

ST. MARY PARISH SCHOOL BOARD

Centerville, Louisiana

Financial Report

Year Ended June 30, 2008

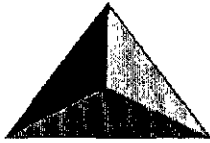
Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the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

Release Date 1/2/09

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Independent Auditor's Report

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and Members of the St. Mary Parish School Board
Centerville, Louisiana

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We have audited the accompanying financial statements of the St. Mary Parish School Board, as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (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 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the St. Mary Parish School Board as of June 30, 2008, and the results of its operations 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 3, 2008, on our consideration of the St. Mary Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 46 through 47, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the 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 St. Mary Parish School Board's financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the St. Mary Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Dannall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Morgan City, Louisiana
December 3, 2008

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

The Management's Discussion and Analysis (MD&A) of the St. Mary Parish School Board's (School Board) financial performance provides an overall review and an objective, easily readable analysis of the School Board's financial activities for the fiscal year ended June 30, 2008. The intent of the MD&A is to look at the School Board's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Therefore, readers should read the MD&A in conjunction with the School Board's Financial Statements and the Notes to the Financial Statements.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2007-2008) and the prior year (2006-2007) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The following represents key totals from the Statement of Net Assets:

	<u>2008</u>	<u>2007</u>
ASSETS		
Current Assets	\$ 69,155,841	\$ 68,369,132
Capital Assets	95,250,922	87,449,468
Less accumulated depreciation	<u>(48,124,310)</u>	<u>(46,082,604)</u>
Capital assets, net of depreciation	<u>47,126,612</u>	<u>41,366,864</u>
 Total assets	 <u>116,282,453</u>	 <u>109,735,996</u>
 LIABILITIES		
Current liabilities	19,141,894	17,048,870
Long-term liabilities	<u>32,755,587</u>	<u>32,851,384</u>
 Total liabilities	 <u>51,897,481</u>	 <u>49,900,254</u>
 NET ASSETS		
Invested in capital assets, net of related debt	29,143,924	31,161,864
Restricted	20,690,899	26,596,538
Unrestricted	<u>14,550,148</u>	<u>2,077,340</u>
 Total net assets	 <u>\$ 64,384,971</u>	 <u>\$ 59,835,742</u>

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

Net assets increased by \$4,549,229 for the year ended June 30, 2008 as compared to an increase of \$576,607 for the year ended June 30, 2007. These net increases were composed of the following elements:

	2008	2007
Invested in capital assets, net of related debt	\$ (2,017,940)	\$ 724,149
Restricted for:		
Debt Service	505,824	179,771
Capital Projects	(5,021,419)	16,599,424
Maintenance	(80,867)	591,772
Other Purposes	(1,309,177)	200,382
Unrestricted	12,472,808	(17,718,891)
Net Increase	\$ 4,549,229	\$ 576,607

Total assets increased \$6,546,457 for the year ended June 30, 2008 as compared to an increase of \$22,075,185 for the year ended June 30, 2007 attributed to the following elements:

	2008	2007
Cash and cash equivalents	\$ (10,428,636)	\$ 19,749,270
Investments at fair value	9,218,440	151,490
Due from other governmental units	762,268	408,676
Other receivables	405,571	236,336
Prepaid items and deposits	606,913	420,399
Inventory, at cost	222,153	406,504
Capital assets, net of accumulated depreciation	5,759,748	702,510
Net Increase	\$ 6,546,457	\$ 22,075,185

The increase in total assets for 2008 can be attributed primarily due to the following: investments increased due to certain governmental securities being replaced with certificates of deposits as they matured last year. Inventory increased as a result of no textbook adoption last year and a large textbook inventory on hand at year end that will be given out to all schools this year. Finally, capital assets increased due to the construction in the development of a new elementary school.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

Total liabilities increased \$1,997,227 for the year ended June 30, 2008 as compared to an increase of \$21,498,578 for the year ended June 30, 2007 attributed to the following elements:

	2008	2007
Accounts payable and other current liabilities	\$ 1,648,027	\$ 1,835,608
Accrued liabilities	548,553	759,884
Deferred revenues	(103,556)	94,018
Long term liabilities	(95,797)	18,809,068
Net Increase	\$ 1,997,227	\$ 21,498,578

The increase in total liabilities for 2008 is primarily due to an increase in accounts payable and other current liabilities and accrued liabilities. The decrease in long term liabilities was mainly the result of a payment of principal that occurred during the year. Prior year long term liabilities increased due to the incurrence of two new bond issues.

Ad valorem taxes parish wide and districts are based on property values of businesses and homesteads in the parish. These revenues increased over last year as a result of a slight growth in the parish assessment roll as well as better collection rates. The total millage levied by the School Board was 88.6 mills, however only 20.05 mills were levied parish wide, with the remainder levied in special taxing districts.

Sales and use taxes are collected for and remitted to the St. Mary Parish School Board by the St. Mary Parish Sales and Use Tax Department. These revenues increased significantly from the prior year as a result of increased oil and gas exploration activity.

The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the state, amounting to \$47,883,209, which is an increase of \$6,391,789 from the prior year. This MFP formula establishes a standard of local support for each school system based on the State average local support relative to the system's capacity to raise local funds.

Expenditures have remained relatively stable with the exception of the normal salary step increases and related benefit costs. The increase in the cost to provide health care to all full time employees and retirees will continue to require close monitoring considering its budget impact. Employer required contribution rates to the largest retirement plan which School Board employees participate increased approximately \$1.2 million during the year.

Grant revenue remained relatively stable when compared to a year ago. The Title I Program is the largest federally funded program with \$3.8 million in revenue compared to the Child Nutrition Program (CNP) with \$3.2 million. Overall meal participation has continued to decrease as enrollment continues to decrease. The federal reimbursement rate for meals served increased by approximately 4%.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

USING THE ANNUAL FINANCIAL REPORT (AFR)

The School Board's AFR consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a financial whole, i.e., an entire operation entity, its funds, and its fiduciary responsibilities. The "Basic Financial Statements" Section, consisting of the Statement of Net Assets and the Statement of Activities (pages 12-13) provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. The Fund Financial Statements (pages 14-20) provide the next level of detail and look at the School Board's most significant funds and a total of all other non-major funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities present an aggregate view of the School Board's finances and a longer-term view of those finances. These statements seek to answer the question, "How did the School Board do financially during the 2007-2008 fiscal year?" These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector enterprises. The accrual basis takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

These two statements report the School Board's net assets and changes in those assets. By showing the change in net assets for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The causes of the change may be the result of many factors, both financial and non-financial in nature. Indirect factors which may have an impact on the School Board's financial condition include the School Board's property and sales tax base, student enrollment, facility conditions, required educational programs for which little or no funding is provided, or other external factors.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School Board's governmental funds begins on page 14. Fund Financial Statements provide more in-depth reporting of the School Board's financial position and the results of operations. Fund basis financial information is presented in the "Fund Financial Statements" Section. The School Board uses many funds to account for the numerous funding sources provided annually. However, the Fund Financial Statements look at the School Board's most significant funds with all non-major funds presented in total in one column. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods.

Fund Financial Statements provide more in-depth data on the School Board's most significant funds, such as its General Fund and the Consolidated School District No. 1. These funds are considered "major funds" under GASB Statement No. 34.

Governmental Funds – Most of the School District's activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year end and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

The relationship between governmental activities reported in the Basic Financial Statements and the governmental funds reported in the Fund Financial Statements are reconciled in the financial statements.

Statement of Fiduciary Net Assets – This statement presents financial information relative to assets held by the School Board on behalf of students and others in a position of trust.

Governmental Activities

As reported in the *Statement of Activities* on page 13, the cost of the School Board's governmental activities for the year ended June 30, 2008 was \$96.8 million as compared to \$90.5 million for the prior year. The Statement of Activities shows the cost of program services and the charges and grants offsetting some of those services. Grants and contributions of \$14.3 million subsidized certain programs, and charges for services, such as fees for school lunches, e-rate receipts, tuition from other LEA's, extended day tuition and summer school tuition were the major contributors of charges for services totaling \$1.7 million. The remaining amount was financed by the taxpayers in the parish through ad valorem and sales and use taxes, as well as other local revenues totaling \$36.9 million.

The Minimum Foundation Program (MFP) from the State of Louisiana funded \$47.9 million and other general revenues contributed the remainder. In Table I on the following page, the cost of the School Board's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the readers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits provided by the function. Please note that in the general administration category there was a total cost of services in fiscal year ending June 30, 2007 of approximately \$5 million as compared to approximately \$2.8 million for the fiscal year ending June 30, 2008. This is a variance of approximately \$1.2 million. The main contributor to this variance are the costs associated with the Centerville High School renovation project that was erroneously not capitalized in prior year. Since these costs were associated with building renovations, they were recorded as general and administrative costs. (See Note 22 on page 43).

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**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

**Table I
Total and Net Cost of Governmental Activities
Years Ended June 30, 2008 and 2007**

	2008		2007	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:				
Regular programs	\$ 33,087,736	\$ 32,267,693	\$ 30,905,910	\$ 29,728,032
Special education programs	11,695,808	10,226,568	10,615,554	8,990,375
Vocational education programs	2,428,702	2,256,596	2,252,451	2,064,508
Other instructional programs	1,719,236	1,182,142	1,587,858	936,133
Special programs	5,295,666	959,783	4,410,437	824,390
Adult and continuing education	463,449	13,278	430,903	25,617
Support services:				
Pupil support services	4,111,366	2,418,019	3,676,038	2,146,867
Instructional staff services	5,360,786	3,393,545	5,365,000	4,196,934
General administration	2,776,471	2,756,967	5,023,505	4,637,562
School administration	5,423,481	5,401,277	4,818,548	4,818,548
Business services	735,730	695,453	733,429	711,299
Operation and maintenance of plant	11,923,124	11,873,268	10,214,420	10,084,868
Student transportation services	3,505,045	3,269,278	3,300,308	3,097,012
Central services	851,577	805,319	992,729	951,548
Non -instructional services:				
Food services	5,991,178	1,836,125	5,743,149	1,697,462
Community service programs	8,000	8,000	8,000	8,000
Interest and bank charges	<u>1,388,435</u>	<u>1,388,435</u>	<u>467,661</u>	<u>467,661</u>
Total Governmental Activities	<u>\$ 96,765,790</u>	<u>\$ 80,751,746</u>	<u>\$ 90,545,900</u>	<u>\$ 75,386,816</u>

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and permit measurement in the short term of the revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The Fund Financial Statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the School Board and assess further the School Board's overall financial stability.

As the School Board completed the fiscal year ended June 30, 2008 its combined fund balance was \$50 million, as compared to a combined fund balance of \$51.3 million as of June 30, 2007. Designated fund balances increased \$.8 million, reserved fund balances decreased \$4.2 million and unreserved, undesignated fund balances increased \$2.1 million.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

General Fund Budgetary Highlights

The School Board's budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School Board was adopted on August 9, 2007. This budget was amended for the year ended June 30, 2008 on June 12, 2008.

A statement showing the School Board's original and final budget compared with actual operating results for the General Fund is provided beginning on page 46. The School Board's year end actual results were slightly better than had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund ended the year with a \$1.2 million favorable total revenue variance and a \$800,000 favorable total expenditure variance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2008, the School Board had approximately \$47.1 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year and depreciation of depreciable assets for the year. Table II below shows the net book value of capital assets at the end of the 2008 and 2007 fiscal years.

**Table II
Capital Assets at
June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
Land	\$ 3,748,010	\$ 3,748,010
Building and improvements	27,349,822	28,444,599
Construction in progress	5,468,909	2,098,470
Furniture and equipment	<u>10,559,871</u>	<u>7,075,787</u>
Totals	<u>\$47,126,612</u>	<u>\$41,366,866</u>

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

During the year ended June 30, 2008, additions of \$7,905,988 of fixed assets were capitalized while assets totaling \$104,536 were disposed. Depreciation for the year ended June 30, 2008 was \$1,471,918 for buildings and improvements and \$674,324 for furniture and equipment. For the year ended June 30, 2007, additions of \$4,368,746 of fixed assets were capitalized while assets totaling \$202,926 were disposed. Depreciation for the year ended June 30, 2007 was \$1,503,164 for buildings and improvements and \$440,945 for furniture and equipment.

Debt Administration

	<u>2008</u>	<u>2007</u>
Bonded debt	\$28,015,000	\$28,700,000
Compensated absences	<u>4,311,462</u>	<u>4,003,798</u>
Totals	<u>\$32,326,462</u>	<u>\$32,703,798</u>

The bonded debt is scheduled for repayment by 2032 and was issued for the construction of a new school as well as the renovation of an existing school.

2008/2009 BUDGET

The General Fund, which is the St. Mary Parish School Board's largest fund, will have a projected deficit of revenues over expenditures in the amount of \$921,678 for the 2008-2009 budget year. This budget reflects an increase in anticipated sales tax collections as well as interest earnings. It further reflects salary increases of \$1,034 for certificated personnel as required under the provision of the Minimum Foundation Program as well as a support personnel increase from the state of \$1,000. The Board also included a local 2.25% salary increase for all employees.

The St. Mary Parish School Board continues to be in a strong financial position, with an Unreserved, Undesignated Fund Balance in excess of \$2,900,000 anticipated at June 30, 2009 in addition to an \$10,000,000 provision for contingencies included in Fund Balance.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

While this AFR is designed to provide full and complete disclosure of the financial condition and operations of the School Board, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Alton Ray Perry, CPA, Chief Financial Officer, St. Mary Parish School Board, P.O. Box 170, Centerville, LA 70522, or by calling (337) 836-9661 during regular office hours, Monday through Friday, 8:00 am to 4:00 pm, Central Time or e-mail aperry@stmary.k12.la.us.

FINANCIAL STATEMENTS

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Statement of Net Assets
June 30, 2008

ASSETS

Cash and interest-bearing deposits	\$ 37,778,312
Investments, at fair value	17,957,030
Due from other governmental units	7,289,469
Other receivables	2,832,536
Prepaid items	1,955,922
Inventory, at cost	942,572
Deposits	<u>400,000</u>
	69,155,841
Capital assets:	
Land	3,748,010
Buildings and improvements	70,428,860
Furniture and equipment	15,605,143
Construction in progress	5,468,909
Less: accumulated depreciation	<u>(48,124,310)</u>
Total capital assets, net of depreciation	<u>47,126,612</u>
Total assets	<u>\$ 116,282,453</u>

LIABILITIES

Accounts payable and other current liabilities	\$ 4,714,851
Accrued liabilities	11,726,291
Deferred revenues	2,249,613
Due to other governmental units	12,223
Other liabilities	438,916
Long-term liabilities:	
Portion due or payable within one year:	
Bonds	845,000
Accrued interest	429,125
Compensated absences	3,363,235
Portion due or payable after one year:	
Bonds	27,170,000
Compensated absences	<u>948,227</u>
Total liabilities	<u>51,897,481</u>

NET ASSETS

Invested in capital assets, net of related debt	29,143,924
Restricted for:	
Debt service	2,276,075
Capital projects	11,584,401
Maintenance	3,731,504
Other purposes	3,098,919
Unrestricted	<u>14,550,148</u>
Total net assets	<u>\$ 64,384,971</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Statement of Activities
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
Governmental Activities:					
Instruction:					
Regular programs	\$ 33,087,736	\$ 195,135	\$ 624,908	\$ -	\$ (32,267,693)
Special education programs	11,695,808	128,316	1,313,433	27,491	(10,226,568)
Vocational education programs	2,428,702	17,839	154,267	-	(2,256,596)
Other instructional programs	1,719,236	114,800	422,294	-	(1,182,142)
Special programs	5,295,666	17,839	4,318,044	-	(959,783)
Adult and continuing education	463,449	27,692	422,479	-	(13,278)
Support services:					
Pupil support services	4,111,366	278,677	1,414,670	-	(2,418,019)
Instructional staff services	5,360,786	17,938	1,763,107	186,196	(3,393,545)
General administration	2,776,471	17,839	1,665	-	(2,756,967)
School administration	5,423,481	17,839	4,365	-	(5,401,277)
Business services	735,730	17,839	22,438	-	(695,453)
Operation and maintenance of plant	11,923,124	18,034	31,822	-	(11,873,268)
Student transportation services	3,505,045	17,839	217,928	-	(3,269,278)
Central services	851,577	43,011	3,247	-	(805,319)
Non-instructional services:					
Food services	5,991,178	740,925	3,414,128	-	(1,836,125)
Community service programs	8,000	-	-	-	(8,000)
Interest and bank charges	<u>1,388,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,388,435)</u>
Total Governmental Activities	<u>96,765,790</u>	<u>1,671,562</u>	<u>14,128,795</u>	<u>213,687</u>	<u>(80,751,746)</u>
General Revenues:					
<u>Local Sources:</u>					
Taxes -					
					14,713,731
					18,099,713
					970,873
					2,451,901
					643,235
<u>State Sources:</u>					
					176,337
					47,883,209
					361,976
					<u>85,300,975</u>
					4,549,229
					<u>59,835,742</u>
					<u>\$ 64,384,971</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2008

ASSETS	General Fund	Consolidated School District No. 1 Capital Projects	Other Governmental	Total
Cash and interest-bearing deposits	\$12,098,423	\$ 13,774,592	\$ 11,905,297	\$ 37,778,312
Investments, at fair value	16,657,780	-	1,299,250	17,957,030
Receivables:				
Accounts	2,130,750	-	31,641	2,162,391
Accrued interest	623,682	-	15,024	638,706
Due from other governmental units	3,870,415	-	3,419,054	7,289,469
Due from other funds	3,956,434	-	4,375,312	8,331,746
Due from schools	31,438	-	-	31,438
Prepaid items	1,955,922	-	-	1,955,922
Inventory, at cost	794,336	-	148,236	942,572
Deposits	400,000	-	-	400,000
 Total assets	 <u>\$42,519,180</u>	 <u>\$ 13,774,592</u>	 <u>\$ 21,193,814</u>	 <u>\$ 77,487,586</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,653,980	\$ 1,292,721	\$ 768,150	\$ 4,714,851
Accrued liabilities	11,095,659	247,523	383,109	11,726,291
Due to other governmental units	-	-	12,223	12,223
Due to other funds	2,773,080	699,913	4,858,753	8,331,746
Deferred revenues	2,211,131	-	38,482	2,249,613
Other liabilities	438,916	-	-	438,916
Total liabilities	<u>19,172,766</u>	<u>2,240,157</u>	<u>6,060,717</u>	<u>27,473,640</u>
Fund balances:				
Reserved for debt service	-	-	2,276,075	2,276,075
Reserved for other	2,946,811	11,534,435	4,071,650	18,552,896
Unreserved -				
Designated	15,737,013	-	8,785,372	24,522,385
Undesignated	4,662,590	-	-	4,662,590
Total fund balances	<u>23,346,414</u>	<u>11,534,435</u>	<u>15,133,097</u>	<u>50,013,946</u>
 Total liabilities and fund balances	 <u>\$42,519,180</u>	 <u>\$ 13,774,592</u>	 <u>\$ 21,193,814</u>	 <u>\$ 77,487,586</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Assets
June 30, 2008

Total fund balances - Governmental Funds		\$ 50,013,946
Cost of capital assets at June 30, 2008:	95,250,922	
Less: Accumulated depreciation as of June 30, 2008:		
Buildings and improvements	(43,079,038)	
Furniture and equipment	<u>(5,045,272)</u>	
		47,126,612
Elimination of interfund assets and liabilities:		
Due from other funds	8,331,746	
Due to other funds	<u>(8,331,746)</u>	
		-
Long-term liabilities at June 30, 2008:		
Bonded debt payable	(28,015,000)	
Compensated absences payable	<u>(4,311,462)</u>	
		(32,326,462)
Accrued interest payable		<u>(429,125)</u>
Total net assets - Governmental Activities		<u>\$ 64,384,971</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2008

	Consolidated School District			Total
	General Fund	No. 1 Capital Projects	Other Governmental	
Revenues:				
Local sources	\$ 29,958,723	\$ 544,423	\$ 8,077,908	\$38,581,054
State sources	49,313,909	-	1,602,082	50,915,991
Federal sources	138,190	-	11,679,784	11,817,974
Total revenues	<u>79,410,822</u>	<u>544,423</u>	<u>21,359,774</u>	<u>101,315,019</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	32,272,130	-	596,781	32,868,911
Special education programs	10,817,491	-	830,086	11,647,577
Vocational education programs	2,264,421	-	154,461	2,418,882
Other instructional programs	1,680,695	-	30,343	1,711,038
Special programs	1,491,582	-	3,799,466	5,291,048
Adult and continuing education programs	152,036	-	311,022	463,058
Support services:				
Pupil support services	2,735,546	-	1,364,826	4,100,372
Instructional staff services	4,198,731	-	1,138,756	5,337,487
General administration	1,425,207	784	323,294	1,749,285
School administration	5,383,091	-	16,500	5,399,591
Business services	606,958	-	126,069	733,027
Operation and maintenance of plant services	7,602,706	23,532	3,909,114	11,535,352
Student transportation services	3,272,129	-	126,592	3,398,721
Central services	821,270	-	25,728	846,998
Non-instructional services:				
Food services	290,099	-	5,630,680	5,920,779
Community service programs	8,000	-	-	8,000
Facilities acquisition, expansion and rehabilitation	2,916	4,354,074	3,042,323	7,399,313
Debt service -				
Principal retirement	-	-	685,000	685,000
Interest and fiscal charges	-	-	1,106,896	1,106,896
Total expenditures	<u>75,025,008</u>	<u>4,378,390</u>	<u>23,217,937</u>	<u>102,621,335</u>
Excess (deficiency) of revenues over expenditures	<u>4,385,814</u>	<u>(3,833,967)</u>	<u>(1,858,163)</u>	<u>(1,306,316)</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds (Continued)
Year Ended June 30, 2008

	General Fund	Consolidated School District No. 1 Capital Projects	Other Governmental	Total
Other financing sources (uses):				
Operating transfers in	\$ 281,064	\$ -	\$ 4,081,392	\$ 4,362,456
Operating transfers out	<u>(2,956,392)</u>	<u>-</u>	<u>(1,406,064)</u>	<u>(4,362,456)</u>
Total other financing sources (uses)	<u>(2,675,328)</u>	<u>-</u>	<u>2,675,328</u>	<u>-</u>
 Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	 1,710,486	 (3,833,967)	 817,165	 (1,306,316)
 Fund balances, beginning	 <u>21,635,928</u>	 <u>15,368,402</u>	 <u>14,315,932</u>	 <u>51,320,262</u>
 Fund balances, ending	 <u>\$ 23,346,414</u>	 <u>\$ 11,534,435</u>	 <u>\$ 15,133,097</u>	 <u>\$50,013,946</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities

For the Year Ended June 30, 2008

Total Net Changes in Fund Balance - Governmental Funds		\$ (1,306,316)
Capital Assets:		
Capital outlay	7,905,988	
Depreciation expense for the year ended June 30, 2008	<u>(2,146,242)</u>	
		5,759,746
Long-Term Debt:		
Principal portion of debt service payments	685,000	
Excess of interest paid over interest accrued	(281,537)	
Excess of compensated absences earned over amounts used	<u>(307,664)</u>	
		<u>95,799</u>
Change in Net Assets - Governmental Activities		\$ <u>4,549,229</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Fiduciary Net Assets
Fiduciary Funds

June 30, 2008

	Private Purpose Trust Funds	Agency Funds School Activity Funds
ASSETS		
Cash and interest bearing deposits	\$ 3,486	\$ 1,418,554
Investments, at fair value	9,950	-
Accounts receivable	60	-
Total assets	\$ 13,496	\$ 1,418,554
LIABILITIES		
Accounts payable	\$ 1,000	\$ -
Deposits due to others	-	1,418,554
Total liabilities	1,000	1,418,554
NET ASSETS		
Unrestricted	\$ 12,496	\$ -

The accompanying notes are an integral part of this statement.

ST MARY PARISH SCHOOL BOARD
Centerville Louisiana

Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds

Year Ended June 30 2008

	<u>Private Purpose Trust Funds</u>
<u>Additions</u>	
Local sources	
Interest earnings	\$ 989
<u>Deductions</u>	
Tuition Grants	<u>500</u>
Change in net assets	489
Net assets beginning	<u>12,007</u>
Net assets ending	\$ _ _ _ 12 496

The accompanying notes are an integral part of this statement

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

INTRODUCTION

The St. Mary Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. Mary Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eleven members who are elected for terms of four years.

The School Board operates twenty-seven schools within the parish with a total enrollment of 9,869 pupils for the 2007-2008 year. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the St. Mary Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretation).

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis for State and Local Governments, issued in June 1999.

Reporting Entity

For financial reporting purposes, the School Board includes all funds, activities, et cetera, that are within the oversight responsibility of the School Board. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the School Board, the School Board is a separate governmental reporting entity (primary government).

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish council, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the School Board. The School Board is not a component unit of any other entity and does not have any component units which require inclusion in the financial statements of the School Board.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds of the School Board are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types". The fund classifications and a description of each existing fund type follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

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 other funds.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

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

Capital Projects Funds

Capital Projects Funds are used to account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Fund Types

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. The following are the School Board's fiduciary fund types:

Private Purpose Trust Funds

Private purpose trust funds are trusts which exist to benefit individuals, private organizations, or other governments. The resources, including both principal and revenues earned on that principal may be expended for purposes designated by the trust agreement (e.g., donations received for specific expendable purposes).

Agency Fund

Agency fund accounts for assets held by the School Board in a custodial capacity (i.e., assets equal liabilities) and does not involve measurement of operations.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the reporting government as a whole. These statements include all financial activities of the School Board, except for the fiduciary funds. The fiduciary funds are only reported in the statement of fiduciary net assets and the statement of changes in fiduciary net assets at the fund financial statement level.

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Program Revenues

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a function and 2) requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Indirect Expense

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 which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "General Administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements for governmental funds.

The modified accrual basis of accounting is used by all governmental fund types, private purpose trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used 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. The following practices in recording revenues and expenditures have been used for the governmental funds.

Revenues

Federal and state entitlements (unrestricted grants-in-aid, which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in November by the Parish Assessor based on the assessed value, become due on December 31 of each year, and become delinquent on January 1. An enforceable lien attaches to the property as of January 1. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. Mary Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned, if collected within 60 days of the fiscal year end.

Sales and use tax revenues are recorded in the month collected by the St. Mary Parish Tax Collector.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recognized only when due.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

Proposed budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP) and are presented to the School Board by the Superintendent prior to the commencement of each fiscal year. After public hearings, the proposed budgets, after any amendments deemed necessary, are adopted by the Board. Budgetary amendments are processed in the same manner. Budgets are prepared only for the General Fund and all Special Revenue Funds.

All appropriations lapse at the end of each fiscal year.

Cash and interest-bearing deposits

Cash and interest-bearing deposits include interest-bearing demand deposits, money market accounts and deposits with the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasury and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Investments

Under state law, the School Board may invest in United States bonds, treasury notes or certificates, and time deposits of State banks organized under Louisiana law and national banks having principal offices in Louisiana.

Short-term Interfund Receivables/Payables

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

Inventories

Inventory of the School Lunch Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Inventory of the General Fund consists of office supplies, custodial supplies, and textbooks maintained in the central warehouse for use in all departments and schools.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets for financial statement presentation. The School Board however maintains an inventory record on all items costing \$1,000 or more, as well as all computer central processing units (CPU's) and all band instruments. For reporting to the State of Louisiana, all items with a unit cost of \$1,000 or more and with a useful life of more than one year are classified as capital items.

Capital assets are recorded in the government-wide financial statements but not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows:

Buildings	25-40 years
Furniture and Equipment	5-12 years

Compensated Absences

All 12-month employees earn from 10 to 19 days of vacation leave each year, depending on their length of service with the School Board. Unused vacation leave at the end of each fiscal year can be carried forward to the succeeding fiscal year to a maximum of ten days. In accordance with the provisions of Statement No. 16, of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive vacation pay; however, a liability has been recorded for vesting accumulating rights to receive vacation pay.

Sabbatical leave may be granted for medical leave with doctor's certification and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after six semesters of continuous service or two semesters of sabbatical leave after twelve or more semesters of continuous service. At no time during the school year shall the number of persons on sabbatical leave exceed 5% of the total number of certificated personnel employed by the school district.

Due to its restrictive nature, sabbatical leave benefits are recorded as expenditures in the period taken and no liability is recorded in advance of the sabbatical.

Vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. A liability has been recorded for up to 25 days of accumulated sick leave for all eligible employees.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the School Board's management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate. Accordingly, actual results may differ from those estimates.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in the United States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the state of Louisiana, which operates a local government investment pool. At June 30, 2008, the School Board has cash and interest-bearing deposits (book balances) totaling \$37,778,312 as follows:

Demand deposits	\$ 2,378,255
Interest-bearing deposits, includes LAMP	<u>35,400,057</u>
Total	<u>\$ 37,778,312</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (CONTINUED)

Custodial credit risk is the risk that in the event of a bank failure the School Board's deposits may not be recovered. Under state law, the School Board's deposits must be secured by federal deposit insurance or similar federal security of the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the School Board's name by the pledging bank or by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2008, are secured as follows:

Bank balances	<u>\$ 17,015,193</u>
Federal deposit insurance	\$ 1,269,155
Pledged securities	<u>40,712,637</u>
Total	<u>41,981,792</u>
Excess of federal insurance and pledged securities over bank balances	<u>\$ 24,966,599</u>

The School Board had \$21,983,058 invested in Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of June 30, 2008 is not categorized in the three risk categories provided by GASB Codification 150.164, because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana, formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the School Board.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 3 INVESTMENTS

Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposit and other investments as provided in the statute. Investments at June 30, 2008 were as follows:

	<u>Interest Rate/ Yield to Maturity</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Certificates of Deposit	Various	11,000,000	\$ 11,000,000
Federal Home Loan Bank	4.1 - 5.24%	4,000,000	3,995,620
Federal National Mortgage Assn.	4.35 - 5%	2,010,000	1,977,770
Federal Home Loan Mortgage	4.05%	<u>1,000,000</u>	<u>993,590</u>
Total		<u>\$ 18,010,000</u>	<u>\$ 17,966,980</u>

Included in this schedule for U.S. Government Securities is \$9,950 pertaining to investments maintained in the School Board's fiduciary funds.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are registered in the School Board's name and are held in the custodial bank's trust account at its custodial agent. During the year ended June 30, 2008, there were no uninsured and unregistered investments held by the counterparty, or its trust department or agent, which were not in the School Board's name.

NOTE 4 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the School Board in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year.

The St. Mary Parish Sheriff bills and collects the property taxes for the School Board. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2008, ad valorem taxes totaling 88.60 mills were levied on property and dedicated as follows:

	<u>2008</u>	
	<u>Net Assessed Valuations</u>	<u>Mills</u>
Parish wide taxes:		
Constitutional	374,376,095	8.60
Consolidated school district No. 5	374,376,095	11.45

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES (CONTINUED)

	Net Assessed Valuations	Mills
District taxes:		
Maintenance taxes -		
Consolidated school district No. 3 (School maintenance district No. 1)	125,761,199	12.00
Consolidated school district No. 2 (School maintenance district No. 2)	106,816,231	12.60
Sixth Ward special school district No. 3 (School maintenance district No. 3)	141,382,285	11.75
Bond and interest taxes -		
Consolidated school district No. 1	87,246,760	23.30
Fourth Ward special school district	38,514,439	8.90

The taxes levied were \$14,398,125 for the year ended June 30, 2008.

For the year ended June 30, 2008 there were \$1,384,884 of ad valorem taxes, including interest earned, held under protest in escrow at the St. Mary Parish Sheriff and Tax Collector's office on behalf of the St. Mary Parish School Board. These funds are not included in St. Mary Parish School Board's June 30, 2008 financial statements.

NOTE 5 INTERFUND TRANSFERS

Transfers funded from current revenues during the year ended June 30, 2008 consisted of:

	Transfers	
	In	Out
General Fund:		
Special Revenue Funds	\$ 281,064	\$ 206,392
Capital Projects Funds	-	2,750,000
Total major governmental	281,064	2,956,392
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	206,392	281,064
Capital Projects Funds	125,000	1,000,000
	331,392	1,281,064
Capital Project Funds:		
General Fund	2,750,000	-
Special Revenue Funds	1,000,000	125,000
	3,750,000	125,000
Total nonmajor governmental	4,081,392	1,406,064
Total interfund transfers	\$ 4,362,456	\$ 4,362,456

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 5 INTERFUND TRANSFERS (CONTINUED)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 INTERFUND RECEIVABLES, PAYABLES

	Interfund Receivables	Interfund Payables
General Fund:		
Special Revenue Funds	\$ 3,256,521	\$ 25,312
Capital Projects Funds	699,913	2,750,000
Capital Projects Fund		
General Fund	-	699,913
Total major governmental	3,956,434	3,475,225
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	25,312	-
Special Revenue Funds	-	3,256,521
Capital Projects Funds	-	1,600,000
Capital Project Funds:		
General Fund	2,750,000	-
Special Revenue Funds	1,600,000	-
Total nonmajor governmental	4,375,312	4,856,521
Total interfund receivables/payables	\$ 8,331,746	\$ 8,331,746

Due to/from general fund represents costs paid from the general fund bank account on behalf of individual funds that do not have checking accounts. These receivables and payables reverse in the normal course of operations. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between the funds are made.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 7 CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2008 are as follows:

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,748,010	\$ -	\$ -	\$ 3,748,010
Construction in progress	2,098,470	3,370,439	-	5,468,909
Total capital assets not being depreciated	<u>5,846,480</u>	<u>3,370,439</u>	<u>-</u>	<u>9,216,919</u>
Capital assets being depreciated:				
Buildings and improvements	70,051,719	377,141	-	70,428,860
Furniture and Equipment	<u>11,551,271</u>	<u>4,158,408</u>	<u>(104,536)</u>	<u>15,605,143</u>
Total capital assets being depreciated	<u>81,602,990</u>	<u>4,535,549</u>	<u>(104,536)</u>	<u>86,034,003</u>
Less accumulated depreciation for:				
Buildings and improvements	(41,607,120)	(1,471,918)	-	(43,079,038)
Furniture and Equipment	<u>(4,475,484)</u>	<u>(674,324)</u>	<u>104,536</u>	<u>(5,045,272)</u>
Total accumulated depreciation	<u>(46,082,604)</u>	<u>(2,146,242)</u>	<u>104,536</u>	<u>(48,124,310)</u>
Total capital assets, being depreciated, net	<u>35,520,386</u>	<u>2,389,307</u>	<u>-</u>	<u>37,909,693</u>
Capital assets, net	<u>\$ 41,366,866</u>	<u>\$ 5,759,746</u>	<u>\$ -</u>	<u>\$ 47,126,612</u>

Depreciation expense of \$2,146,242 for the year ended June 30, 2008 was charged to the following:

Instruction:	
Regular programs	\$ 86,898
Other instructional programs	741
Support:	
Instructional staff services	6,311
General administration	1,531,437
Operation and maintenance of plant	370,050
Student transportation services	92,565
Central services	1,952
Food services	<u>56,288</u>
	<u>\$2,146,242</u>

At June 30, 2008 the St. Mary Parish School Board had construction commitments of \$17,591,927.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 8 ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$16,441,142 at June 30, 2008, are as follows:

	General Fund	Special Revenue Funds	Capital Projects Funds	Total
Accounts	\$ 2,653,980	\$ 293,136	\$ 1,767,735	\$ 4,714,851
Salaries, withholdings, and other payables	<u>11,095,660</u>	<u>325,148</u>	<u>305,483</u>	<u>11,726,291</u>
Total	<u>\$13,749,640</u>	<u>\$ 618,284</u>	<u>\$ 2,073,218</u>	<u>\$ 16,441,142</u>

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term obligation transactions of the St. Mary Parish School Board for the year ended June 30, 2008:

	Bonded Debt	Compensated Absences	Total
Long-term obligations payable at July 1, 2007	\$ 28,700,000	\$ 4,003,798	\$ 32,703,798
Additions:	-	4,060,738	4,060,738
Deductions:	<u>685,000</u>	<u>3,753,074</u>	<u>4,438,074</u>
Long-term obligations payable at June 30, 2008	<u>\$ 28,015,000</u>	<u>\$ 4,311,462</u>	<u>\$ 32,326,462</u>

Summary of current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2008:

	Bonded Debt	Compensated Absences	Total
Current	\$ 845,000	\$ 3,363,235	\$ 4,208,235
Long-term	<u>27,170,000</u>	<u>948,227</u>	<u>28,118,227</u>
Totals	<u>\$ 28,015,000</u>	<u>\$ 4,311,462</u>	<u>\$ 32,326,462</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 9 CHANGES IN LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 2008 is comprised of the following individual issues:

<p>\$24,000,000 General Obligations Bonds Series 2007 of Consolidated School District No. 1 (to defease \$7,390,000 of 1997 General Obligation Bonds) dated May 1, 2007, due in annual installments of \$675,000 to \$1,140,000, maturing March 1, 2032; interest variable from 4.25% to 6%; payable from the annual levy and collection of ad valorem taxes.</p>	\$ 23,325,000
<p>\$4,700,000 General Obligation Bonds Series 2007 of Special School District No. 4 (to defease \$1,370,000 of 1997 General Obligation Bonds) dated May 1, 2007, due in annual installments of \$10,000 to \$235,000, maturing March 1, 2032; interest variable from 4% to 7%; payable from the annual levy and collection of ad valorem taxes.</p>	<u>4,690,000</u>
Total bonded debt	<u>\$ 28,015,000</u>

The annual requirements to amortize all bonds outstanding at June 30, 2008, are as follows:

Year Ended June 30,	Consolidated School District No. 1		Special School District No. 4	
	Principal	Interest	Principal	Interest
2009	705,000	1,056,396	140,000	230,979
2010	740,000	1,014,096	145,000	221,179
2011	770,000	969,696	145,000	211,029
2012	800,000	923,497	160,000	201,240
2013-2017	4,615,000	3,916,015	920,000	865,131
2018-2022	5,910,000	2,846,367	1,180,000	623,175
2023-2027	4,635,000	1,656,923	945,000	367,790
2028-2032	5,150,000	688,647	1,055,000	154,170
	<u>\$ 23,325,000</u>	<u>\$ 13,071,637</u>	<u>\$ 4,690,000</u>	<u>\$ 2,874,693</u>

Compensated absences reported at June 30, 2008 of \$4,311,462 reflect amounts due to eligible employees, for unused sick leave, up to a maximum of 25 days and unused vacation leave.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 10 SALES TAX

On December 7, 1965, the voters of the parish approved a one percent sales and use tax to be levied by the St. Mary Parish Council, of which 30 percent of the net proceeds is to be remitted to the St. Mary Parish School Board. The proceeds received by the School Board are dedicated to supplement the salaries of teachers and school employees and for general operations of the public schools of St. Mary Parish.

On August 14, 1975, the voters of the parish approved a one-fourth of one percent (1/4 percent) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional funds for the payment of salaries of teachers and other school board personnel and/or for other employee benefits.

On April 12, 1979, the voters of the parish approved a seven-tenths of one percent (7/10 percent) sales and use tax to be levied by the School Board. The proceeds of the tax were used first for payment of debt service requirements on bonds issued for the purpose of financing the purchase, construction and acquisition of air conditioning facilities and equipment for parish schools. The net proceeds after satisfying the bond service requirements, which have been retired since February 1, 1995, are used each month in the following priority:

- Payment of the cost of utilities.
- An amount equal to 65 percent of the total net proceeds of this tax is set aside and used to supplement other funds for the payment of salaries and/or other employee benefits of teachers and other school board personnel.
- The remainder of the proceeds of this tax is used to construct, maintain, and acquire capital improvements and for other school purposes provided that such proceeds are not used to construct new classroom facilities.

On March 8, 1988, the voters of the parish approved a one-half of one percent (1/2 percent) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional support to public elementary and secondary schools by providing funds for salary obligations and educational management, advancement, and enrichment. On January 15, 1994, the tax was renewed for an additional period of seven (7) years from termination of its current use. On January 20, 2001, the tax was again renewed for an additional period of ten (10) years from termination of its current use.

Sales and use taxes are collected for and remitted to the School Board by the St. Mary Parish Council.

NOTE 11 PENSION PLANS

Eligible employees of the School Board participate in one of five multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

Louisiana Teachers' Retirement System of Louisiana - Regular

For the year ended June 30, 2008, plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 16.6 percent of the total annual covered salary. The School Board was also required to contribute the

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 11 PENSION PLANS (CONTINUED)

statutory rates of 15.8 and 15.9 percent of the total annual salaries for the years ended June 2007 and 2006. The School Board's contributions to the system for the years ended June 30, 2008, 2007, and 2006 were \$7,798,112, \$6,557,512 and \$6,226,347 respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Louisiana Teachers' Retirement System of Louisiana - Plan B

For the year ended June 30, 2008, plan members are required to contribute 5.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 16.6 percent of the total annual covered salary. The School Board was also required to contribute the statutory rates of 15.8 and 15.9 percent of the total annual salaries for the years ended June 2007 and 2006. The School Board's contributions to the system for the years ended June 30, 2008, 2007 and 2006 were \$293,288, \$284,421 and \$336,007, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Louisiana Teacher's Retirement System of Louisiana – Optional Retirement Plan

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 16.6 percent of the total annual covered salary for the year ended June 30, 2008. The School Board's contributions to the system for the years ended June 30, 2008, 2007 and 2006 were \$132, \$63 and \$32 equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Parochial Employees' Retirement System

Plan members are required to contribute 9.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 12.75 percent of the covered salary for the year ended June 30, 2008. The School Board was required to contribute the statutory rate of 13.25 percent and 12.75 percent of the total annual covered salary for the years ended June 30, 2007 and 2006. The School Board's contributions to the system for the years ended June 30, 2008, 2007 and 2006 were \$936, \$1,930 and \$2,907, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 11 PENSION PLANS (CONTINUED)

Louisiana School Employee's Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 18.1 percent of total annual covered salary for the year ended June 30, 2008. The School Board was required to contribute 19.6 and 18.4 percent of annual covered salary for the years ended June 30, 2007 and 2006. The School Board's contributions to the system for the years ended June 30, 2008, 2007 and 2006 were \$742,750, \$765,403 and \$675,634, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana School Employee Retirement System, P. O. Box 44516, Baton Rouge, Louisiana 70804-4516.

NOTE 12 POST-RETIREMENT BENEFITS - HEALTH CARE AND LIFE INSURANCE

The St. Mary Parish School Board provides certain continuing health care benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due. The School Board's total cost of providing both health care and life insurance benefits was \$1,754,182 and \$90,956 for the year ended June 30, 2008.

NOTE 13 RISK MANAGEMENT

Workers' Compensation

The School Board replaced the limited risk management program for workers' compensation with a fully insured plan on May 1, 1999. Management Service, USA was hired by the School Board as administrator of this limited risk program. While under this limited risk plan, the School Board purchased commercial insurance for individual claims in excess of \$175,000. The School Board, unable to obtain reasonable worker's compensation insurance coverage, once again elected to participate in another limited risk management program, effective May 1, 2004. Creative Risk Controls, Inc. serves as the administrator of this plan. The School Board incurred \$306,809 in benefits and administrative costs under the limited risk plans during fiscal year 2008. Incurred but not paid claims have been accrued as a liability in the general fund.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 13 RISK MANAGEMENT (CONTINUED)

Reconciliation of Claims Liabilities

Changes in the claims liability amounts for the risk management programs are as follows:

	<u>Beginning of Fiscal year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year - End</u>
Workers' Compensation	\$ 466,999	\$ 278,726	\$ 306,809	\$ 438,916

Claims payable of \$438,916 workers' compensation at June 30, 2008 was obtained from information provided by the third party administrator.

General Liability

The School Board, unable to obtain reasonable commercial insurance coverage, elected to participate in a self-insurance pool called LARMA (Louisiana Risk Management Agency), effective April 1, 2004. This pool consists of other school boards and is structured where a loss fund is established from actuarial numbers. Aggregate excess coverage of \$1 million is also provided to protect the fund. This fund covers general liability as well as automobile, board errors and omissions liability, and fidelity and forgery insurance. Building and contents coverage is still being provided by a commercial insurance carrier.

NOTE 14 PENDING LITIGATION

Contingencies

At June 30, 2008, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liabilities, if any, which might arise from these lawsuits would not have a material adverse effect on the School Board's financial position.

Grant Audit

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 15 DESIGNATED FUND BALANCES

At June 30, 2008, the School Board has designated portions of fund balances as follows:

General Fund -	
Future Occurrences	\$ 10,000,000
Floor Tile	100,000
Asbestos Abatement	500,000
Wildlife Exhibits	86,325
Insurance Deductibles	500,000
School Food Service	100,000
Technological Advances	101,908
Computer Software Programs	129,000
General Liability Pool Loss	250,000
Worker's Compensation Self Insurance Loss	1,200,000
Future Health Insurance	1,250,000
Band Uniforms	35,000
Future Textbooks	500,000
Bus Sinking Fund	22,203
Future Health Insurance (RDS)	362,577
Future Technology	600,000
	<u>15,737,013</u>
Capital Projects Funds -	
Designated for Construction	<u>8,785,372</u>
Total designated fund balances	<u>\$ 24,522,385</u>

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ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 16 RESERVED FUND BALANCES

At June 30, 2008, the School Board has reserved portions of fund balances as follows:

General Fund -	
Red Ribbon	\$ 8,219
Federal Programs	353,175
Employee Concession Revenue	14,597
Truancy	62,804
Inventory	794,336
Prepaid Items	1,252,125
Deposits	400,000
Education Excellence	<u>61,555</u>
	<u>2,946,811</u>
Special Revenue Funds -	
Maintenance	3,731,504
Food Service	276,164
Federal Programs	<u>2,285</u>
	<u>4,009,953</u>
Debt Service Funds -	
Debt Retirement	2,276,075
Other	<u>11,732</u>
	<u>2,287,807</u>
Capital Projects Funds -	
Construction	<u>11,584,401</u>
Total reserved fund balances	<u>\$ 20,828,972</u>

NOTE 17 COMPENSATION OF BOARD MEMBERS

A detail of the compensation paid to individual board members for the year ending June 30, 2008 follows:

Wayne Deslatte , President	\$ 8,400
Joseph Foulcard	7,200
Ginger Griffin	7,200
Marilyn LaSalle	7,200
Mary Lockley	7,200
William McCarty	7,200
Anthony Strevva	7,200
Murphy Pontiff	7,200
Edward Payton, Jr.	7,200
Michael Taylor	7,200
Roland Verret	<u>7,200</u>
Total	<u>\$ 80,400</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 18 CHANGES IN AGENCY FUND DEPOSITS

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

<u>Fund</u>	<u>Balance at July 1, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2008</u>
School Activity	<u>\$ 1,386,373</u>	<u>\$ 3,553,126</u>	<u>\$ 3,520,945</u>	<u>\$ 1,418,554</u>

NOTE 19 DEFERRED REVENUES

Deferred revenues at June 30, 2008 consisted of the following:

Millennium Trust Funds	\$ 2,165,701
Ad valorem taxes received under protest	<u>83,912</u>
 Total deferred revenues	 <u>\$ 2,249,613</u>

The Louisiana State Legislature created the Millennium Trust in 1999 to provide for the disposition of proceeds from the tobacco settlement. The same legislation that created the Millennium Trust, Louisiana Revised Statute (LRS): 39:98.1-98.5, also established the Education Excellence Fund as a component of the Millennium Trust. By legislative mandate, the Louisiana Department of Education has the responsibility of providing the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support "excellence in educational practice." Funds are obtained by the submission of an approved Education Excellence Expenditure Plan to the Louisiana Department of Education. For further information the St. Mary Parish School Board maintains a copy of the Educational Excellence Expenditure Plan and can be viewed at the St. Mary Parish School Board's central office at 474 Highway 317, Centerville, Louisiana 70538.

Ad valorem taxes received under protest are property taxes that are paid in protest and are recorded as deferred revenue in the year the taxes are received and are held until settled.

NOTE 20 NEW SCHOOL

The St. Mary Parish School Board is in the process of building a new school called the Raintree Elementary School in Baldwin, Louisiana. The estimated completion date is August 2009 and estimated costs to completion at June 30, 2008 are approximately \$9,220,000. Financing for this project was made possible through the issuance of the \$24,000,000 General Obligation Bonds Series 2008 (See Note 9).

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 21 SUBSEQUENT EVENTS – HURRICANES GUSTAV AND IKE

Hurricane Gustav caused storm damages of approximately \$1.5 million at eighteen locations, impacting forty-seven buildings or structures. It is anticipated that insurance reimbursements will approximate \$400,000 to \$500,000 of these damages. Additionally, Gustav inflicted approximately \$25,000 in damages to Raintree Elementary, a school that is currently under construction. There will be no insurance reimbursement for these damages since this loss is below the policy deductible.

Hurricane Ike caused flood damage at two locations. These damages will cost approximately \$100,000 with anticipated insurance reimbursements of \$75,000.

Although the School Board incurred substantial damage from these two hurricanes, it is believed that these damages will not materially impact the School Board financially. The claims not covered by insurance will be submitted to the Federal Emergency Management Agency (FEMA), who has given a preliminary indication that the School Board will be reimbursed at a rate of 75%. Additionally, the School Board has \$500,000 designated specifically to cover such losses.

NOTE 22 RESTATEMENT OF PRIOR YEAR FINANCIALS

The government-wide financial statements for June 30, 2007 have been restated to correct for the erroneous non capitalization of prior year costs associated with a school renovation. The result of this correction is an increase in beginning net assets of \$1,722,125.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

MAJOR FUND DESCRIPTIONS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in other funds.

CAPITAL PROJECTS FUND

Consolidated School District No. 1 Fund

Consolidated School District No. 1 Fund is used to acquire or improve land, building sites and other school – related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$24,000,000 bond issue dated May 1, 2007.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>				
Local sources:				
Ad valorem tax	\$ 6,763,177	\$ 7,763,177	\$ 7,838,013	\$ 74,836
Sales taxes	16,684,000	17,984,000	18,099,713	115,713
Tuition	275,000	275,000	284,028	9,028
Interest earnings	1,114,596	1,388,215	1,431,008	42,793
Leases and royalties	610,000	810,000	949,882	139,882
Other	1,041,718	950,208	1,006,463	56,255
State sources:				
Unrestricted grants-in-aid	46,828,173	46,643,173	46,830,645	187,472
Restricted grants-in-aid	1,908,186	2,215,428	2,832,880	617,452
Federal sources:				
Restricted	140,000	140,000	138,190	(1,810)
Total revenues	<u>75,364,850</u>	<u>78,169,201</u>	<u>79,410,822</u>	<u>1,241,621</u>
<u>Expenditures:</u>				
Current -				
Instruction:				
Regular programs	31,763,586	31,763,586	32,272,130	(508,544)
Special education programs	10,912,526	10,912,526	10,817,491	95,035
Vocational education programs	2,279,813	2,279,813	2,264,421	15,392
Other instructional programs	1,864,907	1,864,907	1,680,695	184,212
Special programs	1,674,982	1,744,982	1,491,582	253,400
Adult and continuing education programs	133,360	133,360	152,036	(18,676)
Support services:				
Pupil support services	3,060,912	3,060,912	2,735,546	325,366
Instructional staff services	4,155,239	4,176,839	4,198,731	(21,892)
General administration	1,376,589	1,376,589	1,425,207	(48,618)
School administration	5,432,785	5,463,785	5,383,091	80,694
Business services	647,782	647,782	606,958	40,824
Operation and maintenance of plant services	7,908,827	7,986,512	7,602,706	383,806
Student transportation services	3,438,978	3,438,978	3,272,129	166,849
Central services	693,479	723,479	821,270	(97,791)
Non-instructional services:				
Food service operations	276,107	276,107	290,099	(13,992)
Community service programs	18,000	18,000	8,000	10,000

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Budgetary Comparison Schedule
General Fund (Continued)
For the Year Ended June 30, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Facilities acquisition, expansion and rehabilitation	-	-	2,916	(2,916)
Total expenditures	<u>75,637,872</u>	<u>75,868,157</u>	<u>75,025,008</u>	<u>843,149</u>
Excess (deficiency) of revenues over (under) expenditures	(273,022)	2,301,044	4,385,814	2,084,770
Other financing sources (uses):				
Operating transfers in	279,066	279,066	281,064	1,998
Operating transfers out	-	(3,000,000)	(2,956,392)	43,608
Total other financing sources (uses)	<u>279,066</u>	<u>(2,720,934)</u>	<u>(2,675,328)</u>	<u>45,606</u>
Excess (deficiency) of revenues and and other sources over (under) expenditures and other uses	6,044	(419,890)	1,710,486	2,130,376
<u>FUND BALANCES</u>				
Beginning of year	<u>21,635,928</u>	<u>21,635,928</u>	<u>21,635,928</u>	-
End of year	<u>\$ 21,641,972</u>	<u>\$ 21,216,038</u>	<u>\$ 23,346,414</u>	<u>\$ 2,130,376</u>

SUPPLEMENTAL INFORMATION

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS

Elementary and Secondary Education Act - As Amended by the No Child Left Behind Act of 2001

Title I of the No Child Left Behind Act of 2001 is a program for economically and educationally disadvantaged school children that is federally financed, state-administered, and locally operated by the School Board. Title I services are provided through various projects that are designed to meet the special needs of educationally disadvantaged children. The activities supplement, rather than replace, state and locally mandated activities. Title I Migrant is a program for children of migrant parents that is federally financed, state-administered, and locally operated by the School Board. This service is supplementary and is designed to meet the special needs of migratory children.

Title II of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for projects that are designed to improve the skills of teachers in the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

Title III of the No Child Left Behind Act of 2001 is a federal grant that focuses on assisting school districts in teaching English to Limited English Proficiency students in an effort to meet the challenges of state standards required of all students.

Title IV Drug-Free Schools and Communities Fund of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for drug abuse education and prevention that is coordinated with related community efforts and resources.

Title V of the No Child Left Behind Act of 2001 is a federal grant used to encourage comprehensive school reform, upgrade instructional and professional development to align with high standards, strengthen accountability and promote coordination of resources to improve education for all children.

Rural Education Achievement Program

The Rural Education Achievement Program is a program to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

Individuals with Disabilities Education Act

Preschool Incentive Fund is a program for expanding educational services to noncategorical preschool handicapped children ages three to five years.

Special education funds are federally financed programs of education, emphasizing language and motor development in the least restrictive environment to handicapped children.

Assistive Technology Fund is a program to provide states with financial assistance that supports programs designed to maximize the ability of individuals of all ages with disabilities and their family members, advocates, and authorized representatives to obtain assistive technology devices and assistive technology services.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS (Continued)

Workforce Investment Act

The Workforce Investment Act provides funds from the federal government to design, with States and local communities, a revitalized, workforce investment system that will help low income youth between the ages of 14 and 21 acquire the educational and occupational skills, training and support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.

School Districts Maintenance Funds

The School Districts Maintenance Fund accounts for the purchases of new equipment, for repairs and renovation of existing buildings and equipment, and for the maintenance of the grounds for School Districts 1, 2, and 3. Financing is provided primarily by a special property tax levy on property within each district and by the related state revenue sharing. Individual fund balances of the School Districts Maintenance Funds at June 30, 2008, are as follows:

District 1	\$ 848,317
District 2	1,182,760
District 3	<u>1,700,427</u>
Total fund equity	<u>\$ 3,731,504</u>

School Lunch Fund

The School Lunch Fund is a program that provides nourishing morning and noon meals for students in all grades. This fund is supplemented by both federal and state funds that are based on reimbursement and participation.

Vocational/Adult Education

This is made up of the Carl D. Perkins Vocational Fund, Adult Education Workplace Literacy Funds, and Adult Education Funds. These provide funding for the instructional needs of vocational and adult education in St. Mary Parish.

Team Nutrition Grant

The Team Nutrition Grant provides funds to improve children's lifelong eating and physical activity habits by using the principles of Dietary Guidelines for Americans and the Food Guide System. The grant offers funding to provide training and technical assistance to child nutrition food service professionals to enable them to prepare and serve nutritious meals that appeal to students; promote nutrition curriculum and education in schools through multiple communication channels; and to build school and community support for creating healthy school environments that are conducive to healthy eating and physical activity.

Enhancing Education Through Technology Program

The Enhancing Education Through Technology Programs provide funds to improve student academic achievement through the use of technology in schools; assist all students in becoming technologically literate by the end of the eighth grade; and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS (Continued)

Hurricane Education Recovery Act

The Hurricane Education Recovery Act provides funds to assist State and local governments in recovering from the devastating effects of disasters by providing assistance for debris removal, emergency protective measures and the repair, restoration, reconstruction or replacement of public facilities or infrastructure damaged or destroyed.

DEBT SERVICE FUNDS

Consolidated School District No. 1, Special School District No. 4, Fifth Ward Special School District No 1, and Sixth Ward Special School District No. 3.

The school district debt service funds accumulate monies to retire the outstanding bond issues of the respective school districts. The bond issues are financed by a special tax levy on property within the territorial limits of the various school districts.

The bond issues for Fifth Ward Special School District No. 1, and Sixth Ward Special District No. 3 have been retired. Remaining assets represent collections of prior year ad valorem taxes and are reserved for school district expenditures.

CAPITAL PROJECTS FUNDS

District Capital Project Funds

The board appropriates funds to provide for construction and major repair projects at each District.

Special School District No. 4 Fund

Special School District No. 4 Fund is used to acquire or improve land, building sites and other school – related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$4,700,000 bond issue dated May 1, 2007.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Combined Balance Sheet
Non-Major Governmental Funds
By Fund Type
June 30, 2008

ASSETS	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Cash and interest-bearing deposits	\$4,696,588	\$2,291,527	\$ 4,917,182	\$ 11,905,297
Investments, at fair value	1,199,500	-	99,750	1,299,250
Receivables:				
Accounts	23,635	8,006	-	31,641
Accrued interest	13,646	-	1,378	15,024
Due from other governmental units	3,419,054	-	-	3,419,054
Due from other funds	25,312	-	4,350,000	4,375,312
Inventory, at cost	<u>148,236</u>	<u>-</u>	<u>-</u>	<u>148,236</u>
 Total assets	 <u>\$9,525,971</u>	 <u>\$2,299,533</u>	 <u>\$ 9,368,310</u>	 <u>\$ 21,193,814</u>
 LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 293,137	\$ -	\$ 475,013	\$ 768,150
Accrued liabilities	325,149	-	57,960	383,109
Due to other funds	4,858,753	-	-	4,858,753
Due to other governmental units	12,223	-	-	12,223
Deferred revenues	<u>26,756</u>	<u>11,726</u>	<u>-</u>	<u>38,482</u>
Total liabilities	<u>5,516,018</u>	<u>11,726</u>	<u>532,973</u>	<u>6,060,717</u>
Fund balances:				
Reserved for debt service	-	2,276,075	-	2,276,075
Reserved for maintenance	3,731,504	-	-	3,731,504
Reserved for federal programs	2,285	-	-	2,285
Reserved for food service	276,164	-	-	276,164
Reserved for construction	-	-	49,965	49,965
Reserved for other	-	11,732	-	11,732
Unreserved -				
Designated for construction	<u>-</u>	<u>-</u>	<u>8,785,372</u>	<u>8,785,372</u>
Total fund balances	<u>4,009,953</u>	<u>2,287,807</u>	<u>8,835,337</u>	<u>15,133,097</u>
 Total liabilities and fund balances	 <u>\$9,525,971</u>	 <u>\$2,299,533</u>	 <u>\$ 9,368,310</u>	 <u>\$ 21,193,814</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Balance Sheet
June 30, 2008

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ -	\$ -	\$ -
Investments, at fair value	-	-	-	-
Receivables:				
Accounts	360	-	-	-
Accrued interest	-	-	-	-
Due from other governmental units	1,490,598	332,532	17,978	81,070
Due from other funds	6,809	11,738	692	-
Inventory, at cost	-	-	-	-
Total assets	<u>\$ 1,497,767</u>	<u>\$ 344,270</u>	<u>\$ 18,670</u>	<u>\$ 81,070</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 10,718	\$ -	\$ -	\$ 70
Accrued liabilities	97,135	22,180	2,124	4,824
Due to other governmental units	-	-	-	5,519
Due to other funds	1,387,629	322,090	16,546	70,657
Deferred revenues	-	-	-	-
Total liabilities	<u>1,495,482</u>	<u>344,270</u>	<u>18,670</u>	<u>81,070</u>
Fund balances:				
Reserved for maintenance	-	-	-	-
Reserved for federal programs	2,285	-	-	-
Reserved for food service	-	-	-	-
Total fund balances	<u>2,285</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,497,767</u>	<u>\$ 344,270</u>	<u>\$ 18,670</u>	<u>\$ 81,070</u>

No Child Left Behind Act Title V	Rural Education Achievement Program	Individuals with Disabilities Education Act		
		Preschool Incentive	Special Education	Assistive Technology
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,419	124,682	62,198	855,381	27,491
82	-	3,353	-	-
-	-	-	-	-
<u>\$ 4,501</u>	<u>\$ 124,682</u>	<u>\$ 65,551</u>	<u>\$ 855,381</u>	<u>\$ 27,491</u>
\$ -	\$ -	\$ 1,996	\$ 44,950	\$ -
82	6,896	1,861	35,147	-
-	218	-	606	-
4,419	117,568	61,694	774,678	27,491
-	-	-	-	-
<u>4,501</u>	<u>124,682</u>	<u>65,551</u>	<u>855,381</u>	<u>27,491</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,501</u>	<u>\$ 124,682</u>	<u>\$ 65,551</u>	<u>\$ 855,381</u>	<u>\$ 27,491</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Balance Sheet (Continued)
June 30, 2008

	School Districts Maintenance	School Lunch	Vocational/Adult Education	Hurricane Education Recovery Act
ASSETS				
Cash and interest-bearing deposits	\$ 4,373,514	\$ 323,074	\$ -	\$ -
Investments, at fair value	1,199,500	-	-	-
Receivables:				
Accounts	21,243	2,032	-	-
Accrued interest	13,646	-	-	-
Due from other governmental units	-	275,094	94,590	-
Due from other funds	-	-	1,370	12
Inventory, at cost	-	148,236	-	-
Total assets	\$ 5,607,903	\$ 748,436	\$ 95,960	\$ 12
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 216,099	\$ 12,366	\$ 5,239	\$ -
Accrued liabilities	31,548	114,348	8,921	-
Due to other governmental units	-	-	5,880	-
Due to other funds	1,601,996	345,558	75,920	12
Deferred revenues	26,756	-	-	-
Total liabilities	1,876,399	472,272	95,960	12
Fund balances:				
Reserved for maintenance	3,731,504	-	-	-
Reserved for federal programs	-	-	-	-
Reserved for food service	-	276,164	-	-
Total fund balances	3,731,504	276,164	-	-
Total liabilities and fund balances	\$ 5,607,903	\$ 748,436	\$ 95,960	\$ 12

Enhancing Education Through Technology Grants	Workforce Investment Act	Team Nutrition Grant	Total
\$ -	\$ -	\$ -	\$ 4,696,588
-	-	-	1,199,500
-	-	-	23,635
-	-	-	13,646
9,080	43,854	87	3,419,054
1,256	-	-	25,312
<u>-</u>	<u>-</u>	<u>-</u>	<u>148,236</u>
<u>\$ 10,336</u>	<u>\$ 43,854</u>	<u>\$ 87</u>	<u>\$ 9,525,971</u>
\$ 1,569	\$ 130	\$ -	293,137
83	-	-	325,149
-	-	-	12,223
8,684	43,724	87	4,858,753
<u>-</u>	<u>-</u>	<u>-</u>	<u>26,756</u>
<u>10,336</u>	<u>43,854</u>	<u>87</u>	<u>5,516,018</u>
-	-	-	3,731,504
-	-	-	2,285
-	-	-	276,164
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,009,953</u>
<u>\$ 10,336</u>	<u>\$ 43,854</u>	<u>\$ 87</u>	<u>\$ 9,525,971</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Debt Service Funds

Combining Balance Sheet
June 30, 2008

	Consolidated District No. 1	Special School District No. 4	Fifth Ward Special School District No. 1	Sixth Ward Special School District No. 3	Total
ASSETS					
Cash and interest-bearing deposits	\$ 1,974,102	\$ 305,693	\$ 658	\$ 11,074	\$ 2,291,527
Accounts receivable	<u>7,480</u>	<u>526</u>	<u>-</u>	<u>-</u>	<u>8,006</u>
Total assets	<u>\$ 1,981,582</u>	<u>\$ 306,219</u>	<u>\$ 658</u>	<u>\$ 11,074</u>	<u>\$ 2,299,533</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Deferred revenues	\$ 5,905	\$ 5,821	\$ -	\$ -	\$ 11,726
Fund balances:					
Reserved for debt service	1,975,677	300,398	-	-	2,276,075
Reserved	<u>-</u>	<u>-</u>	<u>658</u>	<u>11,074</u>	<u>11,732</u>
Total fund balances	<u>1,975,677</u>	<u>300,398</u>	<u>658</u>	<u>11,074</u>	<u>2,287,807</u>
Total liabilities and fund balances	<u>\$ 1,981,582</u>	<u>\$ 306,219</u>	<u>\$ 658</u>	<u>\$ 11,074</u>	<u>\$ 2,299,533</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Capital Projects Funds

Combining Balance Sheet
June 30, 2008

	District Capital Projects	Special School District No. 4	Totals
ASSETS			
Cash and interest-bearing deposits	\$ 4,835,216	\$ 81,966	\$ 4,917,182
Investments, at fair value	99,750	-	99,750
Accrued interest	1,378	-	1,378
Due from other funds	4,350,000	-	4,350,000
Total assets	\$ 9,286,344	\$ 81,966	\$ 9,368,310
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 475,013	\$ -	\$ 475,013
Accrued liabilities	25,959	32,001	57,960
Total liabilities	500,972	32,001	532,973
Fund balances:			
Reserved for construction	-	49,965	49,965
Designated for construction	8,785,372	-	8,785,372
Total fund balances	8,785,372	49,965	8,835,337
Total liabilities and fund balances	\$ 9,286,344	\$ 81,966	\$ 9,368,310

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
Non-Major Governmental Funds by Fund Type
Year Ended June 30, 2008

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Local sources -				
Ad valorem taxes	\$ 4,489,495	\$ 2,385,285	\$ -	\$ 6,874,780
Interest earnings	136,225	79,475	260,365	476,065
Food service	722,705	-	-	722,705
Other	4,358	-	-	4,358
State sources -				
Unrestricted grants-in-aid	1,601,141	941	-	1,602,082
Federal sources -				
Restricted grants-in-aid	11,428,325	-	-	11,428,325
Other - commodities	251,459	-	-	251,459
Total revenues	<u>18,633,708</u>	<u>2,465,701</u>	<u>260,365</u>	<u>21,359,774</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	296,963	-	299,818	596,781
Special education programs	830,086	-	-	830,086
Vocational education programs	154,461	-	-	154,461
Other instructional programs	28,616	-	1,727	30,343
Special programs	3,799,466	-	-	3,799,466
Adult and continuing education programs	311,022	-	-	311,022
Support services:				
Pupil support services	1,364,826	-	-	1,364,826
Instructional staff services	1,138,756	-	-	1,138,756
General administration	155,056	166,873	1,365	323,294
School administration	16,500	-	-	16,500
Business services	125,065	640	364	126,069
Operation and maintenance of plant	3,726,987	-	182,127	3,909,114
Student transportation services	126,592	-	-	126,592
Central services	25,728	-	-	25,728
Non-instructional services -				
Food service operations	5,630,680	-	-	5,630,680
Facilities acquisition, expansion and rehabilitation				
	130,310	-	2,912,013	3,042,323
Debt service -				
Principal retirement	-	685,000	-	685,000
Interest and fiscal charges	-	1,106,896	-	1,106,896
Total expenditures	<u>17,861,114</u>	<u>1,959,409</u>	<u>3,397,414</u>	<u>23,217,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>772,594</u>	<u>506,292</u>	<u>(3,137,049)</u>	<u>(1,858,163)</u>
Other financing sources (uses)				
Operating transfers in	206,392	-	3,875,000	4,081,392
Operating transfers out	(1,281,064)	-	(125,000)	(1,406,064)
Total other financing sources (uses)	<u>(1,074,672)</u>	<u>-</u>	<u>3,750,000</u>	<u>2,675,328</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other sources (uses)	<u>(302,078)</u>	<u>506,292</u>	<u>612,951</u>	<u>817,165</u>
Fund balances, beginning	<u>4,312,031</u>	<u>1,781,515</u>	<u>8,222,386</u>	<u>14,315,932</u>
Fund balances, ending	<u>\$ 4,009,953</u>	<u>\$ 2,287,807</u>	<u>\$ 8,835,337</u>	<u>\$ 15,133,097</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds
Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
Year Ended June 30, 2008

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
Revenues:				
Local sources -				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-
Food service	-	-	-	-
Other	-	-	-	-
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	3,796,987	842,744	59,245	175,394
Other - commodities	-	-	-	-
Total revenues	<u>3,796,987</u>	<u>842,744</u>	<u>59,245</u>	<u>175,394</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	7,074	195,716	-	-
Special education programs	-	-	-	-
Vocational education programs	-	-	-	4,682
Other instructional programs	-	-	-	-
Special programs	2,965,336	497,771	58,202	-
Adult and continuing education programs	-	-	-	-
Support services:				
Pupil support services	199,089	-	-	163,940
Instructional staff services	416,212	128,488	415	4,731
General administration	-	-	-	-
School administration	-	-	-	-
Business services	6,071	-	-	-
Operation and maintenance of plant services	2,657	-	-	-
Student transportation services	60,120	-	-	669
Central services	-	-	-	-
Non-instructional services -				
Food service operations	-	-	-	-
Facilities acquisition, expansion and rehabilitation	-	-	-	-
Total expenditures	<u>3,656,559</u>	<u>821,975</u>	<u>58,617</u>	<u>174,022</u>
Excess revenues over expenditures	<u>140,428</u>	<u>20,769</u>	<u>628</u>	<u>1,372</u>
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers out	(140,428)	(20,769)	(628)	(1,372)
Total other financing sources (uses)	<u>(140,428)</u>	<u>(20,769)</u>	<u>(628)</u>	<u>(1,372)</u>
Deficiency of revenues and other sources under expenditures and other uses	-	-	-	-
Fund balances, beginning	<u>2,285</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 2,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No Child Left Behind Act	Rural Education Achievement Program	Individuals with Disabilities Education Act		
		Preschool Incentive	Special Education	Assistive Technology
Title V				
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
16,159	302,358	106,826	2,399,440	27,491
-	-	-	-	-
<u>16,159</u>	<u>302,358</u>	<u>106,826</u>	<u>2,399,440</u>	<u>27,491</u>
-	-	-	-	-
-	-	16,160	786,435	27,491
-	-	-	-	-
-	-	-	-	-
-	266,005	8,835	3,317	-
-	-	-	63	-
8,970	-	60,063	918,962	-
6,632	24,344	17,495	503,792	-
-	-	-	-	-
-	-	-	-	-
-	-	80	15,422	-
-	-	-	27,547	-
-	-	1,483	47,117	-
-	-	-	3,119	-
-	-	-	-	-
-	-	-	-	-
<u>15,602</u>	<u>290,349</u>	<u>104,116</u>	<u>2,305,774</u>	<u>27,491</u>
<u>557</u>	<u>12,009</u>	<u>2,710</u>	<u>93,666</u>	-
-	-	-	-	-
(557)	(12,009)	(2,710)	(93,666)	-
(557)	(12,009)	(2,710)	(93,666)	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds
Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances (Continued)
Year Ended June 30, 2008

	School Districts Maintenance	School Lunch	Vocational/Adult Education	Hurricane Education Recovery Act
Revenues:				
Local sources -				
Ad valorem taxes	\$ 4,489,495	\$ -	\$ -	\$ -
Interest earnings	120,310	15,915	-	-
Food service	-	722,705	-	-
Other	3,982	376	-	-
State sources -				
Unrestricted grants-in-aid	344,796	1,256,345	-	-
Federal sources -				
Restricted grants-in-aid	-	3,162,669	404,591	2,683
Other - commodities	-	251,459	-	-
Total revenues	<u>4,958,583</u>	<u>5,409,469</u>	<u>404,591</u>	<u>2,683</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	75,079	-	-	-
Special education programs	-	-	-	-
Vocational education programs	194	-	149,585	-
Other instructional programs	28,616	-	-	-
Special programs	-	-	-	-
Adult and continuing education programs	-	-	233,645	-
Support services:				
Pupil support services	-	-	13,715	-
Instructional staff services	-	-	-	2,589
General administration	155,056	-	-	-
School administration	16,500	-	-	-
Business services	103,492	-	-	-
Operation and maintenance of plant services	3,696,783	-	-	-
Student transportation services	17,203	-	-	-
Central services	22,609	-	-	-
Non-instructional services -				
Food service operations	-	5,630,680	-	-
Facilities acquisition expansion and rehabilitation				
	<u>130,310</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,245,842</u>	<u>5,630,680</u>	<u>396,945</u>	<u>2,589</u>
Excess revenues over expenditures	<u>712,741</u>	<u>(221,211)</u>	<u>7,646</u>	<u>94</u>
Other financing sources (uses)				
Operating transfers in	206,392	-	-	-
Operating transfers out	(1,000,000)	-	(7,646)	(94)
Total other financing sources (uses)	<u>(793,608)</u>	<u>-</u>	<u>(7,646)</u>	<u>(94)</u>
Deficiency of revenues and other sources under expenditures and other uses				
	(80,867)	(221,211)	-	-
Fund balances, beginning	<u>3,812,371</u>	<u>497,375</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 3,731,504</u>	<u>\$ 276,164</u>	<u>\$ -</u>	<u>\$ -</u>

Enhancing Education Through Technology Grants	Workforce Investment Act	Team Nutrition Grant	Total
\$ -	\$ -	\$ -	\$ 4,489,495
-	-	-	136,225
-	-	-	722,705
-	-	-	4,358
-	-	-	1,601,141
54,337	77,314	87	11,428,325
-	-	-	251,459
<u>54,337</u>	<u>77,314</u>	<u>87</u>	<u>18,633,708</u>
19,094	-	-	296,963
-	-	-	830,086
-	-	-	154,461
-	-	-	28,616
-	-	-	3,799,466
-	77,314	-	311,022
-	-	87	1,364,826
34,058	-	-	1,138,756
-	-	-	155,056
-	-	-	16,500
-	-	-	125,065
-	-	-	3,726,987
-	-	-	126,592
-	-	-	25,728
-	-	-	5,630,680
-	-	-	130,310
<u>53,152</u>	<u>77,314</u>	<u>87</u>	<u>17,861,114</u>
<u>1,185</u>	-	-	<u>772,594</u>
-	-	-	206,392
<u>(1,185)</u>	-	-	<u>(1,281,064)</u>
<u>(1,185)</u>	-	-	<u>(1,074,672)</u>
-	-	-	(302,078)
-	-	-	4,312,031
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,009,953</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Debt Service Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
June 30, 2008

	Consolidated School District No. 1	Special School District No. 4	Fifth Ward Special School District No. 1	Sixth Ward Special School District No. 3	Total
Revenues:					
Local sources -					
Ad valorem taxes	\$ 2,044,094	\$ 341,191	\$ -	\$ -	\$ 2,385,285
Interest earnings	70,198	8,809	26	442	79,475
State sources -					
Unrestricted grants-in-aid	<u>765</u>	<u>176</u>	<u>-</u>	<u>-</u>	<u>941</u>
Total revenues	<u>2,115,057</u>	<u>350,176</u>	<u>26</u>	<u>442</u>	<u>2,465,701</u>
Expenditures:					
Current -					
Support services:					
General administration	119,813	47,060	-	-	166,873
Business services	320	320	-	-	640
Debt service -					
Principal retirement	675,000	10,000	-	-	685,000
Interest and fiscal charges	<u>914,080</u>	<u>192,816</u>	<u>-</u>	<u>-</u>	<u>1,106,896</u>
Total expenditures	<u>1,709,213</u>	<u>250,196</u>	<u>-</u>	<u>-</u>	<u>1,959,409</u>
Excess of revenues over expenditures	<u>405,844</u>	<u>99,980</u>	<u>26</u>	<u>442</u>	<u>506,292</u>
Fund balances, beginning	<u>1,569,833</u>	<u>200,418</u>	<u>632</u>	<u>10,632</u>	<u>1,781,515</u>
Fund balances, ending	<u>\$ 1,975,677</u>	<u>\$ 300,398</u>	<u>\$ 658</u>	<u>\$ 11,074</u>	<u>\$ 2,287,807</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Capital Projects Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances

Year Ended June 30, 2008

	District Capital Projects	Special School District No. 4	Total
Revenues:			
Local sources -			
Interest earnings	\$ 240,750	\$ 19,615	\$ 260,365
Expenditures:			
Current -			
Instruction:			
Regular	81,521	218,297	299,818
Other instructional programs	1,727	-	1,727
Support services:			
General administration	460	905	1,365
Business services	302	62	364
Maintenance of plant	164,063	18,064	182,127
Facilities acquisition, expansion and rehabilitation	<u>1,817,272</u>	<u>1,094,741</u>	<u>2,912,013</u>
Total expenditures	<u>2,065,345</u>	<u>1,332,069</u>	<u>3,397,414</u>
Deficiency of revenues over expenditures	(1,824,595)	(1,312,454)	(3,137,049)
Other financing sources (uses)			
Operating transfers in	3,750,000	125,000	3,875,000
Operating transfers out	<u>(125,000)</u>	<u>-</u>	<u>(125,000)</u>
Total other financing sources (uses)	3,625,000	125,000	3,750,000
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	1,800,405	(1,187,454)	612,951
Fund balances, beginning	<u>6,984,968</u>	<u>1,237,418</u>	<u>8,222,386</u>
Fund balances, ending	<u>\$ 8,785,373</u>	<u>\$ 49,964</u>	<u>\$ 8,835,337</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUNDS:

Ann Dangerfield Scholarship, J. J. Hebert Memorial, C. J. Peltier Scholarship

The private purpose trust funds invest donated monies in a trustee capacity and expend the funds in accordance with the wishes of the donors.

AGENCY FUND:

School Activity

The school activity agency fund is custodial in nature and accounts for activities within all twenty-seven schools comprising the system. Monies accumulated within the student activity agency fund are under the supervision of the School Board; however, the monies are the properties of the respective schools and student bodies and are not available for use by the School Board.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Fiduciary Funds

Combining Balance Sheet
June 30, 2008

	Private Purpose Trust Funds			Agency Fund	Total
	Ann Dangerfield Scholarship	J. J. Hebert Memorial	C. J. Peltier, Jr. Scholarship	School Activity	
ASSETS					
Cash and interest-bearing deposits	\$ 2,872	\$ 380	\$ 234	\$ 1,418,554	\$ 1,422,040
Investments, at fair value	9,950	-	-	-	9,950
Accounts receivable	60	-	-	-	60
Total assets	\$ 12,882	\$ 380	\$ 234	\$ 1,418,554	\$ 1,432,050
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Deposits due to others	-	-	-	1,418,554	1,418,554
Total liabilities	1,000	-	-	1,418,554	1,419,554
Fund balances:					
Unreserved - undesignated	11,882	380	234	-	12,496
Total liabilities and fund balances	\$ 12,882	\$ 380	\$ 234	\$ 1,418,554	\$ 1,432,050

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Private Purpose Trust Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
Year Ended June 30, 2008

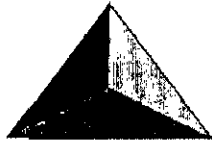
	Ann Dangerfield Scholarship	J. J. Hebert Memorial	C. J. Peltier, Jr. Scholarship	Total
Revenues:				
Local sources -				
Interest earnings	<u>\$ 989</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 989</u>
Expenditures:				
Tuition Grants	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Excess of revenues over expenditures	489	-	-	489
Fund balances, beginning	<u>11,393</u>	<u>380</u>	<u>234</u>	<u>12,007</u>
Fund balances, ending	<u>\$ 11,882</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 12,496</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Agency Fund
School Activity Funds

Schedule of Changes in Deposits Due to Others
Year Ended June 30, 2008

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008
St. Mary Parish Alternative	\$ 68	\$ 1,116	\$ 505	\$ 679
J. S. Aucoin Elementary	30,468	61,286	56,239	35,515
Baldwin Elementary	10,678	23,611	22,472	11,817
Bayou Vista Elementary	23,942	127,094	111,629	39,407
Berwick Elementary	39,563	87,601	102,329	24,835
Berwick Junior High	66,527	99,263	106,555	59,235
Berwick Senior High	203,479	360,392	338,451	225,420
Centerville High	91,884	182,951	187,704	87,131
W. P. Foster Elementary	10,530	42,829	43,693	9,666
Franklin Adult Education	5,207	9,150	10,920	3,437
Franklin Junior High	83,729	69,876	57,306	96,299
Franklin Senior High	9,510	289,116	271,238	27,388
Thomas Gibbs Elementary	7,504	27,586	29,156	5,934
G. W. Hamilton Elementary	13,446	32,094	33,460	12,080
Hernandez Elementary	12,090	40,546	42,110	10,526
Mary Hines Elementary	40,344	53,990	48,485	45,849
LaGrange Elementary	15,984	70,851	67,084	19,751
J. B. Maitland Elementary	12,371	38,361	40,797	9,935
Morgan City Adult Education	5,083	7,157	6,181	6,059
Morgan City Junior High	79,950	198,738	194,306	84,382
Morgan City Senior High	284,778	662,808	684,014	263,572
M. E. Norman Elementary	17,387	64,883	65,701	16,569
Patterson Junior High	43,708	116,111	115,960	43,859
Patterson Senior High	89,144	391,840	405,011	75,973
M. D. Shannon Elementary	24,190	35,529	34,803	24,916
H. A. Watts Elementary	69,308	121,167	121,397	69,078
West St. Mary High	49,324	233,201	221,735	60,790
Wyandotte Elementary	46,177	103,979	101,704	48,452
	<u>\$ 1,386,373</u>	<u>\$ 3,553,126</u>	<u>\$ 3,520,945</u>	<u>\$ 1,418,554</u>

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION**



Darnall, Sikes, Gardes Frederick

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Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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 Michelle B. Hanks, CPA
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 Kristina L. Miller, CPA

Donald W. Aguillard, Ph.D., Superintendent
and Members of the St. Mary Parish School Board
Centerville, Louisiana

We have audited the financial statements of the St. Mary Parish School Board as of and for the year ended June 30, 2008, and have issued our report thereon dated December 3, 2008. We have conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".

Internal Control Over Financial Reporting

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

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

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 entity'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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance

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

This report is intended for the information and use of management, federal awarding agencies, and pass-through entities. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document, therefore its distribution is not limited.

Darnall, Sikes, Gardes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
December 3, 2008



Darnall, Sikes, Gardes Frederick

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Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

Donald W. Aguillard, Ph.D., Superintendent,
and Members of the St. Mary Parish School Board
Centerville, Louisiana

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 Michelle B. Hanks, CPA
 Jeremy C. Meaux, CPA
 Kevin S. Young, CPA
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 Christy S. Dew, CPA
 Emily J. LeBoeuf, CPA
 Rachel W. Ashford, CPA
 Dustin R. Buck, CPA
 Veronica L. LeBleu, CPA
 Jacob C. Roberie, CPA
 Cecelia A. Hoyt, CPA
 Blaine M. Crochet, CPA, M.S.

Compliance

We have audited the compliance of the St. Mary Parish School Board with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The St. Mary Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Mary Parish School Board's management. Our responsibility is to express an opinion on the St. Mary Parish School Board's compliance based on our audit.

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

In our opinion, the St. Mary Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2008-1.

Internal Control Over Compliance

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

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School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the St. Mary Parish School Board's internal control over compliance.

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

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

Our consideration of the 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.

The St. Mary Parish School Board's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit this response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management, federal awarding agencies, and pass-through entities. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document, therefore its distribution is not limited.

Dannall, Sikes, Gardes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
December 3, 2008

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ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Program Title	Federal CFDA Number	Grantor Number	Federal Disbursements/ Expenditures
U. S. Department of Agriculture:			
Passed through Louisiana Department of Education & Agriculture - School Food Service -			
Food Distribution Program	10.550		\$ 251,459
School Breakfast Program	10.553		788,416
National School Lunch Program	10.555		2,374,253
Team Nutrition Grant	10.574	2808FN-0	<u>86</u>
Total U. S. Department of Agriculture			<u>3,414,214</u>
U. S. Department of Labor:			
Passed through St. Landry Parish Police Jury - Workforce Investment Act - In School JAG FY 08			
	17.250	1522	<u>77,314</u>
Total U. S. Department of Labor			<u>77,314</u>
U. S. Department of Education			
Direct Programs -			
Migrant Education - Based State Formula Grant Program FY 07 c/o	84.011A	28-07-M1-23	12,196
Migrant Education - Based State Formula Grant Program FY 08	84.011A	28-08-M1-23	26,030
Passed through Louisiana Department of Education - Educationally Deprived Children - Local			
Education Agencies - Title I - Part A - Basic FY 07 c/o	84.010A	S010A050018	783,643
Title I - Part A - Basic FY 08	84.010A	S010A060018	2,837,154
Title I - School Improvement FY 06 c/o	84.010A	28-05-TB-51	7,351
Title I - School Improvement FY 06 c/o	84.010A	28-06-TA-51	50,564
Title I - School Improvement FY 07 c/o	84.010A	28-07-TA-51	66,233
Title I - Comprehensive School Reform FY 07 c/o	84.332A	28-06-T8-51	13,816
Handicapped - IDEA- Part B Flow through FY 07 c/o	84.027A	H027A050033	1,419,732
IDEA- Part B Flow through FY 08	84.027A	H027A060033	979,708
IDEA-Assistive Technology	84.027A		27,491
Special Education - Preschool FY 07 c/o	84.173A	H173A050082	3,055
Preschool FY 08	84.173A	H173A060082	65,470
Pre-K FAPE/LRE FY 08	84.027A	28-08-PE51	38,301
Rural Education Achievement Program FY 07 c/o	84.358B	28-06-RE-51	104,057
Rural Education Achievement Program FY 08	84.358B	28-07-RE-51	198,301

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Program Title	Federal CFDA Number	Grantor Number	Federal Disbursements/ Expenditures
<i>Vocational Education</i>			
Basic Grants - Carl Perkins FY 07 Re allocation	84.048A	28-07-02-51-C	15,430
Carl Perkins FY 08	84.048A	28-07-02-51	147,870
<i>Grants for Strengthening the Skills of Teachers and Instruction in Math, Science, Foreign Languages, and</i>			
Teacher & Principal Training Title II FY 07 c/o	84.367A	S367A050017	462,259
Teacher & Principal Training Title II FY 08	84.367A	S367A060017	359,636
Title II Part B - Mathematics and Science FY 08	84.366B	2806MC-29-C	5,193
Title II Part B - Mathematics and Science FY 07 c/o	84.366B	2805MP-29	15,655
Title IV Coordinated School Health	84.184S	657094	110,585
Title IV Drug-Free Schools & Communities FY 07 c/o	84.186A	Q186A050019	28,806
Title IV Drug-Free Schools & Communities FY 08	84.186A	Q186A060019	36,002
Academic Achievement - Title III FY 07 c/o	84.365A	T365A050018	23,272
Academic Achievement - Title III FY 08	84.365A	T365A060018	29,791
Academic Achievement - Title III FY 07 c/o	84.365A	28-08-53-51	6,182
Innovative Education Program Strategies Title V FY 07 c/o	84.298A	S298A50018	16,159
<i>Technology Grant EETT - Enhancing Education Through Technology FY 08</i>			
Technology Grant EETT FY 07 c/o	84-318X	28-08-49-51	30,624
Technology Grant EETT FY 07 c/o	84-318X	28-07-49-51	23,713
Adult Ed - English Language/Civics Education FY 08	84.002A	28-08-07-51	20,538
Adult Ed - Workplace Literacy FY 08	84.002A	28-08-42-51	35,008
Adult Ed - Workplace Literacy FY 07 c/o	84.002A	28-07-42-51	6,874
Adult Ed - Basic - Federal Funds FY 08	84.002A	28-08-44-51	132,244
Adult Ed - Basic - Federal Funds FY 07 c/o	84.002A	28-07-44-51-C	42,440
Adult Ed - One Stop Centers FY 08	84.002A	28-08-13-51	4,190
<i>Hurricane Education Recovery Act - Temporary Impact Aid for Displaced Students</i>			
Education for Homeless Children and Youth FY 07 c/o	84.938B	28-06-IH-51	2,683
Total U. S. Department of Education			<u>8,188,256</u>
Total Federal Assistance			<u>\$ 11,679,784</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2008

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the St. Mary Parish School Board and is presented on the same basis of accounting as described in Note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

OTHER SUPPLEMENTARY INFORMATION

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Summary Schedule of Prior Year Findings
Year Ended June 30, 2008

2007-1 Finding: Highly Qualified Teachers and Paraprofessionals Compliance Violation

Status: This finding is unresolved. See current year finding 2008-1.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2008

Part I Summary of Audit Results

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the St. Mary Parish School Board's financial statements as of and for the year ended June 30, 2008.

Internal Control Deficiencies - Financial Reporting

There was no control deficiencies in internal control over financial reporting noted during the audit of the financial statements.

Material Noncompliance - Financial Reporting

The results of our tests disclosed no instances of noncompliance which is required to be reported under *Government Auditing Standards*.

FEDERAL AWARDS

Major Program - Identification

The St. Mary Parish School Board, at June 30, 2008, had two major programs:

Individuals with Disabilities Act, (IDEA), Special Education Cluster, CFDA#'s 84.027 and 84.173 which received funds from the U.S. Department of Education "passed through" the State Department of Education.

National School Lunch Program and School Breakfast Program, CFDA#' 10.555 which received funds from the Department of Agriculture "passed through" the State Department of Agriculture and the State Department of Education.

Low-Risk Auditee

An entity is considered a low-risk auditee if it meets all of the following criteria, specified in the OMB Circular A-133, section 530, for each of the previous two years:

- Single audits were performed on an annual basis.
- The auditor's opinions on the financial statements and the schedule of expenditures of federal awards were unqualified.
- No material weaknesses in internal control, as defined by the Yellow Book, were identified.
- None of the federal programs had audit findings from any of the following in any of the preceding two years in which they were classified as Type A programs:
 - Material weaknesses in internal controls.
 - Noncompliance with the provisions of laws, regulations, contracts, or grant agreements that had a material affect on the Type A programs.
 - Known or likely questioned costs which exceed five percent of the total federal awards expended for a Type A program during the year.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2008

For the fiscal year ended June 30, 2008, the St. Mary Parish School Board was considered a low-risk auditee.

Major Program - Threshold

The dollar threshold to distinguish Type A and Type B programs is \$350,394 for the fiscal year ended June 30, 2008.

Auditor's Report - Major Program

An unqualified opinion has been issued on the St. Mary Parish School Board's compliance for its major programs as of and for the year ended June 30, 2008.

Internal Control Deficiencies - Major Program

No control deficiencies were disclosed during the audit of major programs.

Compliance Findings Related to Federal Programs

The results of our test disclosed one instance of noncompliance during the audit of major programs and is shown as Item 2008-1 in Part 3.

Part 2 Findings Relating to an Audit in Accordance with *Government Auditing Standards*

The results of our tests disclosed no findings or questioned costs related to the audit of the June 30, 2008 financial statements.

Part 3 Findings and Questioned Costs Relating to the Federal Programs

2008-1 Highly Qualified Teachers and Paraprofessionals Compliance Violation

Finding:

The St. Mary Parish School Board did not meet the 100% Highly Qualified Teachers and Paraprofessionals compliance requirement as required by the No Child Left Behind Title I Grant.

Recommendation:

The St. Mary Parish School Board should continue working towards accomplishing the 100% Highly Qualified Teachers and Paraprofessionals requirement as mandated by the No Child Left Behind Title I Grant.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 2008

Response to Finding 2008-1:

Management of the St. Mary Parish School Board is aware of this issue and is continuing to strive in their effort to attract highly qualified teachers and paraprofessionals, as defined by the No Child Left Behind Title I Grant requirements, to the school system. The School Board continues to budget funds annually to assist current teachers and paraprofessionals with the costs associated with the obtaining of the credentials necessary to fulfill the highly qualified requirement as mandated by the grant. The St. Mary Parish School Board will continue to monitor the progress of its applicable staff to ascertain that complete compliance with this grant requirement is ultimately achieved in the most time efficient manner possible. Management also noted, through correspondence with various Louisiana Department of Education personnel associated with the Title I Grant, that total compliance with this requirement has not been accomplished by any school district in the State of Louisiana. This was the case last year as well.

As a result of this finding, the St. Mary Parish School Board was required to submit a Corrective Action Plan to the Louisiana Department of Education. The School Board has complied with this request and the Corrective Action Plan was accepted by the Louisiana Department of Education.

ST. MARY PARISH SCHOOL BOARD
Special District No. 4 and Consolidated School District No. 1
Centerville, Louisiana

Annual Report For Tax Year 2007

Audited Financial Statements

Special School District No. 4 and Consolidated School District No. 1 (the "Issuers") operate on a fiscal year ending June 30. The Financial Statements of the St. Mary Parish School Board (the "Governing Authority") and notes thereto for the fiscal year ended June 30, 2008, audited by Darnall, Sikes, Gardes & Frederick, a Corporation of Certified Public Accountants, Morgan City, Louisiana, and their report dated as of December 3, 2008, is a supplement to this Annual Report. Included in the notes is a description of the basis of accounting used by the Issuers in reporting their financial statements.

Debt of the Issuers

The Issuers have no short-term indebtedness, other than normal accounts payable or as otherwise stated in this Annual Report or its supplement. The Issuers have never defaulted in the payment of their outstanding bonds or obligations. The total amount of debt the Issuers issued follows:

Special School District No. 4

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$4,700,000 of bonds issued, \$4,690,000 was outstanding as of June 30, 2008.

Consolidated School District No. 1

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$24,000,000 of bonds issued, \$23,325,000 was outstanding as of June 30, 2008.

Assessment Procedures

The assessment procedures and homestead exemption as authorized by law are the same as those in effect for the tax years reported in the Official Statement.

Assessed Valuation of Property in the Issuers

The 2007 assessed valuations of property in the Issues follows:

Special School District No. 4

Taxable Assessed Valuation	\$ 38,514,439
Homestead Exemptions	<u>3,556,284</u>
Total Assessed Valuation	<u>\$ 42,070,723</u>

ST. MARY PARISH SCHOOL BOARD
Special District No. 4 and Consolidated School District No. 1
Centerville, Louisiana

Annual Report For Tax Year 2007

▪ **Assessed Valuation of Property in the Issuers (continued)**

Consolidated School District No. 1

Taxable Assessed Valuation	\$ 87,246,760
Homestead Exemptions	<u>21,417,309</u>
Total Assessed Valuation	<u>\$ 108,664,069</u>

Source: St. Mary Parish Assessor's Office

▪ **Assessed Valuation of Property in the Issuers – By Classification**

A breakdown of the 2007 assessed valuations of property in the Issuers by classification follows:

Special School District No. 4

<u>Classification</u>	<u>Valuation</u>
Real Estate	\$ 7,939,282
Personal Property	23,329,264
Public Service Property	<u>10,802,177</u>
Total	<u>\$ 42,070,723</u>

Consolidated School District No. 1

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 49,386,438
Personal Property	43,953,592
Public Service Property	<u>15,324,039</u>
Total	<u>\$ 108,664,069</u>

Source: St. Mary Parish Assessor's Office

ST. MARY PARISH SCHOOL BOARD
 Special District No. 4 and Consolidated School District No. 1
 Centerville, Louisiana

Annual Report For Tax Year 2007

▪ **Tax Collection Records of the Issuers**

The 2007 ad valorem tax levies and collections for each of the issuers follows:

Special School District No. 4

Amount of Taxes Levied (a)	\$ 342,778		
Deduction for Pensions (b)	<u>10,945</u>		
Net Taxes Levied	331,833		
Net Taxes Collected (c)	333,045	*	100%
Millage Rate	8.90		

Consolidated School District No. 1

Amount of Taxes Levied (a)	\$ 2,032,850		
Deduction for Pensions (b)	<u>65,814</u>		
Net Taxes Levied	1,967,036		
Net Taxes Collected (c)	2,016,007	*	102%
Millage Rate	23.30		

*Includes prior year collections

Sources: (a) St. Mary Parish Assessor's Office, (b) Legislative Auditor's Office, (c) St. Mary Parish School Board

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ST. MARY PARISH SCHOOL BOARD
 Special District No. 4 and Consolidated School District No. 1
 Centerville, Louisiana

Annual Report For Tax Year 2007

▪ **Leading Taxpayers**

The ten largest property taxpayers for 2007 of the Issuers and their assessed valuations follow:

Special School District No. 4

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
1. Cabot Corporation	Carbon Black Mfg.	\$ 7,199,647
2. Columbian Chemicals	Carbon Black Mfg.	5,106,293
3. Swift Energy Operations	Oil & Gas	2,672,730
4. Southern Natural Gas	Oil & Gas	1,955,144
5. Hunt Petroleum	Oil & Gas	1,774,102
6. Enbridge Nautilus Pipeline	Oil & Gas	1,542,110
7. Petrogulf Corporation	Oil & Gas	1,534,132
8. Gulf South Pipeline	Oil & Gas	1,501,447
9. CLECO Power LLC	Energy Generation	1,230,490
10. Trunkline Gas Company	Oil & Gas	992,147
		<u>\$ 25,508,242</u> *

*Approximately 60.6% of the 2007 taxable assessed valuation of Special School District No. 4.

Consolidated School District No. 1

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
1. Cleco Power LLC	Power Generation	\$ 5,887,810
2. Gulfport Energy	Oil & Gas	5,738,049
3. Degussa Carbon Black	Carbon Black Mfg.	4,480,121
4. Swift Energy Operations	Oil & Gas	2,786,034
5. Sterling Sugars, Inc.	Sugar Production	2,572,035
6. Carey Salt Company	Salt Production	2,195,662
7. Hunt Oil Company	Oil & Gas	2,175,503
8. Offshore Drilling Company	Oil & Gas	1,847,000
9. St. Mary Sugar Coop	Sugar Production	1,659,344
10. Acadian Gas Pipeline	Oil & Gas	1,401,950
		<u>\$ 30,743,508</u> *

*Approximately 29% of the 2007 taxable assessed valuation of Consolidated School District No. 1.

Source: St. Mary Parish Assessor's Office



Darnall, Sikes, Gardes Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA/PFS, CVA, CFP®
 Danny P. Frederick, CPA
 Clayton E. Darnall, CPA, CVA
 Eugene H. Darnall, III, CPA
 Stephanie M. Higginbotham, CPA
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 Pamela Mayeux Bonin, CPA, CVA
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 Rachel W. Ashford, CPA
 Dustin R. Buck, CPA
 Veronica L. LeBleu, CPA
 Jacob C. Roberie, CPA
 Cecelia A. Hoyt, CPA
 Blaine M. Crochet, CPA, M.S.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

St. Mary Parish School Board
Centerville, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of St. Mary Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of St. Mary 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) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

- I. 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.

No classification errors were noted in the transactions that were sampled.

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Education Levels of Public School Staff (Schedule 2)

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

No differences were noted for this procedure.

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.

No differences were noted for this procedure.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 2nd and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

No differences were noted for the teachers sampled in this procedure.

Number of 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).

No differences were noted for this procedure.

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

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

No differences were noted for this procedure.

Public Staff Data (Schedule 5)

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

No differences were noted for this procedure.

8. We recalculated the average salaries and full-time equivalents reported in the schedule and we noted no differences for this procedure.

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 2nd roll books for those classes and determined if the class was properly classified on the schedule.

No differences were noted for this procedure.

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 St. Mary Parish School Board.

No differences were noted for this procedure.

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 St. Mary Parish School Board.

No differences were noted for this procedure.

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 St. Mary Parish School Board.

No differences were noted for this procedure.

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

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants
Morgan City, Louisiana
December 3, 2008

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 1 - General Fund Instructional and Equipment Expenditures
As of June 30, 2008

General Fund Instructional and Equipment Expenditures:

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 30,409,363	
Other Instructional Staff Salaries	5,076,856	
Employee Benefits	9,667,382	
Purchased Professional and Technical Services	352,943	
Instructional Materials and Supplies	2,753,603	
Instructional Equipment	<u>132,264</u>	
Total Teacher and Student Interaction Activities		48,392,411

Other Instructional Activities 237,797

Pupil Support Activities	2,735,545	
Less: Equipment for Pupil Support Activities	<u>(18,225)</u>	
Net Pupil Support Activities		2,717,320

Instructional Staff Services	4,198,731	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		4,198,731

School Administration	5,399,591	
Less: Equipment for School Administration	<u>(6,541)</u>	
Net Instructional Staff Services		5,393,050

Total General Fund Instructional Expenditures \$ 60,939,309

Total General Fund Equipment Expenditures \$ 626,999

Certain Local Revenue Sources:

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 3,188,727
Renewable Ad Valorem Taxes	8,751,760
Debt Service Ad Valorem Taxes	2,386,224
Up to 1% of Collections by the Sheriff on Taxes Other Than School Taxes	387,020
Sales and Use Taxes	<u>18,099,713</u>
Total Local Taxation Revenue	<u>\$ 32,813,444</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	949,835
Earnings from Other Real Property	<u>2</u>
Total Local Earnings on Investment in Real Property	<u>\$ 949,837</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	163,646
Revenue Sharing - Other Taxes	198,330
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>
Total State Revenue in Lieu of Taxes	<u>\$ 361,976</u>

Nonpublic Textbook Revenue \$ 23,740

Nonpublic Transportation Revenue \$ 89,014

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 2 – Education Levels of Public School Staff
As of October 1, 2007

Category	Full-Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0%	7	22%	-	0%	-	0%
Bachelor's Degree	570	80%	25	78%	-	0%	-	0%
Master's Degree	87	12%	-	0%	20	43%	-	0%
Master's Degree + 30	54	8%	-	0%	25	53%	-	0%
Specialist in Education	3	.42%	-	0%	2	4%	-	0%
Ph. D. or Ed. D.	2	.28%	-	0%	-	0%	-	0%
Total	716	100%	32	100%	47	100%	-	0%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 3 – Number and Type of Public Schools
For the Year Ended June 30, 2008

Type	Number
Elementary	15
Middle/Jr. High	5
Secondary	5
Combination	2
Total	27

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 4 – Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2007

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.
Principals	-	-	-	2
Assistant Principals	-	-	2	4
Classroom Teachers	104	50	211	86
Total	104	50	213	92

	15-19 yrs.	20-24 Yrs.	25+ Yrs.	Total
Principals	8	4	13	27
Assistant Principals	4	5	5	20
Classroom Teachers	98	50	149	748
Total	110	59	167	795

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 5 – Public School Staff Data
For the Year Ended June 30, 2008

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$ 45,990	\$ 45,497
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 44,970	\$ 44,798
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	707.237	692.266

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.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 6 – Class Size Characteristics
As of October 1, 2007

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	82.8%	1,437	16.2%	282	.6%	10	.4%	7
Elementary Activity Classes	77.2%	156	19.3%	39	1.0%	2	2.5%	5
Middle / Jr. High	67.1%	682	23.7%	241	9.2%	94	0.0%	-
Middle / Jr. High Activity Classes	69.7%	131	15.4%	29	6.9%	13	8.0%	15
High	63.1%	793	25.5%	321	11.1%	139	.3%	4
High Activity Classes	75.0%	141	13.3%	25	8.5%	16	3.2%	6
Combination	87.1%	263	8.9%	27	4.0%	12	0.0%	-
Combination Activity Classes	84.2%	32	13.2%	5	2.6%	1	0.0%	-

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 the 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.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program

District Achievement Level Results	English Language Arts					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	18	2%	23	3%	7	1%
Mastery	168	20%	119	15%	86	11%
Basic	378	46%	353	43%	305	39%
Approaching Basic	152	19%	171	21%	203	26%
Unsatisfactory	105	13%	147	18%	179	23%
Total	821	100%	813	100%	780	100%

District Achievement Level Results	Mathematics					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	24	3%	26	3%	21	3%
Mastery	127	16%	65	8%	111	14%
Basic	404	49%	376	46%	309	40%
Approaching Basic	156	19%	201	25%	200	26%
Unsatisfactory	110	13%	145	18%	138	17%
Total	821	100%	813	100%	779	100%

District Achievement Level Results	Science					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	13	2%	16	2%	7	1%
Mastery	111	13%	88	11%	64	8%
Basic	369	45%	346	43%	311	40%
Approaching Basic	228	28%	256	31%	244	32%
Unsatisfactory	100	12%	107	13%	151	19%
Total	821	100%	813	100%	777	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program (Continued)

District Achievement Level Results	Social Studies					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	8	1%	14	1%	6	1%
Mastery	93	11%	99	8%	63	8%
Basic	370	45%	390	45%	347	45%
Approaching Basic	185	23%	156	25%	198	25%
Unsatisfactory	165	20%	154	21%	163	21%
Total	821	100%	813	100%	777	100%

District Achievement Level Results	English Language Arts					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	2	0%	7	1%	14	2%
Mastery	73	11%	67	10%	67	9%
Basic	306	46%	327	46%	320	41%
Approaching Basic	222	33%	245	35%	297	38%
Unsatisfactory	69	10%	58	8%	82	10%
Total	672	100%	704	100%	780	100%

District Achievement Level Results	Mathematics					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	18	3%	36	5%	19	2%
Mastery	21	3%	37	5%	33	4%
Basic	336	50%	334	48%	364	45%
Approaching Basic	207	31%	193	27%	212	26%
Unsatisfactory	91	13%	102	15%	184	23%
Total	673	100%	702	100%	812	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program (Continued)

District Achievement Level Results	Science					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	7	1%	14	2%	9	1%
Mastery	114	17%	101	15%	68	9%
Basic	230	34%	276	39%	275	36%
Approaching Basic	193	29%	204	29%	261	34%
Unsatisfactory	128	19%	105	15%	150	20%
Total	672	100%	700	100%	763	100%
District Achievement Level Results	Social Studies					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	5	1%	9	1%	3	0%
Mastery	66	10%	82	12%	51	7%
Basic	283	42%	297	42%	333	44%
Approaching Basic	183	27%	183	26%	202	26%
Unsatisfactory	135	20%	128	19%	173	23%
Total	672	100%	699	100%	762	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 8 – The Graduate Exit Exam

District Achievement Level Results	English Language Arts					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	4	1%	4	1%	1	0%
Mastery	60	10%	58	9%	63	10%
Basic	329	55%	287	43%	301	47%
Approaching Basic	135	22%	195	30%	188	29%
Unsatisfactory	73	12%	116	17%	88	14%
Total	601	100%	660	100%	641	100%

District Achievement Level Results	Mathematics					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	62	10%	57	7%	47	7%
Mastery	109	18%	116	19%	123	19%
Basic	300	50%	263	45%	289	45%
Approaching Basic	76	13%	111	18%	110	18%
Unsatisfactory	55	9%	110	11%	72	11%
Total	602	100%	657	100%	641	100%

District Achievement Level Results	Science					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	13	2%	16	3%	23	4%
Mastery	77	14%	60	10%	67	11%
Basic	255	45%	264	45%	236	37%
Approaching Basic	135	24%	154	26%	205	32%
Unsatisfactory	85	15%	93	16%	101	16%
Total	565	100%	587	100%	632	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 8 – The Graduate Exit Exam (continued)

District Achievement Level Results	Social Studies					
	2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	2	0%	2	0%	1	0%
Mastery	41	8%	46	8%	32	5%
Basic	305	52%	306	52%	320	51%
Approaching Basic	137	26%	150	26%	160	25%
Unsatisfactory	80	14%	83	14%	119	19%
Total	565	100%	587	100%	632	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	22	3%	42	6%	21	3%	18	3%
Mastery	119	17%	122	18%	81	12%	110	16%
Basic	332	48%	318	45%	290	42%	328	47%
Approaching Basic	159	23%	133	19%	219	31%	145	21%
Unsatisfactory	65	9%	82	12%	86	12%	96	13%
Total	697	100%	697	100%	697	100%	697	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	18	3%	29	5%	18	3%	20	3%
Mastery	85	15%	63	11%	78	13%	102	18%
Basic	265	46%	292	51%	222	39%	281	49%
Approaching Basic	133	23%	98	17%	203	35%	114	20%
Unsatisfactory	75	13%	94	16%	55	10%	59	10%
Total	576	100%	576	100%	576	100%	576	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	9	1%	16	2%	8	1%	40	6%
Mastery	57	9%	66	10%	75	11%	54	8%
Basic	279	42%	322	49%	302	46%	288	43%
Approaching Basic	203	31%	121	18%	202	31%	163	25%
Unsatisfactory	115	17%	139	21%	76	11%	118	18%
Total	663	100%	664	100%	663	100%	663	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	18	2%	14	2%	16	2%	13	2%
Mastery	99	13%	50	6%	84	11%	77	10%
Basic	292	37%	321	41%	273	35%	335	43%
Approaching Basic	252	32%	205	26%	250	32%	200	25%
Unsatisfactory	122	16%	192	25%	160	20%	157	20%
Total	783	100%	782	100%	783	100%	782	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	5	1%	31	5%
Mastery	67	10%	51	8%
Basic	354	52%	354	52%
Approaching Basic	196	29%	141	21%
Unsatisfactory	51	8%	95	14%
Total	673	100%	672	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	18	3%	26	4%	13	2%	3	0%
Mastery	107	15%	114	16%	71	10%	82	11%
Basic	279	39%	301	42%	293	41%	327	46%
Approaching Basic	193	27%	174	24%	243	34%	180	25%
Unsatisfactory	120	16%	102	14%	97	13%	125	18%
Total	717	100%	717	100%	717	100%	717	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	5	1%	20	4%	5	1%	15	3%
Mastery	65	11%	60	11%	74	13%	61	11%
Basic	243	44%	271	49%	251	45%	293	53%
Approaching Basic	137	25%	105	18%	162	29%	101	18%
Unsatisfactory	108	19%	102	18%	66	12%	87	15%
Total	558	100%	558	100%	558	100%	557	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	14	2%	21	3%	13	2%	49	6%
Mastery	78	10%	80	10%	94	12%	65	8%
Basic	311	39%	345	44%	314	40%	270	35%
Approaching Basic	223	28%	169	21%	240	30%	216	27%
Unsatisfactory	165	21%	175	22%	128	16%	188	24%
Total	791	100%	790	100%	789	100%	788	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – The iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	26	3%	27	4%	16	2%	9	1%
Mastery	74	10%	51	7%	105	14%	73	10%
Basic	278	36%	356	46%	288	38%	330	43%
Approaching Basic	245	32%	184	24%	217	28%	192	25%
Unsatisfactory	141	19%	145	19%	137	18%	158	21%
Total	764	100%	763	100%	763	100%	762	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	5	1%	38	5%
Mastery	66	9%	78	11%
Basic	370	51%	364	51%
Approaching Basic	212	30%	145	20%
Unsatisfactory	68	9%	96	13%
Total	721	100%	721	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – The iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	22	3%	20	3%	23	3%	9	1%
Mastery	99	13%	95	13%	68	9%	84	12%
Basic	306	42%	320	44%	309	42%	325	45%
Approaching Basic	161	22%	171	23%	240	33%	200	27%
Unsatisfactory	145	20%	127	17%	92	13%	113	15%
Total	733	100%	733	100%	732	100%	731	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	12	2%	27	4%	10	1%	15	2%
Mastery	83	13%	66	10%	75	12%	55	9%
Basic	235	37%	275	43%	223	35%	284	44%
Approaching Basic	188	29%	126	20%	227	36%	164	26%
Unsatisfactory	120	19%	144	23%	102	16%	119	19%
Total	638	100%	638	100%	637	100%	637	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	12	2%	21	3%	10	1%	45	6%
Mastery	81	11%	60	8%	85	12%	72	10%
Basic	296	40%	354	47%	274	37%	279	37%
Approaching Basic	229	30%	149	20%	247	33%	203	28%
Unsatisfactory	126	17%	162	22%	124	17%	139	19%
Total	744	100%	746	100%	740	100%	738	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 9 – The iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	30	4%	31	4%	17	2%	6	1%
Mastery	84	10%	64	8%	71	9%	63	8%
Basic	330	41%	385	47%	277	34%	369	45%
Approaching Basic	239	29%	184	23%	266	33%	187	23%
Unsatisfactory	130	16%	147	18%	180	22%	184	23%
Total	813	100%	811	100%	811	100%	809	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	9	1%	46	6%
Mastery	66	9%	80	10%
Basic	337	44%	368	48%
Approaching Basic	252	33%	134	18%
Unsatisfactory	102	13%	135	18%
Total	766	100%	763	100%