIAL REVENUE FUND - DISTRICT #1 SALES TAX	DEBT SERVICE FUND - WEST OUACHITA BOND No. 2	CAPITAL PROJECTS FUND - EAST OUACHITA 2009 CONSTRUCTION	OTHER GOVERNMENTAL	TOTAL	
						2009	2008
REVENUES							
Local sources:							
Ad valorem taxes (Note 5)	\$ 13,354,282	\$ -	\$ -	\$ -	\$ 4,631,173	\$ 17,985,455	\$ 18,853,350
1% ad valorem tax - tax collector	466,967	-	-	-	-	466,967	423,566
Sales and use taxes	-	6,178,820	-	-	31,617,376	37,897,296	37,082,593
Earnings on investments	641,606	221,618	-	451,816	577,805	1,892,843	2,974,860
Cash payments for meals	-	-	-	-	2,209,965	2,209,965	1,672,126
Other	2,327,038	500	-	-	439,543	2,767,081	3,696,022
State sources:							
State equalization	112,414,739	-	-	-	1,439,662	113,854,421	108,281,838
Revenue sharing	830,637	-	-	-	-	830,587	624,137
Professional Improvement Program	335,719	-	-	-	-	335,719	370,082
State contribution for teacher retirement (Note 8)	42,037	-	-	-	-	42,037	50,465
Restricted grants-in-aid	818,454	-	-	-	8,229,404	9,047,858	5,478,713
Federal sources:							
Federal programs	-	-	-	-	18,866,265	16,866,265	66,714,635
Other federal support	264,698	-	-	-	608,691	873,389	683,776
Total revenues	131,496,026	6,402,938	-	491,816	63,419,540	201,768,517	193,244,032
EXPENDITURES							
Current:							
Instructional services:							
Regular programs	60,645,738	3,687,654	-	30,128	13,203,665	76,887,635	70,841,650
Special education programs	15,750,833	198,360	-	-	4,982,597	21,030,702	19,971,763
Vocational programs	1,322,462	-	-	-	463,767	1,786,218	1,504,393
Other instructional programs	1,908,827	229,770	-	-	830,715	1,878,312	2,025,318
Special programs	182,817	-	-	-	6,026,659	6,189,276	4,765,689
Adult/continuing education	39,459	-	-	-	448,162	485,621	538,672
Support services:							
Pupil support services	4,807,840	509,187	-	-	2,668,326	7,885,353	7,520,993
Instructional staff support services	5,251,630	182,028	-	-	5,417,402	10,891,016	10,784,873
General administration	774,541	677	-	-	176,184	953,302	2,259,031
School administration	8,444,665	85,971	-	-	1,187,712	10,729,248	10,341,364
Business services	2,048,187	18,898	-	-	832,319	2,999,494	3,479,965
Plant services	16,481,163	2,024,254	-	589,540	3,224,031	22,319,078	18,336,302
Student transportation services	7,578,137	871,384	-	-	1,063,180	9,442,681	9,854,689
Central services	2,916,695	10,793	-	-	97,130	3,023,820	3,415,670
Noninstructional services:							
Food service operations	831,065	134,385	-	-	10,191,026	11,256,455	10,818,787
Community service programs	21,310	-	-	-	48,324	69,634	82,908
Facility acquisition and construction	-	-	-	7,045,036	5,744,030	12,789,072	6,602,385
Debt service (Note 13):							
Principal	-	-	4,353,000	-	1,980,000	6,335,000	6,430,000
Interest	-	-	3,328,955	-	2,500,238	5,829,191	4,846,648
Technical services	-	-	4,445	-	2,068	7,433	7,817
Legal fees	1,600	-	-	-	14,079	15,679	3,653
Bond issuance costs	-	-	314,192	63,342	68,560	448,714	210,212
Total expenditures	128,235,789	7,451,631	8,002,592	7,728,048	60,080,217	212,499,285	200,247,226
Excess (deficiency) of revenues over expenditures	2,260,226	(1,048,693)	(8,002,592)	(7,276,130)	3,339,323	(10,728,768)	(7,003,194)
OTHER FINANCING SOURCES (USES)							
Bond issuance	-	-	-	9,785,000	6,000,000	14,785,000	31,950,000
Issuance of refunding debt	-	-	28,490,000	-	-	28,490,000	-
Proceeds from sale of assets	22,654	-	-	-	-	22,654	14,828
Premium on bond sales	-	-	108,130	-	-	108,130	-
Payments to refunded debt escrow agent - principal	-	-	(28,460,000)	-	-	(28,460,000)	-
Payments to refunded debt escrow agent - interest	-	-	(345,265)	-	-	(345,265)	-
Bond premium on refunding debt	-	-	(588,200)	-	-	(588,200)	-
Transfers in (Note 16)	-	631,358	9,270,697	-	2,037,839	11,939,894	8,113,111
Transfers out (Note 16)	(2,783,046)	-	-	-	(8,756,048)	(11,539,094)	(8,113,111)
Total other financing sources (uses)	(2,760,392)	631,358	9,494,362	9,785,000	(2,718,009)	15,431,319	31,584,628
SPECIAL ITEM							
Proceeds from sale of "old" Claiborne Elementary	-	-	-	-	-	-	1,619,604
Net change in fund balances	(900,168)	(416,297)	1,491,770	2,508,870	620,314	3,702,651	28,481,133
Fund balances at beginning of year	17,297,208	18,826,241	4,698,354	18,635,632	24,053,351	79,609,784	53,019,631
Fund balances at end of year	\$ 16,797,040	\$ 18,409,944	\$ 6,190,124	\$ 21,144,502	\$ 24,673,665	\$ 83,293,335	\$ 79,500,764

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities
Fiscal Year Ended June 30, 2009**

Total net change in fund balances – Governmental Funds	\$3,702,551
--	-------------

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

Elimination of transfers in and out:

Transfers in	\$11,939,994	
Transfers out	<u>(12,539,994)</u>	(600,000)

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period:

Capital Outlays	15,071,848	
Depreciation	(8,267,539)	
Increase in retainage payable	<u>(73,742)</u>	6,730,567

Capital Assets nor depreciation are reported in the Governmental Funds. Capital assets and accumulated depreciation are reported in the Statement of Net Assets. When an asset is disposed of that is not fully depreciated it results in a loss on the disposal of the asset in the Statement of Activities unless sales proceeds are received which are in excess of carrying value. During the current fiscal year the School Board had a loss on disposal of capital assets of \$42,304.

(42,304)

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (continued)
Fiscal Year Ended June 30, 2009**

Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. \$6,335,000

The costs associated with issuing bonds are reported as expenditures in the Governmental Funds. The issuance costs do not require the use of current financial resources; therefore, the costs are amortized over the life of the bond issue in the Statement of Net Activities. For the year ended June 30, 2009, bond issuance costs exceeded current year amortization of bond issuance costs as follows:

Bond issuance costs	\$446,114	
Current year amortization of bond issuance costs	<u>(218,391)</u>	227,723

The School Board self-insures for general liability and workers' compensation. Funds to meet these liabilities are deposited in an Internal Service Fund. The Internal Service Fund is not reported with the Governmental Funds; however, it is reported in the Statement of Net Assets. The net assets in the Internal Service Fund increased from \$2,620,256 at June 30, 2008 to \$2,849,990 at June 30, 2009 for a net increase of \$229,734 229,734

Elimination of transfer in from general fund to Internal Service Fund 600,000

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (continued)
Fiscal Year Ended June 30, 2009**

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the Governmental Funds; however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$729,683) exceeded the amount used (\$322,709) by \$406,974.

(\$406,974)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because accrued interest received from bond sales is recognized as Other Financing Sources when received and interest on outstanding bonds is recognized as an expenditure in the Governmental Funds when it is due, which requires the use of current financial resources. In the Statement of Activities; however, interest expenses are recognized as the interest accrues, regardless of when it is due. Interest expense payable at year end decreased from the previous year as follows:

Interest expense payable at June 30, 2009	(\$1,860,809)	
Interest expense payable at June 30, 2008	<u>1,946,406</u>	85,597

Bond premium from bond sales is reported in the Governmental Funds as Other Financing Sources when received. Bond premium is reported in the Government-wide Financial Statements as a liability and amortized over the life of the bonds.

Bond premium	(108,130)	
Current year amortization expense	<u>18,283</u>	(89,847)

See accompanying notes to the basic financial statements.

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (continued)
Fiscal Year Ended June 30, 2009**

Proceeds from refunding debt are included in the Governmental Funds as Other Financing Sources. Refunding debt proceeds are reported on the Statement of Activities but are reported as long-term liabilities on the Statement of Net Assets. Proceeds from debt refinancing during 2008-09 were \$29,490,000. (29,490,000)

Payments to an escrow agent to refund bonded debt are reported in the Governmental Funds as Other Financing Sources. The amount paid to the escrow agent for principal is removed from the long-term bonded debt in the Statement of Net Assets. The deferred part of the payment paid to the escrow agent is shown as a reduction of long-term debt in the Statement of Net Assets. The deferred amount is amortized over the lesser of the life of the original bonds or the life of the refunding bonds.

Payment of refunded debt to escrow agent	28,460,000	
Payment of deferred amount to escrow agent	569,200	
Current year amortization	<u>(376,339)</u>	28,652,861

Discounts received on refinancing bonds are reported in the Governmental Funds as Other Financing Sources. Bond discounts are reported on the Statement of Net Assets as a reduction of long-term debt and amortized over the lesser of the life of the original bonds or the life of the refunding bonds. Current year amortization of bond discount was \$28,661. (28,661)

Other post-employment benefits are reported in the Governmental Funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues. (20,291,749)

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (continued)
Fiscal Year Ended June 30, 2009**

General obligation and revenue bonds issued in 2009 are included in the Governmental Funds as Other Financing Sources. Bond issues are not reported on the Statement of Activities but are reported as long-term liabilities on the Statement of Net Assets.

General obligation bonds issued by East Ouachita Bond District	(\$9,785,000)	
Revenue bonds issued by West Ouachita Bond District	<u>(5,000,000)</u>	<u>(\$14,785,000)</u>
Change in net assets of governmental activities		<u>(\$19,170,502)</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund
Comparative Statement of Net Assets**

June 30, 2009 and 2008

	<u>Total</u>	
	<u>2009</u>	<u>2008</u>
Assets:		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 842,939	\$ 2,570,935
Investments (Note 4)	2,846,783	1,321,983
Accounts receivable	-	32,369
Total assets	<u>3,689,722</u>	<u>3,925,287</u>
Liabilities:		
Current liabilities:		
Accounts payable	13,308	-
Claims liability - due within one year (Note 1.R.)	450,000	326,258
Noncurrent liabilities:		
Claims liability (Note 1. R.)	<u>376,424</u>	<u>978,773</u>
Total liabilities	<u>839,732</u>	<u>1,305,031</u>
Unrestricted net assets	<u>\$ 2,849,990</u>	<u>\$ 2,620,256</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund
Comparative Statement of Revenues, Expenses
and Changes in Net Assets**

Fiscal Years Ended June 30, 2009 and 2008

	<u>Total</u>	
	<u>2009</u>	<u>2008</u>
Operating revenues	\$ -	\$ -
Operating expenses		
Self-Insurance claims and insurance premiums	<u>460,827</u>	<u>1,349,309</u>
Operating income (loss)	(460,827)	(1,349,309)
Nonoperating revenues		
Earnings on investments	<u>90,561</u>	<u>115,274</u>
Income (loss) before transfers	(370,266)	(1,234,035)
Transfers in	<u>600,000</u>	<u>830,900</u>
Change in net assets	229,734	(403,135)
Net assets at beginning of year	<u>2,620,256</u>	<u>3,023,391</u>
Net assets at end of year	<u><u>\$ 2,849,990</u></u>	<u><u>\$ 2,620,256</u></u>

See accompanying notes to the basic financial statements.

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**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund
Comparative Statement of Cash Flows**

Fiscal Years Ended June 30, 2009 and 2008

	Total	
	2009	2008
Cash flows from (used by) operating activities:		
Claims and premiums paid	<u>\$ (895,929)</u>	<u>\$ (940,893)</u>
Net cash provided (used) by operating activities	<u>(895,929)</u>	<u>(940,893)</u>
Cash flows from noncapital financing activities:		
Transfer from General Fund	<u>600,000</u>	<u>830,900</u>
Cash flows from (used by) investing activities:		
Sale (purchase) of investments, net	(1,522,628)	1,870,312
Earnings on investments	<u>90,561</u>	<u>115,274</u>
Net cash provided (used) by investing activities	<u>(1,432,067)</u>	<u>1,985,586</u>
Net increase (decrease) in cash and cash equivalents	(1,727,996)	1,875,593
Cash and cash equivalents at beginning of year	<u>2,570,935</u>	<u>695,342</u>
Cash and cash equivalents at end of year	<u>\$ 842,939</u>	<u>\$ 2,570,935</u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ (460,827)	\$ (1,349,309)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in receivables	30,197	(27,506)
Increase (decrease) in payables	13,308	(700)
Increase (decrease) in claims liability	<u>(478,607)</u>	<u>436,622</u>
Net cash provided (used) by operating activities	<u>\$ (895,929)</u>	<u>\$ (940,893)</u>
 Noncash Investing activities:		
Increase (decrease) in fair value of investments	<u>\$ (10,534)</u>	<u>\$ 2,173</u>

See accompanying notes to the basic financial statements.

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**Ouachita Parish School Board
Monroe, Louisiana**

**Fiduciary Fund - Agency Funds
Comparative Statement of Fiduciary Assets and Liabilities**

June 30, 2009 and 2008

	Total	
	2009	2008
Assets:		
Cash and cash equivalents	<u>\$ 3,392,499</u>	<u>\$3,461,296</u>
Liabilities:		
Amounts held for others	<u>\$3,392,499</u>	<u>\$3,461,296</u>

See accompanying notes to the basic financial statements.



COMMITTED
*to Academic Excellence
for ALL Students!*

*Our Mission:
Through collaboration
among all stakeholders, the
Ouachita Parish School System
will ensure that all students attain
the knowledge and skills needed
to be productive citizens.*

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2009**

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**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

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(concluded)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies

The accompanying financial statements of the Ouachita Parish School Board (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.

A. Financial 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. For financial reporting purposes, the School Board's financial statements include all funds, schools, agencies and committees for which the School Board is financially accountable. The School Board is not aware of any other entities that should be included within the financial statements.

Certain units of local government, such as other independently elected officials, the parish police jury and municipalities, are excluded from the accompanying financial statements. These units have their own elected governing authorities and are not financially accountable to the School Board.

B. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Ouachita Parish School Board
Monroe, Louisiana

Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009

1. Summary of Significant Accounting Policies (continued)

The School Board uses the following fund categories and fund types.

Governmental Funds: Governmental funds account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental Funds that do not meet the dollar tests for major funds. The major and nonmajor funds are described below:

Major Funds:

General Fund - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in another fund and is always a major fund.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments) that are legally restricted to expenditures for specified purposes. The District #1 Sales Tax Special Revenue Fund is the only major Special Revenue Fund. For a more detailed description of the major Special Revenue Fund see the Required Supplemental Information – Part B, Budgetary Comparison Schedule.

Debt Service Funds - Debt Service Funds account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs. The West Ouachita Bond No. 2 Fund is the only major Debt Service Fund. For a more detailed description of the Debt Service Funds, see the Required Supplemental Information – Part B, Debt Service Fund.

Capital Projects Funds – Capital Projects Funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other Governmental Funds. The East Ouachita 2009 Construction Capital Projects Fund is the only major Capital Projects Fund. For a more detailed description of this fund see the Required Supplemental Information – Part B, Capital Projects Funds.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

Nonmajor Funds:

The School Board has 10 nonmajor Special Revenue Funds, 2 nonmajor Debt Service Funds, and 3 nonmajor Capital Projects Funds. For a description of these funds see the *Nonmajor Special Revenue Funds, Debt Service Funds, and Capital Projects Funds* tab sections of the report.

Proprietary Funds:

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one fund to other funds of the School Board. The Self-Insurance Internal Service Fund, which purchases an insurance policy and accounts for third-party administrative costs and claims, is reported as an internal service fund.

Fiduciary Funds:

Agency Funds - The Agency Funds account for assets held by the School Board in a trustee capacity or as an agent for individuals, private or school organizations, other governmental units and/or other funds. The School Activity Funds and Migrant Funds of other parishes are reported as Agency Funds.

C. Basis of Accounting/Measurement Focus

Government-wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

Program revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

General Revenues

General revenues included in the Statement of Activities derive directly from local property and sales taxes and from unrestricted state grants. General revenues finance the remaining balance of a function not covered by program revenues.

Allocation of indirect expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

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

The Proprietary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The Proprietary Fund is accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

incurred. Operating revenues are charges to the General Fund for insurance related costs such as claims liability and insurance premiums. Non-operating revenues are revenues that are not derived from charges to the General Fund such as earnings on investments. Proprietary Fund Type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. Operating expenses are general liability and worker's compensation claims and worker's compensation insurance premiums.

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual—that is, when they become both measurable and available to pay current period liabilities. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Such revenue items are ad valorem, sales and use taxes and federal and state entitlements. Ad valorem taxes are considered measurable and are recognized in the calendar year of the tax levy. Sales and use taxes are considered measurable and available when collected by the vendors. Revenue from state and federal grants are recorded when the reimbursable expenditures have been incurred.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year. Other post employment benefits (OPEB) are recorded in the Government-wide Financial Statements as an expenditure and as a liability when incurred.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest-bearing demand deposits, bank certificates of deposit, as well as short-term investments with a maturity date within three months of the date acquired. Bank certificates of deposit are stated at cost, which approximates fair value. Short-term investments are stated at cost, which approximates fair value.

Cash balances of all of the School Board's funds, except for the Payroll Account, are pooled into one master bank account with the School Board's fiscal agent bank. The Payroll Account is maintained in a separate account.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

The School Board maintains separate "book" cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, "Due to Other Funds." The balance of these amounts will be paid primarily through collections of grants receivable reimbursements from the Federal and State Departments of Education.

E. Investments

Louisiana Revised Statutes (R.S. 33:2955) and the Board's investment policy govern the investment policies of the School Board. The Ouachita Parish School Board is authorized to invest in U. S. Treasury obligations, U.S. Government instrumentalities, A-1, P-1 commercial paper, and other allowable short-term obligations including repurchase agreements. These are classified as investments if they have a maturity date of 90 days or more from the date of acquisition. Investments are carried at fair value.

Cash management and investment activities shall be conducted in a manner consistent with the "prudent investor" rule which states, "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived."

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

G. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided and used by the various Governmental Funds have not been eliminated in the process of aggregating data.

H. Inventory and Prepaid Items

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory when used. Inventory is stated at cost using the first-in, first-out (FIFO) basis. Inventory consists primarily of commodities and purchased food held for consumption. Purchased food inventory in the governmental funds is equally offset by a fund balance reserve which shows that this inventory does not constitute "available spendable resources" even though it is a component of total assets. Commodities inventory of \$245,071 is reported as unearned revenues, leaving a reserved fund balance of \$110,298 for purchased food.

I. Bond Issuance Costs

Costs (bond rating fees, attorney fees, printing, etc.) associated with issuing bonds are capitalized and amortized over the life of the bond issue in the Government-wide Financial Statements. The bond issuance costs are reported as expenditures in the Fund Financial Statements. The following is a summary of governmental activities bond issuance cost transactions for the year ended June 30, 2009:

	<u>Bond Issuance Costs</u>	<u>Accumulated Amortization</u>
Balance June 30, 2008	\$1,345,343	\$746,706
Additions	446,114	218,391
Balance June 30, 2009	<u>\$1,791,457</u>	<u>\$965,097</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

J. Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, and construction in progress are reported as governmental funds in the Governmental-wide Financial Statements. The School Board considers assets with an initial individual cost of more than \$5,000 and an estimated useful life of 2 years or more as a capital asset. In the 2008-09 fiscal year the School Board followed the Louisiana Department of Education's recommendation to increase the capitalization value of capital assets from \$1,000 to \$5,000. See Note 7 for more details of the change in capitalization value.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation.

Estimated useful life is management's best estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Furniture and equipment	5-15 years

Public domain (infrastructure) capital assets (e.g. parking lots, sidewalks, and other assets that are immovable and of value only to the government) were capitalized as part of the construction cost of the buildings.

K. Unearned Revenues

The School Board reports unearned revenues on its Statement of Net Assets and on the Fund Financial Statements' balance sheet. Unearned revenues arise when the School Board receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the Governmental Fund's Fund Financial Statements' balance sheet and the revenue is recognized.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

L. Interfund Activity

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or propriety funds are netted as part of the reconciliation to the Government-wide Financial Statements.

M. Compensated Absences

All 12-month employees earn from 10 to 15 days of annual leave each year depending on length of service with the School Board. Annual leave is credited at the beginning of each fiscal year and a maximum of five days can be accumulated and carried forward into a new fiscal year. Upon termination of employment, unused annual leave up to 20 days is paid to employees at the employees' current rates of pay.

All school employees earn ten days of sick leave each year. Sick leave may be accumulated without limitations. Upon retirement, unused accumulated sick leave of up to 25 days is paid to employees at the employees' current rates of pay. The accrual recorded for earned sick leave is based on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave is used in the retirement benefit computation as earned service.

Sick and vacation leave are reported in the Statement of Net Assets as a long-term liability and expensed in the Statement of Activities. Sick and vacation leave accrued in the Statement of Net Assets as of the end of the fiscal year are valued using employees' current rates of pay. Neither the School Board nor the employees are required to contribute to the retirement system for sick and annual leave payments. Accrued sick and vacation leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire. A liability for sick and annual leave is reported in the Governmental Funds only if they are payable at year end as the result of an employee's retirement.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

N. Long-Term Liabilities

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements in the period the bonds are issued. Bond proceeds are reported as an Other Financing Source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In the Government-wide Financial Statements bond premiums and issuance costs are reported on the balance sheet net of amortization and amortized over the life of the bonds. Bond discounts have been reported in the Government-wide Financial Statements as a reduction of long-term liabilities, net of accumulated amortization. Bond proceeds have been reported in the Government-wide Financial Statements as a long-term liability.

The current cost of other post-employment benefits is recognized in the fund financial statements in the year earned. Other post-employment benefits earned prior to the implementation of GASB 45 in fiscal year 2008 are to be recognized 3% per year for the years 2008 – 2037.

O. Restricted Net Assets

For the Government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

In the Statement of Net Assets the following items are considered restricted:

Debt service is considered restricted because an ad valorem tax has been levied specifically to meet the principal and interest payments of various bond issues.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

Salaries and related benefits are considered restricted as it represents undistributed salaries and related benefits from sales taxes restricted by sales tax propositions exclusively for this purpose.

Protested taxes are considered restricted because the taxpayer has filed suit protesting the ad valorem tax assessment and the amount of the tax. Distribution of the tax is pending settlement of the suit.

Federal and local grant projects are considered restricted because the use of grant funds have been designated by the benefactor or grantor.

P. Reserves and Designations of Fund Financial Statements

Portions of fund equity reported in the Fund Financial Statements are reserved for future use and are, therefore, not available for future appropriation or expenditure. Designations of unreserved fund balances indicate the School Board's tentative plans for the use of financial resources in a future period. See Note 14 for more detail of fund balance reserves and designations.

Q. Sales and Use Tax

The voters of Ouachita Parish have authorized the collection of four sales and use taxes for the benefit of the School Board. The first of these is a .5% sales and use tax levied and collected jointly by the City of Monroe School Board and the Ouachita Parish School Board. The net proceeds of the tax are to be allocated and prorated between the two school boards annually on the basis of average daily membership for the preceding school year. The tax revenue is to be used exclusively to supplement other revenues available to the School Board for the following purposes:

Eighty-eight percent of the revenues received by the School Board are to be used for the payment of the salaries of teachers, as defined by the Louisiana State Department of Education.

Twelve percent of the revenues received by the School Board are to be used for the payment of salaries to designated personnel, other than teachers.

The second of these taxes is an additional 1% sales and use tax levied and collected by the School Board only, and is to be used exclusively to supplement other revenue available to the School Board for the purpose of teacher and School Board employees' salaries and benefits.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

The third of these taxes is an additional .5% sales and use tax levied and collected by the School Board only. The tax revenue is to be used exclusively to supplement other revenues available to the School Board for the following purposes:

Thirty-eight percent of the revenues received by the School Board are to be used for capital improvements and facility and equipment support.

Thirty-six percent of the revenues received by the School Board are to be used for classroom instruction.

Fourteen percent of the revenues received by the School Board are to be used for the payment of mandated costs.

Twelve percent of the revenues received by the School Board are to be used to restore salary reductions.

The fourth of these is an additional 1% sales and use tax levied and collected by the West Ouachita Parish School Bond District for a period of 27 years through the year 2025. The tax proceeds are to be used for constructing, acquiring, improving, equipping, furnishing, maintaining, and/or operating schools and school related facilities in the district, with the proceeds of the tax being subject to funding into bonds for capital improvements.

R. Self-Insurance

The School Board is exposed to risks from damage to property from natural disasters and fires and for errors and omissions. The School Board is covered through insurance policies for these risks. The School Board is also at risk from injuries to students, employees, and citizens incurred on our facilities through negligence and to employees being injured on the job. The School Board is partially self-insured for workers' compensation and general liability insurance coverage, and maintains policies with large deductibles for property and fleet vehicle insurance. The School Board has an excess insurance policy which covers individual workers' compensation claims and occurrences in excess of \$400,000. The School Board self-insures for the retention. The School Board has not had claims to exceed its insurance coverage for each of the past three fiscal years.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

1. Summary of Significant Accounting Policies (continued)

Revenues that finance the operations of the Self-Insurance Internal Service Fund are considered operating revenues and include charges for services and insurance proceeds from losses. Revenues that are not derived directly from the operations of the self-insurance program are considered non-operating revenues and include earnings on investments. The School Board has increased the net assets in the Internal Service Fund over the years by transfers from the General Fund to cover future catastrophic losses.

Expenses related to these plans are recognized in the self-insurance fund as claims are incurred. A liability for unpaid and incurred but not reported claims is based on the School Board's known claims and its previous experience. A third-party administrator, who processes and investigates claims, pays valid claims and estimates the liabilities for unpaid claims, manages the workers' compensation and general liability plans. School Board personnel manage the remaining plans.

During fiscal year 2009, total expenses for claims and insurance premiums related to the self-insurance plans were \$460,827. The School Board's activity in claims liability for fiscal years 2009 and 2008 was:

	2009	2008
Claims liability at beginning of the year	\$1,305,031	\$868,409
Incurred claims and provision for incurred but not reported (1)	402,247	1,688,070
Claims payments (1)	(880,854)	(1,251,448)
Claims liability at the end of the year	\$826,424	\$1,305,031
Claims liability due within one year	\$450,000	\$326,258

(1) In 2008-09 two large claims were settled and 13 smaller claims were settled or closed resulting in the claims liability being reduced by \$456,915, thus reducing current year expenditures.

S. Use of Estimates

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

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

2. Expenditures – Budget and Actual

The following individual nonmajor special revenue and debt service funds had actual expenditures over total budgeted expenditures for the year ended June 30, 2009.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Nonmajor Special Revenue Funds:			
Supplemental Salaries Sales Tax - .5%	\$8,799,578	\$8,980,001	(\$180,423)
West Ouachita Sales Tax	68,800	185,040	(116,240)
School Food Service	9,338,820	9,450,893	(112,073)
Major Debt Service Funds:			
West Ouachita Bond No.2	37,405,685	37,377,057	(28,628)
Nonmajor Debt Service Funds:			
East Ouachita Bond	4,619,575	4,640,074	(20,499)
West Ouachita Bond	328,000	342,386	(14,386)

The fund balance in the Supplemental Salaries Sales Tax - .5% Fund is distributed to the employees at year end. The revenue exceeded budget amounts, thus resulting in more salaries being distributed at year end than anticipated. West Ouachita Sales Tax Fund's expenditures exceeded budgeted expenditures due to the Board authorizing more school repairs than originally anticipated. The excess of expenditures over budgeted expenditures in the School Food Service Fund was the result of underestimating food and utility costs. East Ouachita Bond actual expenditures exceeded budgeted expenditures due to underestimating fiscal agent administrative cost. West Ouachita Bond expenditures were more than anticipated due to underestimating the amount of repair projects that would be completed by year end.

3. Cash and Cash Equivalents

Custodial credit risk-deposits. At year-end, as reported on the Statement of Net Assets and the Agency Funds' Comparative Statement of Assets and Liabilities, the book balances of the School Board's deposits (including bank certificates of deposit) were \$39,106,864 and \$3,392,499, respectively. The School Board had bank balances totaling \$49,515,533 at June 30, 2009 of which \$2,233,605 were covered by federal depository insurance and \$47,281,928 were covered by collateral held by the trust department of agents of the pledging financial institutions in the School Board's name. Securities that may be pledged as collateral are obligations of the United States

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

3. Cash and Cash Equivalents (continued)

Government and its agencies, and obligations of the State of Louisiana and its municipalities and school districts. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

Individual funds with significant book cash deficit balances at June 30, 2009 were as follows:

Fund	Cash Deficit
Major Funds:	
Special Revenue Funds:	
District #1 Sales Tax	\$266,491
Nonmajor Funds:	
Special Revenue Funds:	
Title I Programs	945,479
Special Education IDEA-B	732,543
Other Federal Programs	671,767
State Grants	547,495
Debt Service Fund:	
West Ouachita Bond	6,323
Capital Projects Fund:	
West Ouachita 2007 Construction	<u>769,264</u>
Total	<u>\$3,939,362</u>

4. Investments

Investments are limited by Louisiana Revised Statute 33:2955 and the School Board's investment policy. The Board's investment policy allows funds which are available for investment and above immediate cash requirements to be invested in accordance with the following: a.) first priority shall be to secure safety of principle, b.) the second priority shall be to ensure liquidity of funds to meet the obligations of the School Board, and c.) the third priority shall be the yield of investments. The School Board's investments of \$56,796,362 at June 30, 2009, consist of the following and are carried at fair value:

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

4. Investments (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Total</u>	<u>Credit Risk</u>
U. S. Government Instrumentalities:			
Federal Home Loan Mortgage Corporation	\$8,852,562	15.6%	AAA
Federal Home Loan Bank	9,706,891	17.1%	AAA
Federal National Mortgage Association	6,686,412	11.8%	AAA
Investment Pools:			
Reliant Investments, L.L.C.	16,786,480	29.6%	AAA
Argent Trust	8,483,957	14.9%	AAA
Merrill Lynch	<u>6,280,060</u>	<u>11.0%</u>	AAA
Total	<u>\$56,796,362</u>	<u>100.00%</u>	

Credit risk. All of the School Board's investments, as shown in the previous table, are invested according to the investment policy adopted by the School Board. In accordance with School Board policy and Louisiana Revised Statute, Title 33, Chapter 6, Part IV, Section 2955, the School Board's credit risk is extremely low. This statute and the School Board's policy limit the School Board's investments to U.S. Government instrumentalities, investment grade (A-1, P-1) commercial paper of domestic United States corporations, and other allowable short-term obligations including repurchase agreements.

Concentration of credit risk. Applicable state statutes do not place limits on credit concentration. The School Board's investment policy limits the amount that may be held by any one issuer to no more than twenty five percent of the total portfolio to decrease the possibility of credit risk.

Interest rate risk. In accordance with its investment policy, the School Board manages its exposure to declines in fair values by using the weighted average maturity method. This method takes into account the timing of maturities and the amounts that are required to mature on specific dates to meet liquidity needs. Of the amount invested in U. S. Government instrumentalities, \$25,245,865 matures in less than twelve months. The remaining \$31,550,497 of the total portfolio is held in investment pools. These investments are bond proceeds held for the purpose of

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

4. Investments (continued)

construction. The maturity dates are thirty-six months or less and follow the construction draw down schedules for those specific funds. A laddering strategy which spreads maturity dates is used to meet liquidity requirements and to decrease interest rate risk.

5. Ad Valorem Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property, which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provides that land and residential property are to be assessed at 10% of fair market value; however, agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years. Based on the reappraised value, the assessor will "roll forward" or "roll back" the tax millage to equal the prior year taxable amount. If the assessor "rolls back" the tax millage, the School Board has the option to "roll forward" the millage rate back to the prior year's rate. The School Board opted to "roll forward" the 2008-09 millage rate back to the 2007-08 rate.

The School Board is permitted by constitutional and statutory authority of the State to levy taxes up to 29.33 mills per \$1,000 of assessed valuation for operations other than the payment of principal and interest on long-term debt. This is the amount which was levied for fiscal 2009.

The School Board was authorized by the citizens of the East Ouachita Bond District to levy taxes sufficient enough to pay the annual principal and interest on the general obligation bonds. The School Board levied 30.0 mills on the 2008 tax roll for the East Ouachita Bond District. The Sheriff of Ouachita Parish, as provided by State law, is the official tax collector of general property taxes levied by the School Board.

The 2008 property tax calendar was as follows:

Millage rates adopted	September 9, 2008
Levy date	November 12, 2008
Tax bills mailed	November 18, 2008
Due date	December 31, 2008
Lien date	January 1, 2009

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

5. Ad Valorem Taxes (continued)

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General Fund and in the East Ouachita Bond Debt Service Fund on the basis explained in Note 1.C. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Delinquent taxes considered to be uncollectible are not recorded as revenues. Property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

6. Receivables

The receivables of \$11,822,775 at June 30, 2009, as reported on the Governmental Funds were as follows:

	General Fund	Major Special Revenue Fund - District #1 Sales Tax	Nonmajor Funds - Other Governmental	Total
Taxes:				
Ad valorem	\$388,100	\$ -	\$ 29,735	\$ 417,835
Sales and use	-	1,005,376	5,149,324	6,154,700
Federal grants	43,095	-	3,392,454	3,435,549
Other	<u>34,005</u>	-	<u>1,780,686</u>	<u>1,814,691</u>
Total	<u>\$465,200</u>	<u>\$1,005,376</u>	<u>\$10,352,199</u>	<u>\$11,822,775</u>

All receivables are expected to be collected within the next fiscal year.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

7. Capital Assets

The changes in capital assets were as follows:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$6,059,839	\$8,000	\$ -	\$6,067,839
Construction in progress – Buildings	<u>5,826,932</u>	<u>7,838,924</u>	<u>(4,910,564)</u>	<u>8,755,292</u>
Total capital assets, not being depreciated:	<u>11,886,771</u>	<u>7,846,924</u>	<u>(4,910,564)</u>	<u>14,823,131</u>
Capital assets, being depreciated:				
Buildings and improvements	246,677,703	10,532,666	-	257,210,369
Furniture and equipment	<u>36,936,254</u>	<u>1,597,208</u>	<u>(733,151)</u>	<u>37,800,311</u>
Total capital assets, being depreciated	<u>283,613,957</u>	<u>12,129,874</u>	<u>(733,151)</u>	<u>295,010,680</u>
Less accumulated depreciation:				
Buildings and improvements	(80,321,991)	(5,461,332)	-	(85,783,323)
Furniture and equipment	<u>(23,934,690)</u>	<u>(2,806,206)</u>	<u>696,458</u>	<u>(26,044,438)</u>
Total accumulated depreciation	<u>(104,256,681)</u>	<u>(8,267,538)</u>	<u>696,458</u>	<u>(111,827,761)</u>
Total capital assets, being depreciated, net	<u>179,357,276</u>	<u>3,862,336</u>	<u>(36,693)</u>	<u>183,182,919</u>
Governmental activities, capital assets, net	<u>\$191,244,047</u>	<u>\$11,709,260</u>	<u>(\$4,947,257)</u>	<u>\$198,006,050</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

7. Capital Assets (continued)

Depreciation expense was charged to governmental activities as follows:

Instructional services:	
Regular programs	\$6,125,018
Special education programs	107,010
Vocational programs	48,256
Other instructional programs	180,894
Special programs	128,891
Adult/continuing education	284
Support services:	
Pupil support services	19,421
Instructional staff support services	113,030
General administration	8,582
School administration	1,476
Business services	33,953
Plant services	533,808
Student transportation services	607,042
Central services	270,695
Non-instructional services:	
Food service operations	89,178
Total depreciation expense	<u>\$8,267,538</u>

During the 2008-09 fiscal year, the School Board entered into contracts totaling \$23,356,333 and in the 10 previous years the School Board entered into contracts totaling \$165,089,711 to construct 8 schools, 2 vocational centers, and 9 multipurpose buildings and to make repairs and renovations to 28 schools. The construction is estimated to take three more years to complete. Work started but not completed during the 2009 fiscal year on contracts totaling \$8,755,292, was capitalized as construction in progress - buildings. At June 30, 2009, the School Board had \$315,083 in retainages related to construction in progress. The retainages will be paid at the completion of the projects in the 2009-10 fiscal year. The retainages have not been included on the June 30, 2009, balance sheet of the Fund Financial Statements, as they will not be paid from available spendable resources. At June 30, 2009, these contracts have \$8,755,292 remaining in work to be completed within the next year. The contracts will be paid by the capital project funds and the West Ouachita Sales Tax Special Revenue Fund.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

8. Retirement Systems

In 1996, the School Board adopted Governmental Accounting Standards Board Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. The School Board had no pension liability or asset at the effective date of the transition.

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

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description:

The TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. The School Board participates in two of the membership plans — the Regular Plan and Plan A. The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit are 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 TRSL issues a publicly available financial report that includes financial statements and required supplementary information for the TRSL. 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% and 9.1% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The School Board's contribution rate of annual covered payroll for the regular membership plan and for Plan A for the years ended June 30, 2009, 2008, and 2007, were 15.5%, 16.6%, and 15.8%, respectively. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

8. Retirement Systems (continued)

provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRSL for the years ending June 30, 2009, 2008, and 2007, were \$15,106,912, \$15,593,453, and \$12,683,766, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description:

The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The 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 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The School Board's contribution rate of annual covered payroll for the years ended June 30, 2009, 2008, and 2007 were 17.8%, 18.1% and 19.6%, respectively. 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 employer contribution for the LSERS, as provided by state law, is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The School Board's contribution to LSERS for the years ending June 30, 2009, 2008, and 2007 were \$2,093,669, \$1,903,742, and \$1,906,512, respectively, equal to the required contributions for the year.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits

As permitted by Louisiana Revised Statute 17:1223, the School Board provides certain continuing health care and life insurance benefits for certain retired employees through the State group insurance plan, an agent multiple employer defined benefit plan. Retired School Board employees are eligible for these benefits if they reach normal retirement age, as defined under the applicable retirement system (see Note 8), while working for the School Board. Currently the Ouachita Parish School Board's post employment benefits plan provides employees with a choice of participation in one of three medical insurance plans, each with varying benefits: preferred provider organization (PPO), exclusive provider organization (EPO), or health maintenance organization (HMO). LSA-R.S. 42:801 – 859 assigns the authority to establish benefit plans and premium rates and negotiate contracts to the Office of Group Benefits under the direction of the Commissioner of Administration. The Office of Group Benefits' financial report is included in the Louisiana Comprehensive Annual Financial Report (CAFR) which may be obtained from Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap; by writing to P.O. Box 94095, Baton Rouge, Louisiana 70804-9095; or by calling (225)342-0708.

The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure in the Governmental Funds when the monthly premiums are due. The cost of retiree benefits totaled \$5,230,663 during fiscal 2009; approximately 981 retirees receive benefits under this plan.

In the Government-wide Financial Statements in accordance with GASB 45 starting with the 2008 fiscal year, the cost of health care and life insurance benefits for active employees is expensed when earned. The liability for health care and life insurance for active and retired employees previously earned benefits has been calculated and will be amortized over 30 years. The normal costs and the accrued liability for previously earned benefits are based on the following data and assumptions:

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Mortality Rate

The mortality rate was determined by using the RP-2000 Static Healthy Mortality Table (sex distinct) with floating AA projections with the following assumptions:

1. Employee mortality is projected to valuation plus 15 years
2. Annuitant mortality is projected to valuation plus 7 years

Investment Return Assumption (Discount Rate) and Inflation Rate

While GASB 45 allocates the costs of a postretirement benefit plan over the years of active employment (when the promise of future benefits is potentially motivating an employee), it does not require the funding of such benefits. There are two key points that need to be noted in this regard. First, the choice of the discount rate used in measuring the liabilities of the benefits is tied to the funding vehicle or lack thereof. GASB 45 requires the use of a discount rate for an unfunded plan equal to what the sponsor earns on its general assets. Since a lower discount rate leads to higher liabilities, a funded plan will have lower liabilities than an unfunded plan with identical provisions and membership. Since it is anticipated that the annual required contribution will not be funded, a 4% annual investment return is assumed in the actuarial evaluation which represents a reasonable estimate of short-term pooled funds.

Amortization Method and Period

The level dollar closed amortization method has been used. An amortization period of 30 years has been used for the medical benefits and for the life insurance benefits. The valuation used the closed group method, under which future entrants are not considered.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Healthcare Cost Trend Rate

In the absence of readily available cost trend data from the Office of Group Benefits, the expected rate of increase in healthcare insurance premiums is based on an understanding of the plan and *Milliman's Health Cost Guidelines*. The assumed annual per capita cost of medical and pharmacy benefits for select ages are illustrated below. These are gross amounts prior to reduction for any retiree contributions.

PPO

Medicare Eligible

	Retiree Only	Retiree & Spouse
Pre-65	\$11,676	\$20,617
Post-65	\$3,797	\$6,825

Not Medicare Eligible

	Retiree Only	Retiree & Spouse
Pre-65	\$11,676	\$20,617
Post-65	\$11,676	\$14,704

EPO

	Retiree Only	Retiree & Spouse
Pre-65	\$12,143	\$21,442
Post-65	\$3,948	\$7,097

HMO

	Retiree Only	Retiree & Spouse
Pre-65	\$11,209	\$19,792
Post-65	\$3,645	\$6,552

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Medical Inflation (Trend Assumption)

The trend assumptions for medical and pharmacy costs and retiree premiums are summarized below:

Year	Trend	
	Pre-Medicare	Post-Medicare
2008	10.75%	9.00%
2009	10.50%	8.75%
2010	10.25%	8.50%
2011	9.50%	8.25%
2012	8.50%	7.75%
2013	7.50%	7.25%
2014	6.50%	6.50%
2015	5.50%	5.75%
2016 and ongoing	5.00%	5.00%

Life Insurance

- Life insurance amount for retirees -- as provided in data
- Life insurance amount for future retirees - \$30,000 assumed
- Employee contributions - \$171.12, decreasing to \$132.48 at age 65, decreasing to \$80.64 at age 70. Contributions assumed to increase 3.2% per year

Withdrawal Rates

The following service related sample withdrawal rates are shown below:

Age	Males	Females
25	7.0%	7.0%
30	8.0%	8.0%
35	6.0%	6.0%
40	3.0%	3.0%
45	2.0%	2.0%
50	2.0%	2.0%

The rate of withdrawal is multiplied by 1.25 for the year first of employment.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Disability Rates

The following service related sample disability rates are shown below:

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	0.01%	0.01%
30	0.03%	0.03%
35	0.06%	0.06%
40	0.10%	0.10%
45	0.18%	0.18%
50	0.24%	0.24%
55	0.47%	0.47%

Retirement Rate

It is assumed that entitlement to benefits will commence at the expected retirement date (that is, the date at which the eligible employee will actually retire) under the pension plan which covers employees. It is assumed that this retirement date is three years later than the earliest date at which the employee is eligible for regular retirement benefits. That "regular retirement" date is defined as the earliest of the following:

- 30 years of service credit at any age; or
- 25 years of service credit at age 55; or
- 5 years of service credit at age 60.
- 20 years of service at any age – early retirement

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

The assumed percent of employees reaching retirement are as follows:

Retirement Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>
38	5.0%	5.0%
39	6.0%	6.0%
40	4.0%	4.0%
45	3.0%	3.0%
50	3.0%	3.0%
55	10.3%	10.3%
60	27.7%	27.7%
65	33.0%	33.0%
70	38.3%	38.3%
71	38.5%	38.5%
72	100.0%	100.0%

Actuarial Methods and Assumptions

The amount of the current employer portion of the healthcare premiums for retiree coverage has been used as the basis for calculating the actuarial present value of benefits to be paid; the Office of Group Benefits' "*Official Schedule of Rates*" effective July 1, 2007 has been used for this purpose. It has been assumed 100 % of employees who elect coverage while in active employment and who are eligible for retiree medical benefits will continue the same medical coverage in retirement. It is assumed that 40% of members electing coverage will also elect coverage for a spouse. Females are assumed to be three years younger than males.

Actuarial Cost Method

The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in OPEB costs. These gains and losses result from the difference between the actual experience under the plan and what was anticipated by the actuarial assumptions.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

The cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the long term assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

Actuarial liabilities and comparative costs were computed using the unit credit actuarial cost method, which consists of the following cost components:

1. The normal cost is the actuarial present value of benefits allocated to the evaluation year.
2. The actuarial accrued liability is the actuarial present value of benefits accrued as of the valuation date.
3. Valuation assets are equal to the market value of assets as of the valuation date, if any.
4. Unfunded actuarial accrued liability is the difference between the actuarial accrued liability and the valuation assets. It is amortized over the maximum permissible period under GASB 45 of 30 years.

It should be noted that GASB 45 allows a variety of cost methods to be used. This method was selected because it is generally easy to understand and is widely used for the valuation of post employment benefits other than pensions.

Actuarial Value of Plan Assets

Actuarial value of assets is the value of cash, investments, and other property belonging to the plan, as used by the actuary for the purpose of an actuarial valuation. Since this is the first actuarial valuation, there are not any assets to be actuarially valued; however, it is anticipated that future valuations of actuarial assets will be based on Actuarial Standards Board Actuarial Standard of Practice Number 6, *Measuring Retiree Group Benefit Obligations*, which is applicable to post employment benefits plans and generally requires valuing dedicated plan assets using a method that takes into account market value.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) healthcare

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actuarial results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plans (the plans as understood by the Ouachita Parish School Board Fund and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Ouachita Parish School Board and its plans members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effect of legal or contractual funding limitation on the pattern of cost sharing between the Ouachita Parish School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculation, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The following table shows the Ouachita Parish School Board's annual post employment benefits cost, percentage of that cost contributed and the net unfunded post employment benefits liability:

<u>Fiscal Year Ended</u>	<u>Annual Post Employment Benefits Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net Unfunded Post Employment Benefits Liability</u>
6/30/09	\$25,522,412	20.5%	\$40,597,237

Funded Status and Funding Progress

In the 2007-08 fiscal year the Ouachita Parish School Board started recording post-employment benefits in its financial statements. The School Board has not made any contribution to a post employment benefits plan trust. Therefore, the plan has no assets, and hence has a funded ratio of zero. As of June 30, 2008 the first and most recent actuarial valuation, the actuarial accrued liability was \$40,597,237, which is defined as that portion, as determined by a particular actuarial cost method (the Ouachita Parish School Board used the Unit Credit Cost method), of an actuarial present value of a post employment plan benefits and expenses which is not provided by normal cost (i.e. the cost of the actuarial present value of post employment benefits for active employees from their hire date through June 30, 2008, and for retired employees from their hire date through their date of retirement).

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Since the plan was not funded in 2008 or 2009, the entire actuarial accrued liability of \$40,597,237 was unfunded. The annual payroll of active employees covered by the plan, called the covered payroll, was \$119,364,136 in 2009; the ratio of the unfunded actuarial accrued liability to the covered payroll was 34.0%. Salaries are not used to determine either medical or life post employment benefits.

Annual Post Employment Benefits Cost and Net Post Employment Benefits Liability

The table below shows the Ouachita Parish School Board's annual post employment benefits for the year ended June 30, 2009, and changes in the unfunded post employment benefits liability:

Normal Cost	\$11,835,999
30-year actuarial accrued liability amortization of medical and life insurance	<u>13,686,413</u>
Annual required contribution (ARC)	25,522,412
Interest on prior year net post employment benefits liability	-0-
Adjustments to the annual required contribution	<u>-0-</u>
Annual post employment benefits expense	25,522,412
Contributions made	<u>(5,230,663)</u>
Increase in unfunded post employment benefits liability	20,291,749
Unfunded post employment liability - July 1, 2008	<u>20,305,488</u>
Unfunded post employment benefits liability - June 30, 2009	<u>\$40,597,237</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Required Contribution Rates

As determined by the Office of Group Benefits and approved by the Louisiana Legislature, the employer paid 75% of the premium cost for post employment benefits for retired employees and their families, and the retirees paid 25% of the premium cost; monthly premium cost for retired employees ranged from \$79 for a single retiree with Medicare in the HMO plan to \$511 for a retiree and spouse without Medicare in the EPO plan. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits.

The Ouachita Parish School Board's annual medical and life post employment benefits cost (expense) is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement Number 45. The Ouachita Parish School Board's annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize the unfunded actuarial liability (or funding excess) over a period of thirty (30) years for health and life insurance. The total annual required contribution for the year ended June 30, 2009, is \$25,522,412, of which the School Board opted to fund only the required current year premium contributions to the Office of Group Benefits totaling \$5,230,663 in 2009. The total unfunded post employment benefits liability at June 30, 2009 was \$226,218,131.

Funding Policy

Currently, there are no requirements for employers to contribute to their post employment benefits plans. In 2007-08, the Ouachita Parish School Board started recognizing the cost of providing these benefits (the Ouachita Parish School Board's portion of premiums) as an expense when the benefits premiums were due and thus financed the cost of post employment benefits on a pay-as-you-go basis. The School Board implemented Governmental Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by employers for Post employment Benefits Other than Pension (GASB Statement 45), prospectively in 2007-08 and at that time began to record its portion of premiums as an expense during the period of active service by the employee (normal cost). In 2009 and 2008, the Ouachita Parish School Board's portion of health care and life insurance benefit premium, for both active and retired employees totaled \$17,105,579 and \$16,353,730, respectively. The School Board at this time does not plan to fund the post employment liability other than the monthly health and life insurance premiums as they become due.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

9. Other Post Employment Benefits (continued)

Concentration of Funding Sources

The Ouachita Parish School Board's principal source of revenues, consist mainly of the Minimum Foundation Program (MFP) funding from the State of Louisiana and local ad valorem and sales taxes. If the amount of these revenues fall below budgeted levels, the Ouachita Parish School Board's operation results could be adversely affected.

10. Deferred Compensation Plan

The School Board offers a deferred compensation plan for employees under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan).

Part-time and substitute employees are required to contribute 7.5% of their compensation to the Deferred Compensation Plan. Full-time employees may voluntarily make contributions to the Deferred Compensation Plan. The School Board does not contribute to the Deferred Compensation Plan. At June 30, 2009, the Plan had assets with an approximate market value of \$1,997,123. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 32 they are not reported in the School Board's financial statements.

11. Agency Fund Deposits Due Others (FFS level only)

A summary of changes in agency fund deposits due others follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Agency Funds:				
School Activity	\$3,461,296	\$10,082,558	(\$10,151,355)	\$3,392,499
Migrant Funds of Other Parishes	-	60,623	(60,623)	-
Total	<u>\$3,461,296</u>	<u>\$10,143,181</u>	<u>(\$10,211,978)</u>	<u>\$3,392,499</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

12. General Long-Term Obligations

The general obligation bonds are obligations of East Ouachita Bond District, with maturities from 2010 to 2033 and interest rates from 4.0% to 6.0%. General obligation bonds' principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the respective taxing districts. In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term general obligation bonded debt in excess of 35% of the total assessed value of all property in the taxing district. At June 30, 2009, the statutory limit and debt margins are as follows:

	<u>East Ouachita Bond</u>
Assessed Value	<u>\$211,133,216</u>
35% of assessed value	\$ 73,896,626
Outstanding General Obligation Bonds	<u>(63,325,000)</u>
Debt Margin	<u>\$ 10,571,626</u>

The following shows the changes in general obligation bonds, revenue bonds, and limited tax certificates of indebtedness:

Original Issue	Outstanding July 1, 2008	Borrowings	Payments	Outstanding June 30, 2009	Interest Rate On Unpaid Debt	Total Future Interest
General obligation bonds:						
4.5%-6.0% issued 3/1/99; due 2010-2024	\$925,000	\$ -	(\$925,000)	\$ -	-	\$ -
5.2%-7.0% issued 3/1/00; due 2010-2025	935,000	-	(453,000)	480,000	5.0%	24,960
3.0%-4.5% issued 4/26/05; due 2010-2025	12,305,000	-	(90,000)	12,215,000	3.50%	5,060,921
3.625%-4.750% issued 3/14/06; due 2010-2024	21,600,000	-	(75,000)	21,525,000	3.625%- 4.75%	8,038,854

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

12. General Long-Term Obligations (continued)

Original Issue	Outstanding July 1, 2008	Borrowings	Payments	Outstanding June 30, 2009	Interest Rate On Unpaid Debt	Total Future Interest
General obligation bonds:						
3.75%-6.0 % Issued 10/1/07; Due 2010-2032	\$9,755,000	\$ -	(\$215,000)	\$9,540,000	5.75%	\$5,498,526
4.0%-6.0% issued 1/1/08; due 2010-2032	10,000,000	-	(220,000)	9,780,000	4.00%- 6.0%	5,772,656
4.0%-5.0% issued 1/1/09; due 2010-2033	-	9,785,000	-	9,785,000	4.0%-	6,836,668
Deferred amount of refunding	(308,692)	-	225,599	(83,093)	-	-
Unamortized bond discount	(28,326)	-	28,326	-	-	-
Total general obligation bonds	55,182,982	9,785,000	(1,726,075)	63,241,907		31,232,585
Revenue bonds:						
4.25 %-7.0% issued 9/1/98; due 2009-2011	19,365,000	-	(16,695,000)	2,670,000	4.3%- 4.4%	179,090
4.5 %-6.0% issued 4/1/99; due 2009-2011	15,540,000	-	(13,265,000)	2,275,000	4.5%- 6.0%	161,738
4.9%-5.75% issued 9/1/00; due 2009-2011	885,000	-	(280,000)	605,000	5.75%	35,219
4.1%-7.0% issued 3/1/01; due 2009-2024	6,675,000	-	(230,000)	6,445,000	4.1%- 5.0%	3,060,390
5.25%-7.0% issued 3/01/02; due 2009-2024	2,735,000	-	(55,000)	2,680,000	5.25%- 7.0%	1,857,540
3.75%-4.15% issued 3/14/06; due 2009-2024	8,210,000	-	(55,000)	8,155,000	3.75%- 4.15%	3,289,591
4.0%-6.0% issued 10/01/07; due 2009-2024	11,950,000	-	(450,000)	11,500,000	4.0%- 5.5%	4,198,811
3.25%-4.25% issued 10/11/08 due 2009-2024	-	5,000,000	-	5,000,000	3.25%- 4.25%	1,785,931
3.00%-4.25% issued 3/30/09 due 2009-2023	-	29,490,000	-	29,490,000	3.00%- 4.25%	10,814,730
Deferred amount of refunding	(225,588)	(569,200)	150,740	(644,048)	-	-
Unamortized bond discount	(669)	-	335	(334)	-	-
Total revenue bonds	65,133,743	33,920,800	(30,878,925)	68,175,618		25,383,040

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

12. General Long-Term Obligations (continued)

Original Issue	Outstanding		Payments	Outstanding	Interest	Total
	July 1, 2008	Borrowings		June 30, 2009	Rate On Unpaid Debt	
Limited Tax Certificates:						
3.5%-4.4% issued 3-1-02; Due 2010-2012	\$3,205,000	\$ -	(\$745,000)	\$2,460,000	4.2%- 4.4%	\$216,800
3.0%-3.7% issued 3-28-03; due 2010-2012	4,500,000	-	(1,040,000)	3,460,000	3.35%- 3.70%	255,110
Total limited tax certificates of indebtedness	7,705,000	-	(1,785,000)	5,920,000		471,910
Total all bonds and certificates of indebtedness	<u>\$128,921,725</u>	<u>\$43,705,800</u>	<u>(\$34,390,000)</u>	<u>\$137,337,525</u>		<u>\$57,087,535</u> (concluded)

Principal and interest are due in total, to maturity, as follows:

Year Ended June 30	Principal Payments	Interest Payments	Total
2010	\$7,195,000	\$5,597,720	\$12,792,720
2011	7,610,000	5,369,596	12,979,596
2012	7,970,000	5,051,381	13,021,381
2013	6,145,000	4,731,466	10,876,466
2014	6,405,000	4,419,649	10,824,649
2015-2019	37,670,000	18,747,248	56,417,248
2020-2024	43,735,000	9,812,342	53,547,342
2025-2029	14,850,000	2,696,019	17,546,019
2030-2033	6,485,000	662,114	7,147,114
Total	<u>\$138,065,000</u>	<u>\$57,087,535</u>	<u>\$195,152,535</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

12. General Long-Term Obligations (continued)

The following is a summary of governmental activities long-term obligation transactions for the year ended June 30, 2009:

Long-term Obligations	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009	Amounts Due Within One Year
Claims liability	\$1,305,031	\$402,247	(\$880,854)	\$826,424	\$450,000
Compensated absences	6,223,512	729,683	(322,709)	6,630,486	325,000
Other post employment benefits	20,305,488	25,522,412	(5,230,663)	40,597,237	-
Bonded debt/limited tax certificates	128,021,725	43,705,800	(34,390,000)	137,337,525	6,960,831
Other	265,317	423,212	(259,624)	428,905	333,366
Total	<u>\$156,121,073</u>	<u>\$70,783,354</u>	<u>(\$41,083,850)</u>	<u>\$185,820,577</u>	<u>\$8,069,197</u>

Other long-term obligations at June 30, 2009, consist of bond premiums of \$113,822 and retainage payable of \$315,083.

The following is a summary of governmental activities bond discount transactions for the year ended June 30, 2009:

Bond discount outstanding, July 1, 2008	\$28,995
Additions	-
Deductions	<u>(28,661)</u>
Bond discount outstanding, June 30, 2009	<u>\$ 334</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the East Ouachita Bond Debt Service Fund. Payments on the revenue bonds payable and the tax liability certificates of indebtedness that pertain to the School Board's governmental activities are funded by transfers from the West Ouachita Sales Tax Special Revenue Fund to the West Ouachita Bond No. 2 Debt Service Fund. The compensated absences liability attributable to the governmental activities will be liquidated by the School Board's General Fund.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

12. General Long-Term Obligations (continued)

The School Board does not have plans to place funds in an irrevocable trust to liquidate the other post employment benefits liability. The School Board plans to continue on a pay-as-you go basis for OPEB benefits.

The Ouachita Parish School Board made an additional payment from its West Ouachita Bond No. 2 Debt Service Fund totaling \$114,833 and issued \$29,490,000 in revenue refunding bonds on March 30, 2009, to purchase United States Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$28,460,000 of revenue bonds. The outstanding balances of the defeased 1998 Series and the 1999 Series are \$2,670,000 and \$2,275,000, respectively at June 30, 2009. The 1998 and 1999 Series will be called for redemption on September 1, 2012. As a result, this portion of the refunded bonds is considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$1,327,972 and resulted in an economic gain of \$1,001,568.

	<u>1998 Issue</u>	<u>1999 Issue</u>	<u>Total</u>
Outstanding – June 30, 2008	\$19,365,000	\$15,540,000	\$34,905,000
Principal Payment September 1, 2008	(800,000)	(700,000)	(1,500,000)
Debt remaining with Ouachita Parish School Board	<u>(2,670,000)</u>	<u>(2,275,000)</u>	<u>(4,945,000)</u>
Defeased bonds – June 30, 2009	<u>\$15,895,000</u>	<u>\$12,565,000</u>	<u>\$28,460,000</u>
Old debt service payments			\$95,645,355
New debt service payments			(94,203,040)
Less additional debt service payment			(114,833)
Other			490
Savings			<u>\$1,327,972</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

13. Interfund Assets/Liabilities (FFS level only)

Individual balances due from/to other funds at June 30, 2009 were as follows:

	Due To Other Funds	Due From Other Funds
Major Funds:		
General Fund	\$ -	\$4,128,463
District #1 Sales Tax:		
Deficit cash balance	266,491	
 Nonmajor Funds:		
Special Revenue Funds:		
Title I Programs:		
Deficit cash balances	945,479	
Indirect cost	76,221	
Total Title I Programs	1,021,700	
Special Education IDEA B:		
Deficit cash balances	732,543	
Indirect cost	55,559	
Total Special Education IDEA-B	788,102	
Other Federal Programs:		
Deficit cash balance	671,767	
Indirect cost	55,794	
Total Other Federal Programs	727,561	
State Grants:		
Deficit cash balances	547,495	
Indirect cost	1,527	
Total State Grants	549,022	
Debt Service Fund:		
West Ouachita Bond:		
Deficit cash balance	6,323	
Capital Projects Fund:		
West Ouachita 2007 Construction	769,264	
 Total	\$4,128,463	\$4,128,463

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

13. Interfund Assets/Liabilities (FFS level only) (continued)

The balances due for cash deficits are due to not receiving reimbursement by year end from the grantor for reimbursement type grants. The General Fund pays for the expenditure for the grant fund until the reimbursement is received. Indirect cost balances represent the outstanding indirect cost payments due to the General Fund for outstanding grant requests for funds filed but not received from grantors by year end. All interfund transactions at year end will be completed during the 2009-10 fiscal year.

14. Reserves and Designations of Fund Balances

The following Governmental Funds fund balances are legally restricted for the following purposes:

<u>Fund</u>	<u>Reserved for</u>	<u>Amount</u>
Major Funds:		
General Fund	Encumbrances	\$7,106
General Fund	Protested taxes	250,313
General Fund	Grants	1,040,896
General Fund	Scholarship and donations	4,988
Total General Fund		<u>1,303,303</u>
Special Revenue Funds:		
District #1 Sales Tax	Instructional costs	2,637,199
District #1 Sales Tax	Capital improvements and facility acquisition	2,121,709
District #1 Sales Tax	Mandated costs	5,011,130
District #1 Sales Tax	Restoration of salary reductions	4,675,787
District #1 Sales Tax	Maintenance and operation	(37,821)
Total Major Special Revenue Funds		<u>14,408,004</u>
Debt Service Fund:		
West Ouachita Bond No. 2	Debt service	<u>6,180,124</u>
Capital Projects Fund:		
East Ouachita 2009 Construction	Capital projects	<u>21,144,502</u>

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

14. Reserves and Designations of Fund Balances (FFS level only) (continued)

<u>Fund</u>	<u>Reserved for</u>	<u>Amount</u>
Nonmajor Funds:		
Special Revenue Funds:		
Supplemental Salaries Sales Tax – 1%	Salaries and related benefits	\$4,314,663
Supplemental Salaries Sales Tax – .5%	Salaries	1,402,238
West Ouachita Sales Tax	Construction, repairs, & debt service payments	5,682,043
School Food Service	Inventory	110,298
School Food Service	Food services	278,006
Other Federal Programs	Pre-school programs	2,244
Local Grants	Various restricted local grants	110,092
Total Nonmajor Special Revenue		<u>11,899,584</u>
Debt Service Funds:		
East Ouachita Bond	Debt service	4,651,919
West Ouachita Bond	Debt service	213,289
West Ouachita Bond	Protest taxes	105,137
Total Nonmajor Debt Service		<u>4,970,345</u>
Capital Projects Funds:		
West Ouachita Construction 2007	Capital projects	1,482,623
West Ouachita Construction 2008	Capital projects	4,228,082
Total Nonmajor Capital Projects		<u>5,710,705</u>
Total Reserved Fund Balances		<u>\$65,616,567</u> (concluded)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

14. Reserves and Designations of Fund Balances (FFS level only) (continued)

The School Board has designated the following Governmental Funds fund balances for these specific purposes:

<u>Fund</u>	<u>Designated for</u>	<u>Amount</u>
Major Funds:		
General Fund	Driver's Education	<u>\$175,318</u>
Nonmajor Funds:		
Special Revenue Funds:		
Air Conditioning Redemption	Major air conditioning repairs	1,977,314
State Grants	Act 13 Special Ed. and Gifted	<u>115,717</u>
Total Nonmajor Special Revenue Funds		<u>2,093,031</u>
Total Designated Fund Balances		<u>\$2,268,349</u>

15. Litigation and Contingencies

The School Board is a defendant in several lawsuits. Management for the School Board believes that the potential claims against the School Board not covered by insurance have been adequately accrued at June 30, 2009.

As more fully described in Note 1.R., the School Board is exposed to various risks through its self insurance plan for damage to property from natural disasters, fire and errors and omissions.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)
Fiscal Year Ended June 30, 2009**

16. Interfund Transfers (FFS level only)

Transfers to/from other Governmental Funds for the year ended June 30, 2009 were as follows

	Transfers In	Transfers Out
Major Funds:		
General Fund	\$ -	\$2,783,046
District #1 Sales Tax	631,358	-
Nonmajor Funds:		
Special Revenue Funds:		
West Ouachita Sales Tax	-	8,289,484
School Food Service	1,495,672	-
Other Federal Programs	4,888	-
State Grants	51,128	-
Debt Service Funds:		
West Ouachita Bond No. 2	9,270,697	-
Capital Projects Funds:		
West Ouachita Construction 2007	-	453,487
West Ouachita Construction 2008	-	1,013,977
Sale of "Old" Claiborne Elementary	486,251	-
Proprietary Fund:		
Internal Service Fund	600,000	-
Total	\$12,539,994	\$12,539,994

Transfers totaling \$7,688,600 and \$114,633 were made from the West Ouachita Sales Tax Special Revenue Fund to the West Ouachita Bond No. 2 Debt Service Fund as principal and interest payments became due and for additional principal on the refinancing of the 1998 and 1999 Revenue bonds, respectively. The West Ouachita Sales Tax Special Revenue Fund also transferred \$486,251 to the West Ouachita Construction Capital Projects Fund to cover additional construction costs than originally anticipated. Transfers were made from the General Fund to supplement Federal and State Grants totaling \$4,888 and \$51,128, respectively, for Special Education and Gifted and Talented programs. The General Fund also transferred \$1,495,672 to the School Food Service Special Revenue Fund to eliminate a cumulative deficit in the fund. A transfer of \$631,358 was made from the General Fund to the District #1 Sales Tax Special Revenue Fund to supplement repairs and small renovations. To fund the claims liability and insurance premiums in the Internal Service Fund, a transfer of \$600,000 was made from the General Fund. The West Ouachita Construction 2008 and the Sale of "Old" Claiborne Elementary

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**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements (concluded)
Fiscal Year Ended June 30, 2009**

16. Interfund Transfers (FFS level only) (continued)

Special Revenue Funds transferred \$453,487 and \$1,013,977, respectively, to the West Ouachita Bond No. 2 Debt Service Fund to meet revenue bond reserve requirements.

17. Subsequent Events

On October 20, 2009, the School Board authorized the advertisement for sealed bids for the purchase of \$9.2 million General Obligation Bonds, Series 2010 on December 1, 2009. The bonds will be repaid over a 25 year period at an overall interest rate of 4.04 percent. The bonds will be repaid by an ad valorem tax authorized by the citizens in the Bond District. The bond proceeds will be used to complete the construction of two new schools and to complete renovations to the schools in the East Ouachita Bond District.

On October 20, 2009, the School Board adopted the resolution providing for the incurring of debt and issuance of \$10 million of Revenue Bonds (taxable QSCB), Series 2009. The revenue bonds will be repaid over a 15 year period at a .6 percent interest rate. The bonds will be used for various construction projects in the West Ouachita Bond District. The bonds will be repaid with the proceeds from the 1 percent sales tax collected in the West Ouachita Bond District and reported in the West Ouachita Sales Tax Special Revenue Fund.



COMMITTED
to Academic Excellence
for ALL Students!

Our Mission:
Through collaboration
among all stakeholders, the
Ouachita Parish School System
will ensure that all students attain
the knowledge and skills needed
to be productive citizens.

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2008

**REQUIRED SUPPLEMENTAL
INFORMATION
(PART B)**

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**Ouachita Parish School Board
Monroe, Louisiana**

**Budgetary Comparison Schedule
Fiscal Year Ended June 30, 2009**

General Fund and Major Special Revenue Funds With Legally Adopted Budgets

General Fund

The General Fund accounts for all activities of the School Board except for those that are accounted for in other funds.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specific purposes. These funds, for the most part, are established for specific educational purposes and funded through the U. S. Department of Education or the Louisiana State Department of Education. The School Board is centrally located in Northeast Louisiana and acts as a regional fiscal agent for the State Department of Education for many educational programs.

District #1 Sales Tax Fund

The District #1 Sales Tax Fund collects, records and disburses funds related to the .5% sales tax renewed in October 2001 for 10 years to provide additional support for the school system. The School Board designated the tax for capital improvements and facility and equipment support—38%, classroom instruction—36%, mandated costs—14%, and salary restoration—12%.

Ouachita Parish School Board
Monroe, Louisiana
GENERAL FUND
Budgetary Comparison Schedule (GAAP Basis)

Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Budgetary fund balance at beginning of year	\$ 17,801,873	\$ 17,297,208	\$ 17,297,208	\$ -
Resources (inflows)				
Local sources:				
Ad valorem taxes	12,323,883	12,490,000	13,354,282	864,282
1% ad valorem tax - tax collector	463,600	463,600	466,867	3,267
Earnings on investments	1,500,000	1,000,000	641,608	(358,392)
Other	1,988,650	2,282,206	2,327,038	74,832
Total local sources	<u>16,266,133</u>	<u>16,195,706</u>	<u>16,789,793</u>	<u>594,087</u>
State sources:				
State equalization	111,651,728	112,414,739	112,414,739	-
Revenue sharing	824,000	824,000	830,587	6,587
Professional Improvement Program	250,000	334,538	335,719	1,181
State contribution for teacher retirement	-	-	42,037	42,037
Restricted grants-in-aid	1,000	80,000	818,454	738,454
Unrestricted grants-in-aid	-	9,000	-	(9,000)
Total state sources	<u>112,726,728</u>	<u>113,662,275</u>	<u>114,441,636</u>	<u>714,908</u>
Federal sources:				
Federal programs	215,000	215,000	-	(215,000)
Other federal support	-	-	264,686	264,686
Total Federal sources	<u>215,000</u>	<u>215,000</u>	<u>264,686</u>	<u>49,686</u>
Other financing sources				
Proceeds from sale of assets	-	-	22,654	22,654
Transfers in	1,235,074	1,312,282	-	(1,312,282)
Total other financing sources	<u>1,235,074</u>	<u>1,312,282</u>	<u>22,654</u>	<u>(1,289,628)</u>
Amounts available for appropriations	<u>147,842,308</u>	<u>148,682,468</u>	<u>148,815,885</u>	<u>133,417</u>
Charges to appropriations (outflows)				
Current:				
Instructional services:				
Regular programs	64,258,348	62,235,791	60,845,738	1,590,053
Special education programs	14,674,800	15,134,919	15,760,836	(625,916)
Vocational programs	1,163,520	1,285,207	1,322,462	(37,255)
Other instructional programs	1,010,289	1,031,127	1,008,827	22,300
Special programs	3,750	3,375	162,617	(159,242)
Adult/continuing education	32,074	28,224	39,459	(11,235)
Support services:				
Pupil support services	4,723,087	4,819,391	4,807,840	(11,449)
Instructional staff support services	5,219,445	5,277,429	5,291,588	(14,159)
General administration	1,815,628	1,867,698	774,641	1,093,057
School administration	8,951,589	9,233,519	9,444,563	(211,044)
Business services	1,924,250	1,971,980	2,046,167	(74,177)
Plant services	16,882,210	15,947,830	18,481,163	(633,223)
Student transportation services	8,827,384	7,105,945	7,678,137	(472,192)
Central services	3,031,768	3,077,571	2,916,895	160,676
Noninstructional services:				
Food service operations	431,367	736,575	831,065	(194,490)
Community service programs	17,043	21,350	21,310	40
Facility acquisition and construction	-	8,160	-	8,160
Debt service:				
Legal fees	-	2,000	1,800	400
Other financing uses				
Transfers out	1,267,952	3,007,710	2,783,046	224,664
Total charges to appropriations	<u>131,324,373</u>	<u>132,594,099</u>	<u>132,018,845</u>	<u>575,254</u>
Budgetary fund balance at end of year	<u>\$ 16,617,935</u>	<u>\$ 16,088,369</u>	<u>\$ 16,797,040</u>	<u>\$ 708,671</u>

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board
Monroe, Louisiana**

**Special Revenue Fund -
District #1 Sales Tax
Budgetary Comparison Schedule (GAAP Basis)**

Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Budgetary fund balance at beginning of year	<u>\$ 14,806,922</u>	<u>\$ 14,826,241</u>	<u>\$ 14,826,241</u>	<u>\$ -</u>
Resources (Inflows)				
Local sources:				
Sales and use taxes	6,272,500	6,200,000	6,179,920	(20,080)
Earnings on investments	540,000	475,000	221,616	(253,384)
Other	-	-	500	500
Total local sources	<u>6,812,500</u>	<u>6,675,000</u>	<u>6,402,036</u>	<u>(272,964)</u>
Other financing sources				
Transfers in	-	494,300	631,358	137,058
Amounts available for appropriations	<u>21,619,422</u>	<u>21,995,541</u>	<u>21,859,635</u>	<u>(135,906)</u>
Charges to appropriations (outflows)				
Current:				
Instructional services:				
Regular programs	2,159,312	4,796,921	3,087,864	1,709,057
Special education programs	291,481	297,580	296,360	1,220
Other instructional programs	382,041	386,701	229,770	156,931
Support services:				
Pupil support services	497,487	510,222	509,187	1,035
Instructional staff support services	231,711	202,221	182,026	20,195
General administration	500	800	577	23
School administration	86,024	87,100	85,971	1,129
Business services	19,675	19,875	18,998	877
Plant services	1,310,826	1,818,780	2,024,354	(205,574)
Student transportation services	868,215	873,415	871,364	2,051
Central services	10,675	10,825	10,785	30
Noninstructional services:				
Food service operations	132,800	128,800	134,365	(7,565)
Facility acquisition and construction	-	133,000	-	133,000
Total charges to appropriations	<u>5,988,747</u>	<u>9,264,040</u>	<u>7,451,631</u>	<u>1,812,409</u>
Budgetary fund balance at end of year	<u>\$ 15,630,675</u>	<u>\$ 12,731,501</u>	<u>\$ 14,408,004</u>	<u>\$ 1,676,503</u>

See accompanying notes to the budgetary comparison schedules.

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**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to Budgetary Comparison Schedules
Fiscal Year Ended June 30, 2009**

Budget and Budgetary Accounting

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

In September, the Business Manager submits to the School Board proposed annual appropriated budgets for the General Fund, the Special Revenue Funds, and the Debt Service Funds for the fiscal year commencing the prior July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the school year, when deemed appropriate, but a balanced budget is always approved.

The General Fund budget is adopted on a basis consistent with GAAP. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year, whereas, encumbered appropriations are carried forward to the following year. Budgeted amounts are as originally adopted or as amended by the School Board.

The Special Revenue Funds' and Debt Service Funds' budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Debt Service Funds. All budgets are operational at the departmental or project level. The Superintendent and Business Manager of the School Board are authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board resolution. The effects of budget revisions passed during the year were insignificant to the budgets as originally approved.

OTHER SUPPLEMENTAL INFORMATION

**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**

Ouachita Parish School Board
Monroe, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Ouachita Parish School Board (the School Board) as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 18, 2009. We conducted our audit 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 the Louisiana Governmental Audit Guide, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting

**Ouachita Parish School Board
Monroe, Louisiana**

principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questions Costs listed as 09-01 to 09-03 to be significant deficiencies in the internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider item 09-01 to 09-03 of the significant deficiencies described above to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 09-01.

We noted certain matters that we reported to management of the School Board in a separate letter dated December 18, 2009.

The School Board's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the School Board, Federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Erffroya Hoffmann, Kopalaka, & Sargis

(A Professional Accounting Corporation)
December 18, 2009

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
Phillip A. Ragsdale, CPA
David Ray Soignier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Sandra Harrington, CPA

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

Ouachita Parish School Board
Monroe, Louisiana

Compliance

We have audited the compliance of the Ouachita Parish School Board (the 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, 2009. The School Board's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2009.

**Ouachita Parish School Board
Monroe, Louisiana**

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the 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 on the School Board's internal control over compliance.

A control 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 noncompliance requirement of a Federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the School Board's internal control.

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

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.

This report is intended solely for the information and use of management of the School Board, Federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Erasmus Hoffmann, CPA, Signature

(A Professional Accounting Corporation)

December 18, 2009

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>C.F.D.A. NUMBER</u>	<u>GRANT NUMBER</u>	<u>PROGRAM DISBURSEMENTS</u>
CASH FEDERAL AWARDS			
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Louisiana			
Department of Education:			
300/301 School Breakfast Program	10.553	Not Available	\$ 1,250,425
300/301 National School Lunch Program	10.555	Not Available	3,554,261
300/301 Summer Food Service Program for Children	10.559	Not Available	<u>157,387</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>4,962,073</u>
U.S. DEPARTMENT OF DEFENSE			
Direct Programs:			
130 Air Force Junior Reserve Officer Training Corps	Not Available	LA050061	63,135
130 Army Junior Reserve Officer Training Corps	Not Available	LA331676	50,295
130 Naval Junior Reserve Officer Training Corps	Not Available	JROTC091M369	723
130 Naval Junior Reserve Officer Training Corps	Not Available	JROTC091M490	723
130 Naval Junior Reserve Officer Training Corps	Not Available	N4982307MJ	2,100
130 Naval Junior Reserve Officer Training Corps	Not Available	N4982308MJ	16,930
130 Naval Junior Reserve Officer Training Corps	Not Available	N4982309MJ	33,115
130 Naval Junior Reserve Officer Training Corps	Not Available	N9637708MJ	24,646
130 Naval Junior Reserve Officer Training Corps	Not Available	N9637709MJ	<u>73,030</u>
TOTAL U.S. DEPARTMENT OF DEFENSE			<u>264,696</u>
U.S. DEPARTMENT OF JUSTICE			
Passed through Ouachita Parish			
Sheriff's Office:			
584 Public Safety Partnership and Community Policing Grants: Methamphetamine Initiative (2007-08)	16.710	2007CKWX0284	<u>35,521</u>
U. S. DEPARTMENT OF EDUCATION			
Direct Programs:			
645 Safe and Drug-Free Schools and Communities--National Programs: Mentoring Program Grants (2007-08)	84.184B	Q184B070789	264,351
Advanced Placement Program:			
643 Advanced Placement Program (2007-08)	84.330C	S330C060138	501,378
Funds for the Improvement of Education:			
644 At Home with Children's Literacy: School Success through Family Involvement	84.215K	U215K080047	173,818
640 Preparing Students for Advanced STEM Courses		U215K080222	<u>101,201</u>
			<u>275,019</u>

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	C.F.D.A. NUMBER	GRANT NUMBER	PROGRAM DISBURSEMENTS
Passed through Louisiana			
Department of Education:			
Adult Education-State Grant Program:			
	84.002A		
540 Adult Education-Federal Funds (2008-09)		280944-37	183,729
520 Adult Education-Federal Funds (2007-08)		280844-37	64,273
525 Adult Education-Federal Funds (2006-07)		280744-37	-
542 Adult Education-Federal Supplemental (2008-09)		280921-37	618
522 Adult Education-Federal Supplemental (2007-08)		280821-37	355
541 Adult Education-Federal-Dept of Corrections (2008-09)		280923-37	10,794
521 Adult Education-Federal-Dept of Corrections (2007-08)		280823-37	1,479
557 Federal English Language/Civics Program (2008-09)		280907-37	22,280
524 Federal English Language/Civics Program (2007-08)		280807-37	1,194
556 One Stop Centers (2008-09)		280913-37	2,535
526 One Stop Centers (2007-08)		280813-37	2,012
			<u>289,269</u>
Title I Grants to Local Educational Agencies:			
	84.010A		
601 Title I Part A Basic (2007-08)		S010A070018	171,667
601 Title I Part A Basic (2008-09)		S010A080018	3,974,893
631 Title I Part A Basic-School Improvement (2006-07)		2807TA-37	11,896
			<u>4,158,456</u>
Migrant Education-State Grant Program:			
	84.011A		
657 Migrant Education Carryover (2006-07)		2807MI-37C	13,359
658 Migrant Education Carryover (2007-08)		2808M1-37C	56,583
656 Migrant Education (2007-08)		2808M1-37	57,895
676 Migrant Education (2008-09)		2809M1-37	147,696
			<u>275,533</u>
Special Education-Grants to States:			
	84.027A		
IDEA Part B (2007-08)		H027A070033	972,183
IDEA Part B (2008-09)		H027A080033	2,900,118
			<u>3,872,301</u>
Vocational Education-Basic Grants to States:			
	84.048		
511 Carl Perkins Grant-Reallocation (2007-08)		280802-37C	15,879
510 Carl Perkins Grant (2008-09)		280902-37	189,248
			<u>205,127</u>
Special Education-Preschool Grants:			
	84.173A		
532 Preschool (2007-08)		H173A070082	8,082
Preschool (2008-09)		H173A080082	43,837
			<u>51,919</u>
Safe and Drug-Free Schools and Communities-State Grants:			
	84.186A		
Title IV (2007-08)		Q186A070019	32,920
604 Title IV (2008-09)		Q186A080019	32,655
			<u>65,575</u>

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	C.F.D.A. NUMBER	GRANT NUMBER	PROGRAM DISBURSEMENTS
Education for Homeless Children and Youth:	84.196A		
654 Homeless (2006-07)		2807H1-37C	5,594
674 Homeless (2008-09)		2809H1-37	61,064
			<u>66,658</u>
Even Start-State Educational Agencies:	84.213C		
671 Even Start (2006-07)		2807F2-37	21,284
650 Even Start (2007-08)		2808F1-37	33,035
670 Even Start (2008-09)		2809F1-37	517,043
			<u>571,362</u>
State Grants for Innovative Programs:	84.298A		
605 Title V (2007-08)		S298A70018	9,324
Education Technology State Grants:	84.318X		
639 Enhancing Education Through Technology-Carryover (2006-07)		280749-37C	3,873
609 Enhancing Education Through Technology (2007-08)		280849-37	1,878
619 Enhancing Education Through Technology-Carryover (2007-08)		280849-37C	11,353
629 Enhancing Education Through Technology (2008-09)		280949-37	32,902
			<u>50,006</u>
646 Advanced Placement Test Fee Program: Advanced Placement Test Fee Program (2007-08)	84.330B		5,454
English Language Acquisition Grants:	84.365A		
603 Title III (2007-08)		T365A070018	3,272
Title III (2008-09)		T365A080018	18,105
			<u>21,377</u>
Mathematics and Science Partnerships:	84.366B		
612 Math and Science Partnerships (2007-08)		2808MP-37	89,653
632 Math and Science Partnerships (2008-09)		2809MP-37	79,606
642 Passed through Morehouse Parish School Board: Math and Science Partnerships (2007-08)		2808MP-34	42,487
			<u>211,746</u>
Improving Teacher Quality State Grants:	84.367A		
602 Title II Part A (2007-08)		S367A070017	100,729
Title II Part A (2008-09)		S367A080017	808,608
			<u>909,337</u>
Passed through Morehouse Parish School Board: Even Start Migrant Education: Migrant Education Even Start	84.214A		
		S214A060032	58,151
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>11,862,342</u>

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	C.F.D.A. NUMBER	GRANT NUMBER	PROGRAM DISBURSEMENTS
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Louisiana			
Department of Education:			
	93.558		
523	Strategies to Empower People (2008-09)	2809EP-37	5,412
573	Job's for America's Graduates-TANF (1) Employ	2809J2-37	35,117
573	EMPLoY Reimbursement II	2809JE-37	377
574	After-School-For-All	2809OS-37	25,986
570	LA-4/Starting Points Pre-Kindergarten Programs (2006-07)	280735-37	16,403
			<u>83,295</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>83,295</u>
TOTAL EXPENDITURES OF CASH FEDERAL AWARDS			\$ <u>17,207,926</u>
NONCASH FEDERAL AWARDS			
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed Through Louisiana Department of Agriculture:			
300	Food Donation (Commodities)	10.550 SCH075	\$ <u>508,591</u>
TOTAL EXPENDITURES OF NONCASH FEDERAL AWARDS			<u>508,591</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 17,716,517</u>

OUACHITA PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2009

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes all Federal grant activity of the Ouachita Parish School Board (the School Board) for the year ended June 30, 2009 and is presented on the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become both measurable and available to pay current period liabilities and expenditures when the related liability is incurred.

Note 2 - Relationship of the Schedule of Expenditures of Federal Awards to the Financial Statements

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2009:

	Federal Programs	Other Federal Support	Total
Revenues:			
General Fund	\$ -	\$ 264,696	\$ 264,696
School Food Services	4,962,073	508,591	5,470,664
Title I	5,002,879	-	5,002,879
IDEA B	3,924,220	-	3,924,220
Other Federal	2,977,033	-	2,977,033
Total Governmental Funds Revenues	<u>16,741,535</u>	<u>613,775</u>	<u>17,639,492</u>
Less NonExpenditure revenues	16,402	-	16,402
Total Governmental Funds Expenditures	<u>16,757,937</u>	<u>613,775</u>	<u>17,655,894</u>
Agency Fund Expenditures	60,623	-	60,623
Total Federal Expenditures	<u>\$ 16,818,560</u>	<u>\$ 613,775</u>	<u>\$ 17,716,517</u>

OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Section 1 – Summary of Auditor’s Results

Financial Statements

Type of Auditor’s Report Issued: Unqualified

Internal Control Over Financial Reporting

Material Weakness(es) identified? Yes No

Significant Deficiency(s) identified not considered to be material weaknesses? Yes No None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control Over Major Programs

Material weakness(es) identified? Yes No

Significant Deficiency(s) identified not considered to be material weakness(es)? Yes No None Reported

Type of auditor’s report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? Yes No

Dollar threshold used to distinguish between Type A and Type B programs
\$531,496

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs

<u>CFDA #</u>	<u>PROGRAM TITLE</u>
84.010A	Title I Grants to Local Educational Agencies
84.330C	Advanced Placement Program

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Section II – Financial Statement Findings and Questioned Costs:

09-01 Local Government Budget Act

Finding

The Local Government Budget Act provides, among other things, for the amendment of the budget when actual expenditures exceed budgeted amounts by 5% or more and that a budget should not be adopted wherein budgeted expenditures exceed estimated amounts available to fund them.

In fiscal year 2009, the School Board has two special revenue funds that exceeded its budget by 5% of estimated expenditures which were not amended. The West Ouachita Sales Tax Fund had budgeted expenditures of \$68,800 and actual expenditures of \$185,040 resulting in a \$116,240 (169%) unfavorable variance. Overall, this fund had a net increase in fund balance by \$1,763,696 from June 30, 2008's balance \$3,918,347 to June 30 2009's balance of \$5,682,043.

Recommendation

We recommend that the School Board and the business manager continue to work together to monitor the financial position and resources of all funds to provide for sound financial planning.
Overall

Response

West Ouachita Sales Tax Fund's expenditures exceeded budgeted expenditures due to the Board authorizing more school repairs than originally anticipated.

09-02 Internal controls over Accounts Payable and Payroll

Finding

During the review of internal controls, we noted where the School Board does not have adequate controls over certain areas of accounts payable.

Accounts Payable – For computer-generated checks, the accounts payable accountant prepares checks, submits checks for printing including the computer generated signature, receives the checks after printing and mails the checks. Additionally, the accounts payable accountant can set up vendors or change vendor information without anyone's approval.

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Payroll – Payroll can independently set up an employee without review by the Personnel Department which could result in an unauthorized person being set up. Additionally, payroll changes are not reviewed by someone independent of the Payroll accountant entering the data.

Recommendation

Accounts Payable – For accounts payable, the School Board should have someone other than the Accounts Payable accountant receive and mail the checks. The Accounts Payable accountant should not have access to setting up vendors.

Payroll – The Personnel Director should receive an exceptions report that reflects changes in payroll from the previously processed payroll. This report would reflect all new employees and at management's discretion reflect certain changes in other information (either all changes or a certain percent or dollar change) such as pay grades, or employee deductions such as for insurance or employee annuity contributions. This report should be reviewed by the Personnel Director and if necessary traced back to the supporting documentation authorizing the hiring of the employee.

Response

With respect to Accounts Payable, we will review the issues cited and adjust our procedures accordingly. For Payroll, we have already created this report and it is being given to the Personnel Director every month for his review.

09-03 Financial Reporting

Finding

Cash - On June 28, 2009, the School Board had requested that a certain amount of investments be sold. All but \$900,000 had been sold as of June 30, 2009. The remaining \$900,000 was sold on July 1, 2009 but was reported in fiscal year 2009 (a one day error) which resulted in over-reporting of cash and under-reporting investments. Another reconciliation error occurred when the School Board purchased a \$1,467,464 certificate of deposit on June 24, 2009. The expected entries on the School Board were recorded. However, the bank did not withdraw the funds from the School Board's checking account until July 10, 2009. This bank error led to an error on the bank reconciliation in which the \$1,467,464 was not noted as being outstanding but another check for \$1,551,425 was shown as outstanding but was instead a July 2009 check and therefore was not applicable to the June 2009 reconciliation. As a result, the bank reconciliation was shown with an unknown reconciling difference of \$97,479. The actual amount of cash per the general ledger was correctly stated related to this issue. Once these two items were corrected, the unknown reconciling difference was \$13,912.

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Capital Assets - During fiscal year 2009, the State of Louisiana's Department of Education informed all school boards to change its capitalization policy for capital assets from \$1,000 to \$5,000 per item effective July 1, 2008. This change was made by the School Board on a retroactive basis resulting in removing all assets below \$5,000 which totaled \$4,522,802 (net). However, this change should have been made on a prospective basis meaning that all purchases on or after July 1, 2008 should be capitalized based on the \$5,000 threshold. As a result, the financial statements were adjusted to add back the assets below \$5,000 that had been removed resulting in additions to capital assets of \$4,522,802 and an addition to depreciation expense.

Recommendation

We recommend that the School Board ascertain a complete understanding of an entry before entering it into the financial records. While there are only two items cited above that impacted the financial statements, the magnitude of these items would have resulted in a material misstatement of the School Board's financial statements. Additionally, bank reconciliations should not have an unreconciled difference.

Response

On the \$900,000 error this should be regarded in the same manner as a late deposit. The transaction was requested before June 30, 2009, but the treasuries could not be sold on the open market on the day requested. They were sold on July 1, 2009 and the cash funds were deposited into the School Board's checking account on July 1, 2009. It was a reconciling item on the June bank reconciliation in the same manner as a late deposit would be. On the \$1,467,464 bank error which was posted in the School Board's financial records before the bank statement was received. The bank employee sent an email confirming this transaction with a copy of the certificate of deposit for the new amount including the \$1,467,464 increase in the c.d in June. The bank did not withdraw the funds from the checking account until July 10, 2009, but the certificate of deposit was increased on June 24, 2009 causing the bank's records to be out of balance for three weeks. A check for a similar amount was thought to be the reason for the bank reconciliation to be out of balance. This check was then listed as a reconciling item. When it was discovered that the check was not the reconciling item and, therefore, not the cause of the bank reconciliation to be out of balance, the matter was researched and the bank error was found to be the cause of the problem. This was corrected as soon as possible.

The business manager will check all bank reconciliations in the future.

As far as the capital assets issue cited above, we will review the standards related to accounting changes closer in the future.

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009**

Section III – Federal Awards Findings and Questioned Costs:

None reported.

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

The following is a summary of the status of the prior year findings included in Luffey Huffman, Ragsdale & Soignier (APAC) audit report dated December 31, 2008 in connection with the audit of the financial statements of the Ouachita Parish School Board (the School Board) as of and for the year ended June 30, 2008.

08-01: Local Budget Act

Finding

In fiscal year 2008, the School Board has two special revenue funds that exceeded its budget by 5% of estimated expenditures which were not amended. The West Ouachita Sales Tax Fund had budgeted expenditures of \$948,225 and actual expenditures of \$1,024,955 resulting in a \$76,730 (8.09%) unfavorable variance. The School Food Service Fund had budgeted expenditures of \$8,553,843 and actual expenditures of \$9,234,830 resulting in a \$680,987 (7.96%) unfavorable variance. In addition, this fund ended the year with a \$782,941 fund deficit.

Status

See finding 09-01. However, note that the unfavorable variance in the School Food Service Fund was eliminated in fiscal year 2009.

08-02: Reconciliation of Payroll Accounts

Finding

The School Board did not have a reconciliation of its various payroll liability accounts. As a result, the School Board had two errors involving payroll accounts that were undetected. These items resulted in a \$537,420 understatement of cash, a \$951,404 understatement of liabilities, a \$413,984 overstatement of fund balance and a \$413,984 understatement of expenses. The \$413,984 error was the result of miscoding a check to a liability account instead of an expenditure account. The \$537,420 error resulted from posting an incorrect amount (posted a gross amount instead of a net amount) regarding the Summer 1 payroll.

Status

The School Board has corrected this issue in fiscal year 2009.

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

Management Letter

Documentation of Internal Control

Finding

The School Board did not have adequate documentation of internal control over financial reporting using the Committee of Sponsoring Organizations (COSO) framework so that the School Board could more easily discharge its responsibility to design and implement controls and monitor those controls for effectiveness over time.

Status

We contracted with a local CPA firm last year after receiving the 2008 management letter to work with us to formalize and document our internal controls. Given the size and complexity of the School Board's operations, we have not completed this task but continue to work on it as time permits.

**Ouachita Parish School Board
Monroe, Louisiana**

**Miscellaneous Statistical Data
School Board Members' Compensation**

June 30, 2009

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

The compensation of the School Board members is included in the general administration expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board received \$800 per month. Additionally, the president received \$100 per month for exercising the duties of his office.

<u>Board Member</u>	<u>District</u>	<u>Amount</u>
Mr. Jack White, President	A	\$ 10,800
Mr. Scott Robinson	B	9,600
Mr. A. R. "Red" Sims	C	9,600
Mr. Jerry R. Hicks, Vice President	D	9,600
Rev. John R Russell	E	9,600
Mr. Carey Walker	F	9,600
Ms Susan Spence	G	<u>9,600</u>
Total		\$ <u>68,400</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

For The Year Ended June 30, 2009

**OUACHITA PARISH SCHOOL BOARD
MONROE, LOUISIANA**

AGREED-UPON PROCEDURES

JUNE 30, 2009

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LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
Philip A. Ragsdale, CPA
David Ray Soignier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Sandra Harrington, CPA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES FOR THE YEAR ENDED JUNE 30, 2009

OUACHITA PARISH SCHOOL BOARD MONROE, LOUISIANA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Ouachita Parish School Board (the School Board) and the Legislative Auditor, State of Louisiana (collectively, the Specified Users), solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Ouachita 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 required by state law 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.

**Ouachita Parish School Board
Monroe, Louisiana**

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.
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.
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 35 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

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.

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 1st 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.

Public School 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 35 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.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

**Ouachita Parish School Board
Monroe, Louisiana**

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.

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 School Board.

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 School Board.

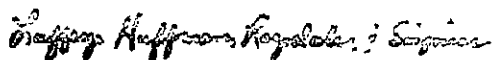
The iLEAP Tests (Schedule 9)

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 School Board.

Our twelve procedures enumerated above did not disclose any exceptions.

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 Specified Users, the Louisiana Department of Education and the Louisiana Legislature 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.



(A Professional Accounting Corporation)

December 18, 2009

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Schedules Required by State Law
Fiscal Year Ended June 30, 2009

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments in real property, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the AFSR.

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

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the AFSR.

Schedule 5 - Public School Staff Data

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the AFSR.

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

**OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana**

**Schedules Required by State Law
Fiscal Year Ended June 30, 2009**

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

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam for the 21st Century

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 - The ILEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for this district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
Fiscal Year Ended June 30, 2009**

General Fund Instructional and Equipment Expenditures**General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ 40,754,678	
Other Instructional Staff Activities	1,773,996	
Employee Benefits	17,588,437	
Purchased Professional and Technical Services	71,791	
Instructional Materials and Supplies	812,250	
Instructional Equipment	27,049	

Total Teacher and Student Interaction Activities		\$ 61,028,201
Other Instructional Activities		80,337

Pupil Support Activities

4,503,226

Less: Equipment for Pupil Support Activities

-

Net Pupil Support Activities

4,503,226

Instructional Staff Services

4,608,883

Less: Equipment for Instructional Staff Services

-

Net Instructional Staff Services

4,608,883

School Administration:

9,143,993

Less: Equipment for Instructional Staff Services

-

Net School Administration

9,143,993

Total General Fund Instructional Expenditures		\$ 79,364,640
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Total General Fund Equipment Expenditures

	\$ 622,585
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Certain Local Revenue Sources**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$ 2,358,521
Renewable Ad Valorem Tax	10,995,761
Debt Service Ad Valorem Tax	4,631,173
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	466,967
Sales and Use Taxes	37,697,295
Total Local Taxation Revenue	\$ 56,149,717

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 78,181
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	\$ 78,181

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 190,711
Revenue Sharing - Other Taxes	639,876
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ 830,587

Nonpublic Textbook Revenue	\$ 41,323
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Nonpublic Transportation Revenue	\$ -
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OUACHITA PARISH SCHOOL BOARD
 Monroe, Louisiana

Education Levels of Public School Staff
 As of October 1, 2008

Category	Full-time Classroom Teachers		Principals & Assistant Principals	
	Certificated	Uncertificated	Certificated	Uncertificated
	Number	Percent	Number	Percent
Less than a Bachelor's Degree	4	0.3%	-	0.0%
Bachelor's Degree	762	58.0%	-	0.0%
Master's Degree	374	28.5%	26	33.3%
Master's Degree + 30	154	11.7%	48	61.5%
Specialist in Education	9	0.7%	2	2.6%
Ph. D. or Ed. D.	10	0.8%	2	2.6%
Total	1,313	100.0%	78	100.0%

**OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana**

**Number and Type of Public Schools
Fiscal Year Ended June 30, 2009**

<u>Type</u>	<u>Number</u>
Pre K-K	1
Elementary	20
Middle/Jr. High	7
Secondary	4
Combination	2
Alternative (6-12 only)	1
Total	<u><u>35</u></u>

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2008

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	-	-	3	5	9	7	19	43
Principals	-	-	-	3	5	8	19	35
Classroom Teachers	109	127	321	167	184	154	269	1,331
Total	109	127	324	175	198	169	307	1,409

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Public School Staff Data
Fiscal Year Ended June 30, 2009

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average Classroom Teachers' Salary Including Extra Compensation	\$49,250	\$48,835
Average Classroom Teachers' Salary Excluding Extra Compensation	\$47,692	\$47,290
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	1,315	1,266

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Class Size Characteristics
As of October 1, 2008

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	52.6%	2,367	44.5%	2,004	2.8%	125	0.1%	4
Elementary Activity Classes	50.3%	73	46.9%	68	2.8%	4	0.0%	-
Middle/Jr. High	69.7%	952	26.7%	364	3.6%	49	0.1%	1
Middle/Jr. High Activity Classes	84.6%	297	11.7%	41	2.0%	7	1.7%	6
High	76.4%	1,475	20.9%	403	2.7%	53	0.0%	-
High Activity Classes	87.3%	349	4.8%	19	3.0%	12	5.0%	20
Combination	99.5%	202	0.0%	-	0.5%	1	0.0%	-
Combination Activity Classes	100.0%	7	0.0%	-	0.0%	-	0.0%	-
Total								

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

OUACHITA PARISH SCHOOL BOARD
 Monroe, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
Three Fiscal Years Ended June 30, 2009

District Achievement Level Results	English Language Arts						Mathematics						
	2009		2008		2007		2009		2008		2007		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 4													
Advanced	64	4	87	6	96	7	72	5	105	7	72	5	
Proficient	415	28	412	29	379	28	260	17	344	25	295	22	
Basic	744	49	667	48	675	50	795	53	671	48	753	55	
Approaching Basic	224	15	176	13	160	12	257	17	204	15	177	13	
Unsatisfactory	61	4	59	4	53	4	124	8	77	5	66	5	
Total	1,508		1,401		1,363		1,508		1,401		1,363		

District Achievement Level Results	Science						Social Studies					
	2009		2008		2007		2009		2008		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	166	12	52	4	61	4	55	4	36	3	70	5
Proficient	314	24	354	25	330	24	329	25	292	21	294	22
Basic	615	48	691	49	707	52	705	53	723	52	783	57
Approaching Basic	197	15	251	18	219	16	176	13	234	17	153	11
Unsatisfactory	42	3	51	4	46	3	70	5	114	8	63	5
Total	1,334		1,399		1,363		1,335		1,399		1,363	

Continued

OUACHITA PARISH SCHOOL BOARD
 Monroe, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
Three Fiscal Years Ended June 30, 2009

District Achievement Level Results	English Language Arts						Mathematics								
	2009		2008		2007		2009		2008		2007				
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent			
Grade 8															
Advanced	32	2	16	1	31	2	130	10	37	3	119	9			
Proficient	299	23	284	21	264	19	116	9	80	6	93	7			
Basic	675	51	653	49	697	51	710	54	810	61	684	50			
Approaching Basic	271	21	314	24	319	23	242	18	287	22	296	21			
Unsatisfactory	43	3	66	5	67	5	119	9	118	9	185	13			
Total	1,320		1,333		1,378		1,317		1,332		1,377				

District Achievement Level Results	Science						Social Studies								
	2009		2008		2007		2009		2008		2007				
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent			
Grade 8															
Advanced	97	7	10	1	44	3	37	3	11	1	30	2			
Proficient	314	24	342	26	333	24	223	17	194	15	256	19			
Basic	516	39	526	40	580	42	701	53	681	51	683	50			
Approaching Basic	298	23	330	25	291	21	245	19	317	24	269	20			
Unsatisfactory	90	7	120	9	127	9	109	8	125	9	134	10			
Total	1,315		1,328		1,375		1,315		1,328		1,372				

Concluded

OUACHITA PARISH SCHOOL BOARD
 Monroe, Louisiana

The Graduation Exit Exam for the 21st Century
Three Fiscal Years Ended June 30, 2009

District Achievement Level Results	English Language Arts						Mathematics						
	2009		2008		2007		2009		2008		2007		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 10													
Advanced	30	3	11	1	19	2	193	17	151	13	115	9	
Proficient	166	15	147	13	136	11	186	16	200	18	188	15	
Basic	590	52	685	52	625	51	523	46	438	39	581	48	
Approaching Basic	262	23	234	21	299	24	160	14	165	15	190	16	
Unsatisfactory	95	8	151	13	145	17	77	7	170	15	145	12	
Total	1,143		1,228		1,224		1,139		1,124		1,219		

District Achievement Level Results	Science						Social Studies						
	2009		2008		2007		2009		2008		2007		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 11													
Advanced	46	5	38	3	61	6	11	1	14	1	12	1	
Proficient	217	22	185	17	221	21	108	11	112	10	160	15	
Basic	406	41	475	43	458	44	564	57	640	58	566	54	
Approaching Basic	220	22	257	23	182	17	181	18	191	17	179	17	
Unsatisfactory	102	10	140	13	123	12	127	13	138	13	129	12	
Total	991		1,095		1,045		991		1,095		1,046		

OUACHITA PARISH SCHOOL BOARD
iLEAP Tests
Three Fiscal Years Ended June 30, 2009

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	91	6	152	11	74	5	45	3
Mastery	427	30	395	28	308	22	370	26
Basic	651	45	647	45	700	49	715	50
Approaching Basic	166	12	162	11	271	19	198	14
Unsatisfactory	97	7	77	5	79	6	104	7
Total	1432		1433		1432		1432	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	60	4	100	7	55	4	80	6
Mastery	337	25	223	16	316	23	290	21
Basic	651	48	703	52	616	46	686	51
Approaching Basic	218	16	201	15	256	19	181	13
Unsatisfactory	85	6	125	9	108	8	114	8
Total	1351		1352		1351		1351	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	88	7	102	8	60	5	70	5
Mastery	320	25	208	16	289	22	172	13
Basic	677	52	738	57	596	46	674	52
Approaching Basic	164	13	142	11	271	21	256	20
Unsatisfactory	56	4	115	9	88	7	132	10
Total	1305		1305		1304		1304	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	81	6	95	7	54	4	25	2
Mastery	307	22	181	13	256	19	212	16
Basic	654	48	700	51	587	43	713	52
Approaching Basic	238	17	264	19	353	26	253	19
Unsatisfactory	88	6	129	9	108	8	163	12
Total	1368		1369		1368		1366	

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
	Number	Percent	Number	Percent
Grade 9				
Advanced	19	1	89	7
Mastery	195	15	166	13
Basic	722	55	613	47
Approaching Basic	262	20	213	16
Unsatisfactory	106	8	223	17
Total	1304		1304	

Continued

OUACHITA PARISH SCHOOL BOARD
iLEAP Tests
Three Fiscal Years Ended June 30, 2009

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	92	6	94	6	76	5	61	4
Mastery	353	23	282	19	253	17	298	20
Basic	729	48	730	48	717	48	768	51
Approaching Basic	237	16	248	16	352	23	242	16
Unsatisfactory	98	6	155	10	111	7	140	9
Total	1509		1509		1509		1509	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	67	5	114	8	51	4	77	6
Mastery	306	23	210	16	250	19	290	22
Basic	669	50	701	52	645	48	682	51
Approaching Basic	221	16	177	13	311	23	199	15
Unsatisfactory	79	6	140	10	85	6	94	7
Total	1342		1342		1342		1342	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	58	4	116	8	55	2	73	5
Mastery	296	21	207	15	270	20	204	15
Basic	733	53	746	54	692	50	660	48
Approaching Basic	206	15	176	13	258	19	290	21
Unsatisfactory	89	6	137	10	104	8	153	11
Total	1382		1382		1380		1380	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	120	9	65	5	33	2	27	2
Mastery	287	21	153	11	240	18	174	13
Basic	662	49	757	56	656	49	730	54
Approaching Basic	217	16	230	17	286	21	255	19
Unsatisfactory	60	4	141	10	129	10	155	12
Total	1346		1346		1344		1341	

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
	Number	Percent	Number	Percent
Grade 9				
Advanced	23	2	119	9
Mastery	240	18	157	15
Basic	774	58	703	53
Approaching Basic	244	18	215	16
Unsatisfactory	49	4	134	10
Total	1330		1328	

Continued

OUACHITA PARISH SCHOOL BOARD
iLEAP Tests
Three Fiscal Years Ended June 30, 2009

iLEAP Tests

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	100	7	173	12	83	6	25	2
Mastery	417	28	361	24	315	21	367	25
Basic	663	45	652	44	683	46	713	48
Approaching Basic	202	14	211	14	308	21	252	17
Unsatisfactory	92	6	77	5	84	6	114	8
Total	1474		1474		1473		1471	

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	70	5	124	9	85	6	64	5
Mastery	335	25	197	14	278	20	280	21
Basic	706	52	721	53	672	49	689	51
Approaching Basic	195	14	201	15	259	19	231	17
Unsatisfactory	57	4	121	9	69	5	99	7
Total	1363		1364		1363		1363	

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	52	4	126	9	62	5	94	7
Mastery	268	20	240	18	284	21	176	13
Basic	786	58	768	56	623	46	693	51
Approaching Basic	188	14	137	10	289	21	280	21
Unsatisfactory	66	5	89	7	99	7	114	8
Total	1360		1360		1357		1357	

District Achievement Level Results	English Language Arts 2009		Mathematics 2009		Science 2009		Social Studies 2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	86	6	128	9	64	5	47	3
Mastery	293	21	228	16	331	24	279	20
Basic	702	50	719	51	615	44	678	48
Approaching Basic	237	17	208	15	282	20	288	21
Unsatisfactory	91	6	126	9	115	8	111	8
Total	1409		1409		1407		1403	

District Achievement Level Results	English Language Arts 2009		Mathematics 2009	
	Number	Percent	Number	Percent
Grade 9				
Advanced	10	1	108	8
Mastery	223	18	241	19
Basic	754	59	615	48
Approaching Basic	236	19	189	15
Unsatisfactory	51	4	122	10
Total	1274		1275	

Concluded