

# DeSoto Parish School Board

Mansfield, Louisiana



**Comprehensive Annual Financial Report**  
**for the year ended June 30, 2008**

This Comprehensive Annual Financial Report (CAFR) was published by the DeSoto Parish School Board, 201 Crosby Street, Mansfield, LA 71052.

The CAFR was assembled, audited, and printed in compliance with Louisiana Revised Statute 24:514 and was distributed to the elected school board members of DeSoto Parish, the Louisiana State Department of Education, and the Louisiana Legislative Auditor.

Anyone interested in reviewing this document or any prior year sworn annual financial statement can go to [http://www.desotopsb.com/content.asp?site\\_page\\_id=2](http://www.desotopsb.com/content.asp?site_page_id=2), or they can contact the Director of Business Services; DeSoto Parish School Board; 201 Crosby Street; Mansfield, LA 71052.

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

of the

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

For the Year Ended June 30, 2008

Dr. Robert "Neil" Henderson  
President

Mr. Walter C. Lee  
Superintendent

Mr. Steven Stanfield  
Director of Business Services

Prepared by the Business Department

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2008

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## DeSoto Parish School Board

201 Crosby Street - Mansfield, Louisiana 71052 - (318) 872-2836 - FAX (318) 872-1324

WALTER C. LEE  
Superintendent



November 15, 2008

RE: Financial Statement Transmittal Letter  
for the Fiscal Year Ended June 30, 2008

To the Elected School Board Members and  
Citizens of DeSoto Parish:

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the DeSoto Parish School Board for the year ended June 30, 2008.

The DeSoto Parish School Board's CAFR has three basic sections:

- The *Introductory Section* provides general information on the DeSoto Parish School Board's structure and personnel as well as information useful in assessing the Board's financial condition.
- The *Financial Section* contains the basic financial statements and required supplementary information (including management's discussion and analysis), as well as, the independent auditor's report. In addition, the financial section provides information on each individual fund and component unit for which data is not provided separately within the basic financial statements. The financial section also includes supplementary information useful to financial statement users.
- The *Statistical Section* provides a broad range of trend data covering key financial indicators from the past 10 fiscal years (for instance, general government revenues and expenditures, property tax collections, debt burden). It also contains demographic and miscellaneous data useful in assessing the Board's financial condition.

### Management's Representations & Internal Control Framework

This report consists of management's representations concerning the finances of the DeSoto Parish School Board. Consequently, the Superintendent and the Director of Business Services assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, we have established a comprehensive internal control framework designed both to protect the School Board's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the DeSoto Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the DeSoto Parish School Board's comprehensive framework of

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 15, 2008

internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

#### Independent Auditor's Review of Financial Statements

The DeSoto Parish School Board's financial statements have been audited by Allen, Green & Williamson, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the DeSoto Parish School Board for the fiscal year ended June 30, 2008 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the DeSoto Parish School Board's financial statements for the fiscal year ended June 30, 2008 are fairly presented in conformity with (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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

#### Management's Discussion & Analysis (MD&A)

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

### **PROFILE OF THE DESOTO PARISH SCHOOL BOARD**

The DeSoto Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within DeSoto 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 11 members who are elected from 11 districts for terms of four years.

The School Board operates 11 schools within the parish, employs more than 790 teachers and other school workers, and has a total enrollment exceeding 5,000 pupils. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 15, 2008

The Annual Operating Budget serves as the foundation for the DeSoto Parish School Board's financial planning and control. All administrators are required to submit requests for appropriation to the Director of Business Services on or before February 20<sup>th</sup> of each year. Compilation of the budget is completed by the Business Office and sent to the Superintendent for review and/or alterations by March 20<sup>th</sup> of each year. The final draft of the proposed Annual Operating Budget is presented by the Superintendent to the School Board at its regular meeting in May of each year. This gives the Board Members at least 30 days to review the budget before it is voted in an open meeting.

Before the budget is voted on by the School Board, the Budget/Finance Committee reviews the budget. The Board is also required by Louisiana law to hold at least one public hearing prior to its adoption, to publish a notice in the newspaper of the upcoming public hearing, and to make available to the public a copy of the proposed budget at least 15 days prior to the public hearing. The public hearing and the vote by the elected School Board Members on the Annual Operating Budget is held on the first Thursday in June of every year.

The approved Annual Operating Budget presents revenues by source and expenditures by function as defined by the Louisiana Board of Elementary and Secondary Education's Bulletin #1929. The Superintendent is authorized to transfer amounts between line items within a fund in accordance with proper accounting procedure without approval by the Board. However, budget amendments are required when total revenues drop 5% or more below expectations, total expenditures exceed budget estimates by 5% or more, and when beginning fund balance is less than 5% or more of its projected amount.

Budget-to-actual comparisons are provided in this report for the General Fund and each individual Special Revenue Fund.

## FACTORS AFFECTING FINANCIAL CONDITION

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

**Local economy:** DeSoto Parish is located in the northwest corner of Louisiana. It has a land area of 879 square miles and is approximately 43 miles in length and 39 miles in width. Interstate 49 runs north and south through the parish and the northern boundary of DeSoto Parish is approximately 10 miles south of Shreveport, the largest metropolitan area of the region. The parish's economy is balanced among agriculture, mining, timber, oil & gas exploration, and manufacturing. Consistently low wealth and income levels, approximately 58% of the national averages, and high unemployment rate of 7.6% coincide with the School Board's shallow economic base.

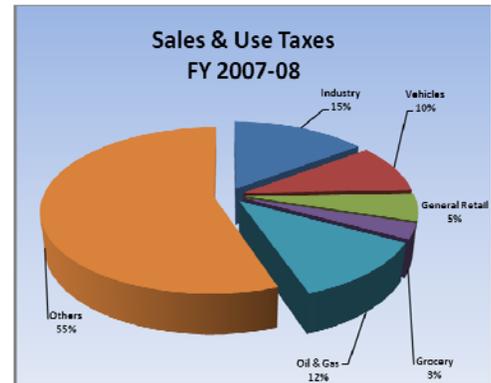


To the Elected School Board Members and  
 Citizens of DeSoto Parish  
 November 15, 2008

### Sales & Use Tax Collections

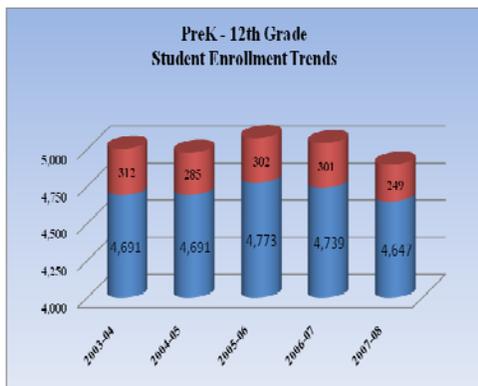
Total sales and use tax collections for all nine governmental bodies in DeSoto Parish exceeded \$23.6 million in fiscal year 2007-08. Comparing total collections for the current fiscal year to the prior fiscal year shows a 2.6% increase.

The pie chart to the right shows approximately \$9.5 million of the total sales and use tax collections (44.6%) were received from the top 5 business classifications of taxpayers: industry, vehicle sales, retail sales, grocery sales, and oil & gas. This compares to 41.3% for the prior fiscal year.



### Student Enrollment Trends

Student enrollment, as shown in the bar chart below, impacts the financial statement in two ways: revenues received from state and federal sources, and the staffing of employees.



On the revenue side, the Board receives state revenues based on the student count in grades kindergarten thru the 12<sup>th</sup> grade from the prior fiscal year and is commonly called the Minimum Foundation Program (MFP). The MFP is the State's cost of educating students in Louisiana and is based on a formula that allocates money to parish and city school systems. Decreases in K-12 students from FY 2006-07 to FY 2007-08 of 92 along with an increase in the MFP base per student of \$530.93 gave the Board a \$425,000 increase in state revenues which was used to fund a salary increase for all employees.

On the expenditure side, the Board policy is to reduce staff if there is a significant decline in student enrollment in grades K-12 from the prior fiscal year. Since there was no significant drop in PreK-12 students from FY 2006-07 to FY 2007-08, staff decreases were held to 3.5 full-time equivalent positions.

### Property Tax Values

Property tax values affect the second largest source of revenues (ad valorem tax revenues) for the school system. In fiscal year 2007-08, total property tax values in DeSoto Parish increased 21.54% to \$273.4 million. Taxable and homestead values reflect a minimal increases and decreases over the past five years as shown in the chart below.

To the Elected School Board Members and  
 Citizens of DeSoto Parish  
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<b>Fiscal Year</b>	<b>Taxable Value</b>	<b>Homestead Value</b>	<b>Total Value</b>	<b>Increase (Decrease)</b>
2003-04	\$170,629,279	\$32,404,785	\$203,034,064	1.15%
2004-05	171,602,013	33,441,125	205,043,138	0.99%
2005-06	182,366,998	34,462,705	216,829,703	5.75%
2006-07	189,516,652	35,462,783	224,979,435	3.76%
2007-08	237,137,915	36,296,280	273,434,195	21.54%

Modest increases or decreases in property tax values have been taken place in DeSoto Parish for the past several years. However, a significant increase in the taxable value occurred in FY 2007-08. The DeSoto Parish Tax Assessor added \$40 million to the tax rolls in 2007-08 when a 10-year property tax exemption for International Paper Company (IP) expired. In 1997, IP expanded its manufacturing facility and was granted this tax exemption by the State of Louisiana.

### **Hurricanes Katrina and Rita**

It has been 3 years since two Category 3 hurricanes struck the state of Louisiana. Hurricane Katrina landed in Buras, Louisiana some 350 miles southeast of DeSoto Parish on August 29, 2005 and 26 days later on September 24, 2005 Hurricane Rita struck the Louisiana Texas border some 200 miles to the south of DeSoto Parish. Both hurricanes did not cause any destruction to buildings or structures in DeSoto Parish; however, immediately after the storms hit, the School Board (1) set up temporary shelters at our schools, and (2) allowed displaced students to enroll in our school.

In FY 2005-06, the Federal Government provided financial assistance with these costs by awarding a Federal Emergency Management Agency Disaster Relief Grant of \$46,961 for the temporary shelters, and an Emergency Aid for Displaced Students Grant of \$319,445 for providing education to displaced students. Because these grants covered 100% of the costs, the DeSoto Parish School Board expended no local funds.

In FY 2007-08, no additional expenditures were necessary as a result of these natural disasters and no additional funds were provided from the state or federal government for the DeSoto Parish School Board.

**Long-term financial planning:** Each year the administration adopts educational goals and objectives as a vehicle to improve student learning. Thus, human and financial resources are allocated in the budget to achieve the adopted goals, and to support educational programs and services defined by the Board’s mission. It is a delicate balance of policy choices. It also represents a delicate balance between the educational needs of the students and the ability of the community to provide the necessary financial support.

The No Child Left Behind Act and the State’s Accountability System have placed mandates in the area of school performance in relationship to every student’s achievement. Every student is to meet the same achievement objectives by 2014 irregardless of ability levels. With these mandates in place every school is expected to show continuous academic growth in all subgroups of students. Improvement is driven through several facets of funding as well as instructional areas such as special education, limited English proficiency, remediation, enrichment, and instructional strategies for poverty students. Never before has there been this kind of need to review achievement

To the Elected School Board Members and  
 Citizens of DeSoto Parish  
 November 15, 2008

data in the areas of subgroups of students.

DeSoto Parish's goal is to not have a school in any level of Academic Assistance as defined by the State of Louisiana. A school that does not meet or make adequate progress toward its Growth Target or Subgroup Performance will enter into School Improvement. A school that enters into School Improvement will receive additional support and assistance through school analysis, school level and district assistance team planning, and individual school needs assessments. Schools meeting their growth targets and going beyond will receive reward money to be dedicated to the school improvement process.

The following chart reflects the status of each school to the goal defined above at the beginning of the 2006-07 school year. Additional information may be viewed at the Louisiana State Department of Education's web site <http://www.louisianaschools.net>.

Schools	School Performance Score		Growth Target			Academic Assistance (AA)	
	Baseline 2006	Growth 2007	Actual	Expected			
Logansport Elementary	95.2	95.2		0.0	+	2.8	Not in AA
Logansport High	84.4	84.7	+	0.3	+	4.1	Not in AA
Mansfield Elementary PreK-2	63.3	55.1	-	8.2	+	6.6	Academically Unacceptable
Mansfield Elementary 3-5	73.9	66.9	-	7.0	+	5.3	AA-1
Mansfield Middle	65.1	65.6	+	0.5	+	6.5	AA-1
Mansfield High	62.5	56.4	-	6.1	+	6.7	AA-1
North DeSoto Elementary	98.7	94.6	-	4.1	+	2.6	Not in AA
North DeSoto Middle	96.0	98.5	+	2.5	+	2.8	Not in AA
North DeSoto High	85.3	83.0	-	2.3	+	4.0	Not in AA
Pelican All-Saints High	67.9	68.5	+	0.6	+	6.1	AA-1
Stanley High	85.7	85.4	-	0.3	+	4.1	Not in AA

**Cash management policies and practices:** All cash receipts of the DeSoto Parish School Board are deposited on a daily basis in interest bearing checking accounts and secured by the bank against loss. The banks pledge securities to the School Board in excess of federal deposit insurance. These securities are held by a third party bank, are released by the School Board by written request only, and must equal or exceed 110% of the balance on deposit.

All monies not immediately needed are invested in certificates of deposit (CD). The maturities of these CDs range from 90 days to 1 year, with an average maturity of 114 days. An average yield of 4.55% was achieved during the 2007-08 fiscal year as compared to 5.07% for the prior fiscal year.

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 15, 2008

**Risk management:** The DeSoto Parish School Board recognizes that there are certain risks or liabilities that could be costly. Risk management is merely deciding how to best deal with those risks and to manage the problem accordingly. Insurance and designated reserves are a couple of ways to deal with those risks.

The School Board lowers its potential risks by purchasing insurance policies for (1) property and casualty, (2) errors and omissions, (3) general liability, (4) automobile liability, (5) employee fidelity, and (6) worker's compensation from A+ rated (AM BEST) companies that are approved by the Commissioner of Insurance for the State of Louisiana. The total costs for such coverage for the year ended June 30, 2008 was \$373,141.

The School Board also designated \$4,972,433 (66.1%) of its General Fund – fund balance for future claims and contingencies, equipment replacement, and specific projects. The majority of the designated fund balance is set aside for future claims and contingencies (\$2,972,433) such as the payment of severance pay, workmen's compensation liabilities, and property/casualty deductibles. Another \$2,000,000 is designated for school bus purchases and technology upgrades.

**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 annual required payments to the plan.

The School Board also provides post-retirement medical and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were 288 retired employees receiving group medical benefits, 353 retired employees receiving group life insurance benefits, and 89 retired employees receiving dental 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.

## **AWARDS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2007. This was the 17<sup>th</sup> consecutive year that the DeSoto Parish School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2007. This was the 17<sup>th</sup> consecutive year that the DeSoto Parish School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 15, 2008

The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the certificate requirements, and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

#### **ACKNOWLEDGEMENTS**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Business Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given the Superintendent and the School Board Members for their unfailing support for maintaining the highest standards of professionalism in the management of the DeSoto Parish School Board's finances.



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Walter C. Lee, Superintendent  
DeSoto Parish Schools



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Steven Stanfield, Director of Business  
Services

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Certificate of Achievement for Excellence in Financial Reporting

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

DeSoto Parish School Board  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2007

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.



*Oliver S. Cox*

President

*Jeffrey R. Egan*

Executive Director

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Certificate of Excellence in Financial Reporting

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**DESOTO PARISH SCHOOL BOARD**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2007

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

*James E. Brendel*

President

*John D. Massa*

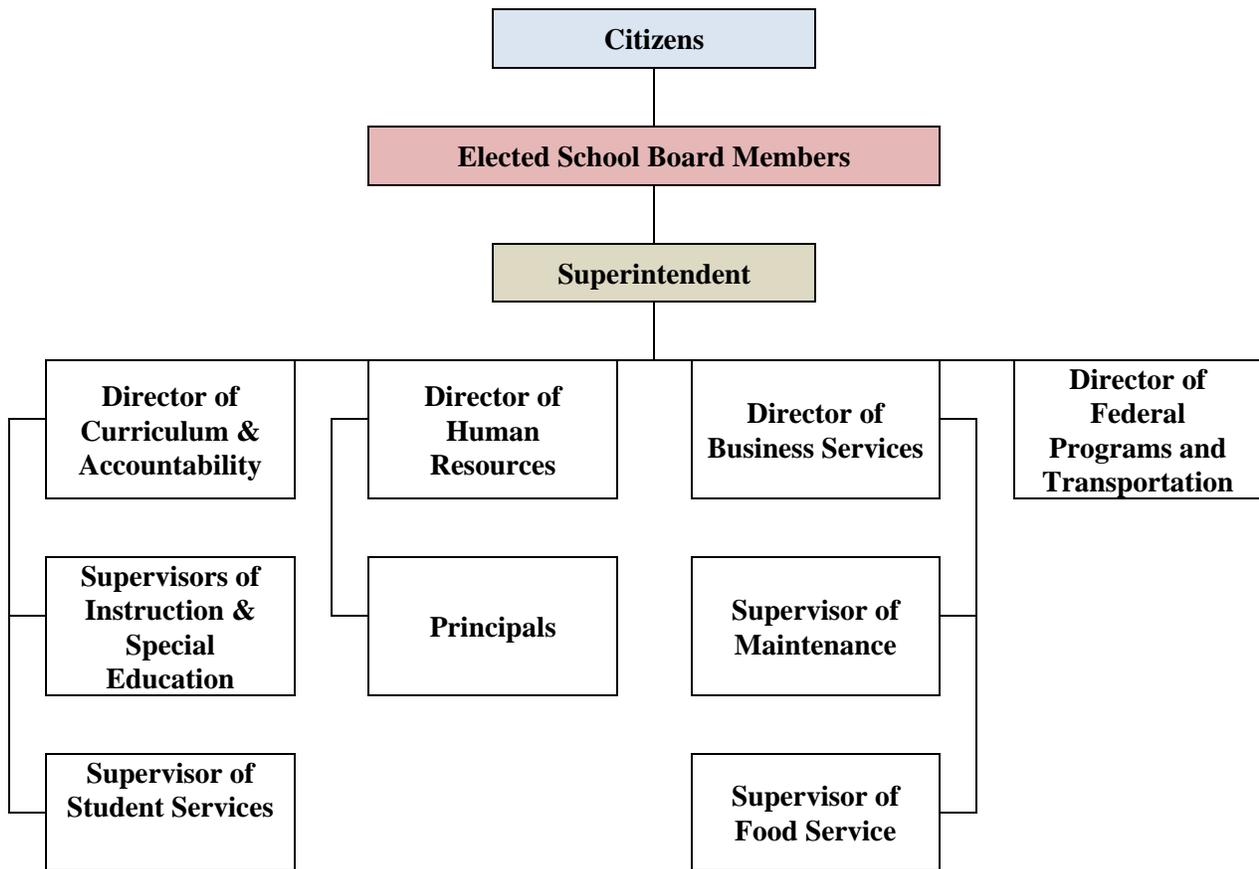
Executive Director

# DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

Organizational Structure as of June 30, 2008

The organizational chart shown below is visual depiction of the way work is distributed within the DeSoto Parish School Board. It is also meant to be a tool to help enhance our working relationship with the Citizens of DeSoto Parish, and to create clear channels of communications in order to better accomplish our goals and objectives.



## DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

Elected School Board Members as of June 30, 2008

	<b><u>Present Term Began</u></b>	<b><u>Present Term Expires</u></b>	<b><u>Began as a Board Member</u></b>
<b>President</b>			
Dr. Robert “Neil” Henderson District No. 2	01-01-2007	12-31-2010	December 2003
<b>Vice President</b>			
Mr. Johnny Haynes District No. 7	01-01-2007	12-31-2010	January 1999
<b><u>Finance Committee Chairman</u></b>			
Mr. Donald “Donny” Dufour District No. 4	01-01-2007	12-31-2010	January 1991
Mr. Dudley Glenn District No. 1	01-01-2007	12-31-2010	January 1991
Mr. McLawrence Fuller District No. 3	01-01-2007	12-31-2010	December 1980
Mrs. Shirley Payne District No. 5	06-01-2008	12-31-2010	June 2008
Mr. John Neilson District No. 6	01-01-2007	12-31-2010	January 2007
Mr. Larry “Mark” Ross District No. 8	01-01-2007	12-31-2010	October 2003
Mr. Thomas “Tommy” Craig, Jr. District No. 9	01-01-2007	12-31-2010	January 1991
Mr. Douglas “Bartholmew” Claiborne District No. 10	01-01-2007	12-31-2010	January 2007
Mr. L.J. Mayweather, Jr. District No. 11	01-01-2007	12-31-2010	January 1981

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Selected Administrative Officials as of June 30, 2008

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Years Experience</u></b>	<b><u>Began as an Administrator</u></b>
Mr. Walter C. Lee	Superintendent	45	07-1989
Mrs. Jo Carroll	Early Childhood Coordinator	32	08-2003
Ms. Sherry Brokenberry	Supervisor of Food Service	31	10-2001
Dr. Gary Clarke	Supervisor of Special Education	9	08-2007
Mr. Clinton Fuller	Supervisor of Testing	16	01-2008
Mrs. Debra Gamble	Director of Human Resources	26	08-2004
Mr. James Grice	Supervisor of Maintenance	31	11-1985
Mr. Darrell Hampton	Supervisor of Student Services	17	08-2005
Mr. Willie Jones	Director of Federal Programs and Transportation	29	07-1996
Mrs. Kathy Noel	Director of Curriculum & Accountability	25	07-1999
Mr. Steven Stanfield	Director of Business Services	26	01-1985

# Financial Inclusion



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of DeSoto Parish School Board as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 31, 2008, 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.

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.

Our audit was conducted for the purpose of forming opinions on the 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 Section 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.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2008

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

**REQUIRED SUPPLEMENTAL INFORMATION**

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

# DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

## Management's Discussion and Analysis

June 30, 2008

We offer readers of the DeSoto Parish School Board's financial statements this narrative overview and analysis of the financial activities of the DeSoto Parish School Board for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

### Financial Highlights

Key financial highlights for the 2007-08 fiscal year include the following:

- Statement of Net Assets – The assets of the DeSoto Parish School Board exceeded its liabilities at the close of the most recent fiscal year by \$51,210,663 (net assets). Of this amount, \$12,842,256 (unrestricted net assets) may be used to meet the government's obligations to students and creditors.
- Statement of Activities – The total net assets of the DeSoto Parish School Board increased by \$11,397,529 the year ended June 30, 2008. This increase can be attributed to the following: 25.3% is an increase in ad valorem tax collections, 2.1% is an increase in sales and use tax revenues, and 9.0% is an increase in MFP.
- Governmental Funds Balance Sheet – As of the close of the current fiscal year, the DeSoto Parish School Board's governmental funds reported a combined ending fund balance of \$37,035,103, an increase of \$21,355,353 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$7.5 million for spending within the General Fund, (2) \$2.9 million which is reserved for the payment of outstanding bond issues within the Debt Service Funds, and (3) \$24.6 million which is designated for specific construction projects within the Capital Projects Funds.
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – Total revenues for the year ended June 30, 2008 for the governmental funds of the DeSoto Parish School Board amounted to \$66,605,190. Approximately 81.0% of this amount is received from three major revenue sources: (1) \$24.0 million from Louisiana's State Equalization, (2) \$16.1 million from local ad valorem taxes, and (3) \$14.0 million from local sales and use taxes.
- General Fund's Ending Fund Balance – At the end of the current fiscal year, unreserved fund balance for the General Fund, a major fund, was \$7,521,542, or 16.6% of total General Fund expenditures. Approximately \$5.0 million (designated) is set aside for future claims and contingencies, equipment replacement, and specific projects, while \$2.5 million (undesignated) is available for spending at the Board's discretion.
- Capital Assets – Total capital assets (net of depreciation) were \$47,479,322 or 49.0% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Debt – The DeSoto Parish School Board's total debt increased \$15,765,000 (76.7%) during the current fiscal year. A net reduction of approximately \$3.2 million in existing long-term debt along with issuing two new series of G/O Bonds in School District No. 4 – Mansfield totaling \$19 million accounts for this increase.

### Overview of the Financial Statements

The management discussion and analysis is intended to serve as an introduction to the DeSoto Parish School Board's basic financial statements. The School Board's basic financial statements comprise three components: (1)

# DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

## Management's Discussion and Analysis

June 30, 2008

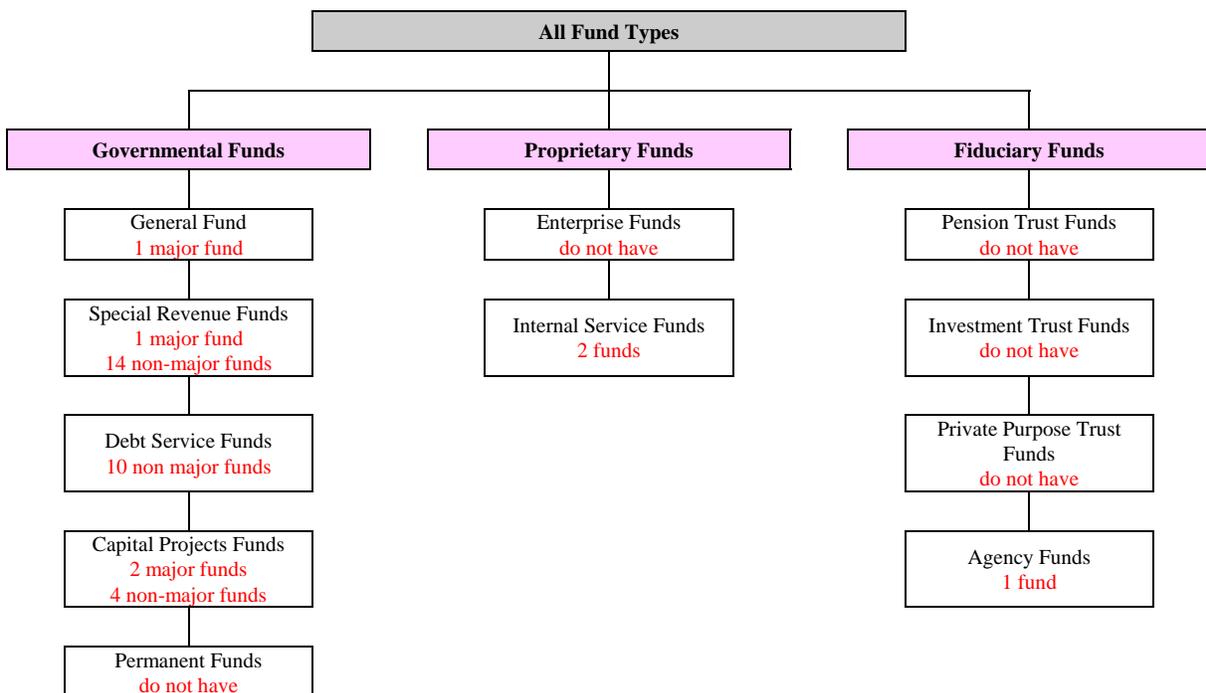
government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the DeSoto Parish School Board's finances, in a manner similar to a private-sector business.

- The Statement of Net Assets presents information on all of the DeSoto Parish School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the DeSoto Parish School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The DeSoto Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the DeSoto Parish School Board are categorized in one of 11 fund types. Each fund type and the number of individual funds operated by the DeSoto Parish School Board for FY 2007-08 are listed in the chart.



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

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

Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Reading First Special Revenue Fund, the School District No. 4 Capital Projects Fund, and the Parishwide Capital Projects Fund which are considered to be the only major funds. Data for the other 28 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The DeSoto Parish School Board adopts an annual appropriated budget for its General Fund and each individual Special Revenue Fund. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

- *Proprietary fund.* The DeSoto Parish School Board maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School Board's various functions. The School Board uses an internal service fund to account for the accumulation of resources for and the payment of employee medical and dental insurance by the School Board's risk management program. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.
- *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the DeSoto Parish School Board. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the DeSoto Parish School Board's own programs. The School Board maintains one fiduciary fund named the School Activity Agency Fund.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School Board's compliance with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information.

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**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the DeSoto Parish School Board, assets exceed liabilities by \$51,210,663 at the close of the most recent fiscal year.

A portion of the DeSoto Parish School Board's total net assets of approximately \$11.4 million (62.5%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the DeSoto Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**DeSoto Parish School Board's Net Assets**

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Current and other assets	\$ <u>49,361,477</u>	\$ <u>25,994,018</u>
Capital assets - Net of Depreciation	<u>47,479,322</u>	<u>45,173,360</u>
Total assets	<u>96,840,799</u>	<u>71,167,378</u>
Current and other liabilities	6,801,090	8,535,027
Long-term liabilities	<u>38,829,046</u>	<u>22,819,217</u>
Total liabilities	<u>45,630,136</u>	<u>31,354,244</u>
Net assets:		
Invested in capital assets, net of related debt	11,438,322	24,897,360
Restricted	26,930,085	6,753,530
Unrestricted	<u>12,842,256</u>	<u>8,162,244</u>
Total net assets	\$ <u>51,210,663</u>	\$ <u>39,813,134</u>

A portion of the School Board's net assets of \$26,930,085 are reported separately to show the legal constraints for the payment of outstanding long-term debt obligations and designated capital projects, and to limit the School Board from using these funds for day-to-day operations. The remaining balance of unrestricted net assets totaling \$12,842,256 may be used to meet the School Board's ongoing obligations to citizens and creditors. Governmental

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## Management's Discussion and Analysis

June 30, 2008

activities increased the DeSoto Parish School Board's net assets by \$11,397,529 which was a 28.6% gain in the net assets. Key elements of this increase are as follows:

**DeSoto Parish School Board's Changes in Net Assets**

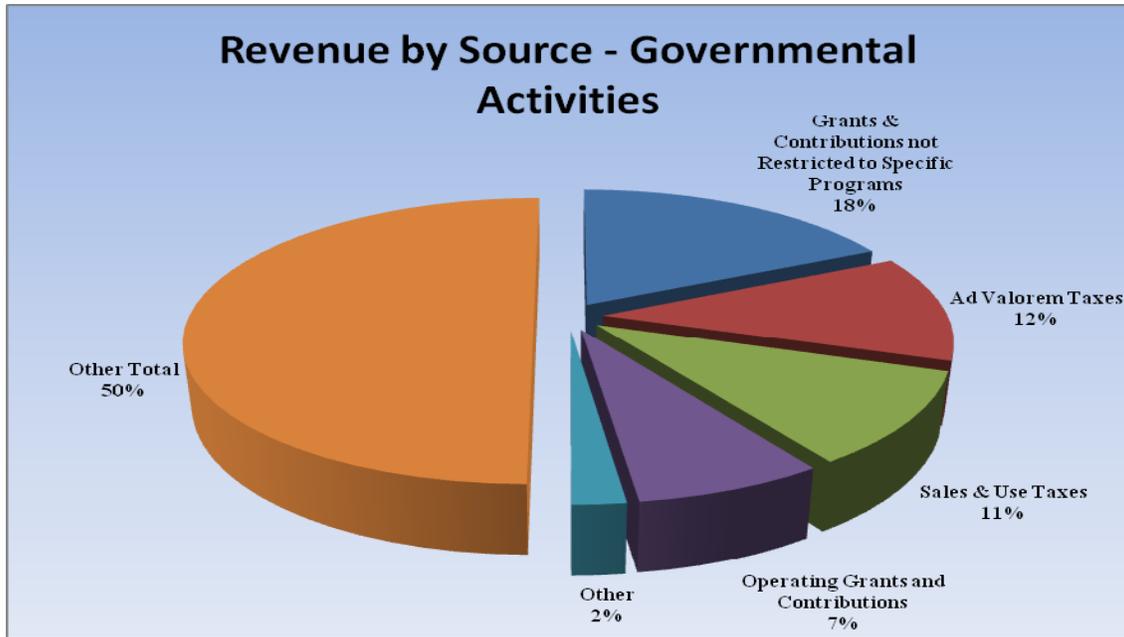
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Revenues:		
Program revenues:		
Charges for services	\$ 365,161	\$ 345,165
Operating grants and contributions	9,864,073	8,864,685
General revenues:		
Ad valorem taxes	16,117,741	12,858,951
Sales taxes	13,965,356	3,676,310
Grants and contributions not restricted to specific programs – Minimum Foundation Program	24,031,093	22,028,299
Interest on investments	1,348,832	1,188,346
Other general revenues	1,085,509	797,122
Total revenues	<u>66,777,765</u>	<u>59,758,878</u>
Expenses:		
Instruction:		
Regular programs	17,264,404	17,553,777
Special programs	14,799,391	13,302,543
Adult/continuing education	150,217	133,419
Support services:		
Pupil support services	1,605,941	1,644,126
Instructional staff support services	2,852,134	2,992,461
General administration	1,441,594	1,705,463
School administration	2,973,792	3,034,275
Business services	810,112	824,294
Plant services	4,673,123	4,630,717
Student transportation services	3,530,902	3,786,831
Central services	215,858	189,642
Non-Instructional Services:		
Food services operations	3,712,780	3,152,776
Debt service – interest on long-term obligations	1,349,988	869,372
Total expenses	<u>55,380,236</u>	<u>53,819,696</u>
Increase in net assets	11,397,529	5,939,182
Net assets at beginning of the year	<u>39,813,134</u>	<u>33,873,952</u>
Net assets at end of year	<u>\$ 51,210,663</u>	<u>\$ 39,813,134</u>

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Management’s Discussion and Analysis

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**Revenues by Source – Governmental Activities**

- Grants and Contributions Not Restricted To Specific Programs:** The single largest source of revenue to the DeSoto Parish School Board is reported in the “Grants and Contributions Not Restricted to Specific Programs” and is commonly called the Minimum Foundation Program (MFP). The MFP is a distribution of approximately \$2.8 billion to 69 public school systems by the State of Louisiana for salaries and general operations. The State does not provide money for building schools or retiring debt. The 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 the “Grants and Contributions Not Restricted to Specific Programs” for the past 3 years.

<b>Fiscal Year</b>	<b>Minimum Foundation Program (MFP)</b>	<b>State Revenue Sharing</b>	<b>Unrestricted State Grants</b>	<b>Total</b>	<b>Percentage Increase or (Decrease)</b>
2005-06	\$20,793,596	\$361,081	0	\$21,154,677	6.0%
2006-07	22,028,299	307,676	0	22,335,975	5.6%
2007-08	24,031,093	323,511	0	24,354,604	9.0%

In FY 2007-08, the School Board received \$24,031,093 or 36.0% of its total revenues from the MFP. The General Fund received \$23.2 million while the remaining \$781,000 was deposited in the School Food Service Fund. Most of the \$2,018,629 increase was realized when the State increased the Base Per-Pupil Amount from \$3,652 to \$3,752.

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- **Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the second 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 DeSoto 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 3 years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase (Decrease)</u>	
					<u>Amount</u>	<u>Percent</u>
2005-06	\$ 7,641,191	\$1,248,813	\$3,133,086	\$12,023,090	\$ 776,554	6.9%
2006-07	8,206,984	1,346,243	3,305,724	12,858,951	835,861	7.0%
2007-08	10,095,758	1,650,905	4,371,078	16,117,741	3,258,790	25.3%

In FY 2007-08, the School Board deposited \$16,117,742 of ad valorem tax revenues into the General Fund, 7-Mill Maintenance Tax Fund, and the Debt Service Funds. This represents 24.1% of the total revenues received. The General Fund received \$1,888,774 more property tax revenues from the prior fiscal year while the Debt Service Funds received \$1,065,354 more. The increase in property tax collections in all funds can be attributed to a \$3.3 million increase in property tax values.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the DeSoto Parish School Board. A 2½% sales tax rate is levied upon the sale and consumption of goods and services within the parish for public school education. The chart below lists the sales and use tax revenues for the past 3 years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>School Food Service Fund</u>	<u>Nonmajor Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total Sales &amp; Use Tax Collections</u>	<u>Percentage Increase or (Decrease)</u>
2005-06	\$ 7,456,918	\$392,469	\$651,000	\$1,311,346	\$ 9,811,733	18.3%
2006-07	10,393,996	547,052	551,000	2,184,262	13,676,310	39.4%
2007-08	10,812,110	360,175	511,000	2,282,071	13,965,356	2.1%

In FY 2007-08, the School Board deposited \$13,965,356 of sales and use tax revenues into the General Fund, School Food Service, Debt Service Funds, and Capital Projects Funds. This represents 20.9% of the total revenues received. Total collections increased approximately 2.1% or \$289,046 in fiscal year 2007-08 even though the 2½% sales tax rate did not increase.

- **Operating Grants and Contributions:** Operating grants and contributions totaled approximately \$9.9 million and are the fourth largest source of revenues for the School Board. Federal grants represent approximately \$7.0 million or 70.9% of the total while state grants represent approximately \$2.9 million or 29.1%. 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 funding source.

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Mansfield, Louisiana

Management's Discussion and Analysis

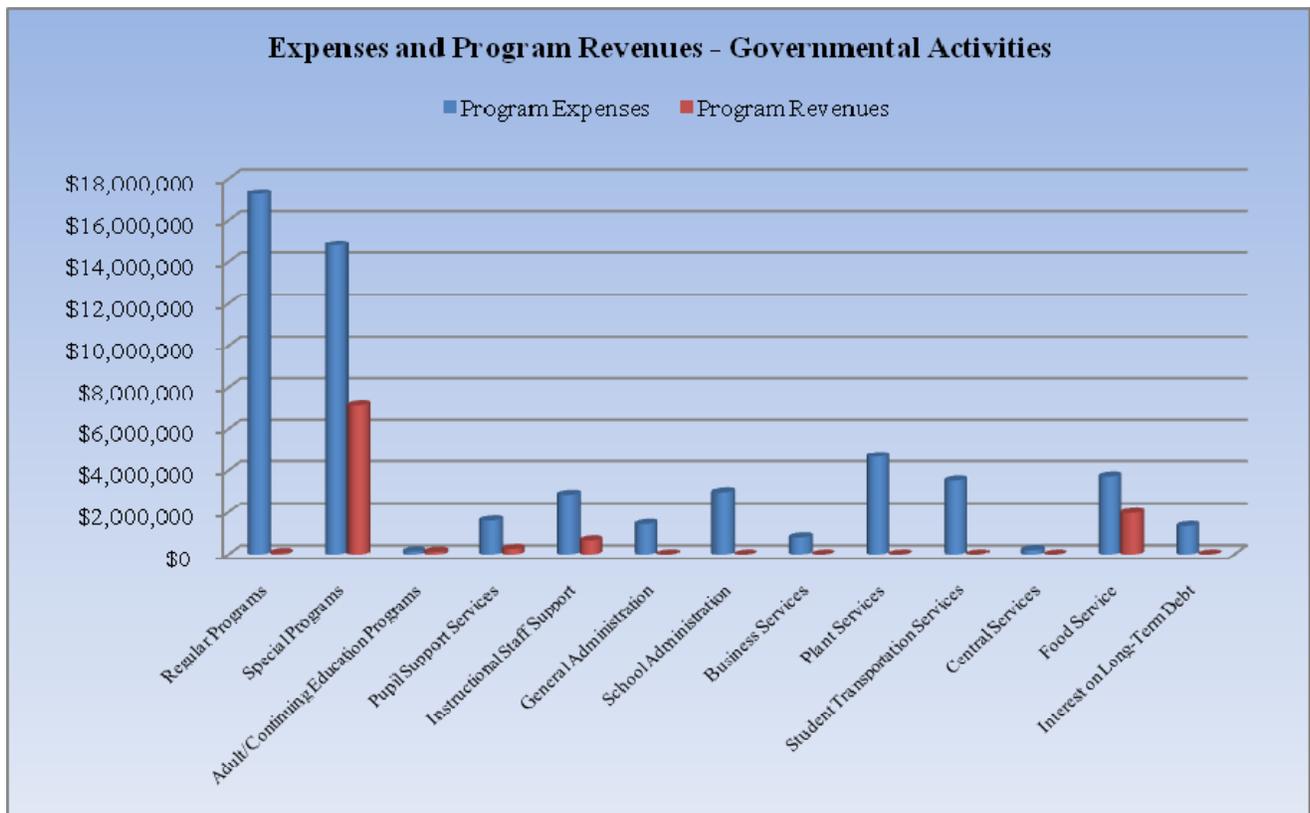
June 30, 2008

<b>Fiscal Year</b>	<b>School Food Service</b>	<b>Title I</b>	<b>Reading First</b>	<b>Other</b>		<b>Percentage Increase or (Decrease)</b>
				<b>Operating Grants &amp; Contributions</b>	<b>Total</b>	
2005-06	\$1,652,030	\$1,736,451	\$1,254,920	\$4,737,105	\$9,380,506	-3.6%
2006-07	1,607,347	1,967,297	1,161,142	4,128,899	8,864,685	-5.5%
2007-08	1,600,845	1,646,526	1,520,770	5,095,932	9,864,073	11.3%

In FY 2007-08, the School Board received a 11.3% increase or \$999,338 in operating grants and contributions. Of the total operating grants and contributions received, \$4.8 million or 48.3% is received from School Food Service, Title I, and Reading First Programs.

**Expenses and Program 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. The program revenues for the fiscal year ended 2008 directly related to these expenses totaled \$9,864,073, which, along with charges for services of \$365,161, resulted in net program expenses of \$45,151,002. These net program expenses are funded by general revenues of the School Board.



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- **Instruction:** Expenses for regular programs, special programs, and adult/continuing education are considered instructional services and relate to direct expenses of providing instruction to students. Instruction services for the fiscal year 2007-08 totaled more than \$32.2 million or 58.2% of total expenditures.

<b>Fiscal Year</b>	<b>Regular Programs</b>	<b>Special Programs</b>	<b>Adult / Continuing Education</b>	<b>Instruction Total</b>	<b>Increase (Decrease)</b>
2005-06	\$15,425,304	\$12,588,964	\$105,807	\$28,120,075	0.5%
2006-07	17,553,777	13,302,543	133,419	30,989,739	10.2%
2007-08	17,264,404	14,799,391	150,217	32,214,012	4.0%

As shown in the chart above, instructional services increased approximately \$1.2 million. The increase in expenditures for FY 2007-08 can be associated with a \$3,500 pay raise given to teachers and \$1,250 pay raise given to support staff that added \$2.5 million to salaries and employee benefits.

- **Support Services:** Support Services relate to those functions that facilitate the Instructional Services. Support services include Pupil Support, Instructional Staff Support, General Administration, School Administration, Business Services, Plant Services, Transportation Services, and Central Services. Support services for the fiscal year 2007-08 totaled approximately \$18.1 million or 32.7% of total expenditures.

<b>Fiscal Year</b>	<b>Instructional Staff Support</b>	<b>Plant Services</b>	<b>Student Transportation</b>	<b>Other</b>	<b>Total Support Services</b>	<b>Increase (Decrease)</b>
2005-06	\$2,762,940	\$4,379,507	\$3,303,256	\$6,527,169	\$16,972,872	6.0%
2006-07	2,992,461	4,630,717	3,786,831	7,397,800	18,807,809	10.8%
2007-08	2,852,134	4,673,123	3,530,902	7,047,297	18,103,456	-3.7%

The chart above shows that Support Services dropped 3.7% or \$704,353 from the prior fiscal year. The majority of the decrease in expenditures for FY 2007-08 can be attributed to (1) a decrease in costs to student transportation of approximately \$256,000, (2) a decrease in costs to General Administration of \$264,000, (3) a decrease of approximately \$140,000 in Instructional Staff.

- **Non-Instructional Services:** Activities concerned with providing non-instructional services to students, staff or the communities are defined as Non-Instructional Services. They include Food Service Operations, Enterprise Operations, and Community Services Operations. Non-Instructional Services for the fiscal year 2007-08 totaled approximately \$3.7 million or 6.7% of total expenditures.

<b>Fiscal Year</b>	<b>Food Services</b>	<b>Community Services</b>	<b>Total Non-Instructional Services</b>	<b>Increase (Decrease)</b>
2005-06	\$2,970,622	\$45,336	\$3,015,958	0.7%
2006-07	3,152,776	0	3,152,776	4.5%
2007-08	3,712,780	0	3,712,780	17.8%

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The chart above shows that Non-Instructional Services grew 17.8% or \$560,004 from the prior fiscal year. The increase in expenditures for FY 2007-08 can be attributed to (1) workmen's compensation claims increasing \$91,000, (2) the purchase of a refrigerated truck and van totaling \$182,000, and (3) salary and benefit increases for 62 food service employees totaling more than \$258,000.

- **Debt Service – Interest on Long Term Obligations:** The remaining \$1,349,988 (2.4%) of total expenditures consists of interest expense on long-term obligations. Interest on Long Term Obligations increased 55.3% or \$480,616 from the prior fiscal year; however, after this year it will decline annually until fiscal year 2031-32 when the last interest and principal payments are due unless additional debt is issued.

<b>Fiscal Year</b>	<b>Interest on Long Term Obligations</b>	<b>Increase (Decrease)</b>
2005-06	\$ 948,763	18.1%
2006-07	869,372	-8.4%
2007-08	1,349,988	55.3%

### Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, the DeSoto Parish School Board's governmental funds reported a combined ending fund balance of \$37,035,103, an increase of \$21,355,353 in comparison with the prior fiscal year. The key factors of this increase are as follows:
  - **General Fund** - The General Fund is the chief operating fund of the DeSoto Parish School Board. At the end of the current fiscal year, the unreserved fund balance of the General Fund increased approximately \$1.6 million or 27.5% from the prior fiscal year. This occurred after transferring approximately \$1.55 million to the Non-Instructional Capital Projects Fund. This is a one-time transfer because sales and use tax collections exceeded original budget estimates. At the end of the current fiscal year, unreserved fund balance for the General Fund was \$7,521,542, or 16.6% of total General Fund Expenditures. Approximately \$5.0 million of that fund balance is designated for future claims and contingencies, equipment replacement, and specific projects. The remaining 33.2% or \$2.5 million (undesignated) is available for spending at the Board's discretion.
  - **School District No. 4 Capital Projects Fund** - School District No. 4 Capital Projects Fund, a major fund, had approximately \$18.2 surplus in FY 2007-08. Capital projects often experience large surpluses and large deficits of this nature because they are financed through selling of bonds where the money is received in one fiscal year and the payment extends over several fiscal years. With that being said, \$19 million in General Obligation Bonds were sold in FY 2007-08 (a) to renovate and construct new

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### Management's Discussion and Analysis

June 30, 2008

buildings at Mansfield High School. Construction started in FY 2008-09 and continued in fiscal years 2009-10 and 2010-11. Completion of this major capital improvement is scheduled for January 2011. The remaining \$18.9 fund balance at June 30, 2008 is designated for the specific projects mentioned above.

- Parishwide Capital Project Fund – The Parishwide Capital Projects Fund, a major fund, had approximately a \$1.7 million increase in FY 2007-08. Funds are being collected on a pay-as-you-go basis with the main purpose (a) build a new maintenance and transportation facility and (b) to purchase new school buses. The ending fund balance of \$4.2 million at June 30, 2008 will allow construction of a new maintenance and transportation facility began July 1, 2008. Completion of this major capital improvement is scheduled for January 2011. Any monies not needed for this facility will be used to purchase new buses or other major non-instructional capital improvement projects.
- 7 Mill Maintenance Tax Fund – The 7 Mill Maintenance Tax Fund is a non-major Special Revenue Fund to assist in paying the general cost of operation and maintenance of public schools. The fund balance in the 7 Mill Maintenance Tax Fund decreased \$216,880 or 15.8% in FY 2007-08 because of the cost of utilities and property/casualty insurance costs exceeded the revenue received from a 7 Mill Property Tax. The ending fund balance of \$1.2 million at June 30, 2008 is designated for property & casualty insurance and utilities for future years.
- School Food Service Fund - The School Food Service is a non-major special revenue fund and is used to account for revenues and costs associated with providing nutritious meals to school children and employees. For the year ended June 30, 2008, the fund balance was \$856,397 which is a decrease of \$545,261 from the previous fiscal year. This decrease was planned because money had to be accumulated in prior fiscal years to purchase a refrigerated truck and a van totaling than \$182,000 (a one-time purchase). This unreserved fund balance is designated for unforeseen circumstances in the school breakfast and lunch programs.
- The non-major Debt Service Funds have a total fund balance exceeding \$2.8 million at June 30, 2008, all of which is reserved for the payment of debt. A net increase of \$549,009 occurred during the current fiscal year as a result of the School Board's reserve policy to have at least 40%, but not greater than 75%, of next year's principal and interest payments in reserve. This percent was 52.2% at June 30, 2008.
- The remaining non-major Capital Projects Funds have a total fund balance exceeding \$1.4 million at June 30, 2008, all of which are designated for capital improvements. This was a net increase of \$38,331 and will be retained by the districts until enough monies are collected to complete other needed improvements.

### General Fund Budgetary Highlights

The original 2007-08 fiscal year operating budget for the School Board was adopted on June 7, 2007, and the final budget amendment was adopted on June 29, 2008. Differences between the original budget and the final amended budget of the General Fund are as follows:

# DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

## Management's Discussion and Analysis

June 30, 2008

### Revenues

- Ad valorem tax collections were based on a projected taxable assessed value of \$215 million along with a 99.0% collection rate. The budget was increased \$895,750 when the actual collection rate increased to 99.2% and when the actual taxable assessed value increased to \$237,137,915.
- Sales and Use Tax revenues were expected to decrease \$1.4 million in FY 2007-08 based on estimates from the DeSoto Parish Sales and Use Tax Commission. The budget was increased \$2,300,000 on three separate occasions after collections showed significant increased collections.
- State Equalization revenues (\$22.4 million) were forecasted to increase \$292,500 at the beginning of the 2007-08 fiscal year. The staff used an estimated student rate of \$4,748.67 and an estimated October 1<sup>st</sup> student count of 4,739. When the State Department of Education changed the formula to increase the student rate to \$5,179.23 and to decrease the student count to 4,647, a budget adjustment for \$11,604 was submitted to the Board for approval.
- Revenues from state grants for specific programs were increased approximately \$2.8 million throughout the year as competitive state grants were awarded to the school system.

### Expenditures

- Expenditures for regular programs were increased approximately \$909,000 and increased in special programs approximately \$1.5 million due to changes in salaries and employee benefits.
- Expenditures for support services were increased approximately \$1.4 million due to changes in salaries and employee benefits.

### Other Financing Sources / Uses

- Three budget adjustments exceeding \$1.5 million were approved by the Board to transfer \$1.5 million to the Parishwide Capital Projects Fund.

### Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses

- The original budget projected a deficit of \$642,302 and was later amended and projected to have a surplus of \$45,943. Receiving various additional revenues and reducing expenditures throughout the year help us achieve more favorable results.

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management's Discussion and Analysis

June 30, 2008

**Capital Assets and Debt Administration**

Capital Assets: The DeSoto Parish School Board's investment in capital assets as of June 30, 2008 amounts to \$47,479,322 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of each fiscal year.

**DeSoto Parish School Board's Capital Assets  
(Net of Depreciation)**

	<u>2008</u>	<u>2007</u>
Land	\$ 1,745,645	\$ 1,495,645
Buildings, building improvements, and land improvements	40,803,327	29,097,469
Furniture, equipment, and vehicles	3,313,738	3,286,689
Construction in progress - buildings	<u>1,616,612</u>	<u>11,293,557</u>
Total	<u>\$47,479,322</u>	<u>\$45,173,360</u>

Major capital asset events during the fiscal year included the following:

- Seven acres of land was purchased adjacent to Mansfield High School for \$250,000.
- A new middle school and the renovation of an existing school in School District No. 2 added \$11,398,420 to buildings, building improvements, and land improvements.
- Two regular education school buses, one special needs school bus, two cargo vans, and one refrigerator delivery truck was purchased in FY 2007-08 totaling \$369,468.
- The former and abandoned Mansfield Elementary School which was built in 1908 was demolished and removed from inventory. The building was listed in the inventory at \$1,672,000. Some of the remnants of the building (columns, limestone, door archways, etc.) will be incorporated in the new construction at Mansfield High School.
- Depreciation expense for the year lowered all capital asset values a total of \$2,225,262.

Long-Term Debt: At the end of the current fiscal year, the DeSoto Parish School Board had total bonded debt outstanding of \$36,041,000. Of this amount, \$34,475,000 is backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2007 and 2008.

**DeSoto Parish School Board's Outstanding Debt**

	<u>2008</u>	<u>2007</u>
General Obligation Bonds	\$34,475,000	\$18,425,000
Sales Tax Bonds	66,000	86,000
Certificate of Indebtedness	<u>1,500,000</u>	<u>1,765,000</u>
Total	<u>\$36,041,000</u>	<u>\$20,276,000</u>

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management’s Discussion and Analysis

June 30, 2008

Long-term debt issues for fiscal year 2007-08 include the following:

- Total outstanding debt increased \$15,765,000 during the fiscal year. This is largely due to a net reduction of approximately \$3.2 million in existing long-term debt along with issuing two new series of G/O Bonds in School District No. 4 – Mansfield totaling \$19 million.
- The DeSoto Parish School maintains a bond rating of “BBB” from Standard & Poor’s for its general obligation bonds for School Districts No. 2, 3, 4 and 5.
- Louisiana statutes limit the amount of general obligation debt the School Board may issue to 35% of its total assessed valuation. The current debt limitation for the DeSoto Parish School Board is approximately \$95.7 million, which is significantly higher than the \$34.5 outstanding at June 30, 2008.

For additional information regarding capital assets and long-term debt, see the notes 5 and 11 to the basic financial statements.

**Economic Factors and Next Year’s Budgets and Rates**

The following economic factors were considered when the budget for FY 2008-09 was presented to the Board:

- After the original budget was approved in June 2008, the State Department of Education and the Louisiana State Legislature approved pay raises for teachers and support staff. This changed increased Minimum Foundation Program (MFP) revenues approximately \$2,455,000. Instead of projecting \$23.6 million in revenues, the staff is projecting \$26.1 million in MFP revenues and adjusting expenditure for this pay raise to all employees.
- Information from the DeSoto Parish Tax Assessor shows the taxable values of property tax assessments will increase 19.2% from \$234.0 million to \$279.0 million. The land use of the parish is balanced among agriculture, mining, timber, and manufacturing. In fact, the top 10 principal taxpayers represent 61.8% of the total taxable value. Total ad valorem collections are expected to increase approximately \$934,000.
- Information from the DeSoto Parish Sales and Use Tax Commission shows that sales and use tax collections will increase from \$9,880,000 to \$11,020,000 or \$1,140,000.
- After consideration of the above mentioned costs the General Fund for FY 2008-09 is projected to end the year with an increase in the fund balance of approximately \$1.2 million as shown below

Revenues	\$50,877,313
Expenditures	49,913,693
Other Sources of Funds	212,030
Other Uses of Funds	<u>0</u>
Net Changes in Fund Balance	1,175,650
Beginning Fund Balance	<u>\$ 5,949,225</u>
Ending Fund Balance	<u>\$ 7,124,875</u>

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management's Discussion and Analysis

June 30, 2008

**Requests for Information**

This financial report is designed to provide a general overview of the DeSoto Parish School Board's finances for all those with an interest in the School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Business Services of the DeSoto Parish School Board, 201 Crosby Street, Mansfield, LA 71052-2637, or by calling (318) 872-2836.

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

**BASIC FINANCIAL STATEMENTS:**

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

DESOTO PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS  
June 30, 2008

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 26,313,072
Investments	18,242,770
Receivables (net)	4,790,719
Inventory	14,916
Capital assets:	
Land and construction in progress	3,362,257
Capital assets, net of depreciation	<u>44,117,065</u>
<b>TOTAL ASSETS</b>	<u>96,840,799</u>
<b>LIABILITIES</b>	
Accounts, salaries and other payables	6,228,734
Unearned revenues	69
Interest payable	572,287
Long-term liabilities	
Due within one year	3,662,912
Due in more than one year	<u>35,166,134</u>
<b>TOTAL LIABILITIES</b>	<u>45,630,136</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	11,438,322
Restricted for:	
Debt service	2,309,869
Capital projects	24,620,216
Unrestricted	<u>12,842,256</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 51,210,663</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

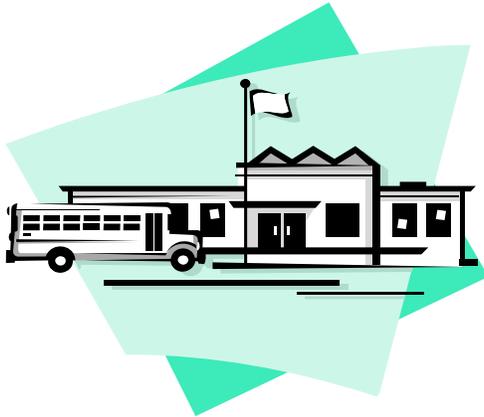
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2008

Statement B

	<u>PROGRAM REVENUES</u>			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	
<b>FUNCTIONS/PROGRAMS</b>				
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 17,264,404	\$ 0	\$ 73,832	\$ (17,190,572)
Special programs	14,799,391	0	7,109,665	(7,689,726)
Adult/continuing education programs	150,217	0	127,079	(23,138)
Support services:				
Pupil support services	1,605,941	0	270,158	(1,335,783)
Instructional staff support	2,852,134	0	671,795	(2,180,339)
General administration	1,441,594	0	5,207	(1,436,387)
School administration	2,973,792	0	0	(2,973,792)
Business services	810,112	0	0	(810,112)
Plant services	4,673,123	0	0	(4,673,123)
Student transportation services	3,530,902	0	5,492	(3,525,410)
Central services	215,858	0	0	(215,858)
Food services	3,712,780	365,161	1,600,845	(1,746,774)
Interest on long-term debt	1,349,988	0	0	(1,349,988)
	<u>55,380,236</u>	<u>365,161</u>	<u>9,864,073</u>	<u>(45,151,002)</u>
Total Governmental Activities				
General revenues:				
Taxes:				
Ad valorem taxes levied for general purposes				11,746,663
Ad valorem taxes levied for debt service purposes				4,371,078
Sales taxes levied for capital improvements				2,282,071
Sales taxes levied for salaries, benefits and general				11,683,285
Grants and contributions not restricted to specific programs				
State revenue sharing				323,511
Minimum Foundation Program				24,031,093
Interest and investment earnings				1,348,832
Miscellaneous				<u>761,998</u>
Total general revenues				<u>56,548,531</u>
Changes in net assets				11,397,529
Net assets - beginning				<u>39,813,134</u>
Net assets - ending				<u>\$ 51,210,663</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana



**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

**BASIC FINANCIAL STATEMENTS:**  
**FUND FINANCIAL STATEMENTS (FFS)**

DESOTO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2008

	GENERAL	READING FIRST	SCHOOL DISTRICT NO. 4 CAPITAL PROJECT
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,118,213	\$ 0	\$ 5,655,743
Investments	4,542,770	0	13,000,000
Receivables	1,810,991	570,544	295,262
Interfund receivables	815,343	0	0
Inventory	0	0	0
<b>TOTAL ASSETS</b>	<u>11,287,317</u>	<u>570,544</u>	<u>18,951,005</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	2,855,960	99,212	851
Interfund payables	909,815	471,332	0
Deferred revenues	0	0	0
<b>Total Liabilities</b>	<u>3,765,775</u>	<u>570,544</u>	<u>851</u>
<b>Fund Balances:</b>			
<b>Reserved for:</b>			
Inventory	0	0	0
Debt Service	0	0	0
<b>Unreserved:</b>			
Designated for future claims and contingencies	2,972,433	0	0
Designated for equipment replacement	2,000,000	0	0
Designated for specific projects	96,317	0	0
Designated for specific projects, reported in capital project funds	0	0	18,950,154
Undesignated	2,452,792	0	0
Unreserved, reported in nonmajor Special Revenue	0	0	0
<b>Total Fund Balances</b>	<u>7,521,542</u>	<u>0</u>	<u>18,950,154</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 11,287,317</u>	<u>\$ 570,544</u>	<u>\$ 18,951,005</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

PARISHWIDE CAPITAL PROJECT	OTHER GOVERNMENTAL	TOTAL
\$ 3,735,370	\$ 6,438,022	\$ 19,947,348
700,000	0	18,242,770
76,003	940,163	3,692,963
0	0	815,343
<u>0</u>	<u>14,916</u>	<u>14,916</u>
<u>4,511,373</u>	<u>7,393,101</u>	<u>42,713,340</u>
261,267	686,691	3,903,981
0	393,040	1,774,187
<u>0</u>	<u>69</u>	<u>69</u>
<u>261,267</u>	<u>1,079,800</u>	<u>5,678,237</u>
0	14,916	14,916
0	2,882,156	2,882,156
0	0	2,972,433
0	0	2,000,000
0	0	96,317
4,250,106	1,419,956	24,620,216
0	0	2,452,792
<u>0</u>	<u>1,996,273</u>	<u>1,996,273</u>
<u>4,250,106</u>	<u>6,313,301</u>	<u>37,035,103</u>
<u>\$ 4,511,373</u>	<u>\$ 7,393,101</u>	<u>\$ 42,713,340</u>

**DESOTO PARISH SCHOOL BOARD**

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

**Statement D**

Total fund balances - governmental funds

\$ 37,035,103

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.

Costs of capital assets	\$ 77,313,386	
Depreciation expense to date	<u>(29,834,064)</u>	
		47,479,322

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.

Balances at June 30, 2008 are:

Long-term liabilities		
Compensated absences payable	(2,788,046)	
General obligation bonds payable	(34,475,000)	
Revenue bonds payable	(66,000)	
Certificate of Indebtedness payable	(1,500,000)	
Interest payable	<u>(572,287)</u>	
		(39,401,333)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities .

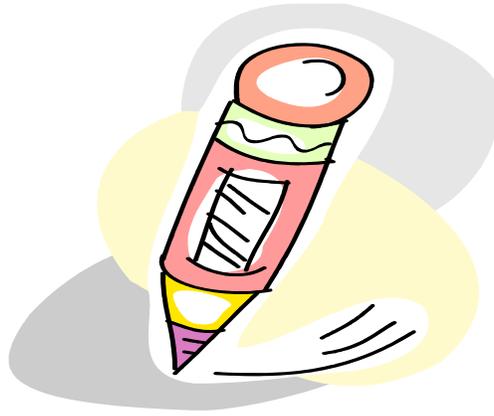
6,097,571

**Net Assets - Governmental Activities**

**\$ 51,210,663**

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DeSoto Parish School Board  
Mansfield, Louisiana**



DESOTO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2008

	GENERAL	READING FIRST	SCHOOL DISTRICT NO. 4 CAPITAL PROJECT
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 10,095,758	\$ 0	\$ 0
Sales and use	10,812,110	0	295,750
Interest earnings	397,111	0	468,630
Food services	0	0	0
Other	592,642	0	131,840
State sources:			
Equalization	23,250,083	0	0
Other	3,141,199	0	0
Federal sources	106,995	1,520,770	0
<b>Total Revenues</b>	<b>48,395,898</b>	<b>1,520,770</b>	<b>896,220</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	17,194,860	0	0
Special programs	11,296,882	1,468,567	0
Adult/continuing education programs	73,669	0	0
Support services:			
Pupil support services	1,648,027	0	0
Instructional staff support	2,484,866	0	0
General administration	899,363	52,203	4,560
School administration	3,369,398	0	0
Business services	875,711	0	3,471
Plant services	3,335,458	0	0
Student transportation services	3,834,842	0	0
Central services	208,540	0	0
Food services	0	0	0
Capital outlay	0	0	1,726,427
Debt service:			
Principal retirement	0	0	0
Interest and bank charges	0	0	0
<b>Total Expenditures</b>	<b>45,221,616</b>	<b>1,520,770</b>	<b>1,734,458</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 3,174,282</b>	<b>\$ 0</b>	<b>\$(838,238)</b>

Statement E

PARISHWIDE CAPITAL PROJECT	OTHER GOVERNMENTAL	TOTAL
\$ 0	\$ 6,021,983	\$ 16,117,741
698,268	2,159,228	13,965,356
99,518	210,998	1,176,257
0	365,161	365,161
0	37,516	761,998
0	781,010	24,031,093
0	54,006	3,195,205
0	5,364,614	6,992,379
<u>797,786</u>	<u>14,994,516</u>	<u>66,605,190</u>
0	0	17,194,860
0	2,736,874	15,502,323
0	68,781	142,450
0	258,936	1,906,963
0	539,187	3,024,053
10,758	543,378	1,510,262
0	0	3,369,398
719	1,223	881,124
0	1,721,723	5,057,181
0	56,820	3,891,662
0	0	208,540
0	3,703,963	3,703,963
589,699	1,275,101	3,591,227
0	3,235,000	3,235,000
0	1,030,831	1,030,831
<u>601,176</u>	<u>15,171,817</u>	<u>64,249,837</u>
\$ 196,610	\$ (177,301)	\$ 2,355,353

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
 Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	GENERAL	READING FIRST	SCHOOL DISTRICT NO. 4 CAPITAL PROJECT
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 0	\$ 0	\$ 0
Transfers out	(1,552,500)	0	0
Bond proceeds	0	0	19,000,000
Total Other Financing Sources (Uses)	(1,552,500)	0	19,000,000
Net Change in Fund Balances	1,621,782	0	18,161,762
FUND BALANCES - BEGINNING	5,899,760	0	788,392
FUND BALANCES - ENDING	\$ 7,521,542	\$ 0	\$ 18,950,154

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

	<u>PARISHWIDE CAPITAL PROJECT</u>	<u>OTHER GOVERNMENTAL</u>		<u>TOTAL</u>
\$	1,550,000	\$ 2,500	\$	1,552,500
	0	0		(1,552,500)
	<u>0</u>	<u>0</u>		<u>19,000,000</u>
	<u>1,550,000</u>	<u>2,500</u>		<u>19,000,000</u>
	1,746,610	(174,801)		21,355,353
	<u>2,503,496</u>	<u>6,488,102</u>		<u>15,679,750</u>
\$	<u>4,250,106</u>	<u>\$ 6,313,301</u>	\$	<u>37,035,103</u>

(CONCLUDED)

**DESOTO PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2008**

**Statement F**

Total net change in fund balances - governmental funds \$ 21,355,353

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 for assets over the capitalization threshold. This is the amount by which depreciation exceeds capital outlays in the period:

Capital outlay additions	4,531,224	
Depreciation expense	<u>(2,225,262)</u>	2,305,962

The issuance of long-term debt provides financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Repayment of bond principal		3,235,000
-----------------------------	--	-----------

Bond proceeds are reported as an other financing source in the governmental funds but is reported as bonds payable in the governmental wide statements.

(19,000,000)

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.

(319,157)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$441,741) exceeded the amounts used \$196,912 by \$244,829.

(244,829)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

4,065,200

**Change in net assets of governmental activities**

\$ 11,397,529

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Statement of Net Assets  
 June 30, 2008

Statement G

ASSETS

Current assets:

Cash and cash equivalents	\$ 6,365,724
Receivables	1,097,756
Interfund receivables	<u>958,844</u>

TOTAL CURRENT ASSETS 8,422,324

LIABILITIES

Current liabilities:

Accounts payable	149,344
Medical claims payable	2,102,039
Dental claims payable	<u>73,370</u>

TOTAL CURRENT LIABILITIES 2,324,753

NET ASSETS

Unrestricted	<u>6,097,571</u>
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TOTAL NET ASSETS \$ 6,097,571

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTREGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
Statement of Revenues, Expenses,  
and Changes in Fund Net Assets  
For The Year Ended June 30, 2008

Statement H

OPERATING REVENUE	
Medical premiums	\$ 10,539,131
Dental premiums	<u>532,522</u>
Total operating revenues	<u>11,071,653</u>
OPERATING EXPENSES	
Claims	6,409,578
Administration	249,671
Insurance	<u>519,779</u>
Total operating expenses	<u>7,179,028</u>
Operating income (loss)	3,892,625
NONOPERATING REVENUES	
Earnings on investments	<u>172,575</u>
Income (loss) before transfers	4,065,200
Transfers in	<u>0</u>
Change in Net Assets	4,065,200
NET ASSETS - BEGINNING	<u>2,032,371</u>
NET ASSETS - ENDING	<u>\$ 6,097,571</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
Statement of Cash Flows  
For the Year Ended June 30, 2008

Statement I

CASH FLOWS FROM OPERATING ACTIVITIES	
Medical and dental premiums received	\$ 9,020,358
Administrative fees paid	(100,327)
Premiums paid	(519,779)
Claims paid	<u>(6,392,752)</u>
Net cash provided (used) by operating activities	2,007,500
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	<u>0</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Earnings on investments	172,575
Proceeds from investments	<u>800,000</u>
Net cash provided (used) for investing activities	<u>972,575</u>
Net increase (decrease) in cash and cash equivalents	2,980,075
CASH AND CASH EQUIVALENTS - BEGINNING	<u>3,385,649</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>6,365,724</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	3,892,625
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
(Increase) decrease in receivables	(2,024,963)
(Increase) decrease in interfund receivables	115,479
Increase (decrease) in claims payable	<u>24,359</u>
Net cash provided (used) for operating activities	<u>\$ 2,007,500</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

FIDUCIARY FUND  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
June 30, 2008

Statement J

	<u>AGENCY FUND</u>
ASSETS	
Cash and cash equivalents	\$ 408,299
Investments	<u>19,000</u>
Total assets	<u><u>427,299</u></u>
LIABILITIES	
Deposits due others	<u>427,299</u>
Total liabilities	<u><u>\$ 427,299</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

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**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** The accompanying financial statements of the DeSoto Parish 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 DeSoto Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within DeSoto Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eleven members who are elected from eleven districts for concurrent terms of four years.

The School Board operates eleven schools within the parish with a total enrollment of approximately 5,000 pupils. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

**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 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.

**Reading First** – a special revenue fund to account for the reading first grant.

**School District No. 4** – a capital project fund. It accounts for financial resources to acquire, construct, and improve public school facilities in School District No. 4.

**Parishwide** – a capital project fund. It accounts for financial resources to acquire, construct, and improve public school facilities in the parish.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**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** – used to account for medical and dental insurance for employees of the School Board on a cost reimbursement basis.

**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.

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 necessary.

**Internal activities:** The employees' medical and dental insurance internal service funds provide services to the governmental funds. Accordingly, the employees' medical and dental insurance funds 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 internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. The 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.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**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 long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

**Fund Financial Statements (FFS):**

**Governmental Funds:** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. 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 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 recorded in the year the taxes are due and payable and are remitted on a monthly basis to the School Board.

**Sales and use taxes** are recorded in the month collected by the vendor.

**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.

**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 fixed 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.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**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 funds 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. BUDGETS:**

**General Budget Policies** State statute requires budgets to be adopted for the general fund and all special revenue funds. In May the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpected budget balances) lapse at year end.

Formal budget integration (within accounting records) is employed as a management control device. All budgets are controlled at the departmental or project level. School Board policy prescribes that the level of budgetary control is at the fund level for all funds.

**Encumbrances** Encumbrance accounting is employed in governmental funds. Appropriations lapse at year end.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting. 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. The effect of budget amendments during the year for the general fund was to increase net revenues by \$6,169,389 and increase net expenditures by \$3,924,820.

**E. 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.

**F. 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.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

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. Money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less are reported at amortized cost.

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.

**G. 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.

**H. ELIMINATION AND RECLASSIFICATION:** 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.

**I. INVENTORIES:** Inventories of the governmental fund type are accounted for using the consumption method where expenditures are recognized as inventory is used.

Inventories consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues and expenditures by the School Food Service Fund when consumed. Any material commodities on hand at year-end are recorded as inventory. All purchased inventory items are valued at cost (first-in, first-out) using the consumption method and commodities are assigned values based on information provided by the United States Department of Agriculture.

**J. CAPITAL ASSETS:** Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of the following: \$1 (land and CIP), \$5,000 (equipment and vehicles), \$25,000 (land improvements), and \$50,000 (building and building improvements) for capitalizing capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight line depreciation is used based on the following estimated useful lives:

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

Buildings	25-45 years
Land improvements	10-25 years
Building improvements	20 years
Furniture and equipment	5-15 years
Vehicles	5-8 years

**K. DEFERRED REVENUES:** The School Board reports deferred revenues on its statement of net assets and fund balance sheet. These deferred revenues arise when the School Board receives grant funds for expenditure-driven grants before the qualifying expenditure has occurred. In subsequent periods when the expenditure occurs, the liability for deferred revenue is removed and the revenue is recognized.

**L. COMPENSATED ABSENCES:** Compensated absences include salary related payments. All School Board employees earn from five to twenty days of vacation leave each year depending upon length of service. Unused vacation leave as of June 30 can be accumulated and carried forward to the succeeding year, up to a maximum of sixty days.

All School Board employees, except eleven and twelve-month employees, earn ten days of sick leave each year. Twelve-month School Board employees earn twelve days of sick leave each year and eleven-month employees earn eleven days per year. Non-twelve-month employees may use two days of sick leave each year for personal business. Sick leave may be accumulated without limitation. Upon retirement or death, a maximum of twenty-five days accumulated sick leave may be paid to the employee or the employee's estate at the employee's current rate of pay. Under the various pension funds, the total accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Teachers' Retirement System of Louisiana and for sick leave earned under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service.

In the FFS, the matured liability for compensated absences, which includes salary and salary related payments, is reported in the fund. The total liability is reported in the GWFS.

**M. LONG-TERM LIABILITIES:** Bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures in the FFS and are capitalized and amortized in the GWFS. Deferred gains on refunding are capitalized and amortized over the life of refunding in the GWFS.

**N. 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; or,

Imposed by law through constitutional provisions or enabling legislation. Restricted net assets reported in the statement of net assets are restricted through enabling legislation.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**O. FUND EQUITY OF FUND FINANCIAL STATEMENTS:**

**Reserves:** Use of the term “reserve” in describing governmental fund “Fund Balances” indicates that a portion of the fund balance is not available to appropriate for expenditure or is legally segregated for a specific future use. The reserve for debt service represents the portion of fund balance that has been reserved in the debt service funds for future payment of principal and interest on bonded debt.

**Designations:** Use of the term “designated” in describing governmental fund “Fund Balances” indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. Designated fund balances may be changed and are subject to subsequent authorization before expenditures can be made. The nature and purpose of these designations are explained as follows:

*Designated for Future Claims and Contingencies*

This amount represents a portion of fund balance that has been designated to fund possible losses from lawsuits, self-insurance liability, and other risks.

*Designated for Equipment Replacement*

This amount has been accumulated to fund the replacement of capital assets.

*Designated for Specific Projects*

This amount has been designated to fund future capital projects including acquiring lands for building sites and playgrounds; purchasing, erecting, and improving school buildings and other facilities; and acquiring equipment and furnishings.

**P. INTERFUND ACTIVITIES:** Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**Q. SALES TAXES:** On March 25, 1968, with no expiration date, the voters of DeSoto Parish approved a one cent sales and use tax to be used for salaries of teachers and other personnel and for the operation of public elementary and secondary schools.

On May 3, 1986, with no expiration date, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used to supplement salaries of School Board employees.

On May 3, 1986, with a period of 25 years expiring June 30, 2011, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used for the purpose of air conditioning school buildings, repairing school buildings, and making capital improvements to school buildings and related facilities. The proceeds of this tax may be used to repay bonds issued to pay the cost of air conditioning and capital improvements.

On April 12, 2001, with no expiration date, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used to supplement salaries of teachers and other School Board employees and for the operation of public schools in DeSoto Parish.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**R. 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 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.

**NOTE 2 - LEVIED TAXES:** The School Board levies taxes on real and business personal property located within DeSoto Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the DeSoto Parish Tax Assessor and approved by the State Tax Commission. The DeSoto Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Assessment date	January 1, 2007
Levy date	September 23, 2007
Tax bills mailed	October 27, 2007
Due date	December 31, 2007
Lien date	January 1, 2008
Tax sale date, 2007 delinquent property	May 2008

Assessed values are established by the DeSoto 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, 2006. Total assessed value was \$273,434,195 in calendar year 2007. 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 \$36,296,280 of the assessed value in calendar year 2007.

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 2007 property taxes to be collected occurs in December 2007 and January and February 2008. All property taxes are recorded in the general, special revenue, and debt service funds. The School Board considers the lien date (January 1, 2008) as the date an enforceable legal claim occurs for 2007 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2007 property taxes are budgeted in the 2007-08 fiscal year of the School Board.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

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—parishwide	4.56	4.56	Not applicable
Renewable—parishwide	44.00	44.00	2016
Debt Service—separate school districts			
District No. 1—Logansport	24.00	22.00	2008
District No. 2—North DeSoto	22.00	16.00	2024
District No. 3—Stanley	23.00	20.50	2013
District No. 4—Mansfield	10.25	19.50	2031
District No. 5—Pelican	34.00	34.00	2008

**NOTE 3 - DEPOSITS AND INVESTMENTS:**

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Custodial credit risk:** At year-end, the School Board’s carrying amount of deposits was \$44,983,142 (including certificates of deposits of \$18,242,770) and the bank balance was \$48,461,449. These deposits are reported as follows: Statement A-cash and cash equivalents, \$26,313,072; Statement A-investments, \$18,242,770; Statement J-cash and cash equivalents, \$408,299, and Statement J-investments, \$19,000. Of the bank balance, \$528,094 was covered by federal depository insurance or by collateral held by the School Board’s agent in the School Board’s name (GASB Category 1). The remaining balance was collateralized with securities held by the pledging financial institution’s trust department or agent but not in the School Board’s name (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board’s policy regarding custodial credit risk is that funds on deposit shall be collateralized an amount at all times equal to 100% by pledged “approved securities” as specified by La. R.S 39:1225 as amended to adequately protect the funds of the School Board.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**NOTE 4 – RECEIVABLES:** The receivables at June 30, 2008 are as follows:

Class of Receivables			School District No.		Other	Total	Internal
	General	Reading First	4	Parishwide	Governmental	Governmental	Service Fund
Taxes:							
Ad Valorem	\$ 2,219	\$ -	\$ -	\$ -	\$ -	\$ 2,219	\$ -
Sales Tax	1,044,085	-	69,530	65,187	128,870	1,307,672	-
Intergovernmental - grants:							
Federal	16,829	570,544	-	-	811,293	1,398,666	-
State	673,835	-	-	-	-	673,835	86,542
Other	74,023	-	225,732	10,816	-	310,571	1,011,214
Total	<u>\$1,810,991</u>	<u>\$ 570,544</u>	<u>\$ 295,262</u>	<u>\$ 76,003</u>	<u>\$ 940,163</u>	<u>\$ 3,692,963</u>	<u>\$ 1,097,756</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

**NOTE 5 – CAPITAL ASSETS:** Capital assets balances and activity for the year ended June 30, 2008, are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Nondepreciable capital assets:				
Land	\$ 1,495,645	\$ 250,000	\$ -	\$ 1,745,645
Construction in progress	11,293,557	3,571,048	13,247,993	1,616,612
Total nondepreciable capital assets	<u>12,789,202</u>	<u>3,821,048</u>	<u>13,247,993</u>	<u>3,362,257</u>
Depreciable Capital Assets:				
Buildings	51,778,804	12,952,750	1,672,000	63,059,554
Land improvements	3,716,067	358,854	-	4,074,921
Furniture and equipment	1,624,308	277,097	53,305	1,848,100
Vehicles	4,599,086	369,468	-	4,968,554
Total depreciable capital assets	<u>61,718,265</u>	<u>13,958,169</u>	<u>1,725,305</u>	<u>73,951,129</u>
Less accumulated depreciation				
Buildings & improvements	26,397,402	1,605,746	1,672,000	26,331,148
Furniture and equipment	968,610	172,991	53,305	1,088,296
Vehicles	1,968,095	446,525	-	2,414,620
Total accumulated depreciation	<u>29,334,107</u>	<u>2,225,262</u>	<u>1,725,305</u>	<u>29,834,064</u>
Governmental activities				
Capital assets, net	<u>\$ 45,173,360</u>	<u>\$15,553,955</u>	<u>\$ 13,247,993</u>	<u>\$47,479,322</u>

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$1,554,675
Vocational programs	3,321
Other instructional programs	1,017
Other special programs	6,449
Instructional staff	8,601
School administration	72,330
Business services	4,569
Maintenance of plant	34,340
Pupil transportation	387,833
Food service operations	152,127
Total depreciation expense	\$2,225,262

**NOTE 6 – RETIREMENT SYSTEMS:**

**Plan description:** Substantially all School Board employees participate in either the Teachers’ Retirement System of Louisiana (TRSL) or the Louisiana School Employees’ Retirement System (LSERS), 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 of Louisiana is divided into two plans – the Teachers’ Regular Plan and the Teachers’ Plan B. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers’ Retirement System of Louisiana (TRSL); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees’ Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers’ 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’ Plan B, 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 Louisiana 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 thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

Both TRSL 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

**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 B, 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, 2008, are as follows:

	<u>Employee</u>	<u>Employer</u>
Teachers' Retirement System of Louisiana:		
Regular	8.0%	16.6%
Plan B	5.0%	16.6%
Louisiana School Employees' Retirement System	7.5%	18.1%

Total covered payroll of the School Board for TRSL - Regular Plan and LSERS for the year ended June 30, 2008, amounted to \$26,127,680 and \$3,142,215 respectively. Employer contributions for the year ended June 30, 2008, and each of the two preceding years are as follows:

<u>Fiscal Year Ended</u>	<u>TRSL</u>	<u>LSERS</u>
June 30, 2006	3,391,645	488,306
June 30, 2007	3,660,305	594,674
June 30, 2008	4,336,575	572,316

Employer contributions totaled 100% of annual actuarially required contributions.

**NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS:** In accordance with state statutes, the School Board provides certain continuing medical 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. The School Board recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. The cost of retiree benefits included in these expenditures was \$2,113,757 for 288 retirees for group medical, \$4,868 for 353 retirees for group life insurance, and \$1,992 for 89 retirees for group dental insurance. This expenditure is recorded in the general fund and the school food service fund.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES:** The payables at June 30, 2008, are as follows:

	School		District No.		Other		Total	Internal Service
	General	Reading First	4	Parishwide	Governmental	Governmental		
Salaries	\$ 2,376,396	\$ 99,212	\$ -	\$ -	\$ 425,083	\$ 2,900,691	\$ 149,344	
Accounts	274,962	-	851	261,267	261,608	798,688	-	
Claims	204,602	-	-	-	-	204,602	2,175,409	
Total	<u>\$ 2,855,960</u>	<u>\$ 99,212</u>	<u>\$ 851</u>	<u>\$ 261,267</u>	<u>\$ 686,691</u>	<u>\$ 3,903,981</u>	<u>\$ 2,324,753</u>	

**NOTE 9 - COMPENSATED ABSENCES:** At June 30, 2008, employees of the School Board have accumulated and vested \$2,788,046 of employee leave benefits. These benefits were described in Note 1 (L) and were computed in accordance with GASB Codification Section C60.

**NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY):** A summary of changes in agency fund deposits due others follows:

	Balance at Beginning of year	Additions	Deletions	Balance at Ending of year
School Activities	<u>\$ 374,903</u>	<u>\$ 1,385,390</u>	<u>\$ 1,332,994</u>	<u>\$ 427,299</u>

**NOTE 11 - LONG-TERM LIABILITIES:** The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2008:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
Bonded debt and sales tax bonds	\$ 20,276,000	\$ 19,000,000	\$ 3,235,000	\$ 36,041,000	\$ 3,466,000
Other Liabilities:					
Compensated absences	<u>2,543,217</u>	<u>441,741</u>	<u>196,912</u>	<u>2,788,046</u>	<u>196,912</u>
Long-term debt	<u>\$ 22,819,217</u>	<u>\$ 19,441,741</u>	<u>\$ 3,431,912</u>	<u>\$ 38,829,046</u>	<u>\$ 3,662,912</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, 97% was paid by the general fund and the remaining 3% by other governmental funds.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

Long term debt at June 30, 2008 is comprised of the following issues:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
<b>DISTRICT 1</b>					
September 05, 2002	\$2,670,000	3.31	2009	\$ 16,219	\$ 490,000
<b>DISTRICT 2</b>					
December 1, 2004	7,000,000	4.0-4.55	2024	2,819,514	6,715,000
March 1, 2005	5,000,000	4.0-4.5	2025	2,152,053	4,825,000
November 12, 1998					
Certificates of Indebtedness	2,795,000	3.35	2012	129,980	1,500,000
December 1, 2005	1,650,000	4.11	2017	327,695	1,480,000
<b>DISTRICT 3</b>					
July 1, 1994	1,785,000	4.5-5.85	2008	6,289	215,000
September 1, 1994	300,000	5.3-9.0	2013	25,645	135,000
December 16, 1998					
Sales Tax Bonds	191,000	4.5-7.2	2010	4,545	66,000
<b>DISTRICT 4</b>					
July 9, 2003	4,205,000	2.55	2008	17,977	1,410,000
September 1, 2007	10,000,000	4.35	2032	6,472,956	10,000,000
January 1, 2008	9,000,000	4.25	2032	5,852,645	9,000,000
<b>DISTRICT 5</b>					
September 5, 2002	995,000	3.310	2008	3,391	205,000
Total				<u>\$ 17,828,909</u>	<u>\$36,041,000</u>

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

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, 2008, the School Board had accumulated \$2,882,156 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2009	3,466,000	1,606,203	5,072,203
2010	1,407,000	1,440,039	2,847,039
2011	1,473,000	1,369,064	2,842,064
2012	1,530,000	1,296,989	2,826,989
2013	1,595,000	1,221,808	2,816,808
2014-2018	7,055,000	5,075,612	12,130,612
2019-2023	8,130,000	3,474,467	11,604,467
2024 and thereafter	11,385,000	2,344,727	13,729,727
Total	<u>\$ 36,041,000</u>	<u>\$ 17,828,909</u>	<u>\$ 53,869,909</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, 2008, the statutory limit is \$95,701,968 and outstanding net bonded debt totals \$36,041,000.

**NOTE 12 - INTERFUND ASSETS/ LIABILITIES (FFS LEVEL ONLY):** Assets/Liabilities at June 30, 2008 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Other governmental	\$ 344,011
General	Reading first	471,332
Internal Service	General	909,815
Internal Service	Other governmental	49,029
Total		<u>\$ 1,774,187</u>

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement transactions are processed and to cover group medical premiums still owed to the internal service fund.

**NOTE 13 - INTERFUND TRANSFERS (FFS LEVEL ONLY):** Transfers for the year ended June 30, 2008, were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfers Out</u>
General		\$ 1,552,500
Parishwide	1,550,000	
Other Governmental	2,500	
Totals	<u>\$1,552,500</u>	<u>\$ 1,552,500</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**NOTE 14 - ENCUMBRANCES (FFS LEVEL ONLY):** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are carried forward to the next year. At June 30, 2008, the School Board had entered into purchase orders and commitments as follows:

<u>Fund</u>	<u>Amount</u>
School District No. 1	\$ 31,257
School District No. 2	96,953
School District No. 3	61,074
School District No. 4	645,937
School District No. 5	15,590
Parish wide	<u>414,248</u>
Total	<u>\$1,265,059</u>

**NOTE 15 - RISK MANAGEMENT:** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy. No significant reductions in insurance coverage from coverage in the prior year occurred, and no claims exceeded the School Board's insurance coverage for each of the past three years.

The School Board is partially self-insured for medical, dental and workers' compensation insurance coverage. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company under its medical plan for individual claims in excess of \$150,000 and for total annual claims in excess of 125% of expected claims. The School Board maintains stop-loss coverage with an insurance company under its workers' compensation plan for individual claims in excess of \$250,000 and for total claims that exceed \$1,000,000 in a three year period.

All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the general fund and internal service fund. This liability is the School Board's best estimate based on available information. Changes in the reported liability since June 30, 2005 resulted from the following:

**Worker's Compensation**

	<u>Beginning of Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>End of Year Liability</u>
2005-2006	150,478	208,252	154,128	204,602
2006-2007	204,602	68,661	68,662	204,601
2007-2008	204,601	239,368	239,367	204,602

The liability for worker's compensation is included in accounts, salaries and other payables in the general fund.

**DeSoto Parish School Board  
Notes to the Basic Financial Statements  
June 30, 2008**

**Health & Dental Insurance**

	Beginning of Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	End of Year Liability
2005-2006	1,391,274	8,293,701	7,747,980	1,936,995
2006-2007	1,936,995	8,855,924	8,634,336	2,158,583
2007-2008	2,158,583	6,409,579	6,392,753	2,175,409

**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 from future audits would not be material.

**Construction in Progress:** The School Board had ongoing construction projects for a new middle school and renovations at an existing school in District No. 2 at the year end. The School Board has spent \$1,616,612 on these projects and has purchase orders and commitments of another \$1,265,059.

**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 \$5,588. 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 \$27,226,298 to the School Board, which represents approximately 40% of the School Board's total revenue in the governmental funds for the year.

**NOTE 19 - LEASES:** The School Board is a lessor in a lease/purchase agreement with some of its bus drivers. Certain buses were purchased by the School Board and leased to the bus drivers, with title to the bus passing to the driver at the end of the lease term. Total rental income under the lease was approximately \$13,500 during the year ended June 30, 2008. Future lease income for the next five years is as follows:

Year ending June 30:	
2009	3,065

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2008**

**NOTE 20 - JOINTLY GOVERNED ORGANIZATION:** The DeSoto Parish Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of five members, two each selected from the DeSoto Parish School Board and the DeSoto Parish Police Jury and one selected from the City of Mansfield, in accordance with the joint agreement of the agencies. Sales taxes of \$13,965,356 were collected by the Commission and distributed to the School Board.

**NOTE 21 - SUBSEQUENT EVENTS:** The School Board signed a contract on July, 1 2008 for additions and alterations to Mansfield High School and the maintenance/transportation facility for \$20,774,400.

**DeSoto Parish School Board  
Mansfield, Louisiana**

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**DeSoto Parish School Board  
Mansfield, Louisiana  
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 required to be accounted for in another fund.

**READING FIRST:** The reading first fund accounts for the reading first grant.

DESOTO PARISH SCHOOL BOARD

GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2008

Exhibit 1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 9,113,818	\$ 10,052,663	\$ 10,095,758	\$ 43,095
Sales and use	8,360,000	10,660,000	10,812,110	152,110
Interest earnings	355,009	439,961	397,111	(42,850)
Other	745,068	783,103	584,389	(198,714)
State sources:				
Equalization	21,712,842	21,724,446	21,724,451	5
Other	2,002,283	4,812,243	4,666,831	(145,412)
Federal sources	94,650	111,292	115,248	3,956
Transfers from other funds	257,273	0	0	0
<b>Total Revenues</b>	<b>42,640,943</b>	<b>48,583,708</b>	<b>48,395,898</b>	<b>(187,810)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	16,655,631	17,564,678	17,194,860	369,818
Special programs	10,120,763	11,697,625	11,296,882	400,743
Adult/continuing education programs	63,188	76,317	73,669	2,648
Support services:				
Pupil support services	1,448,492	1,740,304	1,648,027	92,277
Instructional staff support	2,449,005	2,949,086	2,484,866	464,220
General administration	1,121,049	1,176,727	1,118,904	57,823
School administration	3,283,279	3,415,607	3,369,398	46,209
Business services	853,198	918,276	875,711	42,565
Plant services	3,370,309	3,560,738	3,335,458	225,280
Student transportation services	3,704,873	3,884,439	3,834,842	49,597
Central services	213,458	224,268	208,540	15,728
<b>Total Expenditures</b>	<b>43,283,245</b>	<b>47,208,065</b>	<b>45,441,157</b>	<b>1,766,908</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<b>\$ (642,302)</b>	<b>\$ 1,375,643</b>	<b>\$ 2,954,741</b>	<b>\$ 1,579,098</b>

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2008

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 226,624	\$ 219,541	\$ (7,083)
Transfers out	0	(1,552,500)	(1,552,500)	0
Total Other Financing Sources (Uses)	0	(1,325,876)	(1,332,959)	(7,083)
Net Change in Fund Balance	(642,302)	49,767	1,621,782	1,572,015
FUND BALANCE- BEGINNING	5,899,760	5,899,760	5,899,760	0
FUND BALANCE - ENDING	\$ 5,257,458	\$ 5,949,527	\$ 7,521,542	\$ 1,572,015

(CONCLUDED)

DESOTO PARISH SCHOOL BOARD

READING FIRST  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2008

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Federal sources	\$ 1,218,605	\$ 1,579,779	\$ 1,520,770	\$ (59,009)
Total Revenues	1,218,605	1,579,779	1,520,770	(59,009)
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	1,174,039	1,525,370	1,468,567	56,803
Support services:				
General administration	44,566	54,409	52,203	2,206
Total Expenditures	1,218,605	1,579,779	1,520,770	59,009
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	0	0	0	0
<b>FUND BALANCES - BEGINNING</b>				
	0	0	0	0
<b>FUND BALANCES - ENDING</b>				
	\$ 0	\$ 0	\$ 0	\$ 0

**DeSoto Parish School Board**  
**Notes to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2008**

**A. BUDGETS**

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

Phase I – The Budget Call

Every administrative staff member is involved in the budget process. Instructions are prepared and distributed to the department heads that explains how to go about preparing the budget along with budget forms and a budget calendar. Emphasis is placed on accurate, prompt, and uniform replies.

Phase II – Obtaining Input from Staff

Staff members have approximately one month to complete the budget forms and return them to the Business Office. The Business Office makes a complete analysis of the budget requests and assembles the financial information, goals, and objectives, and statistical information into one document for Superintendent to review.

Phase III – Review and Approval of the Budget by the Superintendent

The Business Office meets with the Superintendent on several different occasions as each section of the budget book is completed. Changes are sometimes made to the budget requests recommended and submitted by staff. Once the draft of the proposed budget is approved by the Superintendent, copies of the proposed budget are printed and a staff meeting is called to review the document before it is presented to the Board.

Phase IV – Public Meetings & Board Adoption of the Budget

At the first meeting in May, the proposed budget is presented to the School Board. Board Members are encouraged to review the proposed budget and to attend the Finance Committee, which is approximately two weeks thereafter. This is also the first budget hearing that is held. A brief review of the proposed budget is presented by the staff at this hearing and is followed by questions and answers. The School Board also holds one public hearing at its first meeting in June before a formal vote on the proposed budget is called. Any interested citizen can review the proposed budget at the Central Office and make comments and suggestions at the public hearing in June.

Phase V – Monitoring and Revising the Budget After Award

Once the School Board approves the proposed budget, the Superintendent has the authority to spend taxpayer's money. He does this by placing controls and assigning additional responsibilities to various staff members associated with a specific program or department. Staff members are held responsible for seeing that budget expenditures stay within the budget boundaries; however, overall execution and oversight is assigned to the Business Office. The budget is monitored and reconciled periodically to determine if formal Board action is required to amend the budget.

**DeSoto Parish School Board**  
**Notes to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2008**

Budget Calendar

**B. Budget to GAAP Reconciliation** – Explanation of differences between budgetary expenditures and GAAP expenditures for the general fund follows:

Total expenditures on budgetary basis.	\$45,441,157
Indirect costs transfers recorded as a reduction of general administrative expenditures on GAAP basis and as transfer in on budget basis.	<u>219,541</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds.	<u>\$45,221,616</u>

**DeSoto Parish School Board  
Mansfield, Louisiana**

**SUPPLEMENTAL INFORMATION**

**DeSoto Parish School Board  
Mansfield, Louisiana**

**COMBINING  
NONMAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2008**

Exhibit 2

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,246,072	\$ 2,881,241	\$ 1,310,709	\$ 6,438,022
Receivables	813,192	1,041	125,930	940,163
Inventory	<u>14,916</u>	<u>0</u>	<u>0</u>	<u>14,916</u>
<b>TOTAL ASSETS</b>	<u>3,074,180</u>	<u>2,882,282</u>	<u>1,436,639</u>	<u>7,393,101</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	669,882	126	16,683	686,691
Interfund payables	393,040	0	0	393,040
Deferred revenues	<u>69</u>	<u>0</u>	<u>0</u>	<u>69</u>
<b>Total Liabilities</b>	<u>1,062,991</u>	<u>126</u>	<u>16,683</u>	<u>1,079,800</u>
<b>Fund Balances:</b>				
Reserved for inventory	14,916	0	0	14,916
Reserved for debt service	0	2,882,156	0	2,882,156
<b>Unreserved:</b>				
Designated for capital projects	0	0	1,419,956	1,419,956
Unreserved and undesignated	<u>1,996,273</u>	<u>0</u>	<u>0</u>	<u>1,996,273</u>
<b>Total Fund Balances</b>	<u>2,011,189</u>	<u>2,882,156</u>	<u>1,419,956</u>	<u>6,313,301</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,074,180</u>	<u>\$ 2,882,282</u>	<u>\$ 1,436,639</u>	<u>\$ 7,393,101</u>

DESOTO PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - By Fund Type  
 For the Year Ended June 30, 2008

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,650,905	\$ 4,371,078	\$ 0	\$ 6,021,983
Sales and use	360,175	511,000	1,288,053	2,159,228
Interest earnings	92,038	73,189	45,771	210,998
Other	0	37,316	200	37,516
Food services	365,161	0	0	365,161
State sources:				
Equalization	781,010	0	0	781,010
Other	45,393	8,613	0	54,006
Federal sources	5,364,614	0	0	5,364,614
<b>Total Revenues</b>	<b>8,659,296</b>	<b>5,001,196</b>	<b>1,334,024</b>	<b>14,994,516</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	2,736,874	0	0	2,736,874
Adult/continuing education programs	68,781	0	0	68,781
Support services:				
Pupil support services	258,936	0	0	258,936
Instructional staff support	539,187	0	0	539,187
General administration	337,178	186,356	19,844	543,378
Business services	475	0	748	1,223
Plant services	1,721,723	0	0	1,721,723
Student transportation services	56,820	0	0	56,820
Food services	3,703,963	0	0	3,703,963
Capital outlay	0	0	1,275,101	1,275,101
Debt service:				
Principal retirement	0	3,235,000	0	3,235,000
Interest and bank charges	0	1,030,831	0	1,030,831
<b>Total Expenditures</b>	<b>9,423,937</b>	<b>4,452,187</b>	<b>1,295,693</b>	<b>15,171,817</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (764,641)</b>	<b>\$ 549,009</b>	<b>\$ 38,331</b>	<b>\$ (177,301)</b>

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - By Fund Type  
 For the Year Ended June 30, 2008

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,500	\$ 0	\$ 0	2,500
Bond proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>2,500</u>
Net Change in Fund Balances	(762,141)	549,009	38,331	(174,801)
FUND BALANCES - BEGINNING	<u>2,773,330</u>	<u>2,333,147</u>	<u>1,381,625</u>	<u>6,488,102</u>
FUND BALANCES - ENDING	<u>\$ 2,011,189</u>	<u>\$ 2,882,156</u>	<u>\$ 1,419,956</u>	<u>\$ 6,313,301</u>

(CONCLUDED)

**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Special Revenue Funds**

**EDUCATIONAL CONSOLIDATION & IMPROVEMENT ACT - 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 used 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.

**IMPROVING TEACHER QUALITY (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.

**LITERACY CHALLENGE (TITLE III):** To improve the skills and knowledge of teachers using computers, the Internet, and technology.

**SAFE AND DRUG FREE SCHOOLS (TITLE IV):** To enhance the Nation's efforts to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels.

**INNOVATIVE EDUCATION (TITLE V):** To assist state and local educational agencies in the reform of elementary and secondary education.

**7 MILL MAINTENANCE TAX:** To assist in paying the general cost of operation and maintenance of public schools in the parish.

**SPECIAL EDUCATION:** To provide free, appropriate public education to all children in need of special education and related services.

**EARLY CHILDHOOD PROGRAMS:** To assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

**ADULT EDUCATION:** To develop knowledge and skills to meet immediate and long-range educational objectives of adults who have completed or interrupted formal schooling, having accepted adult roles and responsibilities.

**JOBS FOR AMERICA'S GRADUATES:** A school to career program to keep young people in school through graduation and provide work based learning experiences.

**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.

**VOCATIONAL EDUCATION:** To provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in agriculture, home economics, industrial arts, business, etc.

**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Special Revenue Funds**

**WORKFORCE INVESTMENT ACT:** To aid in designing with states and local communities a revitalized workforce investment system that will help low income youth between the ages of 14 and 21 acquired the educational and occupational skills, training, and support needed to achieve academic and employment process and successfully transition to careers and productive adulthood.

**SCHOOL HEALTH PILOT PROGRAM:** To enhance the nation's efforts to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all education levels.

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

	EDUCATIONAL CONSOLIDATION & IMPROVEMENT ACT - TITLE I	IMPROVING TEACHER QUALITY TITLE II	LITERACY CHALLENGE TITLE III	SAFE AND DRUG FREE SCHOOLS TITLE IV
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Receivables	401,123	78,630	0	630
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<b>401,123</b>	<b>78,630</b>	<b>0</b>	<b>630</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	271,449	46,161	0	0
Interfund payables	129,656	32,461	0	626
Deferred revenues	18	8	0	4
<b>Total Liabilities</b>	<b>401,123</b>	<b>78,630</b>	<b>0</b>	<b>630</b>
 <b>Fund Balances:</b>				
Reserved for inventory	0	0	0	0
Unreserved and undesignated	0	0	0	0
<b>Total Fund Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>				
	<b>\$ 401,123</b>	<b>\$ 78,630</b>	<b>\$ 0</b>	<b>\$ 630</b>

Exhibit 4

INNOVATIVE EDUCATION TITLE V	7 MILL MAINTENANCE TAX	SPECIAL EDUCATION	EARLY CHILDHOOD PROGRAMS	ADULT EDUCATION	JOBS FOR AMERICA'S GRADUATES
\$ 0	\$ 1,208,952	\$ 0	\$ 0	\$ 0	0
0	1,182	206,919	0	13,714	33,442
0	0	0	0	0	0
0	1,210,134	206,919	0	13,714	33,442
0	55,342	110,556	0	7,277	3,355
0	0	96,324	0	6,437	30,087
0	0	39	0	0	0
0	55,342	206,919	0	13,714	33,442
0	0	0	0	0	0
0	1,154,792	0	0	0	0
0	1,154,792	0	0	0	0
\$ 0	\$ 1,210,134	\$ 206,919	\$ 0	\$ 13,714	\$ 33,442

(Continued)

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

	SCHOOL FOOD SERVICE	VOCATIONAL EDUCATION	WORKFORCE INVESTMENT ACT	SCHOOL HEALTH PILOT PROGRAM
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,037,120	\$ 0	\$ 0	\$ 0
Receivables	19,386	11,664	0	46,502
Inventory	14,916	0	0	0
<b>TOTAL ASSETS</b>	<b>1,071,422</b>	<b>11,664</b>	<b>0</b>	<b>46,502</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	165,997	0	0	9,745
Interfund payables	49,028	11,664	0	36,757
Deferred revenues	0	0	0	0
<b>Total Liabilities</b>	<b>215,025</b>	<b>11,664</b>	<b>0</b>	<b>46,502</b>
 <b>Fund Balances:</b>				
Reserved for inventory	14,916	0	0	0
Unreserved and undesignated	841,481	0	0	0
<b>Total Fund Balances</b>	<b>856,397</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b>\$ 1,071,422</b>	 <b>\$ 11,664</b>	 <b>\$ 0</b>	 <b>\$ 46,502</b>

Exhibit 4

TOTAL

\$ 2,246,072  
813,192  
14,916  
  
3,074,180

669,882  
393,040  
69  
  
1,062,991

14,916  
1,996,273  
  
2,011,189

\$ 3,074,180

(Concluded)

**DESOTO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2008**

	<u>EDUCATIONAL CONSOLIDATION &amp; IMPROVEMENT ACT - TITLE I</u>	<u>IMPROVING TEACHER QUALITY TITLE II</u>	<u>LITERACY CHALLENGE TITLE III</u>	<u>SAFE AND DRUG FREE SCHOOLS TITLE IV</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 0	\$ 0	\$ 0	\$ 0
Sales and use	0	0	0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources	<u>1,646,526</u>	<u>456,873</u>	<u>5,638</u>	<u>26,623</u>
 Total Revenues	 <u>1,646,526</u>	 <u>456,873</u>	 <u>5,638</u>	 <u>26,623</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	1,257,459	421,629	5,528	0
Adult/continuing education programs	0	0	0	0
Support services:				
Pupil support services	20,409	0	0	26,101
Instructional staff support	291,707	13,524	0	0
General administration	76,951	21,720	110	522
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Food services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>1,646,526</u>	 <u>456,873</u>	 <u>5,638</u>	 <u>26,623</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

Exhibit 5

INNOVATIVE EDUCATION TITLE V	7 MILL MAINTENANCE TAX	SPECIAL EDUCATION	EARLY CHILDHOOD PROGRAMS	ADULT EDUCATION	JOBS FOR AMERICA'S GRADUATES
\$ 0	\$ 1,650,905	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	43,027	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	45,393	0	0	0	0
7,910	0	1,216,853	62,119	72,013	57,960
7,910	1,739,325	1,216,853	62,119	72,013	57,960
7,537	15,098	827,026	59,727	0	55,871
0	0	0	0	68,781	0
0	0	95,617	0	0	0
0	0	233,956	0	0	0
373	164,852	57,491	2,392	3,232	2,089
0	475	0	0	0	0
0	1,721,723	0	0	0	0
0	54,057	2,763	0	0	0
0	0	0	0	0	0
7,910	1,956,205	1,216,853	62,119	72,013	57,960
\$ 0	\$ (216,880)	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	EDUCATIONAL CONSOLIDATION & IMPROVEMENT ACT - TITLE I	IMPROVING TEACHER QUALITY TITLE II	LITERACY CHALLENGE TITLE III	SAFE AND DRUG FREE SCHOOLS TITLE IV
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit 5

INNOVATIVE EDUCATION TITLE V	7 MILL MAINTENANCE TAX	SPECIAL EDUCATION	EARLY CHILDHOOD PROGRAMS	ADULT EDUCATION	JOBS FOR AMERICA'S GRADUATES
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	(216,880)	0	0	0	0
0	1,371,672	0	0	0	0
\$ 0	\$ 1,154,792	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	SCHOOL FOOD SERVICE	VOCATIONAL EDUCATION	WORKFORCE INVESTMENT ACT	SCHOOL HEALTH PILOT PROGRAM
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 0	\$ 0	\$ 0	0
Sales and use	360,175	0	0	0
Interest earnings	49,011	0	0	0
Food services	365,161	0	0	0
State sources:				
Equalization	781,010	0	0	0
Other	0	0	0	0
Federal sources	1,600,845	78,666	10,000	122,588
<b>Total Revenues</b>	<b>3,156,202</b>	<b>78,666</b>	<b>10,000</b>	<b>122,588</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	0	76,999	10,000	0
Adult/continuing education programs	0	0	0	0
Support services:				
Pupil support services	0	0	0	116,809
Instructional staff support	0	0	0	0
General administration	0	1,667	0	5,779
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Food services	3,703,963	0	0	0
<b>Total Expenditures</b>	<b>3,703,963</b>	<b>78,666</b>	<b>10,000</b>	<b>122,588</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (547,761)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

Exhibit 5

TOTAL

\$ 1,650,905  
360,175  
92,038  
365,161

781,010  
45,393

5,364,614

8,659,296

2,736,874  
68,781

258,936  
539,187  
337,178  
475

1,721,723  
56,820

3,703,963

9,423,937

\$ (764,641)

(Continued)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	SCHOOL FOOD SERVICE	VOCATIONAL EDUCATION	WORKFORCE INVESTMENT ACT	SCHOOL HEALTH PILOT PROGRAM
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,500	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	2,500	0	0	0
Net Change in Fund Balance	(545,261)	0	0	0
FUND BALANCES - BEGINNING	1,401,658	0	0	0
FUND BALANCES - ENDING	\$ 856,397	\$ 0	\$ 0	\$ 0

Exhibit 5

TOTAL

\$ 2,500

2,500

(762,141)

2,773,330

\$ 2,011,189

(Concluded)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Educational Consolidation and Improvement Act  
Title I

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-1

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 2,066,491	\$ 1,875,219	\$ 1,646,526	\$ (228,693)
Total Revenues	<u>2,066,491</u>	<u>1,875,219</u>	<u>1,646,526</u>	<u>(228,693)</u>
EXPENDITURES				
Current:				
Instruction:				
Special programs	1,090,959	1,426,237	1,257,459	168,778
Support services:				
Pupil support services	119,797	20,412	20,409	3
Instructional staff support	646,527	343,035	291,707	51,328
General administration	114,495	85,535	76,951	8,584
Plant services	94,713	0	0	0
Total Expenditures	<u>2,066,491</u>	<u>1,875,219</u>	<u>1,646,526</u>	<u>228,693</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND

Improving Teacher Quality  
Title II

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-2

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 524,847	\$ 479,602	\$ 456,873	\$ (22,729)
Total Revenues	524,847	479,602	456,873	(22,729)
EXPENDITURES				
Current:				
Instruction:				
Special programs	494,491	429,963	421,629	8,334
Support services:				
Instructional staff support	3,725	26,332	13,524	12,808
General administration	26,631	23,307	21,720	1,587
Total Expenditures	524,847	479,602	456,873	22,729
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0	\$ 0

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND

Literacy Challenge  
Title III

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-3

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 20,425	\$ 5,639	\$ 5,638	\$ (1)
Total Revenues	<u>20,425</u>	<u>5,639</u>	<u>5,638</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction:				
Special programs	20,024	5,530	5,528	2
Support services:				
General administration	<u>401</u>	<u>109</u>	<u>110</u>	<u>(1)</u>
Total Expenditures	<u>20,425</u>	<u>5,639</u>	<u>5,638</u>	<u>1</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND

Safe and Drug Free Schools  
Title IV

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-4

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Federal sources	\$ 53,469	\$ 49,218	\$ 26,623	\$ (22,595)
Total Revenues	<u>53,469</u>	<u>49,218</u>	<u>26,623</u>	<u>(22,595)</u>
EXPENDITURES				
Current:				
Support services:				
Pupil support services	52,525	48,253	26,101	22,152
General administration	<u>944</u>	<u>965</u>	<u>522</u>	<u>443</u>
Total Expenditures	<u>53,469</u>	<u>49,218</u>	<u>26,623</u>	<u>22,595</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND

Innovative Education  
Title V

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-5

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 12,643	\$ 7,910	\$ 7,910	\$ 0
Total Revenues	<u>12,643</u>	<u>7,910</u>	<u>7,910</u>	<u>0</u>
EXPENDITURES				
Current:				
Instruction:				
Special programs	12,024	7,538	7,537	1
Support services:				
General administration	<u>619</u>	<u>372</u>	<u>373</u>	<u>(1)</u>
Total Expenditures	<u>12,643</u>	<u>7,910</u>	<u>7,910</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**7 Mill Maintenance Tax**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-6

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,444,713	\$ 1,643,366	\$ 1,650,905	\$ 7,539
Interest earnings	12,000	41,922	43,027	1,105
State sources:				
Other	39,550	45,393	45,393	0
Total Revenues	1,496,263	1,730,681	1,739,325	8,644
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	16,400	15,098	15,098	0
Support services:				
General administration	155,278	167,030	164,852	2,178
Business services	200	476	475	1
Plant services	1,706,700	2,005,741	1,721,723	284,018
Student transportation services	60,000	56,827	54,057	2,770
Total Expenditures	1,938,578	2,245,172	1,956,205	288,967
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	(442,315)	(514,491)	(216,880)	297,611
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(442,315)	(514,491)	(216,880)	297,611
<b>FUND BALANCES - BEGINNING</b>				
	1,371,672	1,371,672	1,371,672	0
<b>FUND BALANCES - ENDING</b>				
	\$ 929,357	\$ 857,181	\$ 1,154,792	\$ 297,611

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Special Education**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-7

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Federal sources	\$ 1,276,720	\$ 1,312,292	\$ 1,216,853	\$ (95,439)
<b>Total Revenues</b>	<u>1,276,720</u>	<u>1,312,292</u>	<u>1,216,853</u>	<u>(95,439)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	759,187	904,322	827,026	77,296
Support services:				
Pupil support services	152,152	95,847	95,617	230
Instructional staff support	298,696	246,889	233,956	12,933
General administration	63,042	62,433	57,491	4,942
Student transportation services	3,643	2,801	2,763	38
<b>Total Expenditures</b>	<u>1,276,720</u>	<u>1,312,292</u>	<u>1,216,853</u>	<u>95,439</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0	0
<b>FUND BALANCES - BEGINNING</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Early Childhood Programs**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-8

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 484,663	\$ 62,120	\$ 62,119	\$ (1)
Total Revenues	484,663	62,120	62,119	(1)
EXPENDITURES				
Current:				
Instruction:				
Special programs	459,753	59,732	59,727	5
Support services:				
General administration	24,910	2,388	2,392	(4)
Total Expenditures	484,663	62,120	62,119	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0	\$ 0

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Adult Education**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-9

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Federal sources	\$ 66,731	\$ 72,014	\$ 72,013	\$ (1)
Total Revenues	66,731	72,014	72,013	(1)
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Adult/continuing education programs	63,550	68,786	68,781	5
Support services:				
General administration	3,181	3,228	3,232	(4)
Total Expenditures	66,731	72,014	72,013	1
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	0	0	0	0
<b>FUND BALANCES - BEGINNING</b>				
	0	0	0	0
<b>FUND BALANCES - ENDING</b>				
	\$ 0	\$ 0	\$ 0	\$ 0

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND

Jobs for America's Graduates

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008

Exhibit 6-10

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES				
Federal sources	\$ 50,000	\$ 57,960	\$ 57,960	\$ 0
Total Revenues	<u>50,000</u>	<u>57,960</u>	<u>57,960</u>	<u>0</u>
EXPENDITURES				
Current:				
Instruction:				
Special programs	47,408	55,874	55,871	3
Support services:				
General administration	<u>2,592</u>	<u>2,086</u>	<u>2,089</u>	<u>(3)</u>
Total Expenditures	<u>50,000</u>	<u>57,960</u>	<u>57,960</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**School Food Service**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-11

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Local sources:				
Taxes:				
Sales and use	\$ 440,000	\$ 360,176	\$ 360,175	\$ (1)
Interest earnings	60,000	60,000	49,011	(10,989)
Food services	330,680	359,003	365,161	6,158
Other	1,000	1,000	0	(1,000)
State sources:				
Equalization	729,372	729,372	781,010	51,638
Federal sources	1,706,196	1,665,370	1,600,845	(64,525)
Transfers from other funds	0	2,500	2,500	0
Total Revenues	3,267,248	3,177,421	3,158,702	(18,719)
<b>EXPENDITURES</b>				
Current:				
Food services	3,370,650	3,758,406	3,703,963	54,443
Total Expenditures	3,370,650	3,758,406	3,703,963	54,443
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	(103,402)	(580,985)	(545,261)	35,724
<b>FUND BALANCES - BEGINNING</b>				
	680,290	1,401,658	1,401,658	0
<b>FUND BALANCES - ENDING</b>				
	\$ 576,888	\$ 820,673	\$ 856,397	\$ 35,724

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

Vocational Education

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-12

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Federal sources	\$ 85,000	\$ 78,666	\$ 78,666	\$ 0
<b>Total Revenues</b>	<u>85,000</u>	<u>78,666</u>	<u>78,666</u>	<u>0</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Special programs	74,000	77,055	76,999	56
Support services:				
Instructional staff support	10,000	0	0	0
General administration	1,000	1,611	1,667	(56)
<b>Total Expenditures</b>	<u>85,000</u>	<u>78,666</u>	<u>78,666</u>	<u>0</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0	0
<b>FUND BALANCES - BEGINNING</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Workforce Investment Act**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-13

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 9,000	\$ 10,000	\$ 10,000	\$ 0
Total Revenues	9,000	10,000	10,000	0
EXPENDITURES				
Current:				
Instruction:				
Special programs	9,000	10,000	10,000	0
Total Expenditures	9,000	10,000	10,000	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0	\$ 0

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

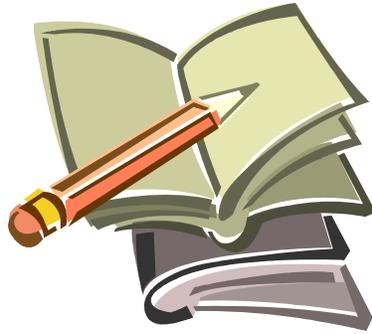
**School Health Pilot Program**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2008**

Exhibit 6-14

	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>
				<u>(UNFAVORABLE)</u>
<b>REVENUES</b>				
Federal sources	\$ 77,514	\$ 125,942	\$ 122,588	\$ (3,354)
Total Revenues	<u>77,514</u>	<u>125,942</u>	<u>122,588</u>	<u>(3,354)</u>
<b>EXPENDITURES</b>				
Current:				
Support services:				
Pupil support services	73,722	119,978	116,809	3,169
General administration	<u>3,792</u>	<u>5,964</u>	<u>5,779</u>	<u>185</u>
Total Expenditures	<u>77,514</u>	<u>125,942</u>	<u>122,588</u>	<u>3,354</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**DeSoto Parish School Board**



**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Debt Service Funds**

**SCHOOL DISTRICTS NO.1, NO. 2 (1996 ISSUE), NO. 2 (1998 ISSUE), NO. 2 (1997 ISSUE), NO. 2 (2004 AND 2005 ISSUE), NO. 3 (1994 ISSUE), NO. 3 (1998 ISSUE), NO. 3 (1994 ISSUE), NO. 4, AND NO. 5:** To accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire land for building sites, erect and improve school buildings, and acquire the necessary equipment and furnishings thereof. The bond issues are financed by a special property tax levy on property within the respective school districts and/or an allocation of sales and use tax collected.

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR DEBT SERVICE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

	<u>NO. 1</u>	<u>NO. 2 1996 ISSUE</u>	<u>NO. 2 1998 ISSUE</u>	<u>NO. 2 1997 ISSUE</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 385,274	\$ 0	\$ 229,231	\$ 169,732
Receivables	<u>0</u>	<u>0</u>	<u>182</u>	<u>81</u>
<b>TOTAL ASSETS</b>	<u>385,274</u>	<u>0</u>	<u>229,413</u>	<u>169,813</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	<u>126</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities</b>	<u>126</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <b>Fund Balances:</b>				
Reserved for debt service	<u>385,148</u>	<u>0</u>	<u>229,413</u>	<u>169,813</u>
<b>Total Fund Balances</b>	<u>385,148</u>	<u>0</u>	<u>229,413</u>	<u>169,813</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <u>\$ 385,274</u>	 <u>\$ 0</u>	 <u>\$ 229,413</u>	 <u>\$ 169,813</u>

Exhibit 7

NO. 2 2004 & 2005 ISSUE	NO. 3 1994 ISSUE	NO. 3 1998 ISSUE	NO. 3 1994 ISSUE	NO. 4	NO. 5	TOTAL
\$ 893,607	\$ 141,724	\$ 11,590	\$ 20,832	\$ 931,307	\$ 97,944	\$ 2,881,241
205	0	5	0	561	7	1,041
<u>893,812</u>	<u>141,724</u>	<u>11,595</u>	<u>20,832</u>	<u>931,868</u>	<u>97,951</u>	<u>2,882,282</u>
0	0	0	0	0	0	126
0	0	0	0	0	0	126
<u>893,812</u>	<u>141,724</u>	<u>11,595</u>	<u>20,832</u>	<u>931,868</u>	<u>97,951</u>	<u>2,882,156</u>
<u>893,812</u>	<u>141,724</u>	<u>11,595</u>	<u>20,832</u>	<u>931,868</u>	<u>97,951</u>	<u>2,882,156</u>
\$ <u>893,812</u>	\$ <u>141,724</u>	\$ <u>11,595</u>	\$ <u>20,832</u>	\$ <u>931,868</u>	\$ <u>97,951</u>	\$ <u>2,882,282</u>

DESOTO PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	NO. 1	NO. 2 1996 ISSUE	NO. 2 1998 ISSUE	NO. 2 1997 ISSUE
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 629,370	\$ 89,681	\$ 383,095	\$ 291,160
Sales and use	0	0	0	0
Interest earnings	8,259	211	6,076	3,747
Other	0	0	0	0
State sources - other	0	0	8,613	0
<b>Total Revenues</b>	<u>637,629</u>	<u>89,892</u>	<u>397,784</u>	<u>294,907</u>
<b>EXPENDITURES</b>				
Current:				
Support services:				
General administration	25,861	4,406	15,424	11,017
Debt Service:				
Principal retirement	470,000	175,000	265,000	130,000
Interest and bank charges	32,208	4,725	54,795	64,002
<b>Total Expenditures</b>	<u>528,069</u>	<u>184,131</u>	<u>335,219</u>	<u>205,019</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	109,560	(94,239)	62,565	89,888
<b>FUND BALANCES - BEGINNING</b>	<u>275,588</u>	<u>94,239</u>	<u>166,848</u>	<u>79,925</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 385,148</u>	<u>\$ 0</u>	<u>\$ 229,413</u>	<u>\$ 169,813</u>

Exhibit 8

NO. 2 2004 & 2005 ISSUE	NO. 3 1994 ISSUE	NO. 3 1998 ISSUE	NO. 3 1994 ISSUE	NO. 4	NO. 5	TOTAL
\$ 979,193	\$ 279,828	\$ 0	\$ 34,461	\$ 1,515,642	\$ 168,648	\$ 4,371,078
0	0	23,500	0	450,000	37,500	511,000
32,858	3,759	312	521	15,616	1,830	73,189
0	0	0	0	37,316	0	37,316
0	0	0	0	0	0	8,613
<u>1,012,051</u>	<u>283,587</u>	<u>23,812</u>	<u>34,982</u>	<u>2,018,574</u>	<u>207,978</u>	<u>5,001,196</u>
39,661	11,580	362	1,429	68,896	7,720	186,356
440,000	200,000	20,000	20,000	1,340,000	175,000	3,235,000
<u>549,382</u>	<u>19,508</u>	<u>3,427</u>	<u>9,216</u>	<u>283,599</u>	<u>9,969</u>	<u>1,030,831</u>
<u>1,029,043</u>	<u>231,088</u>	<u>23,789</u>	<u>30,645</u>	<u>1,692,495</u>	<u>192,689</u>	<u>4,452,187</u>
(16,992)	52,499	23	4,337	326,079	15,289	549,009
<u>910,804</u>	<u>89,225</u>	<u>11,572</u>	<u>16,495</u>	<u>605,789</u>	<u>82,662</u>	<u>2,333,147</u>
<u>\$ 893,812</u>	<u>\$ 141,724</u>	<u>\$ 11,595</u>	<u>\$ 20,832</u>	<u>\$ 931,868</u>	<u>\$ 97,951</u>	<u>\$ 2,882,156</u>

**DeSoto Parish School Board  
Mansfield, Louisiana**



**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Capital Project Funds**

**SCHOOL DISTRICTS NO. 1, NO. 2, NO. 3, AND NO. 5:** To account for financial resources to acquire, construct, and improve public school facilities in the respective districts.

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

	SCHOOL DISTRICT NO. 1	SCHOOL DISTRICT NO. 2	SCHOOL DISTRICT NO. 3
<b>ASSETS</b>			
Cash and cash equivalents	\$ 277,967	\$ 506,531	\$ 293,407
Receivables	<u>28,748</u>	<u>74,118</u>	<u>15,249</u>
<b>TOTAL ASSETS</b>	<u><u>306,715</u></u>	<u><u>580,649</u></u>	<u><u>308,656</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	<u>0</u>	<u>16,683</u>	<u>0</u>
<b>Total Liabilities</b>	<u>0</u>	<u>16,683</u>	<u>0</u>
 <b>Fund Balances:</b>			
Unreserved - designated for specific projects	<u>306,715</u>	<u>563,966</u>	<u>308,656</u>
<b>TOTAL FUND BALANCES</b>	<u>306,715</u>	<u>563,966</u>	<u>308,656</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <u><u>\$ 306,715</u></u>	 <u><u>\$ 580,649</u></u>	 <u><u>\$ 308,656</u></u>

Exhibit 9

SCHOOL DISTRICT	
<u>NO. 5</u>	<u>TOTAL</u>
\$ 232,804	\$ 1,310,709
<u>7,815</u>	<u>125,930</u>
<u>240,619</u>	<u>1,436,639</u>
<u>0</u>	<u>16,683</u>
<u>0</u>	<u>16,683</u>
<u>240,619</u>	<u>1,419,956</u>
<u>240,619</u>	<u>1,419,956</u>
<u>\$ 240,619</u>	<u>\$ 1,436,639</u>

DESOTO PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

	SCHOOL DISTRICT NO. 1	SCHOOL DISTRICT NO. 2	SCHOOL DISTRICT NO. 3
<b>REVENUES</b>			
Local sources:			
Taxes:			
Sales and use	\$ 307,936	\$ 793,931	\$ 139,894
Interest earnings	7,731	22,061	8,216
Other	0	200	0
<b>Total Revenues</b>	<b>315,667</b>	<b>816,192</b>	<b>148,110</b>
<b>EXPENDITURES</b>			
Current:			
Support services:			
General administration	4,743	12,232	2,155
Business services	46	506	90
Capital outlay	117,824	1,080,687	36,429
<b>Total Expenditures</b>	<b>122,613</b>	<b>1,093,425</b>	<b>38,674</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>193,054</b>	<b>(277,233)</b>	<b>109,436</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bond proceeds	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>193,054</b>	<b>(277,233)</b>	<b>109,436</b>
<b>FUND BALANCES - BEGINNING</b>	<b>113,661</b>	<b>841,199</b>	<b>199,220</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 306,715</b>	<b>\$ 563,966</b>	<b>\$ 308,656</b>

Exhibit 10

SCHOOL DISTRICT NO. 5		TOTAL
\$ 46,292	\$ 1,288,053	
7,763	45,771	
<u>0</u>	<u>200</u>	
54,055	1,334,024	
714	19,844	
106	748	
<u>40,161</u>	<u>1,275,101</u>	
<u>40,981</u>	<u>1,295,693</u>	
<u>13,074</u>	<u>38,331</u>	
<u>0</u>	<u>0</u>	
<u>0</u>	<u>0</u>	
<u>13,074</u>	<u>38,331</u>	
<u>227,545</u>	<u>1,381,625</u>	
<u>\$ 240,619</u>	<u>\$ 1,419,956</u>	

**DeSoto Parish School Board  
Mansfield, Louisiana  
Internal Service Funds**

**GROUP DENTAL INSURANCE**: To recover over a period of time the total cost of providing group dental insurance to School Board employees and retirees.

**GROUP HEALTH INSURANCE**: To recover over a period of time the total cost of providing group medical insurance to School Board employees and retirees.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Net Assets  
 June 30, 2008

Exhibit 11

	<u>GROUP DENTAL INSURANCE</u>	<u>GROUP HEALTH INSURANCE</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 150,953	\$ 6,214,771	\$ 6,365,724
Receivables	0	1,097,756	1,097,756
Interfund receivables	<u>26,332</u>	<u>932,512</u>	<u>958,844</u>
 TOTAL CURRENT ASSETS	 <u>177,285</u>	 <u>8,245,039</u>	 <u>8,422,324</u>
 <b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	7,533	141,811	149,344
Medical claims payable	0	2,102,039	2,102,039
Dental claims payable	<u>73,370</u>	<u>0</u>	<u>73,370</u>
 TOTAL CURRENT LIABILITIES	 <u>80,903</u>	 <u>2,243,850</u>	 <u>2,324,753</u>
 <b>NET ASSETS</b>			
Unrestricted	<u>96,382</u>	<u>6,001,189</u>	<u>6,097,571</u>
 TOTAL NET ASSETS	 <u>\$ 96,382</u>	 <u>\$ 6,001,189</u>	 <u>\$ 6,097,571</u>

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Revenue, Expenses,  
 and Changes in Fund Net Assets  
 For the Year Ended June 30, 2008

Exhibit 12

	GROUP DENTAL INSURANCE	GROUP HEALTH INSURANCE	TOTAL
<b>OPERATING REVENUE</b>			
Medical premiums	\$ 0	\$ 10,539,131	\$ 10,539,131
Dental premiums	<u>308,154</u>	<u>224,368</u>	<u>532,522</u>
Total operating revenues	<u>308,154</u>	<u>10,763,499</u>	<u>11,071,653</u>
<b>OPERATING EXPENSES</b>			
Claims	310,308	6,099,270	6,409,578
Administration	14,226	235,445	249,671
Insurance	<u>0</u>	<u>519,779</u>	<u>519,779</u>
Total operating expenses	<u>324,534</u>	<u>6,854,494</u>	<u>7,179,028</u>
Operating income (loss)	(16,380)	3,909,005	3,892,625
<b>NONOPERATING REVENUES</b>			
Earnings on investments	<u>3,908</u>	<u>168,667</u>	<u>172,575</u>
Income (loss) before transfers	(12,472)	4,077,672	4,065,200
Transfers in	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Assets	(12,472)	4,077,672	4,065,200
NET ASSETS - BEGINNING	<u>108,854</u>	<u>1,923,517</u>	<u>2,032,371</u>
NET ASSETS - ENDING	<u>\$ 96,382</u>	<u>\$ 6,001,189</u>	<u>\$ 6,097,571</u>

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Cash Flows  
 For the Year Ended June 30, 2008

Exhibit 13

	GROUP DENTAL INSURANCE	GROUP HEALTH INSURANCE	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Medical and dental premiums received	\$ 281,822	\$ 8,738,536	\$ 9,020,358
Administrative fees paid	(6,693)	(93,634)	(100,327)
Premiums paid	0	(519,779)	(519,779)
Claims paid	(293,482)	(6,099,270)	(6,392,752)
Net cash provided (used) by operating activities	(18,353)	2,025,853	2,007,500
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	0	0	0
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Earnings on investments	3,908	168,667	172,575
Proceeds from investments	0	800,000	800,000
Net cash provided (used) for investing activities	3,908	968,667	972,575
Net increase (decrease) in cash and cash equivalents	(14,445)	2,994,520	2,980,075
CASH AND CASH EQUIVALENTS - BEGINNING	165,398	3,220,251	3,385,649
CASH AND CASH EQUIVALENTS - ENDING	150,953	6,214,771	6,365,724
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	(16,380)	3,909,005	3,892,625
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
(Increase) decrease in receivables	0	(2,024,963)	(2,024,963)
(Increase) decrease in interfund receivables	(26,332)	141,811	115,479
Increase (decrease) in claims payable	24,359	0	24,359
Net cash provided (used) for operating activities	\$ (18,353)	\$ 2,025,853	\$ 2,007,500

**DeSoto Parish School Board  
Mansfield, Louisiana  
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.

DESOTO PARISH SCHOOL BOARD  
 SCHOOL ACTIVITIES AGENCY FUND  
 Statement of Changes in Assets and Liabilities  
 For the Year Ended June 30, 2008

Exhibit 14

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2008</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 349,903	\$ 1,385,390	\$ 1,326,994	\$ 408,299
Investments	<u>25,000</u>	<u>0</u>	<u>6,000</u>	<u>19,000</u>
Total assets	<u>374,903</u>	<u>1,385,390</u>	<u>1,332,994</u>	<u>427,299</u>
<b>LIABILITIES</b>				
Deposits due others	<u>374,903</u>	<u>1,385,390</u>	<u>1,332,994</u>	<u>427,299</u>
Total liabilities	<u>\$ 374,903</u>	<u>\$ 1,385,390</u>	<u>\$ 1,332,994</u>	<u>\$ 427,299</u>

**DESOTO PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2008**

**Exhibit 15**

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Logansport Elementary	\$ 19,784	\$ 44,212	\$ 35,330	\$ 28,666
Logansport High	35,956	220,352	212,637	43,671
Mansfield Elementary Middle Pre K-2	52,310	32,534	24,393	60,451
Mansfield Elementary Middle 3-5	11,596	23,463	19,454	15,605
Mansfield Elementary Middle 6-8	17,121	40,424	38,182	19,363
Mansfield High	47,517	253,536	242,026	59,027
North DeSoto Elementary PK-2	9,036	49,735	36,872	21,899
North DeSoto Elementary 3-5	0	49,432	37,337	12,095
North DeSoto Middle	46,985	69,229	72,699	43,515
North DeSoto High	76,359	364,711	388,594	52,476
Pelican High	1,277	45,170	38,263	8,184
Stanley High	52,294	180,180	177,995	54,479
DeSoto Parish Alternative	<u>4,668</u>	<u>12,412</u>	<u>9,212</u>	<u>7,868</u>
<b>Total</b>	<b><u>\$ 374,903</u></b>	<b><u>\$ 1,385,390</u></b>	<b><u>\$ 1,332,994</u></b>	<b><u>\$ 427,299</u></b>

**DeSoto Parish School Board  
Mansfield, Louisiana**

**CAPITAL ASSETS  
USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

**DESOTO PARISH SCHOOL BOARD**

**COMPARATIVE SCHEDULE OF CAPITAL ASSETS  
BY SOURCES  
June 30, 2008**

Exhibit 16

	<u>2008</u>	<u>2007</u>
<b>CAPITAL ASSETS:</b>		
Land	\$ 1,745,645	\$ 1,495,645
Land improvements	4,074,921	3,716,067
Buildings and improvements	63,059,554	51,778,804
Furniture and equipment	1,848,100	1,624,308
Vehicles	4,968,554	4,599,086
Construction in progress	<u>1,616,612</u>	<u>11,293,557</u>
 TOTAL CAPITAL ASSETS	 <u>77,313,386</u>	 <u>74,507,467</u>
 <b>INVESTMENT IN CAPITAL ASSETS:</b>		
Capital Projects Funds	70,642,061	67,962,695
General Fund	5,511,830	5,383,372
School Lunch Fund	366,986	263,021
Federal Aid	350,442	456,312
State Aid	5,838	5,838
Gifts and donations	<u>436,229</u>	<u>436,229</u>
 TOTAL INVESTMENT IN CAPITAL ASSETS	 <u>\$ 77,313,386</u>	 <u>\$ 74,507,467</u>

DESOTO PARISH SCHOOL BOARD

SCHEDULE OF CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY

June 30, 2008

Exhibit 17

<b>FUNCTION AND ACTIVITY</b>	<b>Total</b>	<b>Land and land improvements</b>	<b>Buildings and improvements</b>	<b>Furniture and equipment</b>	<b>Vehicles</b>	<b>Construction in progress</b>
<b><u>Instructional services:</u></b>						
Regular and special programs						
High schools	\$ 31,563,808	\$ 2,453,257	\$ 26,667,672	\$ 606,749	\$ 341,760	\$ 1,494,370
Middle schools	12,303,080	678,294	11,398,420	226,366	0	0
Elementary schools	26,709,550	2,201,351	24,040,971	467,228	0	0
Adult/Continued education	157,086	2,362	146,300	8,424	0	0
Total Instructional services	70,733,524	5,335,264	62,253,363	1,308,767	341,760	1,494,370
<b><u>Supporting services</u></b>						
General and school administration	1,078,350	358,080	398,191	289,383	32,696	0
Plant services	1,977,176	127,222	284,500	238,554	1,204,658	122,242
Student transportation services	3,400,836	0	0	11,396	3,389,440	0
Noninstructional services - food service operations	123,500	0	123,500	0	0	0
Total capital assets allocated to functions	\$ 77,313,386	\$ 5,820,566	\$ 63,059,554	\$ 1,848,100	\$ 4,968,554	\$ 1,616,612

DESOTO PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY  
For the Year Ended June 30, 2008

Exhibit 18

<u>FUNCTION AND ACTIVITY</u>	<u>BALANCE, BEGINNING</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCE, ENDING</u>
<b><u>Instructional services:</u></b>				
Regular and special programs:				
High schools	\$ 30,005,350	\$ 1,558,458	\$ 0	\$ 31,563,808
Middle schools	30,318,569	0	18,015,489	12,303,080
Elementary schools	6,376,091	20,333,459	0	26,709,550
Adult/Continued education	157,086	0	0	157,086
Total Instructional services	66,857,096	21,891,917	18,015,489	70,733,524
<b><u>Supporting services</u></b>				
General and school administration	945,084	133,266	0	1,078,350
Plant services	3,470,149	0	1,492,973	1,977,176
Student transportation services	3,111,638	289,198	0	3,400,836
Noninstructional services - food service operations	123,500	0	0	123,500
Total capital assets	\$ 74,507,467	\$ 22,314,381	\$ 19,508,462	\$ 77,313,386

**DeSoto Parish School Board  
Mansfield, Louisiana**

**General**

**Exhibit 19**

**Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2008**

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 \$600 per month. The president receives an additional \$100 per month for performing the duties of the president, while the three members of the budget/finance committee (Executive Committee) receive an additional \$50 per month.

Mr. Douglas "Bartholmew" Claiborne	\$ 7,200
Mr. Thomas "Tommy" Craig, Jr.	7,200
Mr. Donald "Donny" Dufour	7,800
Mr. McLawrence Fuller	7,800
Mr. Dudley Glenn	7,800
Mr. Johnny Haynes	7,200
Dr. Robert "Neil" Henderson	8,400
Ms. Patricia Hesser	6,600
Mrs. Shirley Payne	600
Mr. L.J. Mayweather, Jr.	7,200
Mr. John Neilson	7,200
Mr. Larry "Mark" Ross	<u>7,200</u>
Total	<u>\$82,200</u>

**DeSoto Parish School Board  
Mansfield, Louisiana**



# Statistical Inference

**DeSoto Parish School Board**  
**Statistical Section**  
**Contents**

	<u>Table</u>	<u>Page</u>
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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	123
Changes in Net Assets	2	124
Fund Balances of Governmental Funds	3	125
Changes in Fund Balances of Governmental Funds	4	126

**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	127
Overlapping Governments	6	128
Principal Property Taxpayers	7	129
Property Tax Levies and Collections	8	130
Sales and Use Tax Rates and Collections - All Governments	9	131

**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	132
Ratios of General Bonded Debt Outstanding	11	133
Direct and Overlapping Governmental Activities Debt	12	134
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(continued)

**DeSoto Parish School Board  
Statistical Section  
Contents**

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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	14	136
Principal Employers	15	137

**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	16	138
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**Other Information**

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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.

(concluded)

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Net Assets by Component  
Fiscal Years Ended June 30, 2001 through June 30, 2008  
(Accrual Basis of Accounting)

	2001	2002	2003	2004	2005	2006	2007	2008
<b>Governmental Activities</b>								
Invested in capital assets, net of related debt	\$ 14,777,191	\$ 15,610,810	\$ 16,855,217	\$ 18,219,109	\$ 20,015,615	\$ 22,567,461	\$ 24,897,360	\$ 11,438,322
Restricted	1,660,858	1,405,847	1,303,333	2,418,302	2,891,266	4,298,179	6,753,530	26,930,085
Unrestricted	8,038,508	7,086,427	8,422,525	6,761,655	7,337,487	7,008,312	8,162,244	12,842,256
Total governmental activities net assets	\$ 24,476,557	\$ 24,103,084	\$ 26,581,075	\$ 27,399,066	\$ 30,244,368	\$ 33,873,952	\$ 39,813,134	\$ 51,210,663

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Changes in Net Assets

Fiscal Years Ended June 30, 2001 through June 30, 2008  
(Accrual Basis of Accounting)

	2001	2002	2003	2004	2005	2006	2007	2008
<b>Expenses</b>								
Instruction:								
Regular programs	\$ 11,858,980	\$ 14,383,330	\$ 14,046,017	\$ 15,152,359	\$ 15,238,864	\$ 15,425,304	\$ 17,553,777	\$ 17,264,404
Special programs	6,909,465	8,472,250	9,814,467	10,240,351	12,626,214	12,588,964	13,302,543	14,799,391
Adult/continuing education	209,246	195,978	261,945	107,739	115,452	105,807	133,419	150,217
Support services:								
Pupil support services	1,061,700	1,184,265	1,237,968	1,208,202	1,228,128	1,451,426	1,644,126	1,605,941
Instructional staff support	2,077,959	2,523,993	3,041,098	2,920,386	2,841,233	2,762,940	2,992,461	2,852,134
General administration	982,673	1,088,545	1,140,493	1,588,270	1,549,555	1,546,415	1,705,463	1,441,594
School administration	1,844,141	2,151,169	2,337,729	2,344,862	2,557,467	2,662,902	3,034,275	2,973,792
Business services	443,409	506,698	260,954	569,196	671,023	704,628	824,294	810,112
Plant services	4,584,882	4,776,157	4,980,762	3,926,626	3,984,059	4,379,507	4,630,717	4,673,123
Student transportation services	2,570,419	2,729,577	3,158,800	2,841,218	3,019,097	3,303,256	3,786,831	3,530,902
Central services	115,457	139,805	144,249	156,055	168,715	161,798	189,642	215,858
Food services	2,443,189	2,548,621	2,588,022	2,712,905	2,995,400	2,970,622	3,152,776	3,712,780
Community services	0	0	0	0	0	45,336	0	0
Interest on long-term debt	1,171,709	1,067,117	998,853	598,643	803,126	948,763	869,372	1,349,988
Total expenses	36,273,229	41,767,505	44,011,357	44,366,812	47,798,333	49,057,668	53,819,696	55,380,236
<b>Program Revenues</b>								
Charges for services:								
Special Programs	38,055	35,492	44,469	0	0	0	0	0
Food Service Operations	217,779	236,275	242,692	285,847	308,800	333,823	345,165	365,161
Operating Grants and Contributions	5,066,251	5,688,567	7,773,715	7,788,406	9,733,113	9,380,506	8,864,685	9,864,073
Total program revenues	5,322,085	5,960,334	8,060,876	8,074,253	10,041,913	9,714,329	9,209,850	10,229,234
<b>Net (Expense) / Revenue</b>	<b>(30,951,144)</b>	<b>(35,807,171)</b>	<b>(35,950,481)</b>	<b>(36,292,559)</b>	<b>(37,756,420)</b>	<b>(39,343,339)</b>	<b>(44,609,846)</b>	<b>(45,151,002)</b>
<b>General Revenues and Other Changes in Net Assets</b>								
Taxes								
Ad valorem taxes levied for general purposes	8,150,403	8,011,628	8,265,507	8,034,583	8,427,720	8,890,004	9,553,227	11,746,663
Ad valorem taxes levied for debt service purposes	1,883,090	1,784,924	1,939,027	1,858,337	2,818,816	3,133,086	3,305,724	4,371,078
Sales taxes levied for capital improvements	1,238,768	1,279,476	1,531,926	1,612,100	833,299	1,311,346	2,184,262	2,282,071
Sales taxes levied for salaries, benefits and general purposes	3,716,306	5,117,905	6,127,703	6,456,774	7,463,902	8,500,387	11,492,048	11,683,285
Grants and contributions not restricted to specific programs	17,765,947	18,532,206	19,835,099	19,070,398	19,950,107	21,154,677	22,335,975	24,354,604
Interest and investment earnings	695,705	342,424	210,284	153,895	503,548	1,128,030	1,188,346	1,348,832
Miscellaneous	410,243	365,135	518,926	315,262	604,330	(1,144,609)	489,446	761,998
Total	33,860,462	35,433,698	38,428,472	37,501,349	40,601,722	42,972,921	50,549,028	56,548,531
<b>Change in Net Assets</b>	<b>\$ 2,909,318</b>	<b>\$ (373,473)</b>	<b>\$ 2,477,991</b>	<b>\$ 1,208,790</b>	<b>\$ 2,845,302</b>	<b>\$ 3,629,582</b>	<b>\$ 5,939,182</b>	<b>\$ 11,397,529</b>

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	5,094,490	5,553,406	7,778,346	7,328,748	7,344,026	6,062,882	6,088,080	5,893,616	5,899,760	7,521,542
Total general fund	<u>5,094,490</u>	<u>5,553,406</u>	<u>7,778,346</u>	<u>7,328,748</u>	<u>7,344,026</u>	<u>6,062,882</u>	<u>6,088,080</u>	<u>5,893,616</u>	<u>5,899,760</u>	<u>7,521,542</u>
All Other Governmental Funds										
Reserved	2,451,147	2,190,288	1,684,890	1,405,847	1,303,333	1,262,632	1,866,994	2,124,728	2,355,751	2,897,072
Unreserved, reported in:										
Special revenue funds	847,421	994,026	1,021,618	1,012,453	1,153,876	1,062,945	1,365,951	2,046,322	2,750,726	1,996,273
Capital projects funds	1,616,461	1,448,591	1,143,220	1,052,965	1,475,935	1,337,522	13,130,941	10,761,121	4,673,513	24,620,216
Total all other governmental funds	<u>4,915,029</u>	<u>4,632,905</u>	<u>3,849,728</u>	<u>3,471,265</u>	<u>3,933,144</u>	<u>3,663,099</u>	<u>16,363,886</u>	<u>14,932,171</u>	<u>9,779,990</u>	<u>29,513,561</u>

Table 4

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Revenues</b>										
Ad valorem taxes	\$ 8,782,764	\$ 9,861,342	\$ 10,033,493	\$ 9,796,552	\$ 10,204,534	\$ 9,892,920	\$ 11,246,536	\$ 12,023,090	\$ 12,858,951	\$ 16,117,741
Sales & use taxes	5,572,154	4,969,660	4,955,074	6,397,381	7,659,629	8,068,874	8,297,201	9,811,733	13,676,310	13,965,356
Investment Earning	647,778	674,223	695,705	342,424	205,204	143,031	434,552	1,024,184	993,455	1,176,257
Other Revenues	652,108	1,022,543	492,171	627,645	506,170	729,049	973,706	1,133,677	834,980	1,127,159
Total revenues from local sources	15,654,804	16,527,768	16,176,443	17,164,002	18,575,537	18,833,874	20,951,995	23,992,684	28,363,696	32,386,513
Revenue from state sources:										
Equalization	16,138,415	15,845,700	17,445,447	18,218,123	19,520,709	18,765,973	19,646,115	20,793,596	22,028,299	24,031,093
Other	1,581,725	1,244,519	1,234,466	1,231,024	1,332,459	1,272,798	1,731,134	2,223,850	1,930,126	3,195,205
Total revenue from state sources	17,720,140	17,090,219	18,679,913	19,449,147	20,853,168	20,038,771	21,377,249	23,017,446	23,958,425	27,226,298
Revenue from federal sources	3,763,317	3,954,091	4,326,191	4,780,883	6,979,898	6,820,033	8,305,971	7,517,737	7,242,235	6,992,379
Judgments	0	0	0	0	75,665	0	0	0	0	0
Total Revenues	37,138,261	37,572,078	39,182,547	41,394,032	46,484,268	45,692,678	50,635,215	54,527,867	59,564,356	66,605,190
<b>Expenditures:</b>										
Current:										
Instruction services	19,322,338	19,016,460	18,746,301	22,311,843	24,312,281	24,758,911	26,811,616	26,921,281	29,504,417	32,839,633
Pupil support services	1,065,527	1,035,654	1,063,943	1,181,946	1,252,060	1,230,744	1,229,815	1,418,410	1,611,725	1,906,963
Instructional staff support	1,912,510	2,040,958	2,067,007	2,553,944	3,083,207	2,959,256	2,821,547	2,698,530	2,942,931	3,024,053
General administration	898,690	954,797	980,260	1,069,260	1,135,204	1,038,630	1,541,470	1,459,887	1,680,587	1,510,262
School administration	1,896,516	1,773,945	1,855,898	2,096,146	2,331,390	2,306,505	2,474,148	2,616,251	2,927,541	3,369,398
Business services	404,018	439,879	438,413	480,655	581,762	575,160	656,261	688,456	795,579	881,124
Plant services	3,210,512	3,083,458	3,201,451	3,354,931	3,590,400	3,929,564	3,951,660	4,359,839	4,567,788	5,057,181
Student transportation services	2,925,530	2,686,079	2,865,742	2,981,483	3,130,906	2,775,058	2,802,916	3,046,073	3,429,902	3,891,662
Food service	2,516,389	2,359,759	2,424,045	2,535,867	2,587,750	2,631,543	2,889,290	2,841,729	3,006,551	3,703,963
Central services	86,126	109,658	114,432	131,888	139,762	156,139	181,576	157,882	180,804	208,540
Community services	0	0	0	0	0	0	0	45,336	0	0
Capital Outlay	1,687,488	560,090	597,872	491,255	372,013	1,239,588	1,370,616	5,358,251	9,712,131	3,591,227
Debt service:										
Interest	1,455,171	1,265,549	1,197,420	1,097,875	933,208	656,225	647,726	987,059	892,437	1,030,831
Principal	1,914,000	2,069,000	2,188,000	1,935,000	2,090,000	2,211,000	2,327,000	2,478,000	2,668,000	3,235,000
Total Expenditures	39,294,815	37,395,286	37,740,784	42,222,093	45,539,943	46,468,323	49,705,641	55,076,984	63,920,393	64,249,837
Excess of revenues over (under) expenditures	(2,156,554)	176,792	1,441,763	(828,061)	944,325	(775,645)	929,574	(549,117)	(4,356,037)	2,355,353
<b>Other Financing Sources (Uses)</b>										
Proceeds from borrowing	0	0	0	0	0	0	12,000,000	0	0	19,000,000
Proceeds from refunding	2,947,060	0	0	0	3,665,000	4,205,000	0	1,650,000	0	0
Payments to escrow agent	(2,947,060)	0	0	0	(3,665,000)	(4,245,784)	0	(1,650,000)	0	0
Transfers in	88,560	64,928	118,763	147,008	408,229	285,860	1,138,315	1,698,232	1,567,777	1,552,500
Transfers out	(88,560)	(64,928)	(118,763)	(147,008)	(875,397)	(1,020,617)	(1,341,905)	(2,775,296)	(2,357,777)	(1,552,500)
Total other financing sources (uses)	0	0	0	0	(467,168)	(775,541)	11,796,410	(1,077,064)	(790,000)	19,000,000
Net change in fund balances	\$ (2,156,554)	\$ 176,792	\$ 1,441,763	\$ (828,061)	\$ 477,157	\$ (1,551,186)	\$ 12,725,984	\$ (1,626,181)	\$ (5,146,037)	\$ 21,355,353
Debt service as a percentage of noncapital expenditures	9.0%	9.1%	9.1%	7.3%	6.7%	6.3%	6.2%	7.0%	6.6%	7.0%

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

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

Fiscal Year Ended June 30	Real Property		Personal Property	Less:		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property		Homestead Exempt Property	Homestead Property				
1999	\$ 33,471,808	\$ 107,347,527	\$ 50,306,679	\$ 26,331,061	\$ 164,794,953	41.16	\$ 1,648,000,000	11.60%	
2000	34,673,517	111,201,530	52,112,795	27,213,002	170,774,840	39.80	1,643,200,800	12.05%	
2001	34,573,260	110,879,998	51,962,114	28,493,946	168,921,426	44.30	1,645,128,100	12.00%	
2002	34,560,017	110,837,527	51,942,211	29,339,407	168,000,348	47.56	1,440,436,168	13.70%	
2003	35,153,595	112,741,190	52,834,332	30,817,819	169,911,298	47.56	1,450,240,000	13.84%	
2004	35,557,259	114,035,783	53,441,022	32,404,785	170,629,279	47.56	1,799,556,416	11.28%	
2005	59,504,951	98,322,204	47,215,983	33,441,125	171,602,013	48.56	1,832,435,444	11.19%	
2006	61,861,605	108,614,955	46,657,286	34,462,705	182,671,141	48.56	1,710,413,588	12.69%	
2007	64,236,108	112,666,610	48,076,717	35,462,783	189,516,652	49.55	1,790,844,660	12.56%	
2008	67,122,274	123,087,517	83,224,404	36,296,280	237,137,915	48.56	2,136,157,852	12.80%	

Source: DeSoto 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
  - 28% agricultural class property
- (3) Tax rates are per \$1,000 of assessed value.

Table 6

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Overlapping Governments  
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate		Total School		Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Millage	Millage	DeSoto Parish Police Jury	City of Mansfield	
1999	39.80	99.50	139.30		18.25	16.57	174.12
2000	44.30	99.00	143.30		16.75	16.57	176.62
2001	47.56	93.50	141.06		18.40	16.57	176.03
2002	47.56	92.50	140.06		18.40	16.82	175.28
2003	47.56	98.00	145.56		18.41	16.82	180.79
2004	47.56	96.50	144.06		18.41	16.82	179.29
2005	48.56	113.25	161.81		18.39	16.82	197.02
2006	48.56	113.00	161.56		18.39	16.82	196.77
2007	49.55	110.25	159.80		18.39	16.82	195.01
2008	48.56	112.00	160.56		18.39	16.82	195.77

Source: DeSoto Parish Tax Assessor Agency

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 DeSoto Parish. Not all overlapping rates apply to all property owners.

Table 7

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Principal Property Taxpayers  
June 30, 2008 and Nine Years Ago

Taxpayer	Fiscal Year 2008				Fiscal Year 1999			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	
International Paper Co.	\$ 68,527,496	1	28.90 %		\$ 34,585,761	2	20.99 %	
Southwestern Electric Power	24,253,545	2	10.23		31,598,159	3	19.17	
Cleco Power, L.L.C.	24,132,194	3	10.18					
EXCO Resources	11,354,395	4	4.79					
El Paso Production Company	10,690,404	5	4.51					
J-W Operating Co.	4,064,892	6	1.71					
Dolet Hills Lignite Co. L.L.C.	3,903,908	7	1.65		4,233,610	4	2.57	
Northeast Texas Electric	2,749,900	8	1.16		3,081,128	5	1.87	
XTO Energy Inc.	2,686,523	9	1.13					
St. Mary Land & Exploration	2,317,379	10	0.98					
Central Louisiana Electric Co.					38,303,859	1	23.24	
South Central Bell					2,811,560	6	1.71	
Oklahoma Municipal Power					2,224,800	7	1.35	
Southern Natural Gas					1,939,410	8	1.18	
Louisiana Pacific					1,902,830	9	1.15	
Sonat Exploration					1,697,266	10	1.03	
Totals	\$ 154,680,636		65.23 %		\$ 122,378,383		74.26 %	

Source: DeSoto Parish Tax Assessor Agency

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$ 8,585,441	\$ 8,258,909	96.20%	\$ 35,904	\$ 8,294,813	96.61%
2000	9,654,706	9,577,462	99.20%	77,244	9,654,706	100.00%
2001	9,942,862	9,440,697	94.95%	37,180	9,477,877	95.32%
2002	9,747,208	9,392,571	96.36%	209,095	9,601,666	98.51%
2003	10,028,737	9,965,181	99.37%	63,556	10,028,737	100.00%
2004	9,656,305	9,497,701	98.36%	158,604	9,656,305	100.00%
2005	11,199,232	11,022,061	98.42%	62,949	11,085,010	98.98%
2006	12,072,270	11,780,059	97.58%	18,558	11,798,617	97.73%
2007	12,729,706	12,598,512	98.97%	N/A	12,598,512	98.97%
2008	15,915,773	15,821,447	99.41%	N/A	15,821,447	99.41%

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

N/A - Information is not yet available.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Sales and Use Tax Rates and Collections - All Governments  
Last Ten Fiscal Years

Fiscal Year	Sales and Use Tax Rates						Tax Collections					
	Parishwide			Municipalities			Parishwide			Municipalities		
	School Board	Police Jury	Law Enforcement District	Mansfield	Other	Total Rate	School Board	Police Jury	Law Enforcement District (5)	Mansfield	Other	Total Collections
1999	2.00%	1.00%		1.00%	3.00%	4.00%	\$ 5,572,154	\$ 2,786,415	\$ 0	\$ 760,193	\$ 324,501	\$ 9,443,263
2000	2.00%	1.00%		1.00%	3.00%	4.00%	4,969,660	2,478,680	0	744,160	294,298	8,486,798
2001	2.00%	1.00%		1.00%	3.00%	4.00%	4,955,074	2,453,442	0	743,018	301,348	8,452,882
2002	2.50%	1.00%		1.00%	3.00%	4.50%	6,166,690	2,511,673	0	769,526	288,619	9,736,508
2003	2.50%	1.00%		1.00%	3.00%	4.50%	7,281,919	2,914,812	0	778,128	304,461	11,279,320
2004	2.50%	1.00%		1.00%	3.00%	4.50%	7,833,361	3,141,382	0	751,352	257,921	11,984,016
2005	2.50%	1.00%	0.50%	1.00%	3.00%	5.00%	8,113,931	3,247,301	1,036,038	769,587	328,298	13,495,155
2006	2.50%	1.00%	0.50%	1.00%	3.00%	5.00%	9,635,507	3,858,636	1,903,864	878,337	357,982	16,634,326
2007	2.50%	1.00%	0.50%	1.00%	3.00%	5.00%	13,480,208	5,394,684	2,645,792	1,024,391	469,773	23,014,847
2008	2.50%	1.00%	0.50%	1.00%	3.00%	5.00%	13,850,262	5,541,825	2,748,825	1,034,387	461,324	23,636,623

Notes:

- (1) Information provided by DeSoto Parish Sales and Use Tax Commission.
- (2) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate.
- (3) The Municipalities - Other column includes 1% each for Logansport, South Mansfield, and Stonewall. New sales and use tax levies of 1% each for Grand Cane and Keatchi were effective January 1, 1997.
- (4) Sales tax collections reported by the DeSoto Sales and Use Tax Commission are on the cash basis.
- (5) The Law Enforcement District is a new sales and use tax levy of 1/2% effective 10/1/2004.

Table 10

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Sales Tax Revenue Bonds	Total Bonds Outstanding	Percentage of Personal Income		Per Capita
1999	\$ 25,755,000	\$ 212,000	\$ 25,967,000	5.96%	\$	953
2000	23,700,000	198,000	23,898,000	5.31%		855
2001	21,525,000	185,000	21,710,000	4.66%		786
2002	19,605,000	170,000	19,775,000	3.98%		720
2003	17,630,000	155,000	17,785,000	3.30%		641
2004	15,525,000	139,000	15,664,000	2.91%		555
2005	22,960,000	122,000	23,082,000	4.08%		880
2006	20,825,000	104,000	20,929,000	3.48%		793
2007	18,425,000	86,000	18,511,000	2.91%		701
2008	34,475,000	66,000	34,541,000	5.10%		1,315

## 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 certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data (Table 14).

Table 11

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

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
1999	\$ 25,755,000	\$ 2,389,414	\$ 23,365,586	1.42%	\$	945
2000	23,700,000	2,149,496	21,550,504	1.31%		847
2001	21,525,000	1,660,858	19,864,142	1.21%		779
2002	19,605,000	1,405,847	18,199,153	1.26%		714
2003	17,630,000	1,303,333	16,326,667	1.13%		635
2004	15,525,000	1,239,870	14,285,130	0.79%		550
2005	22,960,000	1,849,935	21,110,065	1.15%		805
2006	20,825,000	2,098,334	18,726,666	1.09%		710
2007	18,425,000	2,333,147	16,091,853	0.90%		610
2008	34,475,000	2,882,156	31,592,844	1.48%		1,203

## 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 sales tax bonds and certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data (Table 14).

Table 12

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Direct and Overlapping Governmental Activities Debt  
As of June 30, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
DeSoto Parish Police Jury	\$ 3,265,000	100.00%	\$ 3,265,000
City of Mansfield	695,000	100.00%	695,000
Subtotal, overlapping debt			<u>3,960,000</u>
<b>DeSoto Parish School Board Direct Debt</b>			
			<u>36,041,000</u>
Total direct and overlapping debt			<u>\$ 40,001,000</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 DeSoto 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 includes all general bonded debt, certificates of indebtedness, and sales tax bonds.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Legal Debt Margin Information  
Last Ten Fiscal Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 66,758,648	\$ 69,154,551	\$ 68,955,909	\$ 68,942,015	\$ 70,164,163	\$ 70,987,859	\$ 71,677,035	\$ 75,996,846	\$ 78,742,802	\$ 95,701,968
Total net debt applicable to limit	19,744,170	18,380,260	16,759,142	16,695,000	14,925,000	13,040,000	21,110,065	18,726,666	16,091,853	31,592,844
Legal debt margin	\$ 47,014,478	\$ 50,774,291	\$ 52,196,767	\$ 52,247,015	\$ 55,239,163	\$ 57,947,859	\$ 50,566,970	\$ 57,270,180	\$ 62,650,949	\$ 64,109,124
Total net debt applicable to the limit as a percentage of debt limit	29.58%	26.58%	24.30%	24.22%	21.27%	18.37%	29.45%	24.64%	20.44%	33.01%

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	\$ 237,137,915
Add back: exempt real property	36,296,280
Total assessed value	273,434,195
Debt limit ( 35% of total assessed value)	95,701,968
Debt applicable to limit:	34,475,000
General Obligation bonds	
Less: Amount set aside for repayment of general obligation debt	2,882,156
Total net debt applicable to limit	31,592,844
Legal debt margin	\$ 64,109,124

Notes:

(1) The debt limit is 35% of total assessed value. This percentage is in accordance with Act 103 or 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

Table 14

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita		School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
			Personal Income	Personal Income			
1999	24,735	435,886,000	17,622	5,195	N/A	6.7 %	
2000	25,436	449,768,000	17,682	5,095	N/A	6.4	
2001	25,494	465,947,000	18,277	4,992	N/A	6.6	
2002	25,496	496,739,000	19,483	4,810	N/A	7.7	
2003	25,708	539,671,000	20,992	4,840	N/A	10.9	
2004	25,990	537,360,000	20,676	5,003	N/A	10.5	
2005	26,231	565,986,000	21,577	5,058	N/A	7.5	
2006	26,383	602,010,000	22,818	5,016	N/A	5.5	
2007	26,390	637,078,000	24,141	5,008	63.12 %	5.5	
2008	26,269	677,131,000	25,777	4,881	66.50	7.6	

## 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](http://www.stats.indiana.edu).

Table 15

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Principal Employers  
Current Year

	Number of Employees	% of Total Employment
DeSoto Parish School Board	850	7.81%
International Paper Company	556	5.11%
DeSoto Regional Health System	226	2.08%
Dolet Hills Lignite Co.	205	1.88%
Zachry Industrial Inc.	186	1.71%
Hendrix Manufacturing Co.	130	1.20%
Wal-Mart	120	1.10%
DeSoto Parish Police Jury	106	0.97%
Dolet Hills Power Plant	100	0.92%
MB Industries	95	0.87%

Source: DeSoto Parish Chamber of Commerce

Notes:

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

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

School Building Information  
June 30, 2008

Form of Government: Parish School Board  
Geographic Area: 879 Square Miles  
Population: 26,269  
Public School Enrollment: 4,881

Instructional Sites	Date Constructed	School District	Grades Taught	Capacity		No. of Rated Classrooms	Student Capacity
				Sq. Ft.	Acreage		
<b>High Schools:</b>							
DeSoto Alternative	1998	#4	9-12	16,480	4.20	6	90
Logansport	1992	#1	Pre K-12	124,197	60.47	64	990
Mansfield	1959	#4	9-12	87,406	27.34	50	750
North DeSoto	1982	#2	9-12	143,872	37.57	43	700
Pelican	1992	#5	Pre K-12	48,799	42.73	24	400
Stanley	1991	#3	Pre K-12	62,540	40.00	30	500
<b>Middle Schools:</b>							
Mansfield	1994	#4	Pre K-8	216,878	140.30	110	1,800
North DeSoto	2007	#2	6-8	75,178	41.56	30	900
<b>Elementary Schools:</b>							
North DeSoto PK-2	1988	#2	Pre K-2	75,782	20.00	45	720
North DeSoto 3-5	1994	#2	3-5	70,078	15.00	32	650
Adult Ed.	1975	#4	Age 16+	7,200	0.50	3	62
<b>Total Instructional Sites</b>				<b>928,410</b>	<b>429.67</b>	<b>437</b>	<b>7,562</b>

Non-Instructional Sites	Date Constructed	Number of Buildings	Capacity		No. of Rated Rooms		
			Sq. Ft.	Acreage	Acreage	Rooms	
Central Office	1956	1	5,287	1.13	16	16	
Food Service Office	1956	1	4,000	0.30	4	4	
Maintenance	1965	2	13,600	1.74	6	6	
Instructional Materials Center	1969	1	14,950	3.36	18	18	
Textbook Warehouse	1981	1	9,200	0.25	2	2	
Special Services Building	1981	1	9,600	1.15	15	15	
<b>Total Non-Instructional Sites</b>				<b>56,637</b>	<b>7.93</b>	<b>61</b>	<b>61</b>

Source: DeSoto Parish School Board.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

School Personnel

Fiscal Years Ended June 30, 2002 Through June 30, 2008

	2002	2003	2004	2005	2006	2007	2008
<b>Teachers</b>							
Less than a Bachelor's degree	0	0	0	0	3	4	3
Bachelor	277	276	291	274	265	267	253
Master	53	58	52	56	66	68	67
Master +30	25	25	26	23	20	19	21
Specialist in Education	3	2	3	3	3	3	3
Ph.D or Ed.D	1	2	2	1	1	2	2
<b>Total</b>	<b>359</b>	<b>363</b>	<b>374</b>	<b>357</b>	<b>358</b>	<b>363</b>	<b>349</b>
<b>Principals &amp; Assistants</b>							
Bachelor	1	1	1	1	3	3	3
Master	12	10	11	11	11	11	12
Master +30	11	14	12	12	11	10	11
Specialist in Education	0	0	0	0	0	0	0
Ph.D or Ed.D	0	0	0	0	0	0	0
<b>Total</b>	<b>24</b>	<b>25</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>24</b>	<b>26</b>

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

Notes:

(1) The agreed upon procedures report on performance and statistical data is available only for the fiscal years ended June 30, 2002 through 2008.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Operating Statistics

For the Fiscal Years Ended June 30, 2002 through June 30, 2008

Fiscal Year Ended June 30	Expenses	PreK - 12 Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2002	\$ 41,767,505	5,092	\$ 8,203	0	359	14.18
2003	44,011,357	5,065	8,689	5.93%	363	13.95
2004	44,366,812	5,003	8,868	2.06%	374	13.38
2005	47,798,333	5,058	9,450	6.56%	357	14.17
2006	49,057,668	5,016	9,780	3.49%	358	14.01
2007	53,819,696	5,024	10,713	9.53%	363	13.84
2008	55,380,236	4,881	11,346	5.91%	349	13.99

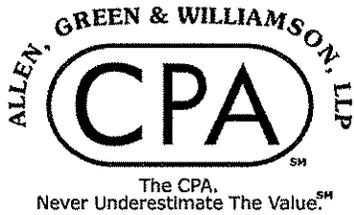
Notes:

- (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.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Schedule of Insurance in Force  
June 30, 2008

Type of Coverage/ Name of Company	Policy Number	Policy Period		Details of Coverage and Coinsurance	Coverage Limits	2006-07	2007-08
		From	To			Premium	Premium
Property damage RSUI Indemnity Co.	NHD341406	10/1/2007	9/30/2008	Blanket Coverage- all property \$100,000 deductible Includes EDP coverage	\$ 100,782,071	\$ 143,958	\$ 134,583
Property loss and damage C.N.A.	BM1098616439	10/1/2007	9/30/2008	Boilers and electric motors \$2,500 deductible	6,250,000	8,228	9,158
General Liability LARMA	LA110-D	10/1/2007	9/30/2008	All property and employees \$25,000 deductible per occur	1,000,000 per occurrence 3,000,000 aggregate	63,128	68,551
Auto/Fleet LARMA	LA110-D	10/1/2007	9/30/2008	Specified vehicles \$2,500 deductible (comprehensive) \$2,500 deductible (collision) \$5,000 medical payments/person \$50,000 per occurrence	1,000,000 liability w/ 10,000 deductible	102,424	112,114
Public Employees Blanket Bond LARMA	GVT554410202	10/1/2007	9/30/2008	All School Board employees \$2,500 deductible	100,000	3,086	3,086
EDP and Musical Instruments RSUI Indemnity Co.	See property	10/1/2007	9/30/2008	Blanket coverage- all property \$5,000 deductible	3,855,778	Included in property	Included in property
School Board Legal Liability LARMA	LA110-D	10/1/2007	9/30/2008	Errors and omissions coverage \$25,000 deductible	1,000,000	19,049	19,196
Workers Compensation Safety National Casualty Co.	EWC006532	7/1/2007	6/30/2008	Blanket coverage - all employees Self-insured retention \$250,000	1,000,000	40,778	26,453



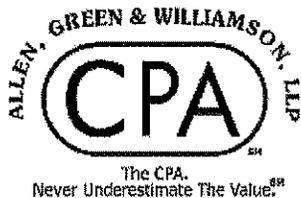
**DeSoto Parish School Board  
Mansfield, Louisiana**

**Compliance with Single Audit Act Amendment of 1996  
And Other Information  
For the Year Ended June 30, 2008**

**ALLEN, GREEN & WILLIAMSON, LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**MONROE \* ALEXANDRIA \* SHREVEPORT**

**DeSoto 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  
DeSoto Parish School Board  
Mansfield, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeSoto Parish School Board as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated October 31, 2008. 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 School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

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

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

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

Compliance and Other Matters

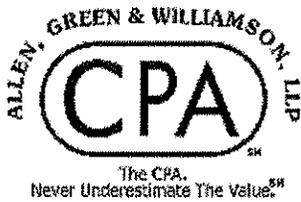
As part of obtaining reasonable assurance about whether the School Boards' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

This report is intended solely for the information and use of management, the Board, 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 Louisiana Legislative Auditor as a public document.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2008



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## **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  
DeSoto Parish School Board  
Mansfield, Louisiana

### Compliance

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

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

### Internal Control Over Compliance

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

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a 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 as of and for the year ended June 30, 2008, and have issued our report thereon dated October 31, 2008. 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 as 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 and use of management, the Board, 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 Louisiana Legislative Auditor as a public document.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2008

**DeSoto Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	\$ 362,155
National School Lunch Program	10.555	N/A	<u>1,120,821</u>
Total United States Department of Agriculture			<u>1,482,976</u>
Passed Through Louisiana Department of Education:			
Adult Education – State-Administered			
Basic Grant Program	84.002A	28-06-44-16C 28-08-23-16 28-07-44-16R 28-08-44-16	\$ 2,000 3,880 1,767 <u>60,801</u> 68,448
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.010A	28-05-TS-16 28-06-TA-16 28-08-T1-16	6,628 4,381 <u>1,635,517</u> 1,646,526
Special Education:			
State Grants – Part B	84.027A	08-BI-16 28-06-PD-16 28-08-PD-16	1,159,702 8,646 <u>8,792</u> 1,177,140
Preschool Grants	84.173A	08-PI-16	39,713
Vocational Education:			
Basic Grants to States	84.048A	28-07-02-16-C 28-08-02-16	7,297 <u>71,369</u> 78,666
Innovative Education Program			
Strategies – Title V	84.298A	28-08-80-16	7,910
Title II Math & Science Partnerships			
Improving Teacher Quality (Title II)	84.367A	28-06-MC-16 28-08-50-16	4,534 <u>527</u> 5,061
Reading First State Grants	84.357A	28-05-RS-16 28-06-RF-16C 28-06-RS-16 28-07-RF-16 28-07-RS-16	46,781 272,335 155,097 957,278 <u>89,279</u> 1,520,770
English Language Acquisition Grant (Title III)	84.365A	28-08-60-16	5,638
Technology Literacy Challenge			
	84.318X	28-07-49-16 28-07-49-16C 28-08-49-16	2,922 9,321 <u>1,913</u> 14,156

(Continued)

**DeSoto Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
Coordinated School Health Pilot	84.184S	646495	76,086
		661950-CHSP	<u>46,502</u>
Title IV (Safe and Drug-Free Schools)	84.186A	28-08-70-16	<u>26,623</u>
Total United States Department of Education			<u>5,150,896</u>
United States Department of Health and Human Services Passed Through the Louisiana Department of Education:			
Payments to States for Child Care Assistance			
Temporary Assistance for Needy Families (TANF)	93.558	28-08-EP-16	3,564
		28-08-JA-16	57,960
		280735-16C	<u>62,120</u>
United States Department of Defense			<u>123,644</u>
Jr. ROTC	12.UKN		<u>106,995</u>
United States Department of Labor Passed Through LTC Shreveport – Bossier:			
WIA Youth Activities	17.259	PY0870W1A4	<u>10,000</u>
TOTAL CASH FEDERAL AWARDS			<u>6,874,511</u>
<b>NONCASH FEDERAL AWARDS</b>			
United States Department of Agriculture Passed Through Louisiana Department of Agriculture and			
Food Distribution Program (Commodities)	10.550	N/A	<u>117,868</u>
TOTAL NONCASH FEDERAL AWARDS			<u>117,868</u>
TOTAL FEDERAL AWARDS			<u>\$ 6,992,379</u>

(Concluded)

**DeSoto Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2008**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the DeSoto Parish School Board, Mansfield, Louisiana. The DeSoto Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the School Board's financial statements as follows:

General Fund	\$ 106,995
Special Revenue:	
Educational Consolidation & Improvement Act - Title I	1,646,526
Improving Teacher Quality – Title II	456,873
Literacy Challenge - Title III	5,638
Safe and Drug Free Schools – Title IV	26,623
Innovation Education – Title V	7,910
Job for America's Graduates	57,960
Special Education	1,216,853
Early Childhood Programs	62,119
Adult Education	72,013
School Food Service	1,600,845
Vocational Education	78,666
Workforce Investment Act	10,000
School Health Pilot Program	122,588
Reading First	1,520,770
Total	<u>\$ 6,992,379</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related 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 revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**DeSoto Parish School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2008**

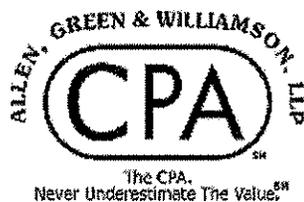
**PART I - Summary of the Auditors' Results**

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

**Audit of Federal Awards**

- iv. There were no significant deficiencies required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal awards are:
  - CFDA# 84.010A Title I Grants to Local Educational Agencies
  - CFDA# 84.367A Title II Improving Teacher Quality
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.



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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

Education Levels of Public School Staff (Schedule 2)

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

**Comment:** One part time employee and one employee with a sabbatical code of 1 or 3 were included in the count of classroom teachers.

**Management's Response:** The computer program that obtained the data for Schedule 2 was corrected (a) to exclude employees with sabbatical leave code 1 or 3, and (b) to exclude part-time teachers.

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

Number and Type of Public Schools (Schedule 3)

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

**Comment:** Seven exceptions were noted where the grade levels per the schedule did not agree to the Title I application. None of these differences resulted in a school being misclassified on the schedule.

**Management's Response:** The Title I application that was completed by the Title I Director is in error. Title I should have gotten their information from the Class Size Characteristics by Site – a SIS Report from the State Department of Education (Dwayne Fontenot) – which is where we got our information from.

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

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

Public Staff Data (Schedule 5)

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

**Comment:** No exceptions were noted as a result of applying the agreed upon procedure.

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

Class Size Characteristics (Schedule 6)

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

**Comment:** Three exceptions were noted in tracing the student count from the rollbook to the schedule.

**Management's Response:** The Supervisor of Student Services is currently researching and will investigate why the grade books for three teachers did not agree with the information provided in Schedule 6 as of October 1.

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

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

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

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

The Iowa Tests (Schedule 9)

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

**Comment:** No exceptions were noted as a result of applying agreed upon procedures.

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

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

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2008

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2008**

**General Fund Instructional and Equipment Expenditures**

## General Fund Instructional Expenditures:

## Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$16,183,953	
Other Instructional Staff Salaries	1,826,177	
Employee Benefits	8,161,778	
Purchased Professional and Technical Services	216,842	
Instructional Materials and Supplies	1,041,302	
Instructional Equipment	384,014	
Total Teacher and Student Interaction Activities		\$27,814,066

Other Instructional Activities \$677,674

Pupil Support Activities \$1,648,027  
Less: Equipment for Pupil Support Activities (7,261)  
Net Pupil Support Activities \$1,640,766

Instructional Staff Services \$2,484,867  
Less: Equipment for Instructional Staff Services (7,197)  
Net Instructional Staff Services \$2,477,670

School Administration \$3,369,397  
Less: Equipment for School Administration (15,485)  
Net School Administration \$3,353,912

Total General Fund Instructional Expenditures \$35,964,088

Total General Fund Equipment Expenditures 413,957

**Certain Local Revenue Sources**

## Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$1,073,851	
Renewable Ad Valorem Tax	10,377,046	
Debt Service Ad Valorem Tax	4,371,078	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	295,767	
Sales and Use Taxes	13,965,357	
Total Local Taxation Revenue		<u>\$30,083,099</u>

## Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$177,984	
Earnings from Other Real Property	167,296	
Total Local Earnings on Investment in Real Property		<u>\$345,280</u>

## State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$29,571	
Revenue Sharing - Other Taxes	285,329	
Revenue Sharing - Excess Portion	0	
Other Revenue in Lieu of Taxes	151,919	
Total State Revenue in Lieu of Taxes		<u>\$466,819</u>

Nonpublic Textbook Revenue \$5,087

Nonpublic Transportation Revenue \$0

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Education Levels of Public School Staff**  
**As of October 1, 2007**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	3	0.86%	0		0	0.00%	0	
Bachelor's Degree	253	72.49%	0		3	11.54%	0	
Master's Degree	67	19.20%	0		12	46.15%	0	
Master's Degree + 30	21	6.02%	0		11	42.31%	0	
Specialist in Education	3	0.86%	0		0	0.00%	0	
Ph. D. or Ed. D.	2	0.57%	0		0	0.00%	0	
<b>Total</b>	<b>349</b>	<b>100.00%</b>	<b>0</b>		<b>26</b>	<b>100.00%</b>	<b>0</b>	

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Number and Type of Public Schools**  
**For the Year Ended June 30, 2008**

<b>Type</b>	<b>Number</b>
Elementary	5
Middle/Jr. High	2
Secondary	5
Combination	3
<b>Total</b>	<b>15</b>

Note: Schools opened or closed during the fiscal year are included in this schedule.

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers**  
**As of October 1, 2007**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	3	1	1	1	7	13
Principals	0	0	1	2	4	2	4	13
Classroom Teachers	27	24	93	52	49	35	69	349
<b>Total</b>	27	24	97	55	54	38	80	375

**DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana**

**Public School Staff Data: Average Salaries  
For the Year Ended June 30, 2008**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$49,544.77	\$49,334.38
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$48,682.54	\$48,437.84
<b>Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries</b>	347.01	333.73

**Note:** Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Class Size Characteristics**  
**As of October 1, 2007**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	45.59%	207	48.90%	222	4.63%	21	0.88%	4
Elementary Activity Classes	39.13%	36	42.39%	39	5.43%	5	13.04%	12
Middle/Jr. High	31.22%	69	55.20%	122	13.57%	30	0.00%	0
Middle/Jr. High Activity Classes	21.05%	8	42.11%	16	34.21%	13	2.63%	1
High	67.88%	391	21.01%	121	10.94%	63	0.17%	1
High Activity Classes	88.61%	70	7.59%	6	0.00%	0	3.80%	3
Combination	84.29%	220	13.41%	35	2.30%	6	0.00%	0
Combination Activity Classes	68.97%	20	17.24%	5	6.90%	2	6.90%	2

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

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Louisiana Educational Assessment Program (LEAP)**  
**For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	2	0.5%	4	1.0%	3	0.8%	7	1.9%	6	1.5%	3	0.8%
Mastery	43	11.5%	63	15.3%	46	12.1%	49	13.1%	28	6.8%	39	10.3%
Basic	181	48.5%	178	43.3%	165	43.4%	140	37.5%	172	42.0%	149	39.2%
Approaching Basic	83	22.3%	114	27.7%	101	26.6%	101	27.1%	120	29.3%	99	26.1%
Unsatisfactory	64	17.2%	52	12.7%	65	17.1%	76	20.4%	84	20.5%	90	23.7%
<b>Total</b>	<b>373</b>	<b>100.0%</b>	<b>411</b>	<b>100.0%</b>	<b>380</b>	<b>100.0%</b>	<b>373</b>	<b>100.0%</b>	<b>410</b>	<b>100.0%</b>	<b>380</b>	<b>100.0%</b>

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	2	0.5%	1	0.3%	2	0.6%	4	1.1%	2	0.5%	1	0.3%
Mastery	31	8.5%	25	6.8%	51	14.0%	28	7.7%	34	9.2%	31	8.5%
Basic	118	32.4%	146	39.6%	107	29.5%	161	44.1%	175	47.4%	144	39.7%
Approaching Basic	143	39.3%	120	32.5%	110	30.3%	99	27.1%	95	25.7%	119	32.8%
Unsatisfactory	70	19.2%	77	20.9%	93	25.6%	73	20.0%	63	17.1%	68	18.7%
<b>Total</b>	<b>364</b>	<b>100.0%</b>	<b>369</b>	<b>100.0%</b>	<b>363</b>	<b>100.0%</b>	<b>365</b>	<b>100.0%</b>	<b>369</b>	<b>100.0%</b>	<b>363</b>	<b>100.0%</b>

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Graduation Exit Examination (GEE)**  
**For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10 &amp; 11</b>												
Advanced	4	1.3%	2	0.7%	1	0.3%	11	3.6%	17	5.6%	16	5.3%
Mastery	27	8.8%	15	5.0%	26	8.7%	32	10.4%	37	12.2%	28	9.3%
Basic	137	44.5%	123	40.6%	147	49.0%	143	46.3%	122	40.3%	142	47.0%
Approaching Basic	91	29.5%	94	31.0%	81	27.0%	71	23.0%	52	17.2%	60	19.9%
Unsatisfactory	49	15.9%	69	22.8%	45	15.0%	52	16.8%	75	24.8%	56	18.5%
<b>Total</b>	<b>308</b>	<b>100.0%</b>	<b>303</b>	<b>100.0%</b>	<b>300</b>	<b>100.0%</b>	<b>309</b>	<b>100.0%</b>	<b>303</b>	<b>100.0%</b>	<b>302</b>	<b>100.0%</b>

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10 &amp; 11</b>												
Advanced	3	1.1%	4	1.6%	5	1.9%	0	0.0%	4	1.6%	0	0.0%
Mastery	22	7.9%	22	8.5%	31	11.5%	8	2.9%	11	4.3%	16	5.9%
Basic	104	37.1%	101	39.1%	111	41.3%	149	53.2%	115	44.6%	134	49.8%
Approaching Basic	106	37.9%	72	27.9%	75	27.9%	73	26.1%	63	24.4%	78	29.0%
Unsatisfactory	45	16.1%	59	22.9%	47	17.5%	50	17.9%	65	25.2%	41	15.2%
<b>Total</b>	<b>280</b>	<b>100.0%</b>	<b>258</b>	<b>100.0%</b>	<b>269</b>	<b>100.0%</b>	<b>280</b>	<b>100.0%</b>	<b>258</b>	<b>100.0%</b>	<b>269</b>	<b>100.0%</b>

**DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana**

**IOWA and iLEAP Tests  
For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	4	1.1%	11	3.0%	6	1.6%	7	1.9%
Mastery	48	12.9%	56	15.1%	28	7.5%	50	13.5%
Basic	154	41.5%	150	40.4%	155	41.8%	162	43.7%
Approaching Basic	100	27.0%	102	27.5%	148	39.9%	98	26.4%
Unsatisfactory	65	17.5%	52	14.0%	34	9.2%	54	14.6%
<b>Total</b>	<b>371</b>	<b>100.0%</b>	<b>371</b>	<b>100.0%</b>	<b>371</b>	<b>100.0%</b>	<b>371</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	6	1.8%	12	3.6%	7	2.1%	14	4.2%
Mastery	48	14.5%	23	6.9%	42	12.7%	33	9.9%
Basic	137	41.3%	164	49.4%	129	38.9%	162	48.8%
Approaching Basic	75	22.6%	63	19.0%	106	31.9%	69	20.8%
Unsatisfactory	66	19.9%	70	21.1%	48	14.5%	54	16.3%
<b>Total</b>	<b>332</b>	<b>100.0%</b>	<b>332</b>	<b>100.0%</b>	<b>332</b>	<b>100.0%</b>	<b>332</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	9	2.5%	5	1.4%	3	0.8%	9	2.5%
Mastery	47	12.9%	32	8.8%	32	8.8%	25	6.9%
Basic	149	40.9%	164	45.1%	132	36.3%	151	41.5%
Approaching Basic	105	28.8%	72	19.8%	124	34.1%	102	28.0%
Unsatisfactory	54	14.8%	91	25.0%	73	20.1%	77	21.2%
<b>Total</b>	<b>364</b>	<b>100.0%</b>	<b>364</b>	<b>100.0%</b>	<b>364</b>	<b>100.0%</b>	<b>364</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	10	2.4%	5	1.2%	7	1.7%	4	1.0%
Mastery	29	6.9%	19	4.5%	29	6.9%	37	8.8%
Basic	223	53.1%	182	43.3%	145	34.5%	211	50.2%
Approaching Basic	121	28.8%	119	28.3%	154	36.7%	106	25.2%
Unsatisfactory	37	8.8%	95	22.6%	85	20.2%	62	14.8%
<b>Total</b>	<b>420</b>	<b>100.0%</b>	<b>420</b>	<b>100.0%</b>	<b>420</b>	<b>100.0%</b>	<b>420</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	3	0.8%	17	4.7%
Mastery	32	8.9%	27	7.5%
Basic	163	45.5%	159	44.4%
Approaching Basic	110	30.7%	67	18.7%
Unsatisfactory	50	14.0%	88	24.6%
<b>Total</b>	<b>358</b>	<b>100.0%</b>	<b>358</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	4	1.2%	9	2.6%	8	2.3%	12	3.5%
Mastery	39	11.2%	36	10.4%	32	9.2%	38	11.0%
Basic	122	35.2%	132	38.0%	133	38.3%	139	40.1%
Approaching Basic	117	33.7%	95	27.4%	117	33.7%	86	24.8%
Unsatisfactory	65	18.7%	75	21.6%	57	16.4%	72	20.7%
<b>Total</b>	<b>347</b>	<b>100.0%</b>	<b>347</b>	<b>100.0%</b>	<b>347</b>	<b>100.0%</b>	<b>347</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	5	1.8%	8	2.9%	10	3.6%	11	4.0%
Mastery	47	17.1%	21	7.6%	43	15.7%	45	16.4%
Basic	127	46.2%	138	50.2%	125	45.6%	137	50.0%
Approaching Basic	56	20.4%	55	20.0%	70	25.5%	54	19.7%
Unsatisfactory	40	14.5%	53	19.3%	26	9.5%	27	9.9%
<b>Total</b>	<b>275</b>	<b>100.0%</b>	<b>275</b>	<b>100.0%</b>	<b>274</b>	<b>100.0%</b>	<b>274</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	6	1.7%	5	1.4%	2	0.6%	9	2.5%
Mastery	37	10.2%	16	4.4%	35	9.7%	30	8.3%
Basic	141	39.1%	168	46.5%	137	38.0%	144	39.9%
Approaching Basic	109	30.2%	82	22.7%	120	33.2%	111	30.7%
Unsatisfactory	68	18.8%	90	24.9%	67	18.6%	67	18.6%
<b>Total</b>	<b>361</b>	<b>100.0%</b>	<b>361</b>	<b>100.0%</b>	<b>361</b>	<b>100.0%</b>	<b>361</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	15	3.6%	10	2.4%	1	0.2%	7	1.7%
Mastery	33	8.0%	23	5.6%	32	7.7%	43	10.4%
Basic	182	44.2%	170	41.3%	137	33.2%	207	50.1%
Approaching Basic	115	27.9%	108	26.2%	150	36.3%	104	25.2%
Unsatisfactory	67	16.3%	101	24.5%	93	22.5%	52	12.6%
<b>Total</b>	<b>412</b>	<b>100.0%</b>	<b>412</b>	<b>100.0%</b>	<b>413</b>	<b>100.0%</b>	<b>413</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	1	0.3%	9	2.6%
Mastery	27	7.9%	29	8.5%
Basic	168	49.1%	157	45.9%
Approaching Basic	113	33.0%	77	22.5%
Unsatisfactory	33	9.6%	70	20.5%
<b>Total</b>	<b>342</b>	<b>100.0%</b>	<b>342</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	1	0.3%	8	2.2%	7	1.9%	5	1.4%
Mastery	45	12.3%	40	10.9%	39	10.7%	29	7.9%
Basic	136	37.2%	128	35.0%	125	34.2%	166	45.5%
Approaching Basic	109	29.8%	96	26.2%	113	30.9%	79	21.6%
Unsatisfactory	75	20.5%	94	25.7%	82	22.4%	86	23.6%
Total	366	100.0%	366	100.0%	366	100.0%	365	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	9	2.6%	11	3.2%	8	2.3%	12	3.5%
Mastery	63	18.1%	25	7.2%	56	16.1%	56	16.1%
Basic	133	38.2%	159	45.7%	128	36.8%	159	45.8%
Approaching Basic	89	25.6%	64	18.4%	103	29.6%	72	20.7%
Unsatisfactory	54	15.5%	89	25.6%	53	15.2%	48	13.8%
Total	348	100.0%	348	100.0%	348	100.0%	347	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	4	1.3%	5	1.6%	8	2.5%	8	2.5%
Mastery	49	15.4%	26	8.1%	29	9.1%	28	8.8%
Basic	144	45.1%	150	46.9%	152	47.6%	164	51.4%
Approaching Basic	93	29.2%	68	21.3%	91	28.5%	92	28.8%
Unsatisfactory	29	9.1%	71	22.2%	39	12.2%	27	8.5%
Total	319	100.0%	320	100.0%	319	100.0%	319	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	8	2.1%	7	1.9%	3	0.8%	8	2.1%
Mastery	49	13.1%	22	5.9%	25	6.7%	40	10.7%
Basic	155	41.3%	149	39.7%	122	32.5%	183	48.9%
Approaching Basic	114	30.4%	101	26.9%	145	38.7%	88	23.5%
Unsatisfactory	49	13.1%	96	25.6%	80	21.3%	55	14.7%
Total	375	100.0%	375	100.0%	375	100.0%	374	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0.0%	10	2.9%
Mastery	19	5.5%	20	5.8%
Basic	175	50.4%	174	50.1%
Approaching Basic	119	34.3%	75	21.6%
Unsatisfactory	34	9.8%	68	19.6%
Total	347	100.0%	347	100.0%