

ROBERTS, CHERRY AND COMPANY
Certified Public Accountants, Consultants

October 27, 2010

Suzanne H. Elliott, CPA
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, La 70804-9397

Dear Ms. Elliott:

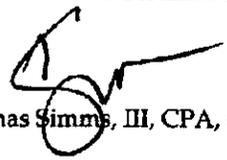
During our quality review of the Bossier Parish School Board, we noted that the Title II program should have been a major program and tested accordingly. Additionally, the client had the wrong CFDA number for that program. We performed the additional work necessary and did not have any additional findings or anything else to report. We have corrected the Single Audit Report to add Title II as a major program, revised the CFDA number, and dual dated the opinion letter. We have also resubmitted the report to the Federal Clearinghouse on October 19, 2010.

Therefore, we are sending you the revised Single Audit Report for the Bossier Parish School Board for the year ended June 30, 2009. Also, we are sending the revised data collection form along with the original CAFR and the original BEEF Agreed Upon Procedures that were issued.

Please feel free to contact me at 318-222-2222 if you have any questions regarding our reissuance.

Sincerely,

Roberts, Cherry & Company
A Corporation of Certified Public Accountants



J. Thomas Simms, III, CPA, CFE

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 11/10/10

Investing in New Horizons



Comprehensive Annual Financial Report

of the Bossier Parish School Board
Benton, Louisiana
for the year ended June 30, 2009

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

REISSUE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2009

Dr. Jack E. Raley
President

D. C. Machen
Superintendent

Prepared by the Department of Finance

Frank Rougeau
Director of Finance and Business Affairs

**Bossier Parish School Board
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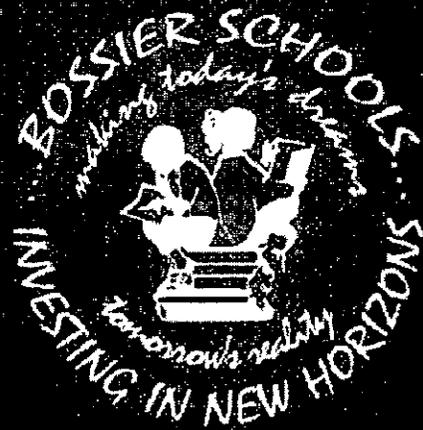
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Introductory Section





BOSSIER PARISH SCHOOL BOARD

P.O. Box 2000
Benton, Louisiana 71006-2000
Telephone (318) 549-5000
FAX (318) 549-5044

D.C. Machen Jr.
Superintendent

Dr. Jack E. Raley
President

Transmittal Letter

Dr. Jack E. Raley
President
P.O. Box 85
Haughton, LA 71037
District 1

December 23, 2009

Brad Bockhaus
111 Harvest Lane
Haughton, LA 71037
District 2

Dr. Jack E. Raley, President
and Board Members
Bossier Parish School Board
Benton, Louisiana

Dr. Allison O. Brigham
511 Lee Street
Benton, LA 71006
District 3

Tammy A. Smith
183 Willow Bend Road
Benton, LA 71006
District 4

Dear President and Members of the Board:

Michael S. Mosura II
Vice President
6014 Jason Street
Bossier City, LA 71111
District 5

The Comprehensive Annual Financial Report of the Bossier Parish School Board, herein after referred to as the "School Board", for the fiscal year ended June 30, 2009, is hereby transmitted. This report has been prepared by following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States of America and Canada. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it.

William C. Kostelka
309 Audubon Drive
Bossier City, LA 71111
District 6

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation including all disclosures, rests with the School Board. We believe this report, as presented, is accurate in all material aspects, and that it is presented in a manner that fairly sets forth the results of operations and financial position of the School Board. Further, all disclosures necessary to enable the reader to gain an adequate understanding of our system's financial affairs have been included.

J. W. Slack
2424 Douglas Drive
Bossier City, LA 71111
District 7

Kenneth M. Wiggins
3201 Cloverdale Place
Bossier City, LA 71111
District 8

Eddy Ray Presley
1816 Lee Street
Bossier City, LA 71112
District 9

B. Comprehensive Annual Financial Report The Comprehensive Annual Financial Report consists of three sections: the introductory section, the financial section and the statistical section.

Julian Derby
1130 Beverly Street
Bossier City, LA 71112
District 10

Lindell Webb
1830 Venus
Bossier City, LA 71112
District 11

1. **The Introductory Section.** This section includes this letter of transmittal, the School Board's organizational chart, recognition of elected officials of the School Board, and a list of selected administrative officials.

Meck Knotts
5007 Kennerworth Drive
Bossier City, LA 71112
District 12

2. **The Financial Section.** The School Board's financial statements and schedules are presented in accordance with the standards set forth by the Governmental Accounting Standards Board. The financial section consists of Management's Discussion and Analysis, basic financial statements, required supplemental information, and combining nonmajor and individual fund statements and schedules.

Combining nonmajor statements are presented when a School Board has more than one nonmajor fund of a given fund type. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.

3. **The Statistical Section.** Included in this section is data prepared from both accounting and non-accounting sources for the purpose of reflecting financial trends and fiscal capacity of the School Board, as well as other social and economic information. The data is presented for the past ten years.

The School Board provides a full range of educational services appropriate to grade levels pre-kindergarten through grade 12. These services include regular and enriched academic education, special education for handicapped children, and vocational education. They also include providing instructional personnel, instructional materials, instructional facilities, food service facilities, administrative support, business services, systems operations, plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

C. Reporting Entity This report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Bossier Parish School Board (the primary government). Based on the above criteria, there are no component units included in the School Board's reporting entity.

D. Economic Condition, Outlook, and Long-term Financial Planning Bossier Parish is located in northwest Louisiana and is a part of the economic "hub" for this region. During 2008-2009, Bossier Parish has continued to experience a considerable level of new construction. The School Board has completed two new elementary schools, three wing additions and will open a new high school for the 2009-2010 school year. New commercial and residential construction are financial indicators of a stable economy. Tourist activity continues to be strong, primarily as a result of riverboat gaming and the Louisiana Boardwalk shopping area.

Barksdale Air Force Base, which currently employs over 7,000 people in the area, remains as viable and active as it has in the past. The mission of Barksdale is still a major part of our national defense. Barksdale has been named the headquarters for the Global Strike Command for the United States Air Force. This new command will provide over 900 new jobs and will provide significant economic growth for the area.

With the Red River connecting Bossier Parish to the city of Shreveport and Caddo Parish, the condition of the Shreveport economy directly and indirectly affects Bossier Parish. The economy of Shreveport remains stable. Growth experienced in retail sales, employment, and residential and commercial construction are evidence of this growth and stability. The expansion of the Caddo Bossier Port continues to have positive effects on the economy and provides a major link with other parts of the state. I-20 and I-49 provide great access to the area. Riverboat gaming continues to make a significant contribution to the local economy.

Sales tax collections for the School Board continue to be strong and exceeded 2007-2008 collections by \$4,695,931.

E. Major Operational or Financial Concerns Several issues such as classroom space in growing areas of the parish, teachers and support personnel pay, maintaining technology in our classrooms, and rising health costs are areas of concern. All of these issues influence our first priority, which is the instructional program for our students.

F. Single Audit The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws, regulations, contracts and agreements. Bossier Parish School Board has contracted with an independent auditor to conduct the annual audit. Our independent auditor performed a single audit for the fiscal year ended June 30, 2009, and has issued the single audit report under a separate binder.

G. Internal Control The management of the School Board is responsible for establishing and maintaining a system of internal control. The objectives of a system of internal control are to provide reasonable assurance that School Board policy, administrative and accounting procedures, and grant administration procedures are fully implemented and are being adhered to. In addition, internal controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

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

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations.

H. Budgetary Control In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget require School Board approval.

I. Cash Management Cash temporarily idle during the year was invested in demand deposits, certificates of deposits, and instruments issued by the United States Government or its federal agencies. Deposits in financial institutions are also collateralized by instruments issued by the United States Government or federal government agencies created by an act of Congress and insured by the Federal Deposit Insurance Corporation. The School Board earned interest revenue of \$1,071,796 for the fiscal year ended June 30, 2009.

Interest was distributed as follows:

General Fund	\$ 256,898
Capital Projects	345,404
Bossier Education Excellence Permanent	357,716
Other Governmental	111,778
Total	<u>\$1,071,796</u>

J. Risk Management The School Board maintains a combination of self-insurance and stop-loss coverage to lower its potential risk of loss from property damage, theft, and claims against employees. The School Board is self-insured for group hospitalization.

K. Pension and Other Post Employment Benefits The School Board provides a defined benefit pension plan for its employees through two cost-sharing multiple-employer statewide plans. The School Board has no obligations in connection with employee benefits offered through these plans beyond its required payments to the plan.

The School Board also provides post-retirement medical, dental and life insurance for its retired employees. As of the end of the current fiscal year, there were 1,219 retired employees receiving group medical, dental and life insurance benefits which are financed on a pay-as-you-go basis.

Additional information on the School Board's pension arrangements and post employment benefits can be found in Notes 6 and 7 in the Notes to the Basic Financial Statements.

L. Independent Audits The report of our independent certified public accountants, Roberts, Cherry and Company, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls.



M. Awards The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only. The School Board has received both certificates for each year, beginning with fiscal year ended June 30, 1991.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

N. Acknowledgments It is our desire that this report contains the necessary information and data, which will provide a better understanding of the operations of the school system. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability.

Respectfully submitted,

D. C. Machen
Superintendent

Frank Rougeau
Director of Finance and Business Affairs

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Bossier Parish School
Board, Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "J.R.", positioned above the title "President".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer", positioned above the title "Executive Director".

Executive Director

Bossier Parish School Board

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**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

BOSSIER PARISH SCHOOL BOARD

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

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

Angela Pitman

President

John D. Quinn

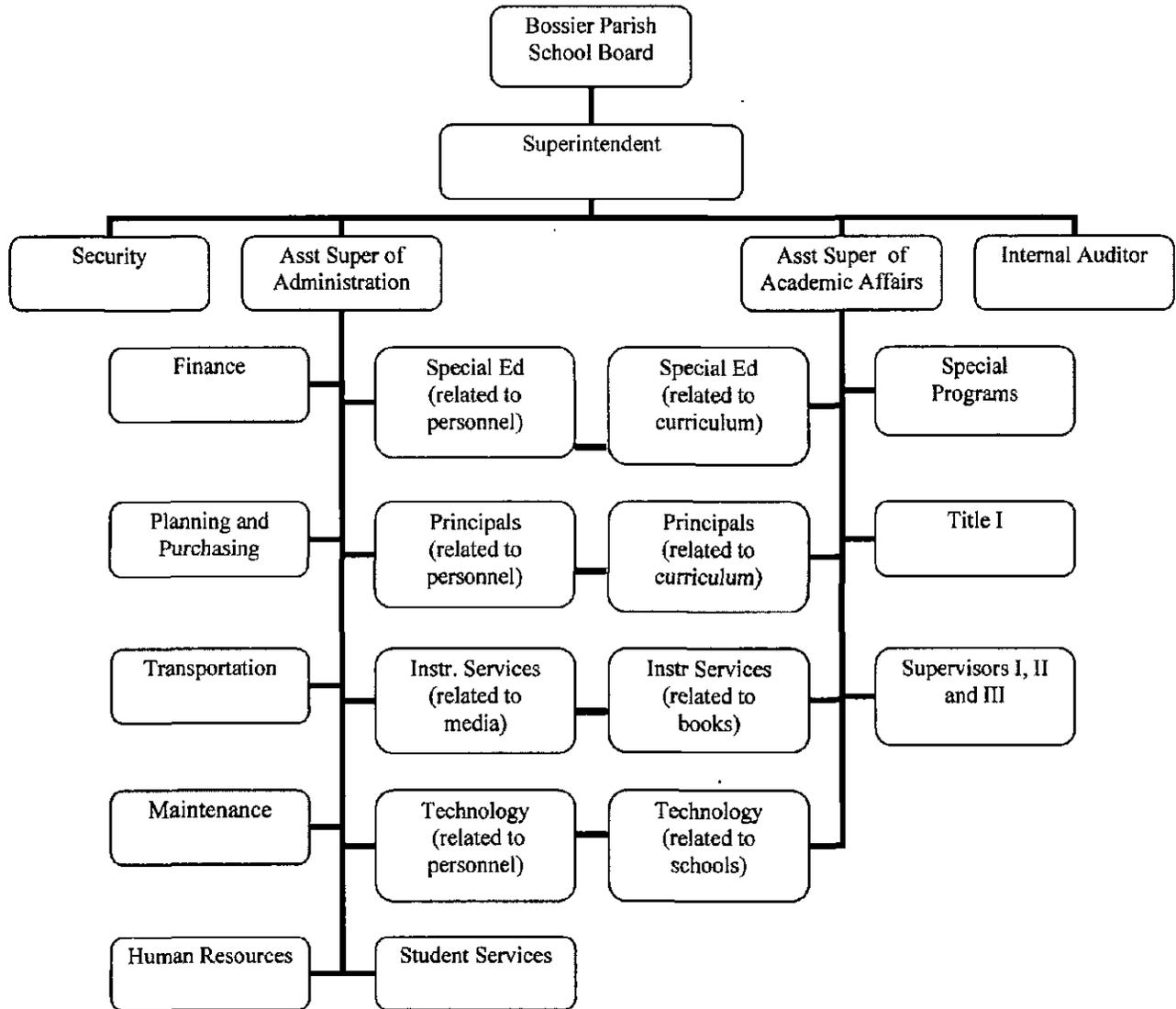
Executive Director

Bossier Parish School Board

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Bossier Parish School Board

**Organization Chart
June 30, 2009**



Bossier Parish School Board

**Elected Officials
June 30, 2009**

<u>Board Member</u>	<u>District</u>
Dr. Jack E. Raley	1
Brad Bockhaus	2
Dr. Allison O. Brigham	3
Tammy A. Smith	4
Michael S. Mosura, II	5
William C. Kostelka	6
J. W. Slack	7
Kenneth M. Wiggins	8
Eddy Ray Presley	9
Julian Darby	10
Lindell Webb	11
Mack Knotts	12

Bossier Parish School Board
Selected Administrative Officials
June 30, 2009

Superintendent	D. C. Machen
Assistant Superintendent of Administration	Scott Smith
Assistant Superintendent of Curriculum and Academic Affairs	Sally Namie

Directors

Technology	Bill Allred
Special Education	Martha Gormanous
Student Services	Bettye McCauley
Planning/Purchasing	Keith Norwood
Finance/Business Affairs/Insurance	Frank Rougeau
Human Resources	Myra Odom

Bossier Parish School Board

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INDEPENDENT AUDITOR'S REPORT

Board Members
Bossier Parish School Board
Benton, Louisiana

Basic Financial Statements We have audited the accompanying *basic financial statements* of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish School Board ("School Board") as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, 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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover our report dated December 23, 2009, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Required Supplemental Information The Management's Discussion and Analysis and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the *basic financial statements* but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management

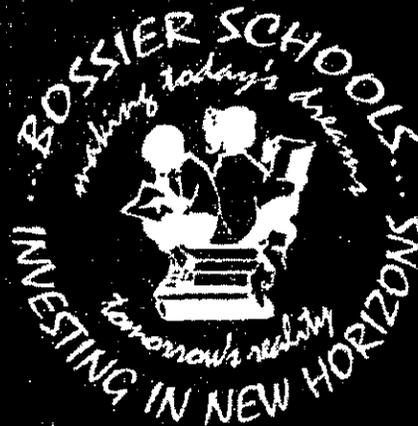
regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Supplemental Information Our audit was conducted for the purpose of forming an opinion on the *basic financial statements* that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the *basic financial statements*. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, in our opinion, is fairly stated in all material respects in relation to the *basic financial statements* taken as a whole. The information identified in the table of contents as the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, accordingly, we express no opinion on it.

ROBERTS, CHERRY AND COMPANY
ROBERTS, CHERRY AND COMPANY

A Corporation of Certified Public Accountants
Shreveport, Louisiana
December 23, 2009

Financial Section



**Bossier Parish School Board
Benton, Louisiana**

REQUIRED SUPPLEMENTAL INFORMATION

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

**Bossier Parish School Board
Benton, Louisiana**

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**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2009**

The discussion and analysis of Bossier Parish School Board's ("School Board") financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School Board's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2009, are as follows:

Governmental funds reported a net change deficit of \$16.7 million which includes in the General Fund an excess of \$4.1 million, an excess in the Sales Tax Fund of \$4 million, a deficit in the Bossier Parish School Board Unified Construction Fund of \$27.3 million, an excess in the Bossier Education Excellence Permanent Fund of \$3.1 million, and an excess in Other Governmental Funds of \$6 million. The deficit in the Unified Construction Funds is a result completion of several school construction projects.

Total revenues for all governmental funds increased \$19.1 million. This was due largely to an increase in the Minimum Foundation Program and increased sales tax collections.

Total spending for all governmental funds was \$227.1 million. Most of the School Board's taxes and state Minimum Foundation Program Funds were used to support the cost of these six areas: regular program instruction - \$76.0 million; special programs instruction - \$25.9 million; student transportation - \$11.9 million; plant services - \$17.9 million; other instructional - \$8.7 million and school food service - \$10.1 million.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole, presenting both an aggregate view of the School Board's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. These statements tell how services were financed in the short-term as well as what remains for future spending. Fund statements also may give some insights into the School Board's overall financial health. Fund financial statements report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds – such as

**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2009**

the School Board's General Fund, Sales Tax Fund, BPSB Unified Construction Fund, and the Bossier Education Excellence Permanent Fund. The remaining statement – the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Comprehensive Annual Financial Report
<u>Introductory Section</u> Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers
<u>Financial Section</u> (Details outlined in the next chart)
<u>Statistical Section</u> Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Information Operating Information

**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2009**

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund Financial
Statements**

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Information for Major Funds

Supplemental Information

**Nonmajor Funds Combining Statements & Budgetary Information
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members**

Our auditors have provided assurance in their independent auditors' report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditors have also provided varying degrees of assurance regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

The School Board assumes full responsibility for the accuracy of the Introductory and Statistical Sections as they were prepared without the association of the independent auditors.

**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2009**

REPORTING THE SCHOOL BOARD AS A WHOLE

The Statement of Net Assets and the Statement of Activities

While these documents contain the large number of funds used by the School Board to provide programs and activities, the view of the School Board as a whole looks at all financial transactions and asks the question, "How did the School Board do financially during the fiscal year ended June 30, 2009?". The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School Board's *net assets* – the difference between assets and liabilities, and changes in those assets. This change in net assets is important because it tells the reader that, for the School Board as a whole, the financial position of the School Board has improved or diminished. The relationship between revenues and expenses is the School Board's *operating results*. However, the School Board's goal is to provide services to its students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the *overall health* of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities – All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds – not the School Board as a whole. Some funds are required to be established by state law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (for example grants received from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds – Most of the School Board's activities are reported in governmental funds, which focus on how money flows into and out of funds and the balances left at year-end that are available for spending in future periods. They are reported using an accounting method called *modified accrual accounting*, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School Board's operations and the services it provides. Governmental fund information helps the

**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
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reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* are reconciled in Statements D and F.

Proprietary funds – When the School Board charges customers for the services it provides – whether to outside customers or to other units of the School Board – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the School Board's other programs and activities – the employee group health fund.

THE SCHOOL BOARD AS TRUSTEE

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or *fiduciary*, for its student activities fund. All of the School Board's fiduciary activities are reported in separate Statements of Fiduciary Assets and Liabilities. These activities are excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE

The School Board's net assets were \$124.9 million at June 30, 2009. Of this amount, \$19.6 million was unrestricted net assets. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. The analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities. The numbers in these condensed statements sometimes varies slightly from the government-wide financial statements due to rounding.

**Bossier Parish School Board
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**TABLE 1
Net Assets (in millions)
June 30,**

	Governmental Activities		
	2009	2008	Percent Change
Current and other assets	\$ 73.10	\$ 88.10	(17.00%)
Restricted assets	26.40	26.40	-
Capital assets, net of accumulated depreciation	131.00	103.60	26.40%
Total assets	230.50	218.10	5.70%
Current and other liabilities	16.80	16.30	3.10%
Long-term liabilities	88.80	93.70	(5.20%)
Total liabilities	105.60	110.00	(4.00%)
Net assets			
Invested in capital assets, net of related debt	72.30	64.60	11.90%
Restricted	33.00	30.60	7.80%
Unrestricted	19.60	12.90	51.90%
Total net assets	\$ 124.90	\$ 108.10	7.80%

The \$19.6 million in unrestricted net assets of governmental activities represents accumulated results of all past years' operations. It means that if the School Board had to pay off all of its bills today including all of its non-capital liabilities (compensated absences for example), there would be a surplus of \$19.6 million.

The net assets for the School Board increased by \$16.8 million or 13.5% during the fiscal year ended June 30, 2009. This increase was caused mainly by an increased funding in the Minimum Foundation Program (MFP).

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2, on the next page, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so that the reader can see total revenues for the year.

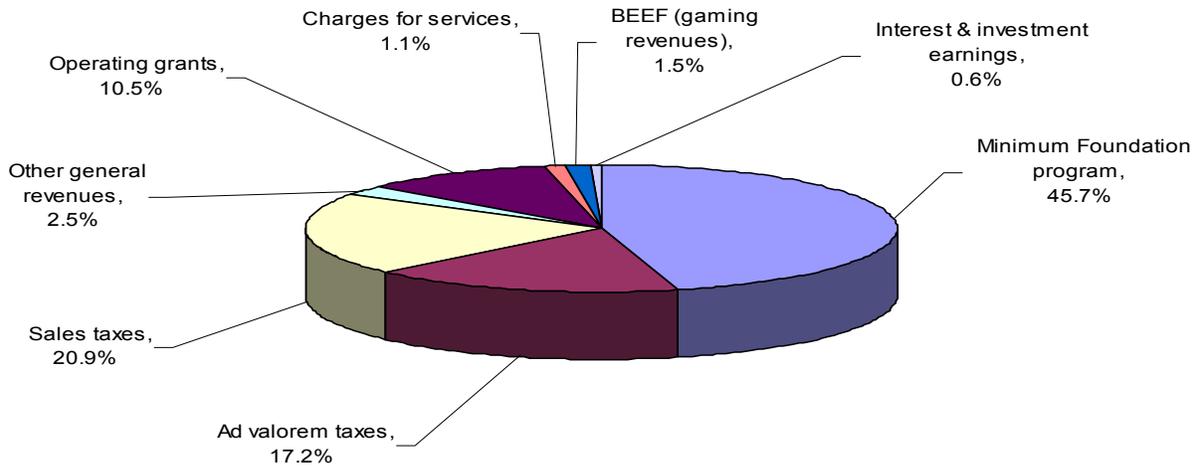
Bossier Parish School Board
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TABLE 2
Changes in Net Assets (in millions)
For The Years Ended June 30,

	2009	2008	Percentage Change
Revenues:			
Program revenues			
Charges for services	\$ 2.4	\$ 2.5	-4.0%
Operating grants and contributions	22.0	20.4	7.8%
General revenues			0.0%
Ad valorem taxes	36.1	32.5	11.1%
Sales taxes	43.9	39.2	12.0%
State equalization (Minimum Foundation)	96.1	87.2	10.2%
BEEF (Gaming Revenues)	3.1	3.1	0.0%
Interest and investment earnings	1.2	3.2	-62.5%
Other general revenues	5.8	3.2	81.3%
Total revenues	<u>210.6</u>	<u>191.3</u>	10.1%
Function/program expenses:			
Instruction			
Regular programs	66.9	62.4	7.2%
Special programs	29.4	24.9	18.1%
Other instructional programs	15.4	15.6	-1.3%
Support services			0.0%
Student services	9.0	8.4	7.1%
Instructional staff support	11.3	9.8	15.3%
General administration	2.4	2.9	-17.2%
School administration	12.2	10.8	13.0%
Business services	2.1	2.9	-27.6%
Plant services	17.8	15.5	14.8%
Student transportation services	10.8	11.6	-6.9%
Central services	1.2	1.3	-7.7%
Food services	10.3	10.6	-2.8%
Community service programs	0.1	0.1	0.0%
Interest on long-term debt	3.2	2.7	18.5%
Total expenses	<u>192.1</u>	<u>179.5</u>	7.0%
Increase (decrease) in net assets	<u>18.5</u>	<u>11.8</u>	56.6%
Net assets – beginning	<u>108.1</u>	<u>96.3</u>	12.3%
Adjustment	<u>(1.7)</u>	<u>-</u>	0.0%
Net assets – ending	<u>\$ 124.9</u>	<u>\$ 108.1</u>	15.5%

Bossier Parish School Board
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Governmental Activities
Revenues
(As a Percentage of Total Revenues)
For the Year Ended June 30, 2009



Revenues by Source – Governmental Activities

- Grants and Contributions Not Restricted to Specific Programs:** The single largest source of revenue to the Bossier Parish School Board for grants and contributions not restricted to a specific program is the State Equalization or commonly called the Minimum Foundation Program (MFP). The MFP distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past three years in millions.

<u>Fiscal Year</u>	<u>General</u>	<u>Child Nutrition Program</u>	<u>Total MFP</u>	<u>Percentage Increase</u>
2006-2007	\$73.9	\$1.8	\$75.7	10.2%
2007-2008	\$85.2	\$2.0	\$87.2	15.2%
2008-2009	\$93.6	\$2.4	\$96.0	10.1%

In FY 2008-2009, the School Board received \$96.0 million or 45.7% of its total revenue from the MFP. These revenues are deposited in the General Fund and the School Food Service Fund only. Most of the \$8.8 million or 10.1% increase was used for salary increases.

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- **Sales and Use Tax Revenues:** Sales and use tax revenues are the second largest source of revenues for the Bossier Parish School Board. A 1.75% sales tax rate is levied upon the sale and consumption of goods and services within the parish. The chart below lists the sales and use tax revenues for the past three years in millions.

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Percentage Increase</u>
2006-2007	\$39.0	8.90%
2007-2008	\$39.2	0.52%
2008-2009	\$43.9	12.0%

All sales and use tax revenues are deposited into the Sales Tax Fund from which it is transferred to fund primarily the operations of the School Board. This represents 20.8% of the total revenues received. Sales tax revenue received in fiscal 2009 has increased significantly over the amount received in the 2008 fiscal year.

- **Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the third largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Bossier Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The chart below lists the ad valorem tax deposits for the past three years in millions.

<u>Fiscal Year</u>	<u>General</u>	<u>Debt Service</u>	<u>Total Ad Valorem Taxes</u>	<u>Percentage Increase</u>
2006-2007	\$24.5	\$7.5	\$32.0	24.50%
2007-2008	\$24.9	\$7.6	\$32.5	01.56%
2008-2009	\$26.7	\$9.4	\$36.1	11.1%

In FY 2008-2009, the School Board deposited \$36.1 million of ad valorem tax revenues into the General Fund and the Debt Service Fund. This represents 17.2% of the total revenues received.

- **Operating Grants and Contributions:** Operating grants and contributions are the fourth largest source of revenues for the School Board. This revenue type is primarily comprised of federal grants with some state grants included. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below shows the operating grants and contributions by fund source in millions.

<u>Fiscal Year</u>	<u>General</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>	<u>Percentage Increase/Decrease</u>
2006-2007	\$2.4	\$16.0	\$18.4	(14.4%)
2007-2008	\$4.2	\$16.2	\$20.4	10.9%
2008-2009	\$4.7	\$17.3	\$22.0	7.8%

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In FY 2008-2009, the School Board received \$22.0 million in operating grants and contributions which represents 10.5% of total revenues received.

Program Expenses and Revenues – Governmental Activities

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program.

Instructional services for fiscal 2009 totaled \$111.8 million, 58.2% of total expenses. The remaining expenses are considered support services and related to those functions that support the instructional services provided, such as administration, transportation, food services, and plant services. Support services, food services, and community service programs for fiscal 2009 totaled \$77.1 million, 40.2% of total expenses.

The remaining expenses of \$3.2 million, 1.7% of total expenses, consist of interest expense on long-term obligations.

The program revenues and charges for services for fiscal 2009 directly related to these expenses totaled \$24.4 million which resulted in net program expense of \$167.7 million. These net program expenses are funded by general revenues of the School Board.

Revenues for the School Board increased \$18.8 million, 9.8% from the previous year due mainly to an increase in Minimum Foundation Program funding.

Expenses for the School Board increased \$12.6 million, 7.0% from the previous year due mainly to salary increases and increases in group insurance costs.

Governmental Activities – Costs of Service

As reported in the Statement of Activities, the cost of all governmental activities this year was \$192.1 million.

**Bossier Parish School Board
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The table below presents the cost of each of the School Board's six largest functions – regular instructional programs, special instructional programs, plant services, other instructional programs, student transportation, and school administration, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows the analysis of the cost of each function in comparison to the benefits provided by that function.

**Fiscal Years Ended June 30,
Government Activities (in millions)**

	<u>Total Costs of Service</u>			<u>Net Costs of Service</u>		
	<u>2009</u>	<u>2008</u>	<u>Percentage Change</u>	<u>2009</u>	<u>2008</u>	<u>Percentage Change</u>
Regular programs	\$66.7	\$62.4	6.9	\$65.7	\$61.4	7.0
Special programs	29.4	24.9	18.1	22.7	19.4	17.0
Plant services	17.8	15.5	14.8	17.7	15.5	14.2
Other instructional	15.4	15.6	(1.3)	14.6	14.9	(2.0)
Student Transportation	10.8	11.6	(6.9)	10.6	11.5	(7.8)
School Administration	12.2	10.8	13.0	12	10.8	11.1
All other	39.8	38.7	2.8	24.4	23.1	5.6
Totals	<u>\$192.1</u>	<u>\$179.5</u>	7.0	<u>\$167.7</u>	<u>\$156.6</u>	7.1

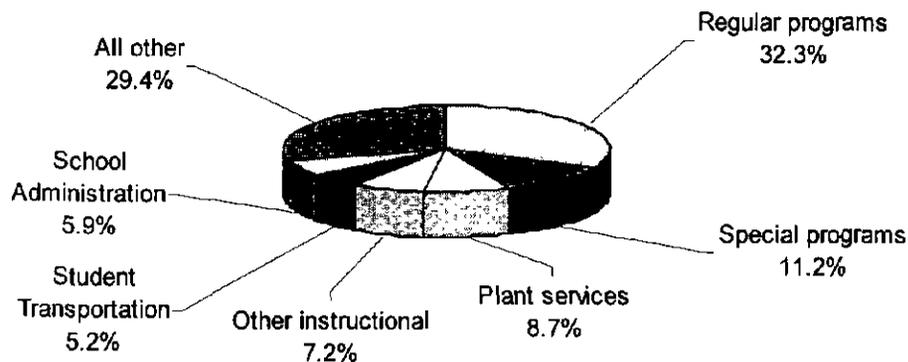
The increases in regular programs, special programs, and school administration are due to salary increases and increases in group insurance costs.

The increases in costs for plant services were due to salary increases, increases in group insurance costs, and increases in building repairs and maintenance.

**Bossier Parish School Board
Benton, Louisiana
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Governmental Activities

**Net Cost of Services
(As a Percentage of Total Net Cost of Services)
For the Year Ended June 30, 2009**



THE SCHOOL BOARD'S FUNDS

As the School Board completed this year, our governmental funds reported a combined fund balance of \$78.9 million which is a decrease of \$16.5 million from last year. The primary reasons for these decreases are:

General Fund experienced an increase in fund balance of \$4.1 million. While revenues increased \$10.9 million from prior year's revenue amount, expenditures also increased \$9.4 million over prior year's expenditure amount. The excess of expenditures over revenues of \$37.2 million was decreased by transfers in from other funds of \$41.9 million. The increase in revenues was mainly due to an increase in funding for the Minimum Foundation Program and increased tax collections.

Sales Tax Fund revenues and expenditures increased 12 percent from 2008 to the 2009 fiscal year.

The Bossier Parish School Board Unified Construction Fund experienced a decrease to fund balance of \$27.2 million due mainly to completion of several school construction projects during the 2009 fiscal year.

Bossier Education Excellence Permanent Fund experienced an increase in fund balance of \$3.0 million. Revenues decreased slightly over the 2008 amount, while expenditures decreased \$4 million over prior year. The decrease in expenditures is due to decreased interest revenues which is the only monies which can be spent in this fund.

**Bossier Parish School Board
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The Creosote Settlement Fund is new in 2009 and accounts for litigation proceeds to be used for construction at Plantation Park Elementary School. The fund had balance at year-end of \$1.8 million.

At June 30, 2009, the School Board had \$36.3 million in reserves of fund balance. Of the fund balance reserved, \$2.9 million was reserved for encumbrances, \$7.3 million were collections of ad valorem taxes reserved for payment of long-term debt; \$25.7 million was reserved for instructional enhancement; \$.1 million was reserved for inventory on hand at the year end and \$.2 million was reserved for prepaid items.

Budgetary Highlights

Over the course of the year, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was actually adopted after the end of the year which is not prohibited by state law. A schedule showing the School Board's original and final budget amounts compared with amounts actually paid and received is provided later in this annual report at Exhibit 1-1.

There were revisions made to the 2008-2009 General Fund original budget. Budgeted revenues were increased \$12.2 million due largely to an increase in of \$5.2 million in other state sources. Also, there was an increase of \$.6 million to ad valorem taxes, an increase of \$2.1 million to MFP, and an increase of \$3.1 million to transfers from other funds. Budgeted expenditures were increased by \$12.9 million due largely to an increase of increases to regular programs of \$4.8 million. Also, there was an increase of \$1.4 million to special programs, and an increase to plant services of \$2.4 million.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As for year ended June 30, 2009, the School Board had \$131.0 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$24.4 million, or 26.4%, from last year. The increase is due to construction projects cost during the year.

**Capital Assets
Net of depreciation
(In millions)**

	Governmental Activities	
	<u>As of June 30,</u>	
	<u>2009</u>	<u>2008</u>
Land	\$ 2.6	\$ 2.6
Construction in progress	33	30.8
Buildings	85	59.5
Furniture and equipment	5.6	6.5
Transportation equipment	4.8	4.2
Total net capital assets	<u>\$ 131.0</u>	<u>\$ 103.6</u>

More detailed information about our capital assets is presented in Note 5 to the financial statements.

Debt

At the end of this year, the School Board had \$73.3 million outstanding versus \$80.8 million last year, a decrease of 9.3%. The outstanding debt consisted of:

Outstanding Debt of June 30,

	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
General Obligation Bonds	\$67.4	\$74.6
Qualified Zone Academy Bond loan payable	5.0	4.9
Capital Leases	<u>.9</u>	<u>1.3</u>
	<u>\$73.3</u>	<u>\$80.8</u>

The School Board maintains a bond rating of A2 from Moody's and an A from Standard & Poor's for its general obligation bonds. The state limits the amount of general obligation debt that can be issued to 35 percent of the assessed value of all taxable property within the School Board's corporate limits. The School Board's net bonded general obligation debt of \$60.1 million (total bonded debt of \$67.4 million less

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assets in debt services funds of \$7.3 million) is significantly below the \$292.6 million statutory-imposed limit.

Net general obligation bonded debt.	\$60.1 million
Ratio of net debt to total assessed value (\$802.4 million)	7.5%

Other obligations include compensated absences, other post-employment benefits (OPEB) liability, and claims and judgments. We present more detailed information about our long-term liabilities in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The School Board is financially strong with a total fund balance in the governmental funds of \$78.9 million. The budget for the 2009-2010 year includes a conservative increase in budgeted revenue and an increase in budgeted expenditures. The increase in budgeted revenues is primarily due to an increase in Minimum Foundation Program funding and continued growth in sales and property taxes. The increase in budgeted expenditures is largely due to salary increases and increased employee benefit costs.

**Bossier Parish School Board
Benton, Louisiana
Management's Discussion and Analysis (MD&A)
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CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact Frank Rougeau, Director of Finance and Business Affairs Insurance, at Bossier Parish School Board, 316 Sibley Street, Benton, LA 71006, telephone number (318) 549-5000.

BASIC FINANCIAL STATEMENTS

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

Bossier Parish School Board

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BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Statement of Net Assets
June 30, 2009

	Statement A
Assets	
Cash and cash equivalents	\$ 37,215,529
Investments	26,043,927
Receivables (net)	9,058,032
Inventory	135,087
Prepaid items	221,405
Discount on bonds, net of accumulated amortization	34,874
Bond issuance costs, net of accumulated amortization	412,262
Restricted assets	
Cash and cash equivalents	981,926
Investments	25,014,113
Receivables	365,242
Capital assets	
Land	2,559,312
Construction in progress	33,048,855
Exhaustible capital assets, net of depreciation	<u>95,438,030</u>
Total assets	<u><u>230,528,594</u></u>
Liabilities	
Accounts payable	15,740,289
Unearned revenue	50,522
Premium on bonds, net of amortization	80,090
Interest payable - bonds and certificates of indebtedness	997,795
Long-term liabilities	
Due within one year	12,137,943
Due in more than one year	<u>76,612,786</u>
Total Liabilities	<u><u>105,619,425</u></u>
Net assets	
Invested in capital assets, net of related debt	72,259,438
Restricted for	
Debt service	7,295,060
Instructional enhancement	
Expendable	969,174
Nonexpendable	24,752,054
Unrestricted	<u>19,633,443</u>
Total net assets	<u><u>\$ 124,909,169</u></u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Statement of Activities
For the Year ended June 30, 2009

Statement B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction				
Regular programs	\$ 66,907,607	\$ -	\$ 1,162,723	\$ (65,744,884)
Special programs	29,441,560	-	6,694,258	(22,747,302)
Other instructional programs	15,407,812	-	807,979	(14,599,833)
Support services				
Student services	8,979,913	-	2,184,855	(6,795,058)
Instructional staff support	11,309,011	-	4,354,818	(6,954,193)
General administration	2,399,453	-	1,665,877	(733,576)
School administration	12,189,866	-	178,290	(12,011,576)
Business services	2,122,612	-	212,859	(1,909,753)
Plant services	17,779,100	-	102,024	(17,677,076)
Student transportation services	10,758,730	-	128,656	(10,630,074)
Central services	1,234,226	-	9,289	(1,224,937)
Food services	10,297,175	2,400,667	4,542,118	(3,354,390)
Community service programs	78,557	-	5,514	(73,043)
Interest on long-term debt	3,233,534	-	-	(3,233,534)
Total governmental activities	<u>192,139,156</u>	<u>2,400,667</u>	<u>22,049,260</u>	<u>(167,689,229)</u>
General revenues				
Taxes				
Ad valorem taxes levied for general purposes				2,260,520
Ad valorem taxes levied for debt service purposes				9,367,736
Ad valorem taxes levied for maintenance and operations				5,150,114
Ad valorem taxes levied for salaries and benefits				19,349,221
Sales taxes levied for salaries, benefits, and general purposes				43,872,479
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				96,057,350
BEEF (Gaming revenues)				3,081,814
State revenue sharing				576,228
Interest and investment earnings				1,206,179
Miscellaneous				<u>5,274,845</u>
Total general revenues				<u>186,196,486</u>
Changes in net assets				18,507,257
Net assets - beginning				108,108,286
Adjustment				<u>(1,706,374)</u>
Net assets - ending				<u>\$ 124,909,169</u>

The accompanying notes are an integral part of the financial statements.

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

Bossier Parish School Board



BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

Statement C

	General Fund	Sales Tax	BPSB Unified Construction	Bossier Education Excellence Permanent	Other Governmental	Total
ASSETS						
Cash and cash equivalents	\$ 20,169,496	\$ 3,722,150	\$ 12,089,118	\$ 5,848	\$ 1,560,953	\$ 37,547,565
Investments	13,237,776	-	2,960,940	-	9,845,211	26,043,927
Cash and cash equivalents						
Restricted	-	-	-	391,750	-	391,750
Investments	-	-	-	25,014,113	-	25,014,113
Receivables	2,620,629	3,820,570	38,680	365,242	2,295,588	9,140,709
Interfund receivables	5,418,160	-	1,118	-	2,755,872	8,173,150
Inventory	-	-	-	-	135,087	135,087
Prepaid items	221,405	-	-	-	-	221,405
Total assets	\$ 41,665,466	\$ 7,542,720	\$ 15,089,856	\$ 25,776,953	\$ 16,592,711	\$ 106,667,706
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts, salaries and other payables	\$ 11,459,869	\$ 173,614	\$ 489,338	\$ 55,726	\$ 2,410,737	\$ 14,589,284
Claims payable	464,420	-	-	-	-	464,420
Interfund payables	5,296,292	3,662,770	-	-	3,729,365	12,688,427
Deferred revenue	-	-	-	-	50,521	50,521
Total liabilities	17,220,581	3,836,384	489,338	55,726	6,190,623	27,792,652
Fund balances						
Reserved for						
Encumbrances	2,923,843	-	-	-	-	2,923,843
Debt service	-	-	-	-	7,295,060	7,295,060
Inventory	-	-	-	-	135,087	135,087
Instructional enhancement	-	-	-	25,721,227	-	25,721,227
Prepaid items	221,405	-	-	-	-	221,405
Unreserved						
Designated for debt payments	1,000,000	-	-	-	-	1,000,000
Unreserved, reported in						
Special Revenue Funds	-	3,706,336	-	-	2,963,432	6,669,768
Capital Projects Funds	-	-	14,600,518	-	8,509	14,609,027
Undesignated	20,299,637	-	-	-	-	20,299,637
Total fund balances	24,444,885	3,706,336	14,600,518	25,721,227	10,402,088	78,875,054
Total liabilities and fund balances	\$ 41,665,466	\$ 7,542,720	\$ 15,089,856	\$ 25,776,953	\$ 16,592,711	\$ 106,667,706

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

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

		Statement D
Total fund balances - Governmental Funds	\$	78,875,054
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets	254,082,809	
Depreciation expense to date	<u>(123,036,612)</u>	131,046,197
<p>Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds.</p>		
Bond issuance costs	576,184	
Amortization	<u>(163,922)</u>	412,262
<p>Premium on bonds and discount on bonds are other financing sources/uses in governmental funds but are considered an asset/liability in government-wide statements.</p>		
Discount on bonds	44,838	
Amortization	<u>(9,964)</u>	34,874
Premium on bonds	(88,990)	
Amortization	<u>8,900</u>	(80,090)
<p>Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.</p>		
Total net assets		(2,623,032)
<p>Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.</p>		
<p>Balances at June 30, 2009 are</p>		
Long-term liabilities		
Bonds payable	(58,571,498)	
QZAB notes payable	(4,731,850)	
Certificate of indebtedness	(9,055,000)	
Claims and judgments payable	(515,414)	
Capital leases payable	(948,839)	
Compensated absences payable	(7,935,700)	
Interest payable	<u>(997,795)</u>	(82,756,096)
Net Assets	\$	<u>124,909,169</u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2009

Statement E

	General	Sales Tax	BPSB Unified Construction	Bossier Education Excellence Permanent	Other Governmental	Total
REVENUES						
Local sources						
Taxes						
Ad valorem	\$ 26,759,855	\$ -	\$ -	\$ -	\$ 9,367,736	\$ 36,127,591
Sales and use	-	43,872,479	-	-	-	43,872,479
Interest earnings	256,898	-	345,404	357,716	111,778	1,071,796
Food services	-	-	-	-	2,400,667	2,400,667
Other	2,183,530	-	20,000	3,081,814	1,977,943	7,263,287
State sources						
Equalization	90,699,209	-	-	-	2,392,720	93,091,929
Other	7,235,629	-	-	-	1,458,061	8,693,690
Federal Sources	1,886,913	-	-	-	16,031,969	17,918,882
Total Revenues	129,022,034	43,872,479	365,404	3,439,530	33,740,874	210,440,321
EXPENDITURES						
Current						
Instruction						
Regular programs	75,232,690	-	-	-	783,506	76,016,196
Special programs	22,232,045	-	-	-	3,660,390	25,892,435
Other instructional programs	6,852,975	-	-	-	1,818,583	8,671,558
Support services						
Student services	7,763,954	-	-	-	1,137,807	8,901,761
Instructional staff support	6,912,512	-	-	-	3,366,451	10,278,963
General administration	1,588,439	351,923	88,982	-	1,162,242	3,191,586
School administration	11,697,565	-	-	457,682	-	12,155,247
Business administration	1,978,827	-	-	-	144,884	2,123,711
Plant services	17,882,943	-	-	-	46,106	17,929,049
Student transportation services	11,884,758	-	-	-	34,406	11,919,164
Central services	1,208,489	-	-	-	6,164	1,214,653
Food services	-	-	-	-	10,062,910	10,062,910
Community service programs	-	-	-	6,500	-	6,500
Capital outlay	3,000	-	27,507,773	-	115,248	27,626,021
Debt service						
Bond issuance costs	-	-	52,398	-	-	52,398
Principal retirement	540,197	-	-	-	7,240,000	7,780,197
Interest and bank charges	479,885	-	-	-	2,749,647	3,229,532
Total expenditures	166,258,279	351,923	27,649,153	464,182	32,328,344	227,051,881
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(37,236,245)	43,520,556	(27,283,749)	2,975,348	1,412,530	(16,611,560)
OTHER FINANCING SOURCES (USES)						
Transfers in	41,864,492	-	-	-	13,808,983	55,673,475
Transfers out	(479,978)	(43,163,475)	-	-	(12,110,000)	(55,753,453)
Total Other Financing Sources (Uses)	41,384,514	(43,163,475)	-	-	1,698,983	(79,978)
Net Change in Fund Balances	4,148,269	357,081	(27,283,749)	2,975,348	3,111,513	(16,691,538)
FUND BALANCES - BEGINNING	20,103,987	3,349,255	41,884,267	22,745,879	7,290,576	95,373,964
Adjustment	192,629	-	-	-	-	192,629
FUND BALANCES - ENDING	\$ 24,444,885	\$ 3,706,336	\$ 14,600,518	\$ 25,721,227	\$ 10,402,089	\$ 78,875,055

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Reconciliation of the Governmental Funds

**Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
June 30, 2009**

	Statement F
Total net change in fund balances - governmental funds	\$ (16,691,538)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period.	
Depreciation expense	(6,217,761)
Capital outlays	33,697,765
Capital asset disposals, net	(20,917)
Net cost of capital assets	27,459,087
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.	
Repayment of bond principal	12,531,163
Payment of capital lease	316,225
Receipt of bond proceeds	(5,119,717)
Reclass of legal liability to short term	10,000
Governmental funds report the effects of debt issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Bond issuance costs, net of amortization	(46,798)
Premium on bonds, net of amortization	4,450
Discount on bonds, net of amortization	(4,984)
In the Statement of Activities, certain expenses—compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$3,992,369) was more than the amounts used \$3,868,294 by \$124,075	
	(124,075)
All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.	
	193,784
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	(20,340)
Change in net assets of governmental activities.	\$ 18,507,257

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Net Assets (Deficit)
For The Year Ended June 30, 2009

Statement G

ASSETS

Cash and cash equivalents	\$ 258,144
Accounts receivable	282,563
Interfund receivable	<u>4,515,277</u>
Total assets	<u><u>\$ 5,055,984</u></u>

LIABILITIES

Current liabilities	
Accounts payable	\$ 1,151,007
Claims payable	<u>3,103,668</u>
	4,254,675
Noncurrent liabilities	
OPEB liabilities	<u>3,424,341</u>
Total liabilities	<u><u>7,679,016</u></u>

NET ASSETS

Unrestricted	<u>(2,623,032)</u>
Total net assets	<u><u>\$ (2,623,032)</u></u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit)
June 30, 2009

	Statement H
OPERATING REVENUE	
Premiums	<u>\$ 32,227,924</u>
Total operating revenue	<u>32,227,924</u>
OPERATING EXPENSES	
Claims	<u>32,034,140</u>
Total operating expenses	<u>32,034,140</u>
Operating revenue	193,784
NET ASSETS (DEFICIT) - BEGINNING	(1,711,345)
Adjustment	<u>(1,105,471)</u>
NET ASSETS (DEFICIT) - ENDING	<u>\$ (2,623,032)</u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Cash Flows
For the Year Ended June 30, 2009

Statement I

CASH FLOW FROM OPERATING ACTIVITIES	
Premiums	\$ 30,572,625
Claims paid	<u>(30,362,391)</u>
<i>Net cash provided by operating activities</i>	210,234
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>47,910</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>258,144</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating revenue	193,784
Prior period adjustment	(1,105,471)
Adjustments to reconcile operating revenue to net cash provided by operating activities	
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	195,562
(Increase) decrease in interfund receivable	(1,850,861)
Increase (decrease) in claims payable	1,239,457
Increase (decrease) in OPEB liability	<u>1,537,763</u>
Net cash provided for operating activities	<u><u>\$ 210,234</u></u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2009

	Statement J
ASSETS	
Cash and cash equivalents	<u>\$ 2,400,097</u>
Total assets	<u><u>2,400,097</u></u>
LIABILITIES	
Deposits due to others	<u>2,400,097</u>
Total Liabilities	<u><u>\$ 2,400,097</u></u>

The accompanying notes are an integral part of the financial statements.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

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Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Bossier Parish School Board ("School Board") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The Bossier Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Bossier 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 twelve members who are elected from twelve districts for terms of four years.

The School Board operates thirty-seven schools within the parish with a total enrollment of approximately 19,792 pupils. In conjunction with the regular educational 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.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary.

Governmental Funds Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. The School Board reports the following major governmental funds:

General fund – the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

Sales tax fund – accounts for the collection of sales tax in Bossier Parish. The monies are then transferred to the appropriate fund for expenditures.

BPSB Unified Construction – accounts for capital outlay for construction of new school facilities and other major improvements.

Bossier Education Excellence Permanent – accounts for gaming revenue restricted to special purposes.

Proprietary Funds Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

Internal service fund – accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The employee health insurance program is accounted for in the internal service fund.

Fiduciary Funds Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activities fund – accounts for assets held by the School Board as an agent for the individual schools and school organizations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Internal Activities The employees' health insurance internal service fund provides services to the governmental funds. Accordingly, the employees' health insurance fund activity was rolled up into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments," as much as possible, the

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available").

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when the underlying exchange takes place and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Unpaid salaries for nine-month employees who are paid over twelve months are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other financing sources (uses) Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishments, 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.

Proprietary Fund Proprietary fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

Operating revenues and expenses Proprietary fund distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary fund The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits, interest-bearing demand deposits and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reports at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

F. 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 interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

G. INVENTORIES AND PREPAID ITEMS Inventories of the governmental fund type are accounted for using the consumption method where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue 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. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

H. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings and improvements	10 – 50 years
Furniture and equipment	5 – 20 years
Transportation equipment	8 years

Land and construction in progress are not depreciated. Interest during construction is not capitalized on capital assets.

I. DEFERRED REVENUES Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

J. COMPENSATED ABSENCES All School Board employees earn from 10 to 13 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current

Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009

rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

All 12-month employees earn from 10 to 20 days of vacation leave each year. Upon termination, employees may be paid for all unused vacation earned through June 30, 2002, and up to forty-five days of unused vacation leave earned subsequent to June 30, 2002. Nine-month employees earn two work days of personal leave per academic year which is noncumulative.

The School Board's recognition and measurement criteria for compensated absences follow:

A liability for sick leave is accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employee's right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employee for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

K. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

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

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Restrictions reported in the Statement of Net Assets are imposed by law through constitutional provisions or enabling legislation.

L. FUND EQUITY OF FUND FINANCIAL STATEMENTS Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use. Designations of fund balance represent tentative management plans that are subject to change.

M. 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

Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009

reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transfers are reported as transfers.

N. SALES TAXES On April 15, 1969, the voters of Bossier Parish approved a one percent sales and use tax to be used to supplement salaries and benefits of teachers and other School Board employees for the operation of public schools in Bossier Parish.

On September 16, 1978, the voters of Bossier Parish approved a one-half of one percent sales tax. This is to be used for the retirement of the School Board's sales tax bonds, the maintenance and upkeep of the school system's air conditioners and any other lawful purpose of the school system.

On September 18, 2004, the voters of Bossier Parish approved a one-fourth of one percent sales tax. This is to be used for salaries, benefits, and the maintenance and upkeep of school buildings.

O. BUDGETS

General Budget Practices The School Board follows these procedures in establishing the budgetary data reflected in the financial statements:

State statute requires budgets be adopted for the General Fund and all Special Revenue Funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the General Fund and Special Revenue Funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the Board. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

P. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets

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and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

NOTE 2 – LEVIED TAXES The School Board levies taxes on real and business personal property located within Bossier Parish’s boundaries. Property taxes are levied by the School Board on property values assessed by the Bossier Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Bossier Parish Sheriff’s Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Levy date	January 1, 2008
Millage rates adopted	August 7, 2008
Tax bills mailed	November, 2008
Due date	December 31, 2008
Collections occur	December 2008- February 2009
Lien date	January 1, 2009
Tax sale date, 2008 delinquent property	May, 2009

Assessed values are established by the Bossier Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2004. Total assessed value was \$901,646,110 in calendar year 2008. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer’s primary residence from parish property taxes. This homestead exemption was \$173,853,222 of the assessed value in calendar year 2008.

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

The tax roll is prepared by the tax assessor and approved by the State Tax Commission in November of each year. The amount of 2008 property taxes to be collected occurs in December 2008 and January and

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February 2009. All property taxes are recorded in the general and debt service funds. The School Board considers the levy date (January 1, 2008) as the date an enforceable legal claim occurs for 2008 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2008 property taxes are budgeted in the 2008-2009 fiscal year of the School Board.

Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

<u>Parish-wide Taxes</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Constitutional	4.22	3.63	Statutory
Special maintenance and operations	9.61	8.27	2013
Special salaries and benefits	9.61	8.27	2013
Special salaries and benefits	26.50	22.81	2015
Bond and interest	Variable	2.75	2017
Bond and interest	Variable	10.80	2025

NOTE 3 – DEPOSITS AND INVESTMENTS At June 30, 2009, the School Board had the following investments:

<u>Investment type</u>	<u>Maturities</u>	<u>Fair Value</u>
U. S. Securities	Less than 90 days classified as cash	\$ 11,999,253
U. S. Securities	Less than 1 year	38,191,771
U. S. Securities	Greater than 1 year	3,016,270
Total		<u>\$ 53,207,294</u>

Interest Rate Risk: The School Board's policy does not address interest rate risk.

Credit Risk: The School Board invests in certificate of deposit and U. S. Treasury obligations which do not have credit ratings. The Treasury Bills are in the School Board's name.

Custodial Credit Risk-Investments: For an investment, this is the risk that, in the event of the failure of the counter party, 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.

Custodial Credit Risk-Deposits: At year end, the School Board's carrying amount of deposits was \$38,448,289 (Statement A –Cash and cash equivalents of \$25,216,266, \$9,850,000 classified as investments, restricted cash of \$981,926, and Statement J - \$2,400,097) and the bank balance was \$39,245,319. Of the bank balance, \$1,481,697 was covered by federal depository insurance or by

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collateral held by the School Board's agent in the School Board's name. The remaining \$37,763,622 of the bank balance was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised, Statue 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's cash management policy does not address custodial credit risk.

NOTE 4 – RECEIVABLES The receivables at June 30, 2009, are as follows:

	General	Sales Tax	Bossier Unified Construction	Bossier Education Excellence Permanent	Other Governmental	Internal Service	Total
Taxes:							
Ad valorem	\$ 5,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,405
Sales tax	-	3,820,570	-	-	-	-	3,820,570
Intergovernmental - grants:							
Federal	283,603	-	-	-	2,197,140	-	2,480,743
State	1,880,904	-	-	-	19,801	-	1,900,705
Other	450,717	-	38,680	365,242	78,647	282,563	1,215,849
Total	<u>\$ 2,620,629</u>	<u>\$ 3,820,570</u>	<u>\$ 38,680</u>	<u>\$ 365,242</u>	<u>\$ 2,295,588</u>	<u>\$ 282,563</u>	<u>\$ 9,423,272</u>

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

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NOTE 5 – CAPITAL ASSETS Capital assets balances and activity for the year ended June 30, 2009, are as follows:

	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009
Governmental Activities:				
Nondepreciable capital assets				
Land	\$ 2,559,312	\$ -	\$ -	\$ 2,559,312
Construction in progress	30,792,100	25,574,947	23,318,192	33,048,855
Total Nondepreciable capital assets	<u>33,351,412</u>	<u>25,574,947</u>	<u>23,318,192</u>	<u>35,608,167</u>
Depreciable Capital Assets:				
Buildings	142,632,253	27,651,939	-	170,284,192
Furniture and equipment	33,466,010	2,731,205	489,817	35,707,398
Transportation equipment	11,538,441	1,057,866	113,255	12,483,052
Total capital assets	<u>187,636,704</u>	<u>31,441,010</u>	<u>603,072</u>	<u>218,474,642</u>
Less accumulated depreciation:				
Buildings	83,088,538	2,166,810	-	85,255,348
Furniture and equipment	26,969,357	3,576,802	468,900	30,077,259
Transportation equipment	7,343,111	474,149	113,255	7,704,005
Total accumulated depreciation	<u>117,401,006</u>	<u>6,217,761</u>	<u>582,155</u>	<u>123,036,612</u>
Depreciable capital assets, net	<u>70,235,698</u>	<u>25,223,249</u>	<u>20,917</u>	<u>95,438,030</u>
Governmental Activities:				
Capital assets, net	<u>\$ 103,587,110</u>	<u>\$ 50,798,196</u>	<u>\$ 23,339,109</u>	<u>\$ 131,046,197</u>

Current year additions differ from capital outlay on Statement E by the amount of \$23,120,531 which was reclassified from construction in progress and to buildings for completed construction projects as of June 30, 2009.

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Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 2,176,214
Special programs	932,664
Other instructional programs	497,421
Student Services	310,888
Instructional staff support	373,066
General administration	62,178
School Administration	373,066
Business services	62,178
Plant services	683,954
Student transportation services	373,066
Central services	62,178
Food services	310,888
Total depreciation expense	<u>\$ 6,217,761</u>

NOTE 6 – RETIREMENT SYSTEMS

Plan description Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans – the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest

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thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana Post Office Box 94123 Baton Rouge, Louisiana 70804-9123 (225) 925-6446	Louisiana School Employees' Retirement System Post Office Box 44516 Baton Rouge, Louisiana 70804 (225) 925-6484
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Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2009, are as follows:

	Employee	Employer
Louisiana Teachers' Retirement System:		
Regular	8.00%	16.6%
Plan A	9.10%	16.6%
Louisiana School Employees' Retirement System	7.50%	18.1%

Total covered payroll of the School Board for TRS – Regular Plan, TRS – Plan A, and LSERS for the year ended June 30, 2009, amounted to \$96,190,469, \$69,257 and \$11,574,995, respectively. Employer contributions for the year ended June 30, 2009, and each of the two preceding years are as follows:

<u>Fiscal Year</u>	<u>TRSL</u>	<u>LSERS</u>
<u>Ended</u>		
June 30, 2007	\$11,961,023	\$1,836,170
June 30, 2008	14,070,756	1,861,482
June 30, 2009	14,152,147	2,057,062

Employer contributions totaled 100% of annual actuarially required contributions.

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NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS Effective with the fiscal year ended June 30, 2008, the School Board implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45).

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through an insurance program, whose monthly premiums are paid jointly by the employee and by the School Board. The School Board is self-insured for health care costs.

Funding policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees' contribute to the cost of retiree healthcare is based on a rate schedule. Contribution per retiree varies depending on the number of covered parties. The following is a schedule of amounts paid by retiree and employer for benefits:

<u>Retiree Without Medicare hired prior to 1987</u>	<u>Employee</u>	<u>Employer</u>
Retiree Only	\$ 45.40	\$ 387.86
Retiree & Spouse	172.95	547.69
Retiree & Child	174.53	552.98
Retiree & Children	182.53	549.80
Retiree & Family	226.68	835.75
<u>Retiree Without Medicare hired after 1987</u>		
Retiree Only	\$ 50.24	\$ 387.86
Retiree & Spouse	186.44	547.69
Retiree & Child	194.28	552.98
Retiree & Children	202.68	549.80
Retiree & Family	252.00	835.75
<u>Retiree With Medicare</u>		
Retiree Only	\$ 6.00	\$ 271.17
Retiree & Spouse/1 Medicare	139.88	538.16
Retiree & Spouse/2 Medicare	139.88	398.61
Retiree & Child	141.45	452.68
Retiree & Children	149.45	449.51
Retiree & Family	196.36	764.73
<u>Life Insurance</u>		
Retiree Only	\$ 2.70	\$ 4.63

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The plan is currently financed on a "pay as you go" basis, with the School Board contributing \$8,922,969 for 1,219 retirees.

Annual other post employment benefit cost and liability - The School Board's annual required contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which is being implemented for the year ended June 30, 2008. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 45) was used for post employment benefits. The total ARC for fiscal year ended June 30, 2009 is \$10,460,732, as set forth below:

Normal cost	\$ 2,292,105
30-year UAL amortization amount	<u>8,168,627</u>
Annual required contribution (ARC)	<u>\$ 10,460,732</u>

The following table presents the School Board's OPEB obligation for fiscal year ended June 30, 2009:

Beginning Net OPEB obligation as of July 1, 2008	\$ 1,886,578
Annual required contribution (ARC)	10,146,554
Interest on prior year Net OPEB obligation	314,178
Adjustment to ARC	<u>-</u>
Annual OPEB Cost	12,347,310
Less: current year retiree premiums	<u>8,922,969</u>
Increase in Net OPEB Obligation	<u>3,424,341</u>
Ending net OPEB obligation as of June 30, 2009	<u>\$ 3,424,341</u>

Utilizing the "pay-as-you-go" basis, the School Board contributed 72% of the annual post employment benefits cost during fiscal year ended June 30, 2009.

Funding status and funding progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$141,252,011 was unfunded.

The funding status of the plan, as determined by an actuary as of July 1, 2007, was as follows:

Actuarial accrued liability (AAL)	\$ 141,252,011
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 141,252,011</u>

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Funded ratio (actuarial accrued liability/AAL)	0%
Covered payroll	\$ 107,834,721
UAAL as a percentage of covered payroll	130.99%

Actuarial methods and assumptions - Actuarial valuations of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare costs trends.

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

In the July 1, 2007 Bossier Parish School Board actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumption included a 4% rate of return on investments. The expected rate on increase in healthcare costs was based on Pre-Medicare and Medicare eligible graduated down to an ultimate annual rate of 5.0%. The 1994 Group Annuity Reserving (94GAR) table was used in making actuarial assumptions in regards to mortality rates. This is the mortality table which the Internal Revenue Service (IRS) requires to be used in determining the value of accrued benefits in defined pension plans. An age-related turnover scale based on actual experience as described by the School Board's administrative staff was used. The rates, when applied to the active employee census, produced an annual turnover of approximately 14%.

The remaining amortization period at June 30, 2009, for other post employment benefits (OPEB) was twenty-eight years.

NOTE 8 – ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2009, are as follows:

	General	Sales Tax	BPSB Unified Construction	Bossier Education Excellence Permanent	Other Governmental	Internal Service	Total
Salaries	\$ 5,988,818	\$ -	\$ 75,089	\$ -	\$ 1,873,922	\$ -	\$ 7,937,829
Accounts	5,471,051	173,614	414,250	55,724	536,814	1,151,007	7,802,460
Total	<u>\$ 11,459,869</u>	<u>\$ 173,614</u>	<u>\$ 489,339</u>	<u>\$ 55,724</u>	<u>\$ 2,410,736</u>	<u>\$ 1,151,007</u>	<u>\$ 15,740,289</u>

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NOTE 9 – COMPENSATED ABSENCES At June 30, 2009, employees of the School Board have accumulated and vested \$7,935,700 of employee leave benefits, which includes \$113,423 of employee-related benefits. These benefits were computed in accordance with GASB Codification Section C60.

NOTE 10 – AGENCY FUND DEPOSITS DUE OTHERS A summary of changes in agency fund deposits due others follows:

	Balance at Beginning Of Year	Additions	Deductions	Balance At End Of Year
School activities	\$ 2,434,618	\$ 7,869,838	\$ 7,904,359	\$ 2,400,097

NOTE 11 – LONG-TERM LIABILITIES

General Long-Term Liabilities The following is a summary of the long-term obligation transactions for the year ended June 30, 2009:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due Within One Year
Governmental Activities					
Bonds payable	\$ 64,590,000	\$ 5,119,717	\$ 12,307,191	\$ 57,402,526	\$ 3,387,191
QZAB loans payable	5,179,794	-	223,972	4,955,822	223,972
Note payable	10,000,000	-	-	10,000,000	945,000
OPEB obligation	1,886,578	1,537,763	-	3,424,341	-
Claims and judgments payable	3,997,442	28,490,240	28,404,182	4,083,500	3,568,088
Capital leases payable	1,265,064	-	316,225	948,839	145,398
Compensated absences	7,811,625	3,992,369	3,868,294	7,935,700	3,868,294
Governmental Activities					
Long-term debt	\$ 94,730,503	\$ 39,140,089	\$ 45,119,864	\$ 88,750,728	\$ 12,137,943

The compensated absences liability attributable to the governmental activities will be liquidated 100% by the General Fund.

The individual issues are as follows:

Date	Original Amount	Interest Rates	Final Payment Due	Interest to Maturity	Deferred Amount	Principal Outstanding	Amount Due Within One Year
Parish-wide 2008	\$ 10,000,000	3.50-4.75%	2028	\$ 2,523,120	\$ -	\$ 6,000,000	\$ 1,000,000
Parish-wide 2008 2008 Cert of	5,119,717	3.00-5.00%	2017	819,022	109,717	4,672,526	477,191
Indebtedness	10,000,000	3.75-4.50%	2018	2,168,881	-	10,000,000	945,000
Parish-wide 2007	20,000,000	3.60-5.00%	2027	7,043,613	-	14,500,000	510,000
Parish-wide 2006	20,000,000	3.66-5.25%	2026	6,906,372	-	14,935,000	570,000
Parish-wide 2005	22,460,000	3.00-5.00%	2025	6,349,612	-	17,295,000	830,000
QZAB 2006	3,500,000	4.00%	2016	112,000	-	3,500,000	-
QZAB 2001	3,000,000	Noninterest	2015	-	-	1,455,822	223,972
				<u>\$ 25,922,620</u>	<u>\$ 109,717</u>	<u>\$ 72,358,348</u>	<u>\$ 4,556,163</u>

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The parish wide bonds and certificate of indebtedness that were issued in 1997, 2005, 2006, 2007, and 2008 were issued to fund construction, renovation, repair, and improvement of public school buildings. The principal and interest is paid by the Debt Service Fund except for one \$10,000,000 parish-wide bond issue which is paid from the General Fund.

The School Board entered into two loan agreements under the Qualified Zone Academy Bonds Program (QZAB) which were issued in 2001 and 2006 to fund improvements at various schools within the parish. The Taxpayer Relief Act of 1997 provided this financial tool whereby interest on QZABs is paid by the federal government in the form of an annual tax credit to the financial institutions that hold QZABs. The bonds are secured solely by the payments made by the School Board under the loan agreements. The School Board makes payments from the General Fund

The 2001 QZAB loan is an interest free loan requiring quarterly principal payments of \$55,993 with the final payment due in 2015. For the year ended June 30, 2009, the School Board made principal payments of \$223,972.

In 2006, the School Board received \$3,500,000 QZAB taxable certificates of indebtedness, an allocation from the State of Louisiana Department of Education. According to the trust agreement, the School Board is required to make annual deposits into a debt service fund (sinking fund) held by the Bank of New York (the Trustee) of \$292,120, which includes a \$14,000 supplemental coupon payment (interest). The Trustee is responsible for paying off the \$3,500,000 in December 2016 from the sinking fund.

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2009, the School Board has accumulated \$7,295,060 in the debt service funds for future debt requirements.

The amount of debt related to acquiring capital assets during the year ended June 30, 2009, for the School Board was \$72,940,141.

Debt Service Requirements Annual debt service requirements to maturity are as follows:

<u>Year ending June 30,</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Total</u>
2010	\$ 2,880,519	\$ 4,556,163	\$ 7,436,682
2011	2,675,603	3,906,163	6,581,766
2012	2,518,015	4,126,163	6,644,178
2013	2,360,921	4,321,163	6,682,084
2014	2,194,199	4,526,163	6,720,362
2015-2019	8,203,504	24,732,533	32,936,037
2020-2024	4,311,138	17,370,000	21,681,138
2025-2028	778,721	8,820,000	9,598,721
	<u>\$ 25,922,620</u>	<u>\$ 72,358,348</u>	<u>\$ 98,280,968</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2009, the statutory limit is \$315,576,139 and outstanding net bonded debt totals \$50,107,466.

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Current Refunding On March 1, 2009, the School Board issued \$5,010,000 of General Obligation School Refunding Bonds, Series 2008, (interest rate of 3.0% to 5.0%) to advance refund \$5,055,000 of outstanding General Obligation School Bonds, Series 1997 (interest rate 4.50% to 10.0%). The bonds were issued at a premium of \$181,259 and, after paying issuance costs of \$71,541, the net proceeds were \$5,119,917. The deferred amount on the bond refunding in the amount of \$109,717 is included in the amount of the bond payable and is being amortized over nine (9) years as a component of interest expense.

Capital Leases The School Board records items under capital leases as an asset and an obligation in the accompanying financial statements. The following is an analysis of capital leases at June 30, 2009:

<u>Type:</u>	<u>Total</u>
Unisys mainframe/computer equipment	<u>\$1,581,000</u>

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2009:

<u>Fiscal year:</u>	<u>Unisys Mainframe</u>
2010	\$ 172,042
2011	344,184
2012	344,084
2013	<u>172,035</u>
Total	1,032,345
Less amounts representing interest	<u>(83,506)</u>
Present value of net minimum lease payments	<u>\$ 948,839</u>

NOTE 12 – INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Interfund Receivables/Payables

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Sales Tax Department	\$ 2,362,770
	Other governmental	3,053,389
Unified Construction	Other governmental	1,118
Other governmental	General Fund	781,015
	Other governmental	674,858
	Sales Tax Department	1,300,000
Internal Service	General Fund	<u>4,515,277</u>
Total		<u>\$ 12,688,427</u>

The purpose of interfund assets/liabilities was to pay health insurance premiums and cover expenses in cost reimbursement programs until the reimbursement requisitions are deposited.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

NOTE 13 – RESERVED AND DESIGNATED FUND BALANCES (FFS LEVEL ONLY)

Reservations

Encumbrances Encumbrances outstanding at year end represent the estimated amount the School Board intends to honor as a commitment regardless of the lapse in the appropriation.

Debt Service This amount represents the portion of fund balance that has been reserved in the debt service fund for future payment of principal and interest on bonded debt.

Inventory This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

Instructional Enhancement This amount represents the portion of fund balance that has been reserved in the Bossier Educational Excellence Fund (permanent fund).

Prepaid Items Fund balance is reserved for prepaid expenditures which indicates that fund balances in that amount is not available for appropriation and expenditures.

NOTE 14 – INTERFUND TRANSFERS Transfers for the year ended June 30, 2009, were as follows:

<u>Transfers In</u>		<u>Transfers Out</u>
General Fund	Sales Tax	\$ 29,754,492
	Other Governmental	12,110,000
Other Governmental	General Fund	200,000
	Sales Tax	13,608,983
Total		<u>\$ 55,673,475</u>

The purpose of the interfund transfers was to pay salaries from the sales tax supplement.

NOTE 15 – RISK MANAGEMENT The School Board maintains a risk management program for workers' compensation. During fiscal year 2009 a total of \$269,268 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$300,000. Interfund premiums are based primarily upon the individual funds payroll and are reported as expenditures in the individual funds.

The School Board maintains a risk management program for employees' health insurance. Premiums are paid into the health insurance internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. An excess coverage insurance policy covers individual claims in excess of \$150,000. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds. The incurred but not reported claims at year end of \$3,103,668 have been accrued based upon the third party administrator's calculation using historical claim experience. Claims payable does not include incremental costs.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

Changes in the claims amount in the current and the previous fiscal years are as follows:

Year ended June 30,	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Ending of Fiscal Year Liability
Group Health Insurance				
2006-2007	\$ 2,164,606	\$ 22,885,898	\$ 22,338,178	\$ 2,712,326
2007-2008	2,712,326	26,256,259	25,953,367	3,015,218
2008-2009	3,015,218	28,129,597	28,041,147	3,103,668
Worker's Compensation				
2006-2007	1,103,690	430,321	447,542	1,086,469
2007-2008	1,086,469	239,828	354,073	972,224
2008-2009	972,224	269,258	363,035	878,447
Claims and judgments				
2006-2007	10,000	-	-	10,000
2007-2008	10,000	-	-	10,000
2008-2009	10,000	176,635	85,250	101,385

The claims and judgments liability attributable to the governmental activities will be liquidated 100% by the General Fund.

In addition, the School Board is at risk for property damage, liability and theft which are covered by commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 16 – LITIGATION AND CLAIMS

Litigation The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount would not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Construction Projects The School Board had major construction projects during 2009 for a new school and other building improvements. One of the construction projects in progress was completed shortly after June 30, 2009. It had a total budgeted cost of \$35,000,000 with \$32,482,000 spent as of June 30, 2009.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

NOTE 17 – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$54,723. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 18 – ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$96,057,350 to the School Board, which represents approximately 46% of the School Board's total revenue for the year.

NOTE 19 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balances The following fund has a deficit in the fund balance at June 30, 2009:

Fund	Deficit Amount
Internal Service	\$ 2,623,032

The deficit in the Internal Service is due to the recording of the OPEB obligation at June 30, 2008 and 2009.

B. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2009:

Fund	Budget	Actual	Unfavorable Variance
Title II	\$1,336,401	\$1,391,425	\$ 55,024
Special Education	3,877,404	3,904,020	26,616
School Food Service	10,049,246	10,062,910	13,664

NOTE 20 – CORRECTION OF ERRORS In the financial statements for the year ended June 30, 2009, errors arising from prior period financial statements made in accounting for in the government-wide financial statements, the general fund, and the internal service fund were identified and corrected in the opening balances of net assets or fund balances.

**Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009**

For the government-wide financial statement presentation, the errors were corrected which had the following effect on the beginning balance of net assets:

	<u>Government- Wide Net Assets</u>
Beginning fund balance, as previously reported	\$ 108,108,286
Adjustment to workers' compensation liability – long term portion	(515,413)
Adjustment to accounts payable clearing account	85,390
Adjustment to payroll clearing account	(170,881)
Adjustment of hospitalization claims	(1,105,471)
Beginning fund balance, as corrected	<u>\$ 106,401,911</u>

For the General Fund in the governmental fund financial statements the error has been corrected and has had the following effect on the beginning balance:

	<u>General Fund Net Assets</u>
Beginning fund balance, as previously reported	\$ 20,103,987
Record bond sinking fund for QZAB	278,120
Adjustment of the cash account	97,256
Adjustment to payroll clearing account	(182,747)
Beginning fund balance, as corrected	<u>\$ 20,296,616</u>

For the Internal Service Fund in the proprietary fund financial statements the error has been corrected and has had the following effect on the beginning balance:

	<u>Internal Service Fund Net Assets</u>
Beginning fund balance, as previously reported	(\$ 1,711,345)
Adjustment of hospitalization claims	(1,105,471)
Beginning fund balance, as corrected	<u>(\$ 2,816,816)</u>

Bossier Parish School Board
Notes to the Basic Financial Statements
June 30, 2009

NOTE 21 – SUBSEQUENT EVENTS The Bossier Parish Sheriff's Office, Federal Bureau of Investigation, and the Louisiana State Legislative Auditor's Office had an on-going investigation of the Maintenance Department of the Bossier Parish School Board. The six month investigation led to a 196-count indictment against the five defendants and Ark-La-Tex Air Repair, Inc., charging conspiracy to commit mail fraud, mail fraud, and forfeiture of the corporate assets of Air Repair. In September 2009, three former School Board employees, along with the owners of Ark-La-Tex Air Repair, Inc., were sentenced by a U.S. District Judge. In addition to time in prison, each of them were ordered to pay restitution of \$1,194,300. for defrauding the School Board.

In July 2009, the School Board applied for federal American Recovery and Reinvestment Act, or ARRA, funds available as no-interest loans. The School Board initially qualified for authority to issue up to \$30 million in Qualified School Construction Bonds out of \$131.6 million available to the state as a whole. State officials later decided to cap bond issuance at \$10 million per requester. The ARRA funds are not grants but allow school systems to borrow the money interest-free. In September 2009, the School Board approved a \$10 million bond sale for construction project that must be completed within the next three years. J.P. Morgan Chase Bank in Shreveport purchased the bond.

**REQUIRED SUPPLEMENTAL
INFORMATION**

Bossier Parish School Board

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2009**

	(a)	(b)	(b-a)	(a/b)	(c)	(b-a/c)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	\$ -	\$141,252,011	\$141,252,011	0%	\$114,450,021	123.42%

Bossier Parish School Board
Budgetary Comparison Schedule

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

SALES TAX The sales tax fund accounts for the collection of sales tax in Bossier Parish applicable to the School Board.

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2009**

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (Budgetary Basis)	WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 18,378,364	\$ 18,378,364	\$ 18,378,364	\$ -
Resources (inflows)				
Local sources				
Taxes				
Ad valorem	25,044,653	25,642,246	26,759,855	1,117,609
Interest earnings	650,000	184,045	256,898	72,853
Other	735,760	1,458,990	2,183,530	724,540
State sources				
Equalization	88,565,438	90,699,209	90,699,209	-
Other	1,977,870	7,184,114	7,235,629	51,515
Federal sources	2,150,350	2,996,084	2,668,715	(327,369)
Transfers from other funds	38,708,144	41,864,492	41,864,492	-
Amounts available for appropriations	<u>176,210,579</u>	<u>188,407,544</u>	<u>190,046,692</u>	<u>1,639,148</u>
Charges to appropriations (outflows)				
General government				
Instruction				
Regular programs	62,250,340	67,027,447	75,232,690	(8,205,243)
Special programs	20,848,570	22,222,393	22,238,649	(16,256)
Other instructional programs	12,354,703	15,508,161	7,627,821	7,880,340
Support services				
Student services	7,038,689	7,620,967	7,763,954	(142,987)
Instructional staff support	7,012,549	7,256,271	6,912,864	343,407
General administration	1,616,540	1,648,198	1,588,439	59,759
School administration	12,277,975	11,704,351	11,697,565	6,786
Business services	1,705,416	1,714,145	1,978,827	(264,682)
Plant services	18,850,539	21,313,479	17,882,943	3,430,536
Student transportation services	11,429,474	11,873,966	11,884,758	(10,792)
Central services	1,323,108	1,196,951	1,208,489	(11,538)
Community service programs	78,557	78,557	-	78,557
Capital outlay	-	11,257	3,000	8,257
Debt service				
Principal retirement	981,224	1,298,153	1,020,082	278,071
Transfers to other funds	-	221,506	221,506	-
Total charges to appropriations	<u>157,767,684</u>	<u>170,695,802</u>	<u>167,261,587</u>	<u>3,434,215</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 18,442,895</u>	<u>\$ 17,711,742</u>	<u>\$ 22,785,105</u>	<u>\$ 5,073,363</u>

See notes to budgetary comparison schedules.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

SPECIAL REVENUE
SALES TAX
Budgetary Comparison Schedule
For the Year Ended June 30, 2009

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (Budgetary Basis)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,777,855	\$ 3,349,255	\$ 3,349,255	\$ -
Resources (inflows)				
Local sources				
Taxes				
Sales tax	<u>39,050,000</u>	<u>43,872,479</u>	<u>43,872,479</u>	<u>-</u>
Amounts available for appropriations	<u>42,827,855</u>	<u>47,221,734</u>	<u>47,221,734</u>	<u>-</u>
Charges to appropriations (outflows)				
General government				
Support services				
General administration	350,000	351,923	351,923	-
Transfers to other funds	<u>38,700,000</u>	<u>43,163,475</u>	<u>43,163,475</u>	<u>-</u>
Total charges to appropriations	<u>39,050,000</u>	<u>43,515,398</u>	<u>43,515,398</u>	<u>-</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,777,855</u>	<u>\$ 3,706,336</u>	<u>\$ 3,706,336</u>	<u>\$ -</u>

See notes to budgetary comparison schedules.

Bossier Parish School Board
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2009

A. BUDGETS

General Budget Practices The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds' budgets. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the Board. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are generally prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2009

Note C- Budget to GAAP Reconciliation - Explanantion of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>	<u>SALES TAX</u>
<u>Sources/inflows of resources:</u>		
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 190,046,692	\$ 47,221,734
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(18,378,364)	(3,349,255)
Federal revenue included for budgetary basis, but included in Special Federal Fund for reporting purposes	(781,802)	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	<u>(41,864,492)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 129,022,034</u>	<u>\$ 43,872,479</u>
<u>Uses/outflows of resources:</u>		
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 167,261,587	\$ 43,515,398
Federal expenses included for budgetary basis, but included in Special Federal Fund for financial reporting purposes	(781,802)	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	<u>(221,506)</u>	<u>(43,163,475)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 166,258,279</u>	<u>\$ 351,923</u>

SUPPLEMENTAL INFORMATION

Bossier Parish School Board



BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2009

Exhibit 2

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 1,219,758	\$ 333,226	\$ 7,969	\$ 1,560,953
Investments	2,900,230	6,944,981	-	9,845,211
Receivables	2,278,194	16,853	540	2,295,587
Interfund receivables	2,080,873	-	675,000	2,755,873
Inventory	135,087	-	-	135,087
Total assets	<u>8,614,142</u>	<u>7,295,060</u>	<u>683,509</u>	<u>16,592,711</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts, salaries and other payable	2,410,737	-	-	2,410,737
Interfund payable	3,054,365	-	675,000	3,729,365
Deferred revenue	50,521	-	-	50,521
Total liabilities	<u>5,515,623</u>	<u>-</u>	<u>675,000</u>	<u>6,190,623</u>
Fund Balances				
Reserved for debt service	-	7,295,060	-	7,295,060
Reserved for inventory	135,087	-	-	135,087
Unreserved, reported in				
Special Revenue	2,963,432	-	-	2,963,432
Capital Projects	-	-	8,509	8,509
Total fund balances	<u>3,098,519</u>	<u>7,295,060</u>	<u>8,509</u>	<u>10,402,088</u>
Total liabilities and fund balances	<u>\$ 8,614,142</u>	<u>\$ 7,295,060</u>	<u>\$ 683,509</u>	<u>\$ 16,592,711</u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year ended June 30, 2009

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ -	\$ 9,367,736	\$ -	\$ 9,367,736
Interest earnings	35,306	76,472	-	111,778
Food services	2,400,667	-	-	2,400,667
Other	1,977,943	-	-	1,977,943
State sources				
Equalization	2,392,720	-	-	2,392,720
Other	1,387,736	70,325	-	1,458,061
Federal sources	16,031,968	-	-	16,031,968
Total revenues	<u>24,226,340</u>	<u>9,514,533</u>	<u>-</u>	<u>33,740,873</u>
EXPENDITURES				
Current				
Instruction				
Regular programs	783,506	-	-	783,506
Special programs	3,660,390	-	-	3,660,390
Other instructional programs	1,818,583	-	-	1,818,583
Support services				
Student services	1,137,807	-	-	1,137,807
Instructional staff support	3,366,451	-	-	3,366,451
General administration	1,162,242	-	-	1,162,242
Business services	144,884	-	-	144,884
Plant services	46,106	-	-	46,106
Student transportation services	34,406	-	-	34,406
Central services	6,164	-	-	6,164
Food services	10,062,910	-	-	10,062,910
Capital outlay	115,248	-	-	115,248
Debt service				
Principal retirement	-	7,240,000	-	7,240,000
Interest and bank charges	-	2,749,647	-	2,749,647
Total expenditures	<u>22,338,697</u>	<u>9,989,647</u>	<u>-</u>	<u>32,328,344</u>
EXCESS (Deficiency) OF REVENUES OVER	<u>1,887,643</u>	<u>(475,114)</u>	<u>-</u>	<u>1,412,529</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,700,000	-	12,108,983	13,808,983
Transfers out	-	-	(12,110,000)	(12,110,000)
Total other financing sources (uses)	<u>1,700,000</u>	<u>-</u>	<u>(1,017)</u>	<u>1,698,983</u>
Net change in fund balances	3,587,643	(475,114)	(1,017)	3,111,512
FUND BALANCES - BEGINNING	<u>(489,124)</u>	<u>7,770,174</u>	<u>9,526</u>	<u>7,290,576</u>
FUND BALANCES - ENDING	<u>\$ 3,098,519</u>	<u>\$ 7,295,060</u>	<u>\$ 8,509</u>	<u>\$ 10,402,088</u>

The accompanying notes are an integral part of the financial statements.

Bossier Parish School Board

Non Major Special Revenue Funds

TITLE I To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. This fund is primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

TITLE II This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

TITLE III To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

TITLE IV To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

TITLE V To assist state and local educational agencies in the reform of elementary and secondary education.

SPECIAL EDUCATION

STATE GRANTS To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

PRESCHOOL To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

REGION VII SERVICE CENTER This program was designed to provide workshops for teachers and administrators. The Teacher Evaluation Program is coordinated through this program. Workshops provide points to administrators towards their continuing education.

SCHOOL FOOD SERVICE This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

LOUISIANA EDUCATIONAL EXCELLENCE Louisiana Revised Statute (LRS): 39:98.1-98.5 established the Education Excellence Fund (EEF) as a component of the Millennium Trust. By legislative mandate, the State Department of Education has the responsibility of providing for 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."

SPECIAL FEDERAL FUND This fund accounts for various federal grants.

Bossier Parish School Board

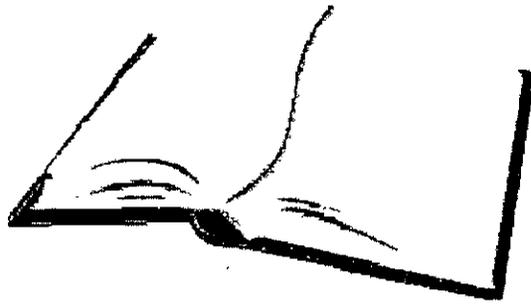
Non Major Special Revenue Funds

IDEA LOUISIANA ASSISTIVE TECHNOLOGY INITIATIVE GRANT The purpose of this grant is to establish the final two regional technical assistance centers for assistive technology in Louisiana. The centers will assist in increasing the capacity of school districts in Regions 7 and 5 to provide assistive technology services by making training and technical assistance available to teachers, therapists, administrators, paras, and parents.

QZAB FUND This fund accounts for renovations and other improvements to school facilities.

CREOSOTE SETTLEMENT FUND This fund accounts for settlement monies received from a class action law suit in the Lincoln Creosote Litigation. The money is to be used to construct a new classroom wing at Plantation Park Elementary School.

Bossier Parish School Board



BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2009

	TITLE I	TITLE II	TITLE III	TITLE IV	TITLE V	SPECIAL EDUCATION
ASSETS						
Cash and cash equivalents	\$ 484,140	300,740	\$ 12,070	\$ 2,652	\$ 89,512	\$ 55,020
Investments	-	-	-	-	-	-
Receivables	763,453	267,133	10,540	26,810	5,249	1,048,021
Interfund receivables	1,157	3,793	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	1,248,750	571,666	22,610	29,462	94,761	1,103,041
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts, salaries and other payables	681,949	302,953	9,642	7,951	92,949	400,728
Interfund payables	566,801	268,713	12,968	21,511	1,812	691,175
Deferred revenue	-	-	-	-	-	11,138
Total liabilities	1,248,750	571,666	22,610	29,462	94,761	1,103,041
Fund balances						
Reserved for inventory	-	-	-	-	-	-
Unreserved - undesignated	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-
Total liabilities and fund balances	\$ 1,248,750	\$ 571,666	\$ 22,610	\$ 29,462	\$ 94,761	\$ 1,103,041

The accompanying notes are an integral part of the financial statements.

PRESCHOOL	REGION VII SERVICE CENTER	SCHOOL FOOD SERVICE	LOUISIANA EDUCATIONAL EXCELLENCE	SPECIAL FEDERAL	LOUISIANA ASSISTIVE TECHNOLOGY INITIATIVE	QZAB	CREOSOTE	TOTAL
\$ -	\$ -	\$ 111,979	\$ 32,879	\$ -	\$ 26,665	\$ 3,930	\$ 100,171	\$ 1,219,758
-	-	230	1,150,000	-	-	-	1,750,000	2,900,230
39,650	19,801	52,799	6,070	-	36,285	-	2,383	2,278,194
432	-	2,075,491	-	-	-	-	-	2,080,873
-	-	135,087	-	-	-	-	-	135,087
<u>40,082</u>	<u>19,801</u>	<u>2,375,586</u>	<u>1,188,949</u>	<u>-</u>	<u>62,950</u>	<u>3,930</u>	<u>1,852,554</u>	<u>8,614,142</u>
22,435	2,723	777,579	27,919	-	31,067	-	52,842	2,410,737
17,647	14,258	1,424,576	3,021	-	31,883	-	-	3,054,365
-	-	39,383	-	-	-	-	-	50,521
<u>40,082</u>	<u>16,981</u>	<u>2,241,538</u>	<u>30,940</u>	<u>-</u>	<u>62,950</u>	<u>-</u>	<u>52,842</u>	<u>5,515,623</u>
-	-	135,087	-	-	-	-	-	135,087
-	2,820	(1,039)	1,158,009	-	-	3,930	1,799,712	2,963,432
-	2,820	134,048	1,158,009	-	-	3,930	1,799,712	3,098,519
<u>\$ 40,082</u>	<u>\$ 19,801</u>	<u>\$ 2,375,586</u>	<u>\$ 1,188,949</u>	<u>\$ -</u>	<u>\$ 62,950</u>	<u>\$ 3,930</u>	<u>\$ 1,852,554</u>	<u>\$ 8,614,142</u>

The accompanying notes are an integral part of the financial statements.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

NON MAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2009

	TITLE I	TITLE II	TITLE III	TITLE IV	TITLE V	SPECIAL EDUCATION
REVENUES						
Local sources						
Taxes						
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use	-	-	-	-	-	-
Interest earnings	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Other	-	-	-	-	-	-
State sources						
Equalization	-	-	-	-	-	-
Other	-	-	-	-	-	-
Federal sources	4,883,446	1,391,425	101,551	85,828	7,428	3,904,020
Total revenues	4,883,446	1,391,425	101,551	85,828	7,428	3,904,020
EXPENDITURES						
Current						
Instruction						
Regular programs	47,854	694,076	41,576	-	-	-
Special programs	2,363,323	-	121	-	-	1,206,161
Other instructional programs	372,038	101,400	41,570	-	3,831	65,236
Support services						
Student services	429,863	-	-	63,278	-	641,662
Instructional staff support	855,386	407,553	16,351	17,118	-	1,717,318
General administration	775,780	141,702	1,966	5,432	753	144,809
School administration	-	-	-	-	-	-
Business administration	37,466	-	(23)	-	2,844	89,788
Plant services	-	40,530	-	-	-	5,578
Student transportation services	936	-	-	-	-	33,470
Central services	-	8,164	-	-	-	-
Food services	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Capital outlay						
Debt service	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-
Interest and bank charges	-	-	-	-	-	-
Total expenditures	4,883,446	1,391,425	101,551	85,828	7,428	3,904,020
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	-	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

PRE-SCHOOL	REGION VII SERVICE CENTER	SCHOOL FOOD SERVICE	LOUISIANA EDUCATIONAL EXCELLENCE	SPECIAL FEDERAL	LOUISIANA ASSISTIVE TECHNOLOGY INITIATIVE	QZAB	CREOSOTE	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	6	4,360	-	-	19,277	11,663	35,306
-	-	2,400,667	-	-	-	-	-	2,400,667
-	68,984	5,662	-	-	-	-	1,903,297	1,977,943
-	-	2,392,720	-	-	-	-	-	2,392,720
-	-	-	1,387,736	-	-	-	-	1,387,736
121,336	4,162	4,542,118	-	781,802	208,852	-	-	16,031,968
121,336	73,146	9,341,173	1,392,096	781,802	208,852	19,277	1,914,960	24,226,340
-	-	-	-	-	-	-	-	783,506
40,663	-	-	-	-	50,122	-	-	3,660,390
-	4,162	-	448,896	781,450	-	-	-	1,818,583
-	-	-	-	-	3,204	-	-	1,137,807
68,177	-	-	152,822	352	131,374	-	-	3,366,451
12,496	54,470	-	-	-	23,844	-	-	1,162,242
-	-	-	-	-	-	-	-	-
-	14,501	-	-	-	308	-	-	144,884
-	-	-	-	-	-	-	-	45,106
-	-	-	-	-	-	-	-	34,406
-	-	-	-	-	-	-	-	5,164
-	-	10,062,910	-	-	-	-	-	10,062,910
-	-	-	-	-	-	-	115,248	115,248
-	-	-	-	-	-	-	-	-
121,336	73,133	10,062,910	601,718	781,802	208,852	-	115,248	22,338,697
\$ -	\$ 13	\$ (721,737)	\$ 790,378	\$ -	\$ -	\$ 19,277	\$ 1,799,712	\$ 1,887,643
-	-	1,700,000	-	-	-	-	-	1,700,000
-	-	1,700,000	-	-	-	-	-	1,700,000
-	13	978,263	790,378	-	-	19,277	1,799,712	3,587,643
-	2,807	(844,215)	367,631	-	-	(15,347)	-	(489,124)
\$ -	\$ 2,820	\$ 134,048	\$ 1,158,009	\$ -	\$ -	\$ 3,930	\$ 1,799,712	\$ 3,098,519

The accompanying notes are an integral part of the financial statements

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-1

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****TITLE I*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 4,883,446	4,883,446	\$ -
Total revenues	<u>4,883,446</u>	<u>4,883,446</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	3,234,240	2,783,215	451,025
Support services			
Student services	430,411	429,663	748
Instructional staff support	1,079,359	855,386	223,973
General administration	139,436	776,780	(637,344)
Business services	-	37,466	(37,466)
Plant services	-	-	-
Student transportation services	-	936	(936)
Central services	-	-	-
Total expenditures	<u>4,883,446</u>	<u>4,883,446</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-2

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****TITLE II*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 1,336,401	1,391,425	\$ 55,024
Total revenues	<u>1,336,401</u>	<u>1,391,425</u>	<u>55,024</u>
EXPENDITURES			
Current			
Instruction	883,452	795,476	87,976
Support services			
Pupil support	-		-
Instructional staff support	405,129	407,553	(2,424)
General administration	47,820	141,702	(93,882)
Plant services	-	40,530	(40,530)
Central services	-	6,164	(6,164)
Total expenditures	<u>1,336,401</u>	<u>1,391,425</u>	<u>(55,024)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-3

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****TITLE III*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 101,551	101,551	\$ -
Total revenues	<u>101,551</u>	<u>101,551</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	99,595	83,267	16,328
Support services			
Instructional staff support	-	16,351	(16,351)
General administration	1,956	1,956	-
Business services	-	(23)	23
Total expenditures	<u>101,551</u>	<u>101,551</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-4

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****TITLE IV*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 85,828	85,828	\$ -
Total revenues	<u>85,828</u>	<u>85,828</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support services			
Student services	83,934	63,278	20,656
Instructional staff support	-	17,118	(17,118)
General administration	1,894	5,432	(3,538)
Total expenditures	<u>85,828</u>	<u>85,828</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Net change in fund balances	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-5

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****TITLE V*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 7,428	7,428	\$ -
Total revenues	<u>7,428</u>	<u>7,428</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	3,830	3,831	(1)
Support services			
Instructional staff support	3,172	-	3,172
General administration	426	753	(327)
Business services	<u>-</u>	<u>2,844</u>	<u>(2,844)</u>
Total expenditures	<u>7,428</u>	<u>7,428</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-6

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****SPECIAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	<u>\$ 3,877,404</u>	<u>3,904,020</u>	<u>\$ 26,616</u>
Total revenues	<u>3,877,404</u>	<u>3,904,020</u>	<u>26,616</u>
EXPENDITURES			
Current			
Instruction	1,284,161	1,271,397	12,764
Support services			
Student services	226,610	641,662	(415,052)
Instructional staff support	2,031,861	1,717,318	314,543
General administration	135,619	144,809	(9,190)
Business services	133,459	89,788	43,671
Plant services	20,587	5,576	15,011
Student transportation services	<u>45,107</u>	<u>33,470</u>	<u>11,637</u>
Total expenditures	<u>3,877,404</u>	<u>3,904,020</u>	<u>(26,616)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-7

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****PRESCHOOL*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 121,336	\$ 121,336	\$ -
Total revenues	<u>121,336</u>	<u>121,336</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	40,663	40,663	-
Support services			
Instructional staff support	76,523	68,177	8,346
General administration	4,150	12,496	(8,346)
Total expenditures	<u>121,336</u>	<u>121,336</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-8

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****REGION VII SERVICE CENTER*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources			
Other	\$ 89,755	68,984	(\$ 20,771)
Federal sources	-	4,162	4,162
Total revenues	<u>89,755</u>	<u>73,146</u>	<u>(16,609)</u>
EXPENDITURES			
Current			
Instruction	86,531	4,162	82,369
Support services			-
General administration	3,211	54,470	(51,259)
Business services	-	14,501	(14,501)
Plant services	-	-	-
Total expenditures	<u>89,742</u>	<u>73,133</u>	<u>16,609</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	13	13	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-9

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****SCHOOL FOOD SERVICE*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources			
Interest earnings	\$ 6	\$ 6	\$ -
Food service	2,365,370	2,400,667	35,297
Other	5,662	5,662	-
State sources			
Equalization	2,392,720	2,392,720	-
Federal sources	4,560,508	4,542,118	(18,390)
Total revenues	<u>9,324,266</u>	<u>9,341,173</u>	<u>16,907</u>
EXPENDITURES			
Current			
Food services	<u>10,049,246</u>	<u>10,062,910</u>	<u>(13,664)</u>
Total expenditures	<u>10,049,246</u>	<u>10,062,910</u>	<u>(13,664)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(724,980)	(721,737)	3,243
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,700,000</u>	<u>1,700,000</u>	<u>-</u>
Net change in fund balance	975,020	978,263	3,243
FUND BALANCE AT BEGINNING OF YEAR	(876,269)	(876,269)	-
FUND BALANCE AT END OF YEAR	<u>\$ 98,751</u>	<u>\$ 101,994</u>	<u>\$ 3,243</u>

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-10

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****LOUISIANA EDUCATIONAL EXCELLENCE*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources			
Interest earnings	\$ 4,360	\$ 4,360	-
State sources			
Other	<u>1,387,736</u>	<u>1,387,736</u>	<u>-</u>
Total revenues	<u>1,392,096</u>	<u>1,392,096</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	192,536	448,896	(256,360)
Support services			
Instructional staff support	<u>409,182</u>	<u>152,822</u>	<u>256,360</u>
Total expenditures	<u>601,718</u>	<u>601,718</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	790,378	790,378	-
FUND BALANCE AT BEGINNING OF YEAR	<u>367,632</u>	<u>367,632</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 1,158,010</u></u>	<u><u>\$ 1,158,010</u></u>	<u><u>\$ -</u></u>

**BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana**

Exhibit 6-11

**NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009**

	*****SPECIAL FEDERAL*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	<u>\$ 781,802</u>	<u>781,802</u>	<u>\$ -</u>
Total revenues	<u>781,802</u>	<u>781,802</u>	<u>-</u>
EXPENDITURES			
Current:			
Instruction	781,450	781,450	-
Support services			
Instructional staff support	<u>352</u>	<u>352</u>	<u>-</u>
Total expenditures	<u>781,802</u>	<u>781,802</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-12

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	****IDEA LA ASSISTIVE TECHNOLOGY INITIATIVE****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 208,852	208,852	\$ -
Total revenues	<u>208,852</u>	<u>208,852</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	50,122	(50,122)
Support services			
Student services	-	3,204	(3,204)
General administration	7,502	23,844	(16,342)
Business services	-	308	(308)
Instructional staff support	201,350	131,374	69,976
Total expenditures	<u>208,852</u>	<u>208,852</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-13

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****QZAB*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Interest	<u>\$ 19,277</u>	<u>\$ 19,277</u>	<u>\$ -</u>
Total revenues	<u>19,277</u>	<u>19,277</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	19,277	19,277	-
Net change in fund balance	19,277	19,277	-
FUND BALANCE AT BEGINNING OF YEAR	<u>(15,347)</u>	<u>(15,347)</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 3,930</u>	<u>\$ 3,930</u>	<u>\$ -</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 6-14

NON MAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2009

	*****CREOSOTE SETTLEMENT FUND*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Settlement funds	\$ 1,903,297	\$ 1,903,297	\$ -
Interest earnings	11,663	11,663	-
Total revenues	<u>1,914,960</u>	<u>1,914,960</u>	<u>-</u>
EXPENDITURES			
Current			
Facility acquisition and construction	115,248	115,248	-
Total expenditures	<u>115,248</u>	<u>115,248</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,799,712	1,799,712	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 1,799,712</u></u>	<u><u>\$ 1,799,712</u></u>	<u><u>\$ -</u></u>

Bossier Parish School Board

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

SCHOOL ACTIVITY AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year ended June 30, 2009

Exhibit 7

	<u>BALANCE, BEGINNING</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE, ENDING</u>
ASSETS				
Cash and cash equivalents	<u>\$ 2,434,618</u>	<u>\$ 7,869,838</u>	<u>\$ 7,904,359</u>	<u>\$ 2,400,097</u>
LIABILITES				
Deposits due others	<u>\$ 2,434,618</u>	<u>\$ 7,869,838</u>	<u>\$ 7,904,359</u>	<u>\$ 2,400,097</u>

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Exhibit 8

SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year ended June 30, 2009

<u>SCHOOL</u>	<u>BALANCE, BEGINNING</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE, ENDING</u>
Adult Learning Center	\$ 7,258	\$ 21,323	\$ 17,867	\$ 10,714
Airline High	236,043	733,172	766,378	202,837
Apollo Elementary	99,958	181,418	194,171	87,205
Bellaire Elementary	35,863	124,663	120,648	39,878
Benton Elementary	85,489	223,986	201,420	108,055
Benton Middle	153,895	343,587	376,299	121,183
Benton High	271,980	693,373	695,143	270,210
Bossier Achievement Center	12,989	25,076	31,624	6,441
Bossier Elementary	36,152	33,746	42,735	27,163
Bossier High	105,025	402,531	437,374	70,182
Bossier Technical Center	32,873	49,671	48,288	34,256
Carrie Martin Elementary	22,321	45,733	52,697	15,357
Central Park Elementary	34,957	53,449	50,861	37,545
Cope Middle	53,206	334,690	319,915	67,981
Legacy Elementary	16,513	263,014	253,444	26,083
Curtis Elementary	68,226	223,754	223,481	68,499
Elm Grove Middle	111,620	382,797	386,896	107,521
Greenacres Middle	114,922	267,809	241,687	141,044
Haughton High	225,831	652,509	647,139	231,201
Haughton Middle	109,603	468,533	449,929	128,207
Kerr Elementary	33,530	65,044	59,920	38,654
Life Skills Center	3,525	10,411	9,974	3,962
Meadowview Elementary	5,975	57,622	49,395	14,202
Mitchell Education Center	8,667	12,184	16,030	4,821
Parkway High	108,537	664,871	657,729	115,679
Plain Dealing High	71,295	161,837	185,668	47,464
Plantation Park Elementary	16,473	67,385	76,709	7,149
Platt Elementary	78,111	173,534	171,091	80,554
Princeton Elementary	46,522	175,493	171,677	50,338
W.T. Lewis Elementary	29,970	284,963	293,103	21,830
Rusheon Middle	91,627	114,123	119,232	86,518
Stockwell Elementary	12,193	183,885	187,219	8,859
Sun City Elementary	22,530	108,406	96,282	34,654
T.L. Rodes Elementary	48,106	149,016	155,048	42,074
Waller Elementary	22,833	116,230	97,286	41,777
Total	<u>\$ 2,434,618</u>	<u>\$ 7,869,838</u>	<u>\$ 7,904,359</u>	<u>\$ 2,400,097</u>

Bossier Parish School Board

General

Exhibit 9

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2009**

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month. The president receives an additional \$100 per month for performing the duties of the president.

Board Member	<u>Amount</u>
Dr. Jack E. Raley, President	\$10,200
William C. Kostelka, Past President	10,200
Mack Knotts	9,600
Michael S. Mosura, II	9,600
James W. Slack	9,600
Kenneth M. Wiggins	9,600
Brad Bockhaus	9,600
Julian Darby	9,600
Dr. Allison O. Brigham	9,600
Tammy A. Smith	9,600
Eddy Ray Presley	9,600
Lindell Webb	<u>9,600</u>
Total	<u>\$116,400</u>

Bossier Parish School Board

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**Bossier Parish School Board
Statistical Section
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Financial Trends		
These schedules contain trend information to help the reader understand how the School Board's financial performance and well being has changed over time.		
Net Assets by Component	1	107
Changes in Net Assets	2	108
Fund Balances of Governmental Funds	3	109
Changes in Fund Balances of Governmental Funds	4	110
Revenue Capacity		
These schedules contain information to help the reader assess the School Board's most significant local revenue sources, property tax and sales tax.		
Assessed Value and Estimated Actual Value of Taxable Property	5	111
Overlapping Governments	6	112
Principal Property Taxpayers	7	113
Property Tax Levies and Collections	8	114
Sales and Use Tax Rates and Collections	9	115
Debt Capacity		
These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue debt in the future.		
Ratios of Outstanding Debt by Type	10	116
Ratios of General Bonded Debt Outstanding	11	117
Direct and Overlapping Governmental Activities Debt	12	118
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**Bossier Parish School Board
Statistical Section
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.

Demographic and Economic Statistics
Principal Employers

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.

School Building Information
School Personnel
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 1

Net Assets by Component
Fiscal Years Ended June 30, 2002 through June 30, 2009
(Accrual Basis of Accounting)

	2002	2003	2004	2005	2006	2007	2008	2009
Governmental Activities								
Invested in capital assets, net of related debt	\$ 35,383,175	\$ 33,275,633	\$ 34,979,399	\$ 36,961,022	\$ 46,842,908	\$ 54,401,197	\$ 64,630,099	\$ 72,259,438
Restricted	14,058,525	15,832,106	17,494,877	23,595,266	22,988,312	27,144,185	30,516,053	33,016,288
Unrestricted	(2,423,011)	5,553,096	8,137,662	7,742,102	7,872,114	14,774,123	12,962,134	19,633,443
Total governmental activities net assets	\$ 47,018,689	\$ 54,660,835	\$ 60,611,938	\$ 68,298,390	\$ 77,703,334	\$ 96,319,505	\$ 108,108,286	\$ 124,909,169

Source: Comprehensive Annual Financial Report

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2002.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 2

Changes in Net Assets
Fiscal Years Ended June 30, 2002 through June 30, 2009
(Accrual Basis of Accounting)

	2002	2003	2004	2005	2006	2007	2008	2009
Expenses								
Instruction	\$ 68,404,042	\$ 45,140,180	\$ 47,141,942	\$ 50,223,381	\$ 53,798,218	\$ 57,018,501	\$ 62,384,688	\$ 68,913,887
Regular programs	-	15,665,958	15,917,187	18,053,919	20,946,643	21,558,642	24,920,232	28,447,878
Special programs	-	-	-	-	-	-	-	-
Other instructional programs	-	10,046,271	11,695,485	12,342,193	14,067,787	10,679,873	15,585,330	15,411,075
Support services								
Pupil support services	4,776,472	4,958,845	5,828,926	6,255,799	6,571,028	6,253,224	8,380,717	8,981,952
Instructional staff support	7,245,551	7,133,972	7,151,018	7,803,005	8,237,024	9,299,653	9,843,236	11,311,458
General administration	1,894,537	1,393,891	2,061,800	2,340,697	2,596,741	2,385,335	2,853,223	2,399,860
School administration	7,941,275	7,457,155	7,493,557	8,331,148	9,091,679	9,730,019	10,795,929	12,192,313
Business services	1,175,853	1,123,833	629,988	1,286,073	1,858,195	2,061,284	2,903,561	2,123,018
Plant services	10,609,549	10,835,801	14,530,060	12,721,235	14,494,714	16,315,718	15,510,718	17,587,649
Student transportation services	8,604,772	6,655,395	6,328,666	8,696,434	8,911,644	10,702,246	11,584,964	10,781,516
Central services	924,266	943,472	973,634	1,090,415	1,099,710	1,178,959	1,302,482	1,234,633
Food services	7,588,684	7,714,439	7,974,793	8,355,588	9,059,028	9,810,528	10,665,710	10,299,214
Community services	200,614	258,353	207,278	200,798	54,697	51,620	86,405	78,557
Interest on long-term debt	1,042,657	888,107	798,494	883,450	1,027,369	1,770,241	2,733,350	3,233,534
Total expenses	118,376,271	120,215,672	128,783,026	138,564,135	151,784,477	159,825,841	179,549,525	191,996,355
Program Revenues								
Charges for services	2,178,708	2,173,671	2,243,896	2,180,916	2,097,020	2,548,045	2,458,130	2,400,667
Food service operations	14,136,456	12,796,737	15,187,765	15,277,489	21,541,682	18,420,794	20,392,791	22,049,260
Operating grants and contributions	18,315,164	14,970,608	17,431,661	17,459,385	23,638,682	20,968,639	22,850,921	24,449,927
Total program revenues	(102,061,107)	(105,245,064)	(111,351,365)	(121,125,750)	(128,145,795)	(137,857,002)	(156,688,604)	(167,546,428)
Net Expense								
General Revenues and Other Changes in Net Assets								
Taxes								
Ad valorem taxes levied for general purposes	1,490,359	1,598,378	1,599,806	2,089,190	2,182,099	2,894,376	2,640,147	2,260,520
Ad valorem taxes levied for debt service purposes	1,673,082	1,232,208	1,208,249	5,980,624	6,021,630	7,529,553	7,908,442	9,367,736
Ad valorem taxes levied for maintenance and operation	3,393,911	4,048,027	3,614,379	3,656,801	3,656,801	4,515,283	4,693,592	5,150,114
Ad valorem taxes levied for salaries and benefits	12,724,820	13,674,537	13,613,447	13,742,570	13,842,340	17,288,604	17,514,608	19,349,221
Sales taxes levied for maintenance and operation of air conditioning systems and any other legal purpose	7,483,613	-	-	-	-	-	-	-
Sales taxes levied for salaries, benefits, and general purposes	14,987,227	22,605,125	25,136,743	30,060,011	35,762,801	39,043,646	39,176,568	43,872,479
Grants and contributions not restricted to specific programs	81,569,622	68,293,507	66,487,789	68,160,629	71,035,430	78,719,311	90,917,263	99,715,392
Interest and investment earnings	550,356	402,003	304,702	1,042,949	2,454,417	4,087,443	3,220,758	1,206,179
Miscellaneous	2,225,892	3,033,427	5,337,953	4,049,428	2,595,221	2,594,757	2,716,009	5,285,184
Total general revenues and other changes in net assets	106,078,882	112,887,210	117,302,468	128,812,202	137,560,739	156,473,173	168,487,385	186,216,825
Change in Net Assets	\$ 4,017,775	\$ 7,642,148	\$ 5,951,103	\$ 7,686,452	\$ 9,404,844	\$ 19,616,171	\$ 11,786,781	\$ 18,670,397

Source: Comprehensive Annual Financial Report
Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2002.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 3

Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 1,834,201	\$ 1,121,536	\$ 1,301,533	\$ 1,263,584	\$ 2,269,437	\$ 1,658,964	\$ 2,393,820	\$ 3,958,071	\$ 4,157,114	\$ 4,145,248
Unreserved	(8,404,408)	(551,588)	2,214,665	8,396,474	10,453,206	11,070,745	10,744,283	15,189,534	15,946,873	20,299,637
Total general fund	<u>(4,570,207)</u>	<u>569,948</u>	<u>3,516,198</u>	<u>9,660,058</u>	<u>12,722,643</u>	<u>12,729,709</u>	<u>13,138,113</u>	<u>19,147,605</u>	<u>20,103,987</u>	<u>24,444,885</u>
All Other Governmental Funds										
Reserved	4,057,228	4,463,476	14,184,470	15,474,762	17,081,054	19,585,142	23,135,517	27,256,668	30,628,981	33,151,374
Unreserved, reported in:										
Special revenue funds	158,819	177,723	200,527	223,957	1,934,487	1,399,240	1,209,326	3,318,951	2,762,550	6,669,768
Capital projects funds	(262,807)	5,026	2,452,098	1,916,966	0	20,052,756	37,873,758	26,941,782	41,878,446	14,609,027
Total all other governmental funds	<u>3,853,240</u>	<u>4,646,225</u>	<u>16,837,095</u>	<u>17,615,685</u>	<u>19,015,541</u>	<u>41,037,136</u>	<u>62,218,601</u>	<u>57,517,401</u>	<u>75,289,977</u>	<u>54,430,169</u>
Grand total of funds	\$ <u>(616,967)</u>	\$ <u>5,216,173</u>	\$ <u>20,353,293</u>	\$ <u>27,275,753</u>	\$ <u>31,738,184</u>	\$ <u>53,766,847</u>	\$ <u>75,356,714</u>	\$ <u>76,665,006</u>	\$ <u>85,373,964</u>	\$ <u>78,875,054</u>

Source: Comprehensive Annual Financial Report

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 4

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Ad valorem taxes	\$ 15,089,337	\$ 17,070,925	\$ 19,282,172	\$ 20,653,148	\$ 20,035,881	\$ 25,469,185	\$ 25,702,870	\$ 32,027,818	\$ 32,456,789	\$ 36,127,591
Sales & use taxes	20,112,987	22,404,446	22,450,840	22,605,128	25,136,743	30,090,011	35,782,801	39,043,846	38,176,586	43,872,479
Investment earnings	340,391	605,198	550,356	402,003	304,702	1,042,949	2,454,417	4,087,449	3,220,758	1,071,796
Food services	1,647,734	2,151,553	2,178,708	2,173,871	2,243,888	2,180,916	2,097,020	2,548,045	2,488,130	2,400,667
Community College tuition	28,997	22,070	38,818	3,830,818	4,643,268	3,582,523	2,774,431	3,490,071	4,398,404	7,263,287
Other revenues	2,195,013	1,957,574	3,785,203	3,830,818	4,643,268	3,582,523	2,774,431	3,490,071	4,398,404	7,263,287
Total revenues from local sources	39,412,158	44,011,776	48,286,897	49,354,763	52,354,490	62,385,584	60,781,539	81,197,221	81,710,847	90,733,820
Revenue from state sources:										
Equalization	64,137,877	56,919,096	59,408,548	62,208,684	64,280,880	65,902,287	68,708,233	75,815,657	87,169,481	93,091,829
Other	3,432,883	3,310,539	3,154,483	3,087,563	5,120,805	3,223,718	4,877,874	3,251,744	5,150,137	8,683,880
Total revenue from state sources	57,570,760	60,229,635	62,563,031	65,296,247	69,401,685	69,126,005	73,586,067	79,067,401	92,319,618	101,775,709
Revenue from federal sources	9,654,096	10,381,284	11,514,118	12,588,808	12,987,954	19,081,777	19,011,775	17,330,716	17,279,051	17,938,220
Total revenues	106,636,815	114,622,695	122,364,045	127,957,818	134,734,129	149,473,346	161,169,421	177,445,338	191,339,306	210,460,659
Expenditures										
Current:										
Instruction services	62,548,847	61,734,905	67,089,119	69,741,210	73,853,631	76,903,777	85,459,859	85,088,872	98,717,378	110,580,189
Pupil support services	4,345,489	4,230,235	4,732,015	4,965,482	6,837,939	6,263,628	6,548,396	6,224,978	8,090,755	8,901,781
Instructional staff support	6,180,344	6,207,800	6,931,033	7,052,789	7,215,104	7,783,528	8,026,148	9,043,528	9,438,048	10,278,963
General administration	1,369,474	1,397,748	2,037,828	1,365,554	2,020,113	2,123,736	2,423,290	2,224,825	2,746,008	3,191,586
School administration	8,914,569	7,182,207	7,780,859	7,452,356	7,540,784	8,235,041	8,778,827	9,399,981	10,378,343	12,155,247
Business services	1,422,561	1,415,997	1,084,943	1,144,553	752,085	1,284,035	1,854,106	1,854,106	2,835,053	2,123,711
Plant services	9,014,337	9,440,540	10,373,898	10,772,821	12,856,558	12,601,760	14,348,373	16,132,066	14,907,288	17,929,048
Student transportation services	5,481,944	5,567,738	6,254,745	6,843,144	6,582,753	8,548,760	8,548,760	11,148,762	11,148,762	11,639,503
Central services	805,866	943,880	888,203	904,614	941,589	1,086,186	1,052,878	1,126,711	1,241,045	1,214,653
Food service	6,822,187	6,930,172	7,442,980	7,698,739	7,862,144	8,081,331	8,810,358	9,518,189	10,311,119	10,062,810
Community services	236,850	76,535	200,814	258,353	207,276	200,798	54,697	51,820	85,057	8,500
Capital outlay	3,268,045	52,821	-	-	1,822,108	5,287,943	6,463,730	18,032,558	38,912,011	27,628,021
Debt service	2,128,153	8,264,534	5,447,532	2,282,387	2,228,413	1,305,204	4,080,166	5,945,166	6,629,862	7,780,187
Principal	1,438,705	1,324,436	1,186,085	909,528	821,994	790,587	1,136,075	1,714,856	2,055,911	3,229,532
Interest	23,394	-	-	-	-	-	98,091	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Total expenditures	112,041,766	114,788,555	121,409,823	121,142,518	130,271,701	140,364,345	159,589,558	176,137,048	217,397,650	227,019,822
Excess of revenues over (under) expenditures	(5,404,940)	(168,860)	984,223	6,715,300	4,462,428	8,109,001	1,589,985	1,308,252	(26,059,344)	(18,559,163)
Other Financing Sources (Uses)										
Proceeds from borrowing	3,000,000	6,000,000	6,078,620	-	-	22,460,000	20,000,000	-	43,500,000	-
Payments to escrow agent	-	-	-	-	-	(6,462,000)	-	-	-	-
Transfers in	29,360,585	30,358,648	29,835,814	29,888,583	24,854,833	37,411,238	59,465,834	48,608,684	48,608,684	55,873,475
Transfers out	(29,360,585)	(30,368,648)	(29,835,814)	(29,888,583)	(24,854,833)	(37,411,238)	(59,465,834)	(48,608,684)	(48,608,684)	(55,873,475)
Capital lease	-	-	-	207,160	-	(29,888,061)	-	-	1,561,000	-
Bond issuance costs	-	-	-	-	-	(80,338)	-	-	(356,850)	(52,386)
Discount on bonds	-	-	-	-	-	-	-	-	(44,838)	-
Premium on bonds	-	-	-	-	-	-	-	-	88,980	-
Total other financing sources (uses)	3,000,000	6,000,000	6,078,620	207,160	-	15,919,982	20,000,000	-	44,768,302	(132,376)
Net change in fund balances	\$ (2,404,940)	\$ 5,833,140	\$ 7,083,843	\$ 9,922,460	\$ 4,462,428	\$ 22,028,963	\$ 21,589,985	\$ 1,308,252	\$ 18,708,956	\$ (18,891,639)
Debt service as a percentage of noncapital expenditures	3.3%	6.4%	5.4%	2.6%	2.4%	1.6%	3.5%	4.5%	4.8%	5.5%

Source: Comprehensive Annual Financial Report

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 5

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Assessed Value			Less: Homestead Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Commercial Property	Personal Property					
2000	\$ 242,296,835	\$ 84,168,670	\$ 87,696,095	\$ 118,730,730	\$ 275,430,870	49.14	\$ 3,453,219,533	11.41%
2001	277,016,129	73,363,553	100,262,279	119,849,120	330,792,841	49.94	3,948,746,767	11.41%
2002	301,080,565	79,736,656	108,972,079	120,793,260	368,986,040	49.94	4,246,271,366	11.53%
2003	313,699,761	83,078,661	113,539,428	125,146,100	385,171,750	49.94	4,436,521,467	11.50%
2004	321,075,560	85,032,030	116,209,000	130,017,316	392,299,274	49.94	4,194,878,067	12.45%
2005	394,113,000	99,725,070	120,736,890	149,345,910	465,229,050	42.98	5,049,774,347	12.17%
2006	417,473,980	114,321,760	124,810,760	152,361,390	504,245,110	42.98	5,386,741,787	12.19%
2007	438,151,300	133,707,730	136,922,750	158,273,507	549,508,273	42.98	5,799,353,587	12.20%
2008	454,826,090	152,909,890	139,883,430	165,120,946	582,498,464	42.98	6,140,446,567	12.18%
2009	463,653,350	213,461,170	301,852,920	176,553,781	802,413,659	38.71	7,146,789,547	13.70%

Source: Bossier Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.
- (4) Total direct tax rate includes only operating millages.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 6

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate		Total School Millage	Overlapping Rate Bossier Parish Police Jury	Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage			
2000	49.14	6.00	55.14	19.69	74.83
2001	49.94	5.22	55.16	19.27	74.43
2002	49.94	4.70	54.64	N/A	54.64
2003	49.94	4.70	54.64	19.69	74.33
2004	49.94	3.20	53.14	19.69	72.83
2005	42.98	13.55	56.53	16.79	73.32
2006	42.98	13.55	56.53	16.79	73.32
2007	42.98	13.55	56.53	17.95	74.48
2008	42.98	13.55	56.53	17.95	74.48
2009	38.71	13.55	52.26	12.61	64.87

Source: Bossier Parish Tax Assessor Agent

Notes:

- (1) School district debt service millage is for individual school districts.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Bossier Parish. Not all overlapping rates apply to all property owners.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 7

Principal Property Taxpayers
June 30, 2009 and Nine Years Ago

Taxpayer	Fiscal Year 2009			Fiscal Year 2000		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Petrohawk Operating Co.	\$ 45,211,320	1	5.63 %	\$ 27,465,620	1	10.20 %
Horseshoe Entertainment	29,053,380	2	3.62			
J-W Operating Co.	19,621,900	3	2.45			
Southwestern Electric Power	15,804,370	4	1.97	16,705,480	2	6.20
Louisiana Riverboat	11,617,100	5	1.45			
Gulf Crossing Pipeline	11,154,940	6	1.39			
City of Shreveport	9,445,360	7	1.18			
Harrah's Bossier City	8,055,850	8	1.00			
AT&T	7,513,670	9	0.94	9,036,550	3	3.36
Questar Exploration Co.	7,480,560	10	0.93			
Hibernia National Bank				3,636,800	4	1.35
ICH LLC				3,605,840	5	1.35
Calumet Lubricants Co. L.P.				3,183,030	6	1.18
Bank One, Louisiana				3,121,990	7	1.18
Isle of Capri Casino				2,644,670	8	1.00
Louisiana Downs				2,588,120	9	0.9
Pierre Bossier Mall L.P.				2,368,670	10	0.9
Totals	\$ 164,958,450		20.56 %	\$ 74,356,770		27.62 %

Source: Bossier Parish Tax Assessor Agency

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 8

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the		Collections In Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 15,190,241	\$ 14,835,143	97.66%	\$ 136,464	\$ 14,971,607	98.56%
2001	18,206,169	16,774,872	92.14%	52,800	16,827,672	92.43%
2002	20,162,108	18,762,514	93.06%	579,441	19,341,955	95.93%
2003	20,468,169	19,527,531	95.40%	32,099	19,559,630	95.56%
2004	20,920,480	20,001,810	95.61%	218,693	20,220,503	96.65%
2005	26,298,710	25,207,777	95.85%	596,858	25,804,635	98.12%
2006	28,505,130	25,702,870	90.17%	63,213	25,766,083	90.39%
2007	31,063,862	31,245,539	100.58%	140,011	31,385,550	101.04%
2008	32,928,804	31,557,254	95.83%	N/A	31,557,254	95.83%
2009	41,934,355	36,173,630	86.26%	N/A	36,173,630	86.26%

Source: Bossier Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 9

Sales and Use Tax Rates and Collections
Last Ten Fiscal Years

Calendar Year	Sales and Use Tax Rates					Tax Collections to Date						
	Parishwide		Municipalities			Parishwide		Municipalities				
	School Board	Police Jury	Enforcement District	Bossier City	Other	Total Rate	School Board	Police Jury	Law Enforcement District	Bossier City	Other	Total Collections
1999	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	\$ 18,999,085	\$ 2,947,440	-	\$ 25,285,727	\$ 1,154,396	\$ 48,386,648
2000	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	21,179,090	4,003,929	-	27,660,745	1,229,126	54,072,890
2001	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	22,591,855	N/A	-	28,790,941	N/A	51,382,796
2002	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	22,412,929	9,223,794	-	28,944,404	1,087,089	61,648,216
2003	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	23,431,848	10,078,295	-	29,936,748	1,304,395	64,751,086
2004	1.75%	2.25%	0.00%	2.50%	7.50%	6.50%	26,117,479	12,066,931	-	32,222,074	1,481,422	71,887,906
2005	1.75%	2.25%	0.25%	2.50%	7.50%	6.75%	33,337,703	13,989,875	4,487,619	35,377,614	1,677,401	88,870,212
2006	1.75%	2.25%	0.25%	2.50%	7.50%	6.75%	37,516,626	16,311,115	5,320,612	37,869,696	2,170,743	99,188,792
2007	1.75%	2.25%	0.25%	2.50%	7.50%	6.75%	38,428,588	17,020,641	5,611,339	39,417,631	2,228,744	102,706,943
2008	1.75%	2.25%	0.25%	2.50%	7.50%	6.75%	41,137,419	22,181,084	5,854,274	40,569,475	2,211,102	111,953,354
2009	1.75%	2.25%	0.25%	2.50%	7.50%	6.75%	40,535,747	21,230,124	5,728,965	41,002,556	2,305,861	110,803,253

Notes:

- (1) Information provided by the City of Bossier City.
- (2) Only tax collections through November are shown for 2009.
- (3) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include state sales and use tax rate.
- (4) The Municipalities - Other column includes 2.5% each for Benton, Haughton, and Plain Dealing.
- (5) Sales tax collections reported by the sales tax agency are on the cash basis.
- (6) The Law Enforcement District is a new sales and use tax levy of 1/4% effective for 1/1/2005.
- (7) The tax rate for the Bossier Parish Police Jury is .50% for Bossier City and .75% for Benton, Haughton, and Plain Dealing.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 10

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Notes Payables	Lease Payables	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2000	\$ 16,430,000	\$ 3,034,216	\$ 2,074,563	\$ 21,538,779	1.02%	\$ 231
2001	15,845,000	2,370,822	1,653,425	19,869,247	0.89%	202
2002	15,225,000	4,706,055	1,205,280	21,136,335	0.90%	213
2003	14,560,000	3,763,689	926,149	19,249,838	0.78%	191
2004	13,855,000	2,786,323	380,103	17,021,426	0.65%	167
2005	29,105,000	2,492,200	119,023	31,716,223	1.12%	305
2006	45,305,000	2,212,033	77,242	47,594,275	1.61%	451
2007	40,240,000	1,931,866	33,764	42,205,630	1.32%	393
2008	74,590,000	4,901,674	1,265,064	80,756,738	2.35%	743
2009	57,305,000	14,385,582	1,111,596	72,802,178	2.08%	660

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) See the Schedule of Demographic and Economic Statistics (Table 14) for personal income and population data.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 11

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2000	\$ 16,430,000	\$ 3,982,504	\$ 12,447,496	0.36%	133
2001	15,845,000	4,329,066	11,515,934	0.29%	117
2002	15,225,000	4,662,410	10,562,590	0.25%	106
2003	14,560,000	4,468,434	10,091,566	0.23%	100
2004	13,855,000	4,392,270	9,462,730	0.23%	93
2005	29,105,000	4,995,972	24,109,028	0.48%	232
2006	45,305,000	6,376,298	38,928,702	0.72%	369
2007	40,240,000	7,507,407	32,732,593	0.56%	305
2008	74,590,000	7,770,174	66,819,826	1.09%	615
2009	57,305,000	7,220,100	50,084,900	0.70%	454

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes notes payable and QZAB.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 12

Direct and Overlapping Governmental Activities Debt
As of June 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Bossier Parish Police Jury	\$ 50,710,000	100.00%	\$ 50,710,000
Subtotal, overlapping debt			50,710,000
Direct Debt			
Bossier Parish School Board			<u>57,305,000</u>
Total overlapping debt and direct debt			<u>\$ 108,015,000</u>

Sources: Debt outstanding data extracted from annual financial report of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Bossier Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding for the School Board includes only general bonded debt.
- (4) Debt outstanding for the Police Jury is all Certificates of Indebtedness.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 13

Legal Debt Margin Information
Last Ten Fiscal Years Ended June 30,

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	\$ 137,856,560	\$ 157,724,686	\$ 171,428,255	\$ 178,811,248	\$ 182,810,807	\$ 215,101,238	\$ 228,812,275	\$ 247,723,623	\$ 261,868,784	\$ 342,638,604
Total net debt applicable to limit	<u>12,447,498</u>	<u>11,515,934</u>	<u>10,582,580</u>	<u>10,025,119</u>	<u>9,482,730</u>	<u>24,109,028</u>	<u>38,928,702</u>	<u>32,732,593</u>	<u>68,819,826</u>	<u>50,084,900</u>
Legal debt margin	\$ <u>125,509,064</u>	\$ <u>146,208,752</u>	\$ <u>160,863,685</u>	\$ <u>188,586,129</u>	\$ <u>173,348,077</u>	\$ <u>190,992,208</u>	\$ <u>190,883,573</u>	\$ <u>214,991,030</u>	\$ <u>194,846,968</u>	\$ <u>292,553,704</u>
Total net debt applicable to the limit as a percentage of debt limit	9.02%	7.30%	6.16%	5.61%	5.18%	11.21%	18.94%	13.21%	25.54%	14.62%

Legal Debt Margin Calculation for Fiscal Year 2009

Total taxable assessed value	\$ 802,413,659
Add back: exempt real property	<u>178,553,781</u>
Total assessed value	<u>978,967,440</u>
Debt limit (35% of total assessed value)	342,638,604
Debt applicable to limit:	
General Obligation bonds	57,305,000
Less: Amount set aside for repayment of general obligation debt	<u>7,220,100</u>
Total net debt applicable to limit	<u>50,084,900</u>
Legal debt margin	\$ <u>292,553,704</u>

Sources: Comprehensive Annual Financial Report

Notes:

(1) The debt limit is 35% of total assessed value. This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature R. S. 39:5

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 14

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2001	98,310	2,235,278,000	22,737	18,933	N/A	5.1
2002	99,285	2,339,423,000	23,563	18,756	N/A	7.7
2003	100,736	2,482,275,000	24,641	18,878	N/A	7.5
2004	101,999	2,606,502,000	25,554	18,480	N/A	6.5
2005	104,080	2,835,878,000	27,247	19,047	N/A	6.3
2006	105,541	2,947,369,000	27,926	19,170	N/A	4.5
2007	107,270	3,188,855,000	29,727	19,426	43.05	4.5
2008	108,705	3,430,341,000	31,556	19,766	43.38	4.6
2009	110,250	3,508,265,250	31,821	19,607	45.85	6.7

Sources:

- (1) Population data obtained from the U. S. Census Bureau.
- (2) School enrollment and free and reduced meals data obtained from Louisiana Department of Education
- (3) Unemployment rate obtained from U. S. Department of Labor.
- (4) Personal income data obtained from www.stats.indiana.edu.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 15

Principal Employers

Last Three Fiscal Years Ended June 30,

	2009		2008		2007	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
Barksdale Air Force Base	9,018	18.11%	9,165	17.26%	9,423	18.96%
Harrah's Horseshoe Casino & Hotel/Harrah's Louisiana Downs	2,000	4.02%	3,000	5.65%	3,332	6.70%
Bossier Parish School Board	2,638	5.30%	2,638	4.97%	2,633	5.30%
Diamond Jack's Casino Resort	963	1.93%	1,056	1.99%	1,056	2.12%
Boomtown Casino	787	1.58%	850	1.60%	850	1.71%
City of Bossier City	826	1.66%	827	1.56%	825	1.66%
McElroy Metal, Inc.	700	1.41%	750	1.41%	667	1.34%
Wal-Mart Supercenter	639	1.28%	595	1.12%	660	1.21%
Bossier Parish Community College	586	1.18%	545	1.03%	533	1.07%
Cellxion, LLC	485	0.97%	502	0.95%	486	98.00%

Source: Northwest Louisiana Major Employers Directory

Notes:

- (1) Principal employers information was not available for years prior to 2007.
- (2) Employment data obtained from U. S. Department of Labor.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 16

School Building Information
June 30, 2009

<u>Instructional Sites</u>	<u>Date Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
High Schools			
Airline	1965	238,724	98.33
Benton	1978	77,800	25.00
Bossier	1939	142,300	18.14
Haughton	1940	99,610	27.80
Parkway	1962	132,473	28.70
Plain Dealing	1938	91,603	26.20
Middle Schools			
Cope	1980	82,547	14.23
Elm Grove	1887	84,173	12.90
Greenacres	1958	76,700	17.17
Rusheon	1955	83,114	24.60
Elementary/Middle Schools			
Carrie Martin	1952	65,169	12.54
Benton	1999	88,254	14.70
Haughton	1999	105,708	21.62
Elementary			
Apollo	1968	69,158	3.00
Bellaire	1968	50,518	10.68
Benton	1953	60,093	21.13
Bossier	1922	64,500	4.90
Central Park	1947	50,219	10.00

(Continued)

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 16

School Building Information
June 30, 2009

<u>Instructional Sites, Continued</u>	<u>Date Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
Elementary Schools, Cont			
Curtis	1958	46,518	12.00
Kerr	1953	52,368	11.44
Legacy	2008	64,000	15.00
Meadowview	1962	59,300	15.00
Plantation Park	1952	52,292	10.10
Platt	1961	61,000	20.00
Princeton	1952	60,000	20.40
Rock Mount	1941	29,950	10.20
T. L. Rodes	1980	54,875	(1)
Stockwell Place	1986	52,752	10.33
Sun City	1969	49,890	(2)
Waller	1949	63,790	9.30
W.T. Lewis	2008	60,000	15.00
Other Instructional Sites			
Bossier Life Skills Center	1955	10,500	2.20
Butler Educational Complex	1952	32,495	4.50
Charlotte Mitchell Ed. Complex	1949	40,000	6.66

Source: Bossier Parish School Board

Notes:

- (1) Included with Platt Elementary acreage.
- (2) Included with Parkway High School acreage.
- (3) Included with Airline High School acreage-Community College originally housed in Airline High School. In 1986, a new library and classroom building was erected adjacent to the high school.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 17

School Personnel
Fiscal Years Ended June 30, 2002 Through June 30, 2009

	2002	2003	2004	2005	2006	2007	2008	2009
Teachers								
Less than a Bachelor's degree	16	19	17	18	16	16	17	15
Bachelor	764	777	786	803	836	837	856	886
Master	214	222	244	251	269	271	282	295
Master +30	143	129	127	117	108	113	110	112
Specialist in Education	1	0	0	2	1	2	3	3
Ph.D or Ed.D	2	3	1	1	1	1	1	1
Total	1140	1150	1175	1192	1231	1240	1269	1312
Principals & Assistants								
Bachelor	0	0	0	0	0	0	0	0
Master	23	23	21	19	24	24	25	25
Master +30	48	49	49	49	45	45	46	49
Specialist in Education	0	0	0	0	0	0	0	0
Ph.D or Ed.D	1	0	0	0	1	1	1	2
Total	72	72	70	68	70	70	72	76

Source: Bossier Parish School Board.

Notes:

(1) The agreed upon procedures report on performance and statistical data is available only for the fiscal years ended June 30, 2002 through 2009.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 18

Operating Statistics

For the Fiscal Years Ended June 30, 2002 through June 30, 2009

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2002	\$ 118,376,271	18,756	\$ 6,311	0	1140	16.45
2003	120,215,672	18,878	6,368	0.90%	1150	16.42
2004	128,783,026	18,480	6,969	9.43%	1175	15.73
2005	138,584,135	19,047	7,276	4.41%	1192	15.98
2006	151,784,477	19,170	7,918	8.82%	1231	15.57
2007	158,825,841	19,426	8,176	3.26%	1240	15.67
2008	179,098,375	19,766	9,061	10.82%	1269	15.58
2009	219,191,812	19,607	11,179	23.38%	1312	14.94

Source: Bossier Parish School Board

Notes:

- (1) This information is presented for 2002 and thereafter because the teaching staff information is extracted from the agreed upon procedures report on performance and statistical data which is available only for the fiscal years ended June 30, 2002 through 2008.
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 14, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 17, School Personnel.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Table 19

Taxable Sales by NAICS Category
Last Two Fiscal Years

Category	Fiscal Year	
	2009	2008
Agriculture, Forestry, Fishing, Hunting	\$ 1,049,516	\$ 866,588
Mining, Oil & Gas	97,581,000	60,438,760
Utilities	5,122,632	996,712
Construction	16,970,486	24,311,291
Manufacturing	87,162,023	101,802,259
Wholesale Trade	202,156,051	186,997,968
Retail Trade	1,446,886,985	1,283,710,355
Transportation & Warehousing	2,103,911	1,638,706
Publishing, Broadcasting, Telecommunications	32,936,716	27,316,446
Finance, Insurance, Real Estate	72,570,745	60,134,560
Professional, Administrative, Healthcare	68,921,211	56,414,470
Arts, Amusements, Accommodations	403,988,454	366,453,472
Other Services; Public Administration	69,549,071	67,579,328
Total	\$ 2,506,988,801	\$ 2,238,660,915

School Board sales tax rate

.175%

.175%

Source: Bossier City Tax Division - information prior to 2008 not available for NAICS codes.

BOSSIER PARISH SCHOOL BOARD
Benton, Louisiana

Single Audit Report,
Management Letter, and
Agreed-Upon Procedures Report
As of and for the Year ended June 30, 2009

BOSSIER PARISH SCHOOL BOARD

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**Report on Internal Control Over Financial Reporting And on Compliance And
Other Matters Based on an Audit of Financial Statements Performed
in Accordance With Government Auditing Standards**

Board Members
Bossier Parish School Board
Benton, Louisiana

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Bossier Parish School Board, as of and for the year ended June 30, 2009, which collectively comprise the Bossier Parish School Board's basic financial statements and have issued our report thereon dated December 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

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

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 Bossier Parish School Board'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 Bossier Parish School Board's financial statements that is more than inconsequential will not be prevented or detected by the Bossier Parish School Board's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as findings 2009-F1 through 2009-F5 to be significant deficiencies in internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are considered material weaknesses. However, of the significant deficiencies described above, we consider item 2009-F3 to be a material weakness.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Bossier Parish School Board in a separate letter dated December 23, 2009.

This report is intended solely for the information of the Board, management, others within the School Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although it's intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

ROBERTS, CHERRY AND COMPANY
ROBERTS, CHERRY AND COMPANY

A Corporation of Certified Public Accountants
Shreveport, Louisiana
December 23, 2009

ROBERTS, CHERRY AND COMPANY

Certified Public Accountants, Consultants

**Report on Compliance With Requirements
Applicable to Each Major Program And on Internal Control
Over Compliance in Accordance With OMB Circular A-133**

Board Members
Bossier Parish School Board
Benton, Louisiana

Compliance

We have audited the compliance of Bossier 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, 2009. Bossier 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 Bossier Parish School Board's management. Our responsibility is to express an opinion on Bossier 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 Bossier 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 of Bossier Parish School Board's compliance with those requirements.

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

Internal Control Over Compliance

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.

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 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board for the year ended June 30, 2009, and have issued our report thereon dated December 23, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the Board, management, others within the School Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although it's intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

ROBERTS, CHERRY AND COMPANY
ROBERTS, CHERRY AND COMPANY

A Corporation of Certified Public Accountants
Shreveport, Louisiana
December 23, 2009
Except for Note 6 as to which the date is October 8, 2010

**Bossier Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009**

Federal Grantor/ Pass Through Grantor/Program Name	CFDA <u>Number</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Agriculture			
<i>Passed through Louisiana Department of Education</i>			
<i>Child Nutrition Cluster:</i>			
School Breakfast & Snack Program	10.553	008-SL-0804	\$ 871,879
National School Lunch Program	10.555	008-SL-0704	3,466,909
Child Nutrition (Region VII)	10.555	Contract # 1553-5516	<u>4,162</u>
Total Child Nutrition Program			<u>4,342,950</u>
<i>Passed through Louisiana Department of Treasury:</i>			
Schools & Roads (National Forest Lands)	10.665	N/A	<u>9,035</u>
Total United States Department of Agriculture			<u>4,351,985</u>
United States Department of Education			
<i>Direct Programs:</i>			
Impact Aid	84.041A	N/A	962,252
<i>Passed through Louisiana Department of Education:</i>			
Education for Homeless Children & Youth	84.196A	28-09-H1-08	46,980
Adult Education - State Grant	84.002A	28-08-44-08	124,740
		28-09-44-08	<u>112,244</u>
			236,984
Adult Education - One Stop Centers	84.002A	28-08-13-08	4,191
		28-09-13-08	<u>4,117</u>
			8,308
Adult Education - Corrections Grant	84.002A	28-08-23-08	3,231
		28-09-23-08	<u>13,024</u>
			16,255
Adult Education TANF (STEP Program)	93.558B	28-09EP08	7,552
Title I Grants to Local Educational Agencies	84.010A	28-08-TI-08	892,950
		28-09-TI-08	<u>3,990,496</u>
			4,883,446
Federal Title I (Region VII)	84.010	Contract # 2879-6712	2,151
<i>Special Education Cluster:</i>			
Grants to States (Part B)	84.027A	28-08-B1-08	47,875
		28-09-B1-08	<u>3,829,529</u>
			3,877,404
IDEA Part B Stimulus Funds	84.027A		26,617
Other Federal Special Ed. Grants (Region VII)	84.027	Contract # 1851-6640	5,586
Louisiana Assistive Technology Grant	84.027A	28-09-B6-08	168,250
		28-08-B6-08	<u>40,602</u>
			208,852
Preschool Grants	84.173A	28-09-P1-08	121,336
Preschool (Region VII)	84.173	Contract # 1855-6060	1,017

CASH FEDERAL AWARDS (continued)

Federal Grantor/ Pass Through Grantor/Program Name	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
Vocational Education:			
Basic Grants to States	84.048A	28-09-02-08	224,246
Carl Perkins Fiscal Year 2008 Carryover	84.048A	28-08-02-08 C	17,185
Innovative Education Program Strategies - Title V	84.298A	28-08-80-08	2,261
		28-09-80-08	<u>5,167</u>
			7,428
Federal Title VI (Region VI))	84.017	Contract # 1858-6490	239
Title II Eisenhower Professional Development	84.367	28-08-50-08	20,699
		28-09-50-08	<u>1,315,704</u>
			1,336,403
Federal Title II (Region VII)	84.367	Contract # 1860-8593	4,049
Title III Program for Limited English Proficient Children	84.365A	28-08-60-08	2,524
		28-09-60-08	<u>90,424</u>
			92,948
Title III English Language Acquisition - Student Influx	84.365A	28-08-S3-08	8,603
Title IV Safe & Drug-Free Schools	84.186A	28-08-70-08	16,912
		28-09-70-08	<u>68,916</u>
			85,828
Enhancing Education Through Technology	84.318X	28-08-49-08	(1,167)
	84.318X	28-08-49-08 C/O TO 2009	12,626
	84.318X	28-08-49-08	<u>43,563</u>
			55,022
Teacher Certification (Region VII)	84.381A	Contract # 1851-6109	352
Federal Reading First (Region VII)	84.357	Contract # 1859-6398	3,215
Math & Science Partnership Act	84.366B	28 07 MP-08	9,849
Math & Science Cohort	84.366B	28 07-MC-08	10,195
Math & Science Get Smart	84.366B	28-08-MP-08	<u>197,292</u>
Total United States Department of Education			<u>12,457,595</u>

United States Department of Defense

Direct Programs:

Flood Control Project	12.106	N/A	45,628
Department of the Army – ROTC	12.UKN	N/A	503,510
Star Base	12.UKN	N/A	<u>274,304</u>
Total United States Department of Defense			<u>823,442</u>

United States Department of Justice

Passed through Bossier Parish Sheriff:

Secure Our Schools Matching Grant	16.710	2008CKWX0674	<u>82,530</u>
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NONCASH FEDERAL AWARDS

United States Department of Agriculture

Passed through Louisiana Department of Agriculture & Forestry:

USDA Commodities	10.550	n/a	<u>203,330</u>
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Total Federal Expenditures \$ 17,918,882

**Bossier Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009**

Note 1 – General

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Bossier Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 2 – Noncash Programs

Commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

Note 3 – Relationship to Financial Statements

Federal awards revenues are reported in the School Board's fund financial statements as follows:

<u>Funds</u>	<u>Federal Sources</u>
General	\$ 1,886,913
Title I	4,883,446
Title II	1,391,425
Title III	101,551
Title IV	85,828
Title V	7,428
Special Education	3,904,021
Pre-School	121,336
Region IV Service Center	4,162
School Food Service	4,542,118
Special Federal Fund	781,802
Louisiana Assistive Technology Initiative	208,852
Total	\$ <u>17,918,882</u>

Note 4 – Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Note 5 – Matching Revenues

For those funds that have matching revenue and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6 – Restatement of Schedule of Findings and Questioned Costs

Subsequent to issuance of our original report dated December 23, 2009, we have determined the Title II program (CFDA 84.367) needs to be treated as a major program because it had not been audited as such in the prior two years. The Federal audit requirement testing of this program was completed October 8, 2010, resulting in the dual dated 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.

**Bossier Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009**

Section I - Summary of Auditor's Results

A. Financial Statement Audit

Type of auditor's report issued on the basic financial statements: **Unqualified**

Internal control over financial reporting:

- Material weaknesses identified? **Yes**
- Significant deficiencies identified that are not considered to be material weaknesses? **Yes**

Noncompliance material to the basic financial statements noted? **No**

B. Audit of Federal Awards

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

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **No**

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? **No**

Any instances of material noncompliance in major programs disclosed during the audit? **No**

Identification of major programs:

<u>CFDA number</u>	<u>Name of federal program or cluster</u>
84.010	Title I Grants to Local Educational Agencies
10.553 & 10.555	Child Nutrition Cluster
84.367	Title II Improving Teacher Quality State Grants

The dollar threshold used to identify Type A programs: **\$532,018**

Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: **No**

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Current Year Findings and Responses

Reference # and title: 2009-F1 Unrecorded Liabilities

Criteria or Specific Requirement: Accrual basis accounting requires matching expenses with the appropriate period and recording accounts payable as necessary.

Type of Finding: Significant deficiency

Condition: The School Board did not capture all significant accounts payable that were due at year-end.

Effect: Expenses and liabilities for the year were understated. Audit adjustments in amounts significant to the financial statements were necessary to record these amounts due.

Cause: Some invoices paid subsequent to year end were not recorded as a liability at June 30, 2009, because they were either budgeted for the following school year or the date of the invoice was after year end.

Recommendation: We recommend the School Board review all available information on invoices received subsequent to year-end and prior to closing for information that would indicate which period the invoice belongs. Such indicators are invoice dates, shipping dates, and service dates.

Management's Corrective Action Plan: In order to have textbooks in place in at the beginning of school it is necessary to initiate orders well before the end of the fiscal year. These books are to be placed in service during the next fiscal year and are budgeted in that year. It has been a long standing practice of the School Board to record the purchase during the year in which the textbooks are budgeted. This comprises the major portion of unrecorded liabilities.

Another large unrecorded liability was an invoice from Caddo Parish School Board. The accounts payable staff has been instructed that the controlling criteria for determining the reporting year is the invoice date, unless instructed otherwise. Although the Caddo Parish School Board invoice was dated July 29, the underlying transaction took place in the prior fiscal year.

In the future textbook purchases will be recorded in accounts payable and charged to prepaid expenses at year end. As for other invoices it will be necessary for an accountant to review all invoices submitted for payment for a period of time after year end to insure that all invoices for transactions that took place in the prior year are recorded in that year, regardless of the invoice date.

Reference # and title: 2009-F2 Fixed Assets

Criteria or Specific Requirement: GASB 34 requires that fixed assets with cost exceeding the capitalization threshold established by the School Board be added to the fixed asset listing and depreciated.

Type of Finding: Significant deficiency

Condition: While examining the fixed asset additions, we noted the following issues:

1. Some of the large building additions included land costs that had already been recorded. Therefore, the building additions were overstated on the fixed asset ledger by \$768,284.
2. The capitalization policy threshold was increased by the board effective July 1, 2008, from \$1,000 to \$5,000. However, the additions under \$5,000 continued to be added to the fixed asset report.
3. The textbook additions could not be reconciled to the general ledger and therefore an adjustment was made to reduce additions by approximately \$204,000.
4. Excel spreadsheets are maintained for construction project expenses. When a project is complete, the information from the spreadsheets is entered into the fixed asset ledger. These spreadsheets are used to determine the total construction in progress at year end. However, costs continued to be added to the spreadsheets after year end resulting in problems with cutoff.
5. The fixed asset software used by the School Board is cumbersome and difficult to manage. Management was not able to accumulate information on the current year additions, depreciation expense, and disposals in a format that allowed them to accurately roll forward fixed asset information from year to year. Personnel at the Central Office are unable to run reports themselves. Requesting reports from the IT department is the only way that they can be obtained. It also appears that calculations can be manipulated by IT personnel.

Effect: The School Board did not have adequate reports to support their financial statement balances. In addition, some of the additions to the fixed asset schedule did not have supporting documentation. These issues caused the completion of audit procedures that related to fixed assets to be delayed until the reports were corrected.

Cause: A reconciliation of the fixed asset listing to the general ledger was not being performed on a regular basis.

Recommendation: We recommend that a supervisor level accountant review and recalculate the detailed items in the completed construction project spreadsheet prior to entering the costs into the fixed asset software. This will help ensure that the amounts are accurate, the formulas are calculating properly, and the costs have not been added previously. Also, we recommend that management communicate any changes in policy approved by the board to the personnel performing the duties related to that policy. In addition, we recommend a periodic reconciliation between the general ledger expenses and the fixed asset ledger. The excel spreadsheets for construction projects should be saved as of year end to ensure that cutoff is proper. These will be used to record construction in progress as of June 30. Finally, we recommend that the School Board consider purchasing a new fixed asset and inventory software. This will enable reports to be generated easily and someone other than the IT department to generate and understand how the reports are generated.

Management's Corrective Action Plan: The fixed asset system does not interface with the accounting system at any point. Every entry in the fixed asset system must be pulled from the accounting system and manually entered.

The capitalization threshold has been increased by the State and the School Board to \$5,000; however, statues require that assets purchased with 8(g) funds must be recorded in fixed assets if they have a value of \$250 or more. Also, management has stipulated that certain items which are subject to theft be recorded regardless of value.

The balance in the "Textbook" account in the general ledger is made up of actual payments made to textbook vendors. The additions to textbooks recorded in the fixed asset system are obtained from the person in charge of parish textbooks and is the value of textbooks placed at schools.

Although spreadsheets are maintained for construction projects, the purpose of the spreadsheets is to keep track of project expenditures in relation to the construction budget. The information therein is adapted for use in the fixed asset system.

The Special Ed. Department has purchased a new system to maintain their fixed assets. There has been discussion about extending that system for use system-wide. We will evaluate the new fixed asset system to determine if its adoption is a viable alternative and if it will remedy any of the problems we have with the current system.

It will continue to be necessary to record 8(g) assets with a value of \$250 or more. Assets which are being recorded simply to keep track of them in the event of misappropriation will be maintained in a separate file.

All source information will be reviewed before the information is recorded in the fixed asset system.

Reference # and title: 2009-F3 Encumbrance Accounts

Criteria or Specific Requirement: Governmental funds adopt encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

Type of Finding: Material weakness

Condition: The School Board reserved a portion of the General Fund's fund balance for encumbrances at June 30, 2009. The encumbrances consisted of major construction contracts totaling approximately \$3.4 million. The encumbrance entry was also incorrectly recorded to liability and expense accounts. In addition, the amount was not reduced for the expenses relating to the construction contracts that occurred prior to year end.

Effect: Liabilities and expenses in the General Fund were overstated at year end by approximately \$3.4 million. Also the reserve for encumbrances was overstated by approximately \$480,000 which related to construction project expenses that occurred prior to year end.

Cause: The School Board determined the amount of encumbrances at year end by totaling the amount of the commitments that were approved by the board during the year. The year-to-date expenditures relating to these commitments were not taken into consideration. The accounting system's encumbrance function was not used to generate these amounts. In addition, the amount recorded to liability and expense accounts occurred because of a misunderstanding of how the encumbrances should be recorded.

Recommendation: We recommend the School Board clean up its encumbrance system so it can be used as designed. Old purchase orders should be removed from the system, and the balances in the accounts should be reviewed and reconciled to current support on a regular basis. This will eliminate the need for a manual calculation of encumbrances at year end.

Management's Corrective Action Plan: We felt that we since the construction items were budgeted in the prior year, had been bid during that year and contracts had been executed, that we had an obligation to pay sufficient enough to record the items as expenses in the prior year, although, they should have been recorded in accounts payable rather than in encumbrances.

In the past we have used the existing encumbrance system, with adjustments, to determine the amount encumbered at year end. In the future we will periodically review encumbrances to ensure that only active purchases orders are included thereon.

Reference # and title: 2009-F4 Internal Service Fund – Claims Paid

Criteria or Specific Requirement: The amounts recorded to the hospitalization claims paid account in the financial statements should be reconciled monthly to the reports provided by Blue Cross Blue Shield. The claims paid should be recorded on an accrual basis rather than a cash basis.

Type of Finding: Significant deficiency

Condition: The Blue Cross Blue Shield (BCBS) confirmation for the claims paid from July 1, 2008 to June 30, 2009, did not agree to the balance for claims paid on the School Board's general ledger.

Effect: The claims and premium account balances as well as several other accounts were materially misstated at June 30, 2009. In addition, a prior period adjustment for over \$1 million was recorded.

Cause: Blue Cross Blue Shield (BCBS) pays the hospitalization claims and then bills the School Board for reimbursement. The School Board records the expense on a cash basis when a check is written to BCBS instead of when the claims were actually paid by BCBS.

Recommendation: We recommend the School Board implement policies that require the premiums and claims to be reconciled to the reports from BCBS on a monthly basis. Claims paid should be recorded on an accrual basis to ensure proper cut off at year end. Also, the expenses should be properly classified between administrative fees, claims paid, consulting services, life insurance premiums, and refunds.

Management's Corrective Action Plan: Blue Cross billings are made up of medical claims, drug billings, and administrative fees and are generally submitted on a weekly basis. The first bill in July usually includes some days in June, however, the number of days varies and there is no information provided by Blue Cross to determine which costs belong in June.

The amount provided to the auditors by Blue Cross for claims paid during the fiscal year ended June 30, 2009, not only did not agree with our expenditure account, it did not agree with their own billings.

We will request that Blue Cross provide sufficient information to more accurately record medical costs.

Reference # and title: 2009-F5 Findings from Legislative Auditor

The Louisiana Legislative Auditor performed a compliance audit for the period ending October 2008 and issued their report dated April 8, 2009. Based on the results of the audit, the Legislative Auditor made recommendations regarding improving operations and internal control. A summary of the findings noted in the report follows:

Air Conditioners/Purchasing

The Legislative Auditor noted that the School Board Administration may have violated Public Bid Law for air conditioning purchases and installations. It was also noted that neither purchase orders nor receiving reports were used and work orders were created after the work was complete.

Haughton Middle School

The School Board may have violated the Open Meetings Laws by discussing the Haughton Middle School roof and mold remediation contract during executive session. In addition, the School Board may have violated Public Bid Law related to the emergency mold remediation contract.

Credit Card Charges

The School Board Maintenance Department employees authorized credit card transactions related to Ark-La-Tex Air Repair, Inc., services that did not occur.

Scrap Metal

The School Board Maintenance Department is missing cash from the sale of scrap metal and may have violated record retention laws through discarding records of scrap metal sales and subsequent purchases with the proceeds. In addition, the Maintenance Department did not comply with Louisiana law when disposing surplus movable property.

Ethics

One current School Board employee performed work and received money from a current vendor in violation of Louisiana ethics laws. One former School Board employee may have violated Louisiana ethics laws by receiving money for services performed for the School Board within two years of the end of his employment.

Professional Services

A School Board attorney may have violated the Rules of Professional Conduct during the time he performed services for the School Board. In addition, the administration did not execute a signed contractual agreement with its external contracted attorneys.

Corrective Action Taken**Air Conditioners/Purchasing**

As of September 2008, all purchases over \$2,000 are routed through the Purchasing Department for prior approval. The Maintenance Department has implemented stronger purchasing procedures which include the required use of purchase orders. In addition, all purchases over \$2,000 are now required to have at least three quotes and are processed through the Purchasing Department. The Maintenance Department has established an inventory list of all air conditioning units with model and serial numbers.

Haughton Middle School

The School Board obtained guidance from the Board counsel to the specific state statutes on exceptions to open meetings to ensure compliance with the state laws. Also, there have been no declared emergencies since the date of the finding in the report, but Administration plans to evaluate all issues that require immediate attention to ensure that it meets the requirements of an emergency declaration.

Credit Card Charges

The Transportation Department still uses fuelman cards to fuel buses in the outlying areas; however, all other credit cards were destroyed and are no longer used by any school board employee other than the Superintendent.

Scrap Metal

The School Board Administration took action to ensure policies and procedures regarding disposal of surplus/scrap materials and movable property are followed. An in-service training was held with the Maintenance Department to reinforce the policies and procedures. All funds collected should now be paid in full by check made out to the Bossier Parish School Board.

Ethics

In January 2009, an attorney from the Ethics Board presented an in-service training to all School Board administrators and Maintenance Department employees on the specifics of the Louisiana Code of Governmental Ethics. The information provided is to be reviewed annually with all employees by their appropriate supervisors and documentation will be maintained to ensure compliance.

Professional Services

The School Board no longer uses the professional services of the attorney in question. In addition, the School Board has not entered into any new contracts with any attorneys.

Section III – Federal Award Findings and Responses

Current Year Findings and Responses

None

**Bossier Parish School Board
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2009**

Reference # and title: 08-F1 Late Submission of Audit Report to Legislative Auditor

Year of Origination: June 30, 2008

Condition: Louisiana Revised Statute 23.413A(5)(a)(i) requires that "... audits shall be completed within six months of the close of the entity's fiscal year."

The School Board requested an extension of time by the Legislative Auditor's Office and the extension was approved with a deadline for submission of March 31, 2009.

Corrective action taken: The audit report for the year ended June 30, 2009, was filed by December 31, 2009.

Reference # and title: 08-F2 Unrecorded QZAB Bonds

Year of Origination: June 30, 2008

Condition: The School Board did not record revenues and expenditures in connection with the issuance of Qualified Zone Academy Bonds in the amount of \$3,500,000 in the financial records for fiscal year ended June 30, 2007. The Financial Accounting Department did not receive monthly statements of QZAB investment account or debt service accounts during the 2007-2008 fiscal year. The requests for reimbursement for costs incurred for construction as of June 30, 2008 which was to be paid from the proceeds of the QZAB bonds had not been requested from the third party custodian as of February, 2009.

Corrective action taken: Steps were taken to ensure activity related to these bonds was properly recorded in the current year. Proceeds were requested and received before 2009 fiscal year end.

Reference # and title: 08-F3 Capital Asset Listing

Year of Origination: June 30, 2008

Condition: Land: While examining the general ledger history for the General Fund and the Bossier Unified Construction Fund, it was noted that land with a value of \$176,843 had not been added to the capital asset listing as of June 30, 2008.

Equipment: A capital lease for a S8700 media server, communication managers, and data equipment, with a cost of \$1,581,000, was entered into during December, 2007, but the equipment was not added to the capital asset listing as of June 30, 2008.

Construction in Process: Completed construction projects with a total cost of \$11,272,542 had not been added to buildings on the capital asset listing as of June 30, 2008.

Corrective action taken: Steps were taken to properly capture all capital assets within the capital asset listing; however, several items were not properly recorded on the listing in the current year. This is a repeat finding. See current year finding 2009-F2.

Reference # and title: 08-F4 Cash Kept on Premises in Maintenance Department

Year of Origination: June 30, 2008

Condition: During June, 2008, the Security Office of the School Board was notified by the Supervisor at the Maintenance Department that approximately \$1,400 was missing from a safe which was located in an office which adjoined the Supervisor's office. Investigation by the Security Officer noted that on June 11, 2008, \$1,472 was received from a scrap sale of air conditioner units and other materials removed from atop one of the schools. The cash was placed in the safe where it remained until it was noticed to be missing on June 18, 2008 by a Maintenance Department employee. The money from the scrap sales was used by the Maintenance Department for such events as fish fries, Christmas parties, etc. The information was given to law enforcement officials of Bossier Parish for further investigation.

Corrective action taken: The use of the safe in the Maintenance Department has been discontinued. Cash received is given directly to the Central Office, and no money is kept in the Maintenance Department.

Reference # and title: 08-F5 Fraud Perpetrated by Maintenance Department Employees/Vendor

Year of Origination: June 30, 2008

Condition: During the summer of 2008, an investigation was launched by the School Board security officer into missing money in the Maintenance Department and from this investigation, questions arose into the activities involving three Maintenance Department employees and a vendor the School Board uses for the installation of air conditioners and heating units. The law enforcement officials of Bossier Parish and the FBI conducted an investigation in which three School Board employees who work in the Maintenance Department were arrested and indicted for conspiracy and mail fraud. The indictment alleged that employees of the maintenance department would inform the vendor of the lowest bid on a particular project so the vendor could submit the lowest bid and win the contract. The indictment also alleged that the defendants charged for more expensive air conditioning equipment than was actually installed, charged for equipment and installation on rooms that did not exist, charged for amounts in excess of the contract price, and replaced air conditioners that were functioning properly. The employees, along with the owners of the business, plead guilty to the charges in court.

A sample of 16 units was selected from paid invoices of this vendor and noted that two of these units could not be located and in another instance the School Board paid for a five ton unit and received a four ton unit. All of the paid invoices for this vendor were reviewed for proper approvals. All of the invoices were properly approved by the department supervisor. The invoices submitted for payment did not include detailed information such as the make, model number or serial number of the units purchased.

Corrective action taken: The School Board strengthened its internal control policies related to accounts payable and maintenance activities. No additional instances of fraud were reported during the current year.

Reference # and title: 08-F6 Violations of the Local Government Budget Act

Year of Origination: June 30, 2008

Condition: The School Board adopted a revised budget for the School Food Service Fund with a deficit fund balance of \$778,548.

Corrective action taken: The School Food Service Fund was not budgeted with a deficit balance in the current year.

Management Letter

Board Members
Bossier Parish School Board
Benton, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish School Board (the "School Board" or "BPSB") for the year ended June 30, 2009, we considered the School Board's internal control to plan our auditing procedures for the purposes of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated December 18, 2009, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal controls or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows:

2009-M1 Receiving Reports

Comment: During our walkthrough procedures, we noted the receiving report related to January 2009 purchase order (# 90982) was not signed or dated. Part of the internal control system related to accounts payable as it was described to us required purchase orders to be signed and dated. Because the report was not signed and dated, there is no trail of whether or not the items on the report were actually received.

Recommendation: The policies and procedures over purchasing were revised after the fraud occurred and the Legislative Auditor conducted their compliance audit in April 2009. We recommend that the School Board strictly enforce those policies and procedures over internal controls. Receiving reports should always be signed and dated by the person doing the receiving. Invoices should not be paid until all of the appropriate documentation has been obtained.

Management's response: It is already the policy of the BPSB that receiving reports be dated and signed. Policies are strictly observed. In this instance the transaction slipped through, but it is not an example of our normal procedures.

2009-M2 Purchasing and Accounts Payable

Comment: Based on our system documentation of the purchasing and accounts payable system, the Finance Director is involved at several levels of the review and approval process. The School Board was the victim of fraud that took advantage of weaknesses in the purchasing and accounts payable system. As a response, the Finance Director became more involved in the accounts payable system. He now reviews all requisitions over \$500. We believe that this dollar amount is too low and is not an effective use of the Director of Finance's time.

Recommendation: The School Board should consider raising the dollar amount on requisitions that require the review and approval of the Director of Finance. The School Board should centralize their purchasing and delegate the authority to a trusted individual, and the Finance Director's involvement can be reduced to performing a final review when checks are signed.

Management's response: Steps have already been taken to strengthen the purchasing function, and we will consider reducing the involvement of the Director of Finance.

2009-M3 Workers' Compensation Cash Account

Comment: The workers' compensation cash account is not recorded on the statement of net assets. The School Board has historically kept this account off the statement of net assets because a third-party handles the transactions for the account. However, should the third-party decide to close the account the client will receive these amounts back. Therefore, we believe this account should be recorded as an asset of the School Board.

Recommendation: We recommend the School Board record the cash balance at the end of each statement cycle with the corresponding credit to workers' compensation claim expense.

Management's response: We transfer to the Worker's Compensation Claims Account only sums sufficient to cover the checks written by our third party administrator. The reconciled balance should be zero. The balance on the reconciliation prepared by the third party administrator indicates a balance of \$9,700 at year end. If this is a true balance then it should be entered on the books of the School Board. Any bank balance above that amount is due to outstanding checks, and if not redeemed should be remitted to the Unclaimed Properties Division of the Treasury Department by the third party administrator.

2009-M4 Stale Dated Checks

Comment: The bank reconciliation has many outstanding checks over a year old listed as reconciling items. These checks may not have been received by the payee. The School Board has an obligation to attempt to consummate payment for these items.

Recommendation: The accounting personnel should periodically investigate checks older than one year. Attempts should be made to contact the payee, and if necessary, void the old checks and reissue new checks to payee. If payment cannot be consummated, the funds should be escheated to the State of Louisiana as unclaimed property.

Management's response: Holders of long outstanding checks were notified and given sufficient time to request replacement checks. As of November 1, 2009, the unclaimed balance of long outstanding checks was remitted to the Unclaimed Property Division of the State Treasury Department.

The process of handling long outstanding checks will be performed annually.

2009-M5 Fair Market Value Reporting

Comment: Investments with an original maturity date of greater than one year are carried at cost and not at fair market value. At year end, this caused investments and the unrealized gain on investments to be understated.

Recommendation: We recommend the School Board record all debt investments with an original maturity date greater than one year at fair market value rather than cost.

Management's response: The fair market value adjustment will be made in the future.

2009-M6 Accrued Retirement Expense

Comment: Accrued retirement expenses for amounts paid in July 2009 were recorded as a reduction to cash as opposed to a liability. The expectation is to accrue expenses as liabilities and not a reduction in cash. As a result, accrued expenses and cash were both understated at year end.

Recommendation: We recommend the School Board record accrued liabilities as an increase in a liability account as opposed to a decrease in the cash balance.

Management's response: State withholding taxes are remitted by ACH transactions and are recorded in the general ledger by journal entry. When making the year end journal entry we included the ACH for the June 25th payroll although it had not cleared the bank, nor, been included on the bank reconciliation. In the future we will only record as reductions to cash ACH transactions that have cleared the bank.

Alternatively, since the entry had been initiated with the Department of Revenue prior to year end, we could show it as we have it recorded and include it as a reconciling item in the bank reconciliation, much like an outstanding check.

2009-M7 Purchased Accrued Interest

Comment: The School Board purchased accrued interest on an investment, and it was recorded as an increase to the asset as opposed to a reduction in interest income. Generally accepted account principles dictate that accrued interest that is purchased should be reflected as a reduction in interest income. As a result, assets and income were overstated by the amount of purchased accrued interest.

Recommendation: We recommend that future purchases of investments that have accrued interest should be recorded in accordance with GAAP.

Management's response: We recognize that purchased interest should be recorded as a reduction in income and will record it as such in the future.

2009-M8 Planning and Purchasing Department

Comment: The Director of Planning spends the majority of his time he is dealing with construction administration, planning and preparing reports for the School Board, responding to requests for information, documents and interviews, energy education, and regulatory compliance. What were originally viewed as "temporary" duties for planning and construction, have resulted in permanent assignments and have become time consuming. The Director also has all supervisory duties for the Purchasing function.

We believe that the Purchasing function does not have the supervision, training, and attention that it requires. Additionally, we believe other departments such as Maintenance and Transportation need the strong expertise and assistance with purchasing procedures, obtaining quotes, and complying with laws and policies.

Recommendation: We recommend the following ways to improve this department:

Restructuring - We recommend that the Purchasing function and the Planning function be divided into two separate departments.

Hiring a Director of Purchasing - We recommend hiring an Experienced Director of Purchasing to run the Purchasing and Warehouse Department. This employee would be experienced in purchasing/ procurement and bidding. He or she would direct the Purchasing and Warehouse staff and develop written policies and procedures for all facets of purchasing. All purchase orders would be reviewed and approved by the Director.

It is essential that the Director of Purchasing work closely with and assist the Supervisors/Directors of Transportation, Maintenance, and Planning as it relates to purchasing/procurement for their departments. We believe this would allow those departments to coordinate and work more cohesively resulting in a more efficient and effective process. Hiring a person who is highly qualified and works well with the other departments is crucial. In addition, the staff working in this department should be well trained and follow a written policies and procedures manual.

Management's response: This process will be completed in January, 2010.

2009-M9 Internal Audit Department

Comment: The majority of Internal Audit department's time is spent on School Activity Funds and Fixed Asset Management. The Department does perform some internal audit functions but only as it relates to School Activity Funds. No operational audits are performed by the internal audit department.

Recommendation: In order to develop appropriate internal audit programs and perform internal audit work, we recommend hiring at least one or two experienced internal auditors and/or outsourcing operational audits in areas such as payroll, purchasing, maintenance, child nutrition, transportation, warehouse, and federal and state grants.

The Board should adopt an audit charter that includes specific functions and responsibilities of the internal Audit Department. An audit plan should be developed by the Board and the Internal Auditor that includes activities to be audited, when they will be audited, and the estimated time required.

Management's response: This process will be completed in 2010.

2009-M10 Maintenance Department

Comment: The maintenance department appears to need more training and staffing as it relates to purchasing and bidding policies and procedures.

Recommendation: We recommend shifting all of the purchasing, credit card reconciliations, bidding, and business type operations for Maintenance to the restructured Purchasing Department. The Maintenance Supervisor would be ultimately responsible for coordinating and working with the Director of Purchasing as it relates to these functions.

Management's response: Once the new Supervisor of Purchasing is hired, the purchasing process for the Maintenance department will reviewed.

2009-M11 Food Service/Child Nutrition Department

Comment: Food Service Department operates autonomously, and performs its own accounting function. The department does all of its own purchasing, bidding, processing invoices, and handling of receivables.

Recommendation: We recommend the following ways in which this department can be improved:

Centralize accounting function - We recommend that the Food Service accountant be moved under the Accounting Department. All of the processing of invoices, receivables, and payments should be centralized in one building and one department. By moving these functions, it will create efficiencies and allow the accounting staff to work as one cohesive unit.

Additional staff - It appears that there is a need for at least one additional bookkeeper or accountant to assist with the accounting functions for Food Service. This employee could also assist the Accounts Payable when needed.

Purchasing and bidding - The Food Service department appears to be knowledgeable in the purchasing and bidding function and is considered by others to perform that function well. However, all of the purchasing and bidding should be centralized and moved to the Purchasing Department.

Management's response: Centralization of Food Service accounting function and need for an additional bookkeeper will be reviewed.

Once the new Supervisor of Purchasing is hired, the purchasing process for the Food Service department will be reviewed.

2009-M12 Payroll and Human Resources Departments

Comment: We noted that currently there is a lack of segregation of duties within the Payroll Department. The Payroll Department determines the new employee's salary, from approved salary schedules, sets up the employee in the payroll system, enters information for current employees receiving position/salary changes, and processes payroll.

Recommendation: To ensure proper segregation of duties and responsibilities, we recommend a shift of some of the duties currently handled by Payroll to the Human Resources Department. Human Resources should determine from an approved salary schedule the appropriate salary for all new employees and set up the new information in the payroll system. They should also maintain all employee information in the system such as name changes, address changes, all salary and wage adjustments, and terminations.

Management's response: We are in the process of implementing this recommendation.

2009-M13 Insurance and Risk Management Department

Comment: The Insurance Department consists of two clerks who take care of, not only the active employees' health, dental and life insurance, but also the same for all retirees. They handle workers compensation claims and other insurance purchased by individual employees not provided by the school system. Currently these clerks report to the Director of Finance.

Recommendation: We believe there is a need for a Risk Manager or Employee Benefits Specialist. This person would supervise and direct the current secretaries/clerk. This new position should have training in insurance, safety engineering, risk management, and/or contract law.

Management's response: An Employee Benefits Manager will be hired in January, 2010.

2009-M14 Assistant Superintendents

Comment: Currently, the Assistant Superintendent of Administration has Directors and Supervisors of the following departments reporting directly to him:

- Finance
- Planning/Purchasing
- Transportation
- Maintenance
- Human Resources
- Student Services
- *Principals (as it relates to personnel)
- *Special Education (as it relates to personnel)
- *Instructional Services (as it relates to media)
- *Technology (as it relates to personnel)

The above departments that are marked with an asterisk report to both the Assistant Superintendent of Administration and the Assistant Superintendent of Academic Affairs. We do not believe that it is efficient

or effective for a department to report to both Assistant Superintendents even if it relates to separate issues. In addition, we believe the Assistant Superintendent of Administration currently has too many departments or employees to supervise effectively.

Recommendation: Currently, the Superintendent supervises the two Assistant Superintendents, the Director of Security, and the Internal Auditor. To reduce the number of people directly reporting to the Assistant Superintendents, we recommend that the Finance, Human Resources, and Technology departments be moved directly under the Superintendent.

In addition, we recommend that the Director of Special Education and the Supervisor of Instructional Services report only to the Assistant Superintendent of Academic Affairs instead of both Assistant Superintendents. If there are issues concerning personnel, they should be handled by the Director of Human Resources.

Management's response: This recommendation has been implemented.

2009-M15 Computer Software

Comment: There is a need for an updated Accounting, Fixed Asset, and Purchasing Software. The mainframe software often requires the intervention of a programmer to produce reports. In addition it has limitations in the areas of fixed assets/inventory and purchase orders.

Recommendation: We recommend developing a Software Task Force made up of representatives from various departments. This task force should investigate various software programs and options for school districts and request proposals from software providers. Ultimately, the task force will make a recommendation to the School Board.

Management's response: Staff will review this recommendation.

2009-M16 Pay Scale and Employee Classification

Comment: We noted that there is a need to review the status of all employees to ensure that their position and job duties are correctly classified as exempt or non-exempt (salaried vs. hourly).

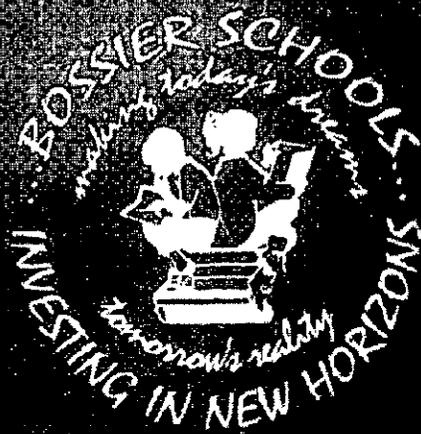
Recommendation: The School Board should evaluate employee classifications for propriety. If there are positions classified incorrectly, this leaves the School Board potentially vulnerable for violations of fair labor standards. While this evaluation is being performed, consideration should be given to the pay scale to determine if it is reflective of the responsibilities of the employees.

Management's response: Employee classification will be evaluated for propriety.

This report is intended solely for the information and use of the Board, management, others within the School Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

ROBERTS, CHERRY AND COMPANY
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A Corporation of Certified Public Accountants
Shreveport, Louisiana
December 23, 2009



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ROBERTS, CHERRY AND COMPANY
Certified Public Accountants, Consultants

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board Members
Bossier Parish School Board
Benton, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Bossier Parish School Board ("School Board"), solely to assist you in evaluating the effectiveness of the School Board's compliance with Act 743 of 1995 concerning the Bossier Educational Excellence Fund (BEEF) (a permanent fund of the Bossier Parish School Board) for the year ended June 30, 2009. The Bossier Parish School Board's management is responsible for the School Board's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this 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 are as follows:

1. Obtained the balances and a summary of the activity of the BEEF funds from the School Board as of and for the year ended June 30, 2009.

Comment: Summarized below are the balances and a summary of the activity of the BEEF funds extracted from the School Board's general ledger as of and for the year ended June 30, 2009:

Cash	\$	397,598
Investments		25,014,113
Accounts receivable		365,242
Accounts payable		<u>(55,724)</u>
Reserved for instructional enhancement	\$	<u>25,721,229</u>
Revenues:		
Gaming revenue	\$	3,030,588
Louisiana downs		51,226
Interest Earnings		357,716
Expenditures		<u>(464,182)</u>
Net activity for the year	\$	<u>2,975,348</u>

2. Judgmentally selected two riverboats from the BEEF general ledger and recalculated the amounts received during the fiscal year ended June 30, 2009, totaling \$2,347,953, or 77% of total fees collected. The amounts were recalculated using information obtained from the Louisiana Department of Public Safety and Corrections Office of the State Police Riverboat Gaming Division. They were then compared to a validated bank deposit slip.

We tested to assure that:

- a. The school is receiving the correct amount from the casino per written agreement.

Comment: We tested the revenue as indicated above and noted the school is receiving the correct amount from the casinos per the written agreement.

3. Reviewed the amount of interest calculated as of December 31, 2007 and the total amount of expenditures for the period from January 1, 2008 to December 31, 2008. LSA-R.S. 17:408.2 requires that:

- a. The BEEF was established
- b. The BEEF is a permanent trust fund
- c. The bank account for the BEEF is in the official repository of the Bossier Parish School Board
- d. The monies in the BEEF were held and invested on behalf of the Bossier Parish School Board.
- e. The investment income from the BEEF accounts was withdrawn by the Bossier Parish School Board only during January of the calendar year.

Comment: We noted the BEEF fund was an established permanent trust fund, the bank account is in the official repository of the School Board and the monies were held and invested on behalf of the School Board. However, the School Board did not withdraw BEEF investment income only during January of the calendar year.

4. Compared the investments of the monies held in the BEEF bank account to the types of investments allowed by the State of Louisiana. LSA-R.S. 17:408.2B requires that:

- a. The monies in the BEEF were invested in direct obligations of the United States government and in time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in Louisiana.
- b. The amount of earnings in the BEEF was kept account of separately from the fund principal.

Comment: All BEEF investments were invested in direct obligations of the United States or in time certificates of deposit with no exceptions noted. The School Board's current practice is to calculate, on a calendar year basis, the amount of interest income earned from BEEF investments. The School Board limits BEEF expenditures in the following calendar year to the calculated amount of interest income. Any amount unspent in the following calendar year remains in the principal of the fund. As such, no account is being maintained separately from the principal fund; however, the earnings for the calendar year are maintained separately on an Excel spreadsheet.

5. Obtained a general ledger detail of the BEEF fund expenditure activity. We judgmentally selected 25 expenditures totaling \$222,450, or 48% of total BEEF disbursements, and agreed the expenditure amount to the invoice. We reviewed the invoice to ensure all disbursements were approved based on the School Board's required policy and expended solely for the purposes of instructional enhancement as defined below:

Enhancement may include:

- Provision for materials and supplies, including computers and other technological upgrades;
- Training for students, faculty and administrators on the use of materials;
- Professional development of teachers;
- Establishment of exemplary programs of instruction.

Enhancement may not include:

- Costs of additional administrators;
- Increases in salaries or benefits for employees, or maintenance or custodial costs

Comment: All BEEF expenditures tested were noted as approved based on the School Board's policy and expended solely for the purpose of instructional enhancement.

6. Recalculated the amount of interest being removed from the BEEF as recorded in the BEEF general ledger.

Comment: We recalculated the amount of interest subject to removal without exception; however, as discussed in step 4, no account is being maintained separately from the principal fund. A separate accounting of expenditures is being maintained with instructions to not exceed the calculated interest income.

7. Compared approval of expenditures tested in step 5 to the School Board's required policy.

Comment: We verified expenditures tested in step 5 were approved in compliance with the School Board's required policy.

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A Corporation of Certified Public Accountants
Shreveport, Louisiana
December 23, 2009