

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

*Financial Statements and Schedules*

June 30, 2013

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

Release Date FEB 05 2014



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### **School Board Members**

Ira H Thomas, Sr	District 1	President
Cynthia Cade	District 2	
Sarah Usdin	District 3	
Leslie Ellison	District 4	Vice President
Seth Bloom	District 5	
Woody Koppel	District 6	
Nolan Marshall, Jr	District 7	

Officers are elected for a term of one calendar year by Board Members. The 2013 officers are shown above.

### **Administrative Officials**

Stanley C. Smith	Interim Superintendent
Kathleen Padian	Deputy Superintendent
Wayne M. DeLarge	Chief Financial Officer

### **Departmental Executive Directors**

Rosalynne Dennis, Ph D	Chief Academic Officer
Armand Devezin, Ph D	Chief of Staff
Leslie Rey	Purchasing/Ancillary Services
Ed Morris	General Counsel
Herman Taitt	Operations
Nicolette London	Federal Programs and Grants
Armer A. Bright	Disadvantaged Business Enterprise

# Orleans Parish School Board

## SUPERINTENDENT'S OFFICE

3520 General DeGaulle Drive • Suite #5055 • New Orleans, Louisiana • 70114  
(504) 304-5660 office (504) 309-2865 fax



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**Stanley C. Smith, Interim Superintendent**

December 18, 2013

The President and Board Members  
Orleans Parish School Board

The Orleans Parish School Board continues to work to improve the school system in all areas from academics to finance. The City of New Orleans continues to struggle with high poverty and crime but at the same time is making remarkable progress in redevelopment and is recognized as one of the fastest growing cities in the United States. All recognize that providing a quality education system is a key to continued recovery.

The Orleans Parish School Board (OPSB) has overseen the activities of the Superintendent and administration in rebuilding the academic standing of the school system and the achievement of its students. Academic achievement in the direct run and charter schools continues to improve, and we continue to improve in the management of operations and finance.

Following is a recap of the major activities and accomplishments of OPSB and its schools.

### DEMOGRAPHICS

- District student enrollment for the 2013-14 school year has increased to 12,541 students. Nine percent of these students are special needs students and sixty-seven percent are at risk.
- The Orleans Parish School Board (OPSB) operates 6 direct run schools, 2 programs for adjudicated youth, and has oversight of 14 charter schools.
- The OPSB coordinates services for 65 non-public schools.
- The OPSB provides child nutrition services for 23 schools in Orleans Parish.

### ACADEMICS RANKINGS

- OPSB schools rank #2 in Louisiana. The District has an "A" letter grade for academic performance with a 108.2 score.
- Seventy-two percent of OPSB schools have an A or B letter grade.
- OPSB schools rank #1 in Louisiana with a graduation rate of 89.3 percent.
- OPSB special education students graduate with a high school diploma at 2 ½ times the state average.
- Four OPSB schools received the prestigious designation as high performing, high poverty schools.
- One school is designated as a National Blue Ribbon School by the U.S. Department of Education.
- OPSB schools ACT scores surpassed the state average.
- Eighty-two percent of OPSB teachers meet the "Highly Qualified" definition.

*"Success is the **ONLY OPTION!**"*

### **COMPASS AND COMMON CORE**

- Ninety-five percent of teachers overall received effective proficient or highly effective Compass ratings
- Less than two percent of all teachers are ineffective (including Value Added & Non-Value Added teachers)
- One hundred percent of teachers received Common Core training with monthly follow-up and support to schools
- *Common Core Collaborative Team* (teachers, administrators, coaches and district staff) has been established for OPSB schools
- Data Summits for school leadership teams have been established

### **COMPETITIVE GRANTS RECEIVED**

- Kellogg Grant
- 21<sup>st</sup> Century Grant
- Striving Readers Comprehensive Literacy Grant
- Chevron Project Lead the Way (PLTW) Grant
- Believe and Succeed
- Investing in Innovation
- Walton Foundation

### **CHARTERS INITIATIVES**

- Collaborated with charters, RSD and Department of Education on legislation to facilitate return of schools to OPSB
- Two new charter schools were opened in 2013
- Approved one new charter for 2014 opening
- Developed academic, organization and financial performance framework matrix for charter evaluations
- Supported the expansion of one charter (Einstein) to a second site, taking responsibility for students from a closed RSD charter
- Supported the transition of 2 type 4 charters to type 3
- Developed pre-opening materials to assist new charter schools in preparing for opening of schools

### **OPERATIONS AND FINANCE**

- Over \$170 million of school facilities master plan projects are in construction, including
  - New McDonogh 35 High School
  - New Alice Harte Elementary School
  - New Lake Forest Elementary School at Greater St Stephens
  - New Robert R Moton Elementary School at North Kenilworth
  - Renovation and addition to Audubon facility on Broadway
  - New gym at Eleanor McMain High School
- Sold 5 properties at auction providing \$2.2 million to fund capital projects

*“Success is the **ONLY OPTION!**”*

- Developed effective DBE Program for disadvantaged businesses to aid in securing subcontract work and improving their skills. From July, 2012 to present, DBE contractors have obtained subcontracts amounting to \$28,000,000. Over 40 local DBE businesses benefited directly or indirectly from this program through subcontract work and DBE training programs.
- Closed 2 New Market Tax Credit (NMTC) transactions that provided in excess of \$4 million of funding for the school facilities master plan. The NMTC program promotes investment in businesses and real estate developments that serve low-income communities, fosters the construction and rehabilitation of real estate and the expansion of jobs, economic activity and quality of services in these communities.
- Implemented a new system allowing schools to more efficiently and effectively track Student Activity Funds.
- Implemented ACH processing of large vendor and other payments, expedited vendor invoice payments, reducing bank fees and improving turn-around time in Accounts Payable.
- Continue to operate with a balanced budget and ended the current fiscal year with no decrease in fund balance.
- OPSB continues to participate in the One App common enrollment process and championed several policy changes to improve the process.

**The Orleans Parish School Board continues to commit to creating a world-class public education system that is child centered and supports the rebuilding of the City of New Orleans**

**Respectfully,**



**Stanley C. Smith  
Interim Superintendent**

***"Success is the ONLY OPTION!"***



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## Independent Auditor's Report

To the Orleans Parish School Board  
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Orleans Parish School Board (School Board) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the accompanying table of contents

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following discretely presented component units which represent 83%, 81% and 79%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units: Hynes Charter School, Lusher Charter School, New Orleans Charter Science and Math High School, Warren Easton Senior High School, Robert Russa Moton Charter School, Encore Learning, Ben Franklin High School and Algiers Charter Schools - Alice M Harte Elementary and Edna Karr High School. These financial statements were audited by other auditors whose reports thereon were furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors.

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Orleans Parish School Board as of June 30, 2013 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

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison and other post-employment benefits information on pages 4 through 12 and 71 through 75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Orleans Parish School Board's basic financial statements. The introductory section, the schedules in the other supplementary information section as listed in the table of contents, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements.

The schedules in the other supplementary information section as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the non-major component unit financial statements, the budgetary comparison schedules for major debt service funds and major capital projects funds, the schedules in the other supplementary information section as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2013 on our consideration of Orleans Parish 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.

A handwritten signature in black ink that reads "LaForte". The signature is written in a cursive, flowing style.

A Professional Accounting Corporation

December 23, 2013

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

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**Overview and Analysis of Financial Activities**

The Orleans Parish School Board (School Board), as the financial manager of the Orleans Parish School System, offers the readers of these financial statements an overview and analysis of the financial activities of the School Board. This overview and analysis is designed to assist the users of these financial statements to focus on significant issues, identify significant changes in the School Board's financial position both at the government-wide and fund levels, and highlight material changes from the School Board's approved budget.

Our discussion and analysis of the School Board's financial performance includes a section entitled *Financial Highlights* which provides an overview of its financial activities for the fiscal years ended June 30, 2013 and 2012. This discussion and analysis should be read in conjunction with the Annual Financial Report's Letter of Transmittal in the Introductory Section, the School System's Financial Statements (Financial Section), and the Notes to the Financial Statements.

**Financial Highlights**

- As of June 30, 2013, the School Board reported a consolidated net position total of \$170.8 million, which is an increase of \$6.9 million from the June 30, 2012, balance of \$163.9 million. The June 30, 2013 balance represents an increase of \$271.7 million over the June 30, 2006, deficit of \$100.9 million.
- As of June 30, 2013, the School Board reported General Fund fund balance of \$46.9 million. This represents an increase of \$416,000 from the June 30, 2012, balance of \$46.5 million. The increase is due to an overall decrease in revenues offset by a slight increase in expenditures.
- For fiscal year 2013, Ad Valorem Tax Revenues, including the gross up for fees, totaled \$133.7 million. This represents an increase of \$13.2 million over the previous year.
- Sales Tax Revenues totaled \$108.1 million, which represents an increase of \$17.3 million from the prior year.
- The Minimum Foundation Program (MFP) distribution from the State of Louisiana totaled \$46 million for fiscal year 2013. Louisiana funds public education through a block grant known as the Minimum Foundation Program, or MFP. The MFP formula is developed and approved annually by the Louisiana State Board of Elementary and Secondary Education.
- During fiscal year 2013, expenditures on Federal and State awards totaled \$50.6 million. The three largest grants were as follows: (1) U.S. Department of Education, No Child Left Behind, Title I = \$23.1 million, (2) U.S. Department of Education, No Child Left Behind, Title II = \$3.7 million, (3) U.S. Department of Education, Individuals with Disabilities and Exceptionalities, IDEA Part B = \$5.3 million. These expenditures benefit OPSB students, OPSB Charter School students and non-public students.
- Principal payments on bonds and notes payable totaled \$17.4 million. Additionally, interest payments of \$14.7 million were made.
- As of June 30, 2013, the School Board had total Long-Term debt of \$240.8 million. This is comprised of the following: (1) Bonds, Notes and Loans of \$177.6 million, (2) Accrued interest payable of \$11.8 million, (3) Compensated absences of \$8.2 million, (4) Bond Premium of \$6 million and (5) Claims payable of \$36.2 million.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

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- As of June 30, 2013, the School Board had fund balance in its Debt Service funds of \$38.2 million. The components of this are as follows: (1) General Obligation Bonds = \$17.8 million, (2) 1991 Refunding Bonds, Accrued Interest = \$17.6 million, (3) Community Disaster Loan = \$2.8 million. These funds are dedicated by Board action to the repayment of the related outstanding debt.
- As of June 30, 2013, the School Board had a net investment in capital assets, book value less accumulated depreciation, of approximately \$288.9 million. The long-term debt plus accrued interest on these capital assets totaled \$189.6 million. The difference between the net investment in capital assets, net of related debt represents a surplus of approximately \$99.3 million.
- Capital project expenditures during fiscal year 2013, for both major construction and repair and maintenance projects, totaled \$37.6 million.
- At June 30, 2013, the component units (i.e., the twelve charter schools) had a net position of \$46 million. Additionally, revenue for the current fiscal year totaled \$78.3 million.

**Using this Annual Financial Report**

This discussion and analysis is intended to serve as an introduction to the School Board's Comprehensive Annual Financial Report (CAFR). The basic financial statements consist of the following: (1) Government-Wide Financial Statements, (2) Fund Financial Statements, (3) Notes to the Financial Statements, (4) Supplementary Financial Information.

Government-Wide Financial Statements (pages 14 through 17) include the Statement of Net Position and Statement of Activities, which provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. In summary, the Government-Wide Financial Statements show the results of operations and financial position using the total economic resources measurement focus and the accrual basis of accounting, which emphasizes the long-term financial picture and are very similar to the financial statements of the private sector.

The Fund Financial Statements (pages 19 through 29) represent information for three fund categories - governmental, proprietary and fiduciary. Financial statements for governmental funds tell how we financed our services in the short-term as well as what remains for future spending. These fund statements provide the reader with some insight into the School Board's overall financial health. In short, the fund-level financial statements show the results of operations and financial position using the current financial resources measurement focus and the modified accrual basis of accounting, emphasizing the change in fund balances as a result of the current year's operations, as well as the amount of resources available to spend.

Fund Financial Statements also report the School Board's operations in more detail than the Government-Wide Financial Statements by providing information about the School Board's most significant fund(s) - such as the General Fund, Pass Through Fund, General Obligation Bond Fund, Refunding Bond Fund, Hurricane Katrina Restoration Fund, Capital Projects Fund and the Federal Grant Fund. The Governmental Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances include the major funds as well as an aggregate of the remaining funds that report general government operations.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

The School Board maintains two types of Proprietary Fund types. The Enterprise Fund is used to report the same functions presented as business-type activities in the Government-Wide Financial Statements. During fiscal year 2011, an enterprise fund was established, to account for the rental receipts and operating costs of a five story building purchased during that year. During 2013, an enterprise fund which represents a blended component unit, was reported which assists in facilitating the new market tax credit financing for the construction and renovation of school buildings as described in Note 21. The Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the School Board's major functions/funds. The School Board uses internal service funds for its employee health insurance, retiree health insurance and workers compensation. Because these services predominantly benefit the governmental rather than business-type functions, they are included within governmental activities in the Government-Wide Financial Statements.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Other sections include Notes to the Financial Statements (pages 31 through 67) and certain Required Supplementary Information (pages 71 through 75). Included in the Required Supplementary Information is a comparison of the General Fund budget with actual results on pages 69 through 70. Over the course of the year, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures.

**Reporting on School Board as a Whole**

***Government-Wide Financial Analysis***

The following analysis focuses on the Statement of Net Position (Table 1) and Statement of Activities (Table 2) of the School Board's governmental and business-type activities.

**Table 1**  
**Condensed Comparative Statement of Net Position (In Thousands)**  
**At June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		Total		Increase (Decrease)	Increase (Decrease)
	2013	2012	2013	2012	2013	2012	Amount	Percent
Current and Other Assets	\$ 218,645	\$ 230,751	\$ 945	\$ 524	\$ 219,590	\$ 231,275	\$ (11,685)	(5.05) %
Capital Assets, Net	148,658	123,695	6,130	6,148	154,789	129,843	24,946	19.21 %
Loan Receivable and Accrued Interest	-	-	6,973	-	6,973	-	6,973	
Long-Term Receivable RSD	134,097	134,097	-	-	134,097	134,097	-	- %
<b>Total Assets</b>	<b>501,400</b>	<b>488,543</b>	<b>14,048</b>	<b>6,672</b>	<b>515,448</b>	<b>495,215</b>	<b>20,233</b>	<b>4.09 %</b>
Current and Other Liabilities	64,640	63,144	83	52	64,722	63,196	1,526	2.42 %
Long-Term Liabilities	240,811	268,139	-	-	240,811	268,139	(27,328)	(10.19) %
<b>Total Liabilities</b>	<b>305,451</b>	<b>331,283</b>	<b>83</b>	<b>52</b>	<b>305,533</b>	<b>331,335</b>	<b>(25,802)</b>	<b>(7.79) %</b>
<b>Net Position</b>								
Net Investment in Capital								
Assets	93,174	43,680	6,130	6,148	99,304	49,828	49,476	99.29 %
Restricted	237,667	135,620	-	-	237,667	135,620	102,047	75.25 %
Unrestricted	(173,980)	(22,041)	7,835	472	(166,145)	(21,569)	(144,576)	670.29 %
<b>Total Net Position</b>	<b>\$ 195,949</b>	<b>\$ 157,259</b>	<b>\$ 13,966</b>	<b>\$ 6,620</b>	<b>\$ 209,915</b>	<b>\$ 163,879</b>	<b>\$ 46,035</b>	<b>28.09 %</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

The School Board's net position was \$170,826,460 at June 30, 2013, and \$163,879,273 at 2012. Of which, \$(159,145,990) and \$(21,569,160) was unrestricted at June 30, 2013 and 2012, respectively. Restricted net position is reported separately to show legal constraints from debt covenants, capital projects and enabling legislation that limit the School Board's ability to use the net position for day-to-day operations. As of June 30, 2013 and 2012, the restricted net position amounted to \$230,668,251 and \$135,620,037, respectively.

Current and other assets decreased from June 30, 2012 to June 30, 2013, by \$11,685,102. The primary reason for the change is due to a decrease in Cash and Investments pursuant to a planned reduction in Debt Service balances.

Net capital assets increased from June 30, 2012 to June 30, 2013, by a net amount of \$24,945,511 due primarily to construction in progress to accommodate the city's master plan. (See Note 2 and Note 6, Capital Assets in the accompanying financial statements for additional discussion regarding depreciation methods and related accumulated depreciation). The June 30, 2013, financial statements reflect \$134,096,551 of capital assets transferred to the RSD as a long-term receivable.

Current and other liabilities increased by \$40,614,601.

Long-term liabilities decreased by \$27,328,430. The primary composition of this net change is decreases in long term obligations consisting of an \$8.8 million decrease in General Obligation Bonds, a \$6.1 million decrease in Refunding Bonds and an \$8.8 million decrease in Interest Payable due on same.

Table 2  
Condensed Comparative Statement of Activities (in Thousands)  
For the Years Ended June 30, 2013 and 2012

	Governmental Activities		Business-Type Activities		Total		Variance Increase (Decrease) Amount	Variance Increase (Decrease) Percent
	2013	2012	2013	2012	2013	2012		
<b>Governmental Activities</b>								
<b>Revenues</b>								
Program Revenues								
Charges for Services	\$ 583	\$ 1,498	\$ 1,572	\$ 1,495	\$ 2,155	\$ 2,993	\$ (838)	(28.00) %
Operating Grants	43,761	39,318	-	-	43,761	39,318	4,443	11.30 %
Capital Grants	9,296	15,339	-	-	9,296	15,339	(6,043)	(39.40) %
<b>Total Program Revenues</b>	<b>53,640</b>	<b>56,155</b>	<b>1,572</b>	<b>1,495</b>	<b>55,212</b>	<b>57,650</b>	<b>(2,438)</b>	<b>(4.23) %</b>
<b>General Revenues</b>								
Ad Valorem	133,691	120,448	-	-	133,691	120,448	13,243	10.99 %
Sales Taxes	108,119	90,821	-	-	108,119	90,821	17,298	19.05 %
State Revenue Sharing	2,455	2,253	-	-	2,455	2,253	202	8.97 %
Investment Earnings	176	370	26	-	201	370	(169)	(45.55) %
Internal Service Funds Net Operating (Loss)	-	(129)	-	-	-	(129)	129	(100.00) %
Minimum Foundation Program	46,048	42,342	-	-	46,048	42,342	3,706	8.75 %
Debt Forgiveness	-	8,298	-	-	-	8,298	(8,298)	- %
Other General Revenues	6,208	22,600	-	-	6,208	22,600	(16,392)	(72.53) %
<b>Total General Revenues</b>	<b>296,698</b>	<b>287,003</b>	<b>26</b>	<b>-</b>	<b>296,723</b>	<b>287,003</b>	<b>9,720</b>	<b>3.39 %</b>
<b>Total Revenues</b>	<b>\$ 350,337</b>	<b>\$ 343,158</b>	<b>\$ 1,598</b>	<b>\$ 1,495</b>	<b>\$ 351,935</b>	<b>\$ 344,653</b>	<b>\$ 7,282</b>	<b>2.11 %</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

**Table 2 (Continued)**  
**Condensed Comparative Statement of Activities (in Thousands)**  
**For the Years Ended June 30, 2013 and 2012**

Governmental Activities	Governmental Activities		Business-Type Activities		Total		Variance	Variance
	2013	2012	2013	2012	2013	2012	Increase (Decrease) Amount	Increase (Decrease) Percent
<b>Functions/Program</b>								
<b>Instruction</b>								
Regular Education Programs	16 615	14 457	-	-	16 615	14 457	2,158	14.93 %
Special Education Programs	6 478	21 126	-	-	6 478	21 126	(14 648)	(69.34) %
Other Educational Programs	27 252	10,258	-	-	27 252	10,258	16,994	165.66 %
<b>Support Services</b>								
Student Services	6 057	6 417	-	-	6 057	6 417	(360)	(5.61) %
Instructional Staff Support	7 479	8 522	-	-	7 479	8 522	(1 043)	(12.23) %
General Administration	12 975	14 164	-	-	12,975	14,164	(1 189)	(8.39) %
School Administration	3 009	2 889	-	-	3 009	2 889	120	4.17 %
Business Services	2,111	2,155	-	-	2 111	2 155	(44)	(2.05) %
Student Transportation Services	3 942	4 521	-	-	3 942	4 521	(579)	(12.81) %
Central Services	3 462	3 208	-	-	3,462	3 208	254	7.91 %
Plant Services	9 232	14 700	-	-	9 232	14 700	(5 468)	(37.19) %
Other	21 915	563	-	-	21 915	563	21 352	3 792.54 %
<b>Food Services</b>								
Transfer to RSD Schools - Local MFP	126 860	120 799	-	-	126 860	120 799	6 061	5.02 %
Transfer to Charter Schools - Local and State MFF	68 880	68 313	-	-	68 880	68 313	567	0.83 %
Interest on Long-Term Debt	5 031	11 904	-	-	5 031	11 904	(6 873)	(57.74) %
Transfer to Other LEA	-	-	16 963	-	16 963	-	16 963	nm
Rental Properties	-	-	1 275	1 257	1 275	1 257	18	1.41 %
<b>Total Expenses</b>	<b>326 751</b>	<b>308 658</b>	<b>18,237</b>	<b>1 257</b>	<b>344 988</b>	<b>309 915</b>	<b>35 073</b>	<b>11.32% %</b>
<b>Changes in Net Position Before Transfers</b>	<b>23 587</b>	<b>34 500</b>	<b>(16 640)</b>	<b>238</b>	<b>6 947</b>	<b>34 738</b>	<b>(27 791)</b>	<b>(80.00) %</b>
<b>Transfers</b>	<b>(23 985)</b>	<b>-</b>	<b>23 985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- %</b>
<b>Changes in Net Position</b>	<b>(399)</b>	<b>34 500</b>	<b>7 346</b>	<b>238</b>	<b>6 947</b>	<b>34 738</b>	<b>(27 791)</b>	<b>(80.00) %</b>
<b>Beginning Net Position</b>	<b>157 259</b>	<b>122 757</b>	<b>6 620</b>	<b>6 381</b>	<b>163 879</b>	<b>129 138</b>		
<b>Ending Net Position</b>	<b>\$ 156 861</b>	<b>\$ 157 257</b>	<b>\$ 13,966</b>	<b>\$ 6 619</b>	<b>\$ 170 826</b>	<b>\$ 163 876</b>		

Total revenues for all governmental and business-type activities for the fiscal years ended June 30, 2013 and June 30, 2012, were \$351,935,000 and \$344,654,000 respectively. The increase in total revenue in 2013 compared to 2012, in the amount of is due to primarily to an increase in Ad Valorem Taxes and Sales Taxes, offset by a decline in Capital Grants and Other General Revenues.

As reported in the Statement of Activities (Table 2) the total cost of all governmental and business-type activities for the fiscal years ended June 30, 2013 and June 30 2012, were \$323,073,000 and \$309,915,000 respectively. The overall increase is mainly due to Other Educational programs offset somewhat by a decrease to Special Education Programs. The transfer to the RSD schools represents their share of local revenues for the fiscal year based on the ratio of students serviced by each entity. The transfer to the Charter schools represents their share of state MFP and local revenue share based on their student population. The School Board continues to focus on the provisions of instructional and related support services aimed at academic excellence of its student population.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

Some of the costs were funded by those who benefited from the programs or by other governments and organizations who subsidized certain programs as reflected in operating grants revenues. The School Board funded the remaining "public benefit" portion of our governmental costs with revenues from Sales and Ad Valorem Tax Revenues of \$241,810,066 for 2013 and \$211,269,000 for 2012. Additionally, \$46,048,138 for 2013 and \$42,342,000 for 2012 was provided from MFP funds. State revenue sharing funded the remaining "public benefit" governmental costs.

Table 3, Comparative Governmental Activities, reflects the gross cost of program services and the net costs after taking into account the program revenues for the governmental and business-type activities. General revenues (including tax revenues), investment earnings, and unrestricted State revenues are used to support the net remaining costs of the School Board activities.

**Table 3  
Comparable Governmental and Business-Type Activities (in Thousands)**

Description	For the Years Ended June 30,			
	2013		2012	
	Gross Cost of Services	Net Cost of Services	Gross Cost of Services	Net Cost of Services
<b>GOVERNMENTAL ACTIVITIES</b>				
Regular Education Programs	\$ 16,615	\$ 13,947	\$ 14,457	\$ 11,797
Special Education Programs	6,478	3,033	21,126	1,577
Other Education Programs	27,252	536	10,258	1,555
Student Services	6,057	1,879	6,417	1,113
Instructional Staff Support	7,479	1,459	8,522	1,076
General Administration	12,975	11,456	14,164	11,832
School Administration Services	3,009	2,391	2,889	2,404
Business Services	2,111	1,844	2,155	1,793
Student Transportation Services	3,942	3,198	4,521	3,477
Central Services	3,462	2,955	3,208	2,421
Plant Services	9,232	8,152	14,700	12,257
Other	21,915	-	563	563
Food Services	5,453	(425)	4,662	(378)
Transfer to RSD Schools - Local MFP	126,860	126,860	120,799	120,799
Transfer to Charter Schools - Local and State MFP	68,880	68,880	68,313	68,313
Interest on Long-Term Debt	5,031	5,031	11,904	11,904
	<u>\$ 326,751</u>	<u>\$ 251,196</u>	<u>\$ 308,658</u>	<u>\$ 252,503</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Rental Properties	\$ 1,275	\$ (298)	\$ 1,257	\$ (239)
Transfers to Other LEA	16,963	16,963	-	-
	<u>\$ 18,237</u>	<u>\$ 16,665</u>	<u>\$ 1,257</u>	<u>\$ (239)</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 344,988</u>	<u>\$ 267,861</u>	<u>\$ 309,915</u>	<u>\$ 252,264</u>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

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Overall, the net cost of services in fiscal 2013 increased by \$15,597,000

**Reporting on the Individual Funds**

**Fund Financial Analysis**

Our analysis of the School Board's major funds begins on page 19 of the basic financial statements. The Fund Financial Statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board has established other funds for particular purposes (such as the Child Nutrition) to help it control and manage or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (such as grants from the Department of Education). The School Board's funds (governmental, proprietary and fiduciary) use the following accounting approach:

**Governmental Funds** - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds through reconciliation to the basic financial statements is described on page 23 of the financial statements.

**Proprietary Funds** - Proprietary funds for the School Board use the accrual basis of accounting, the same as on the government-wide statements. The Internal Service funds are used to account for the financing services provided by the School Board's departments, (such as employee health, retiree health and workers' compensation). The Enterprise Fund - Timbers is used to account for the rental receipts and operating costs of a five story building owned by the School Board. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows reports are presented on pages 85 through 87 of the basic financial statements.

**Fiduciary Funds** - The School Board is the trustee, or fiduciary, for its student activities funds. All of the School Board's fiduciary activities are reported in the separate Statements of Assets and Liabilities and Changes in Assets and Liabilities on pages 88 and 89 of the basic financial statements, respectively. We exclude these activities from the School Board's other financial statements because the assets cannot be utilized by the School Board to finance its operations.

**Capital Asset and Debt Administration**

**Capital Assets**

The School Board's capital assets include land, buildings and improvements, furniture and equipment, transportation equipment and construction-in-progress.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

A comparative analysis of capital assets as of June 30, 2013 and 2012, is as follows

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 16,983,743	\$ 16,398,845	\$ 1,440,992	\$ 1,440,992	\$ 18,424,735	\$ 17,839,837
Buildings and Improvements	164,726,224	161,818,212	4,994,491	4,890,176	169,720,715	166,708,388
Furniture and Equipment	11,299,075	11,182,786	-	-	11,299,075	11,182,786
Construction in Progress	35,589,091	9,493,968	-	-	35,589,091	9,493,968
	228,598,133	198,893,811	6,435,483	6,331,168	235,033,616	205,224,979
Accumulated Depreciation	(79,939,943)	(75,198,726)	(305,118)	(183,209)	(80,245,061)	(75,381,935)
<b>Total</b>	<b>\$ 148,658,190</b>	<b>\$ 123,695,085</b>	<b>\$ 6,130,365</b>	<b>\$ 6,147,959</b>	<b>\$ 154,788,555</b>	<b>\$ 129,843,044</b>

Overall net capital assets increased from June 30, 2013 to June 30, 2012, by a net amount of \$24,945,511. This increase reflects construction in progress to the City Of New Orleans' master plan to re-build schools. Additional information on Capital Assets can be found in Note 2, Summary of Significant Accounting Policies and Note 6, Capital Assets.

On November 6, 2008, the School Board approved a Master Plan for Orleans Parish school facilities. The Master Plan provides a blueprint for determining which school facilities will be rebuilt and which sites will be renovated. During October 2011, the School Board and RSD completed a revised Master Plan that incorporated cost savings made possible through the standardization of systems across all school facilities that will be constructed or rehabilitated. A complete copy of the Master Plan is available on the School Board's web site [www.opsb.us](http://www.opsb.us). Construction expenditures are anticipated to increase as more rebuilding projects will commence in fiscal year 2014.

**Long-Term Debt**

Obligations include bonds, notes payable, and other long-term obligations (accrued vacation and sick leave pay). More detailed information about our long-term liabilities is presented in Note 9 in the notes to the accompanying financial statements and in earlier sections of this MD&A.

Pursuant to the requirements of LSA-RS 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of the taxable property (including homestead exempt and non-exempt property) within the Parish of Orleans. At June 30, 2013, the statutory debt limit for general obligation bonds is \$772,241,155, with a net legal debt margin of \$709,868,931.

**Economic Factors and Next Year's Budget**

The economic viability of the School Board is related primarily to the MFP and Ad Valorem and Sales Tax Revenues. For fiscal year 2014, the School Board decreased Ad Valorem and Sales Tax Revenues. Fiscal 2013's revenues included Sales Tax Revenues pursuant to the Super Bowl held in New Orleans in February, 2013, an unusual event.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Management's Discussion and Analysis**

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**Contacting the School Board's Financial Management**

This financial report is designed to provide the citizens, taxpayers, parents, students, investors and creditors with a general overview of the School Board's finances and to provide accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mr. Wayne M. DeLarge, Chief Financial Officer, telephone number 504-304-4185, 3520 General de Gaulle Drive, Suite 5055, New Orleans, Louisiana 70114-4000.

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Net Position**  
**June 30, 2013**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Cash and Cash Equivalents	\$ 177,177,393	\$ 971,115	\$ 178,148,508	\$ 39,831,477
Investments	-	-	-	8,060,962
Taxes Receivable				
Sales Taxes	26,630,037	-	26,630,037	
Ad Valorem Taxes	898,494	-	898,494	
Due from Other Governments	11,832,993	-	11,832,993	4,005,451
Internal Balances	26,068	(26,068)	-	-
Prepaid Items	1,767,124	-	1,767,124	625,301
Inventory	54,208	-	54,208	7,740
Other Receivables	258,511	-	258,511	364,072
Other	-	-	-	160,333
Long-Term Accounts Receivable RSD	134,096,551	-	134,096,551	-
Loan Receivable and Accrued Interest	-	6,972,950	6,972,950	-
Capital Assets				
Land	16,983,743	1,440,992	18,424,735	-
Construction in Progress	35,589,091	-	35,589,091	-
Capital Assets, Net of Accumulated Depreciation	96,085,356	4,689,373	100,774,729	3,149,791
<b>Total Assets</b>	<b>501,399,569</b>	<b>14,048,362</b>	<b>515,447,931</b>	<b>56,205,127</b>
<b>Liabilities and Net Position</b>				
<b>Liabilities</b>				
Accounts Payable	15,180,365	36,387	15,216,752	1,235,675
Payroll Withholdings	486,007	-	486,007	-
Salaries Payable	769,567	-	769,567	1,168,884
Other Payables	3,164,442	46,215	3,210,657	7,159,755
Accrued Interest Payable	2,758,445	-	2,758,445	-
Due to Fiduciary Funds	338,760	-	338,760	-
Due to Other Governments	10,775,235	-	10,775,235	328,457
Unearned Revenues	31,166,846	-	31,166,846	249,831
Funds Held for Future Distribution	39,088,209	-	39,088,209	-
Long-Term Liabilities				
Bonds, Notes and Loans Due Within One Year	18,549,999	-	18,549,999	3,944
Bonds, Notes and Loans Due in More Than One Year	165,101,373	-	165,101,373	-
Interest Payable	11,807,208	-	11,807,208	-
Compensated Absences Due Within One Year	-	-	-	84,576
Compensated Absences Due in More Than One Year	8,158,842	-	8,158,842	-
OPEB Obligation Payable	1,017,000	-	1,017,000	-
Claims Payable Due Within One Year	-	-	-	-
Claims Payable Due in More Than One Year	36,176,571	-	36,176,571	-
<b>Total Liabilities</b>	<b>344,538,869</b>	<b>82,602</b>	<b>344,621,471</b>	<b>10,231,122</b>

The accompanying notes are an integral part of these financial statements

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Statement of Net Position (Continued)  
 June 30, 2013

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Liabilities and Net Position (Continued)</b>				
<b>Net Position</b>				
Net Investment in Capital Assets	93,173,834	6,130,365	99,304,199	3,149,791
Restricted - Nonspendable	-	-	-	126,574
Restricted for				
School Food Service	54,208	-	54,208	-
Debt Service	38,175,446	-	38,175,446	-
Encumbrances	124,762,572	-	124,762,572	-
Capital Projects	74,675,119	-	74,675,119	30,000
Instructional Services	-	-	-	461,881
Student Activities	-	-	-	416,025
Scholarships	-	-	-	171,356
Other	-	-	-	329,964
Unrestricted	(173,980,479)	7,835,395	(166,145,084)	41,288,414
<b>Total Net Position</b>	<b>\$ 156,860,700</b>	<b>\$ 13,965,760</b>	<b>\$ 170,826,460</b>	<b>\$ 45,974,005</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Activities**  
**Fiscal Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
<b>Governmental Activities</b>								
<b>Instruction</b>								
Regular Education Programs	\$ 16 614 774	\$ -	\$ 1 101 834	\$ 1 566 221	\$ (13 946 719)	\$ -	\$ (13 946 719)	\$ -
Special Education Programs	6 477 596	-	2 833 708	610 622	(3 033 266)	-	(3 033 266)	-
Other Education Programs	27 251 809	-	24 146 979	2 568,940	(535 890)	-	(535 890)	-
<b>Support Services</b>								
Student Services	6 056,891	-	3 607,061	570 963	(1 878 867)	-	(1 878 867)	-
Instructional Staff Support	7,479 352	-	5,315 753	705 054	(1 458 545)	-	(1 458 545)	-
General Administration Services	12 975 305	-	295 697	1,223,140	(11 456 468)	-	(11 456 468)	-
School Administration Services	3 009,496	-	334,762	283 695	(2 391 039)	-	(2,391,039)	-
Business Services	2,110 917	-	68 270	198,989	(1 843 658)	-	(1 843 658)	-
Student Transportation Services	3 941 658	-	371 778	371 567	(3 198 313)	-	(3 198 313)	-
Central Services	3 461 728	-	180,201	326 326	(2 955 201)	-	(2 955 201)	-
Plant Services	9 232 493	-	210 401	870 317	(8 151,775)	-	(8 151,775)	-
Other	-	-	-	-	-	-	-	-
Food Services	5,452 790	582 504	5 294 818	-	424 532	-	424 532	-
Transfer to RSD Schools - Local MFP	126 860 121	-	-	-	(126 860 121)	-	(126 860 121)	-
Transfer to Charter Schools - Local and State MFP	68 879 766	-	-	-	(68 879 766)	-	(68,879 766)	-
Other	21 914 918	-	-	-	(21 914 918)	-	(21 914 918)	-
Interest on Long-Term Debt	5 030 902	-	-	-	(5 030 902)	-	(5 030 902)	-
<b>Total Governmental Activities</b>	<b>326 750 516</b>	<b>582 504</b>	<b>43 761 262</b>	<b>9 295 834</b>	<b>(273 110 916)</b>	<b>-</b>	<b>(273 110 916)</b>	<b>-</b>
<b>Business-Type Activities</b>								
Rental Properties	1,274 741	1 572 356	-	-	-	297 615	297 615	-
Transfer to Other LEA	16 962 630	-	-	-	-	(16 962,630)	(16 962 630)	-
<b>Total Business-Type Activities</b>	<b>18 237,371</b>	<b>1 572 356</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 665 015)</b>	<b>(16,665 015)</b>	<b>-</b>
<b>Total Primary Government</b>	<b>344 987 887</b>	<b>2 154 860</b>	<b>43 761 262</b>	<b>9 295 834</b>	<b>(273 110 916)</b>	<b>(16 665 015)</b>	<b>(289,775 931)</b>	<b>-</b>
<b>Component Units</b>								
Audubon Charter School	7 294 936	-	-	-	-	-	-	(7 294 936)
Hynes Charter School Corporation	6,085 021	-	-	-	-	-	-	(6 085,021)
Lake Forest Elementary Charter School	5,059 585	-	-	-	-	-	-	(5 059 585)
Lusher Charter School	16 378 934	-	-	-	-	-	-	(16 378 934)
Einstein Charter School	4,754 827	-	-	-	-	-	-	(4 754 827)
Encore Learning	1,965 496	-	-	-	-	-	-	(1,965 496)
Robert Russa Moton Charter School	2 354 322	-	-	-	-	-	-	(2 354 322)
Warren Easton Senior High School	9 405,402	-	-	-	-	-	-	(9 405 402)
Algiers Charter Schools	16 722 531	-	-	-	-	-	-	(16 722 531)
Ben Franklin High School	7,457 488	-	-	-	-	-	-	(7 457 488)
The New Orleans Charter Science and Mathematics High School	4 273 988	-	-	-	-	-	-	(4 273 988)
<b>Total Component Units</b>	<b>81 752 530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(81 752 530)</b>

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

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Statement of Activities (Continued)  
 Fiscal Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Net Expenses from Previous Page								(81,752,530)
General Revenues								
Taxes								
Ad Valorem (Property) Taxes				133,691,064	-	133,691,064		-
Sales and Use Taxes				108,119,002	-	108,119,002		-
State Revenue Sharing				2,455,088	-	2,455,088		-
Minimum Foundation Program (MFP)				46,048,138	-	46,048,138		-
Minimum Foundation Program and Local Share				-	-	-		67,225,189
Orleans Parish School Board State and Other Grants and Contracts				-	-	-		9,580,794
Interest and Investment Earnings				175,947	25,512	201,459		59,915
Internal Service Funds Net Operating Loss				-	-	-		-
Miscellaneous				6,208,367	-	6,208,367		7,456,425
Special Item - Transfer of Assets and Liabilities to New Charter Management Organization				-	-	-		(5,998,707)
Transfers				(23,985,449)	23,985,449	-		-
<b>Total General Revenues, Transfers and Special Items</b>				<b>272,712,157</b>	<b>24,010,961</b>	<b>296,723,118</b>		<b>78,323,616</b>
Change in Net Position				(398,759)	7,345,946	6,947,187		(3,428,914)
Net Position June 30, 2012, as Previously Reported				157,259,459	6,619,814	163,879,273		49,383,546
Prior Period Adjustment				-	-	-		19,373
Net Position June 30, 2012, as Restated				157,259,459	6,619,814	163,879,273		49,402,919
Net Position June 30, 2013				<b>\$ 156,860,700</b>	<b>\$ 13,965,760</b>	<b>\$ 170,826,460</b>		<b>\$ 45,974,005</b>

The accompanying notes are an integral part of these financial statements

**BASIC FINANCIAL STATEMENTS**

**FUND FINANCIAL STATEMENTS**

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	General Fund	Pass - Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	QSCB Construction Fund	Master Plan Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Assets</b>												
Cash and Cash Equivalents	\$ 21,648,087	\$ -	\$ 18,815,385	\$ 25,007,181	\$ -	\$ 31,758,590	\$ 61,308,156	\$ 15,098,499	\$ -	\$ -	\$ 698,682	\$ 174,334,580
Taxes Receivable												
Sales Tax		26,630,037	-	-	-	-	-	-	-	-	-	26,630,037
Ad Valorem Taxes	-	898,494	-	-	-	-	-	-	-	-	-	898,494
Due from Other Funds	97,711,190	20,835,267	351,519	-	239,000	2,910,398	-	-	-	527,567	15,843,581	138,418,522
Due from Other Governments	1,229,186	318,278	-	-	100	-	-	-	-	8,390,169	1,895,260	11,832,993
Prepaid Items and Other Assets	1,767,124	-	-	-	-	-	-	-	-	-	-	1,767,124
Inventory	-	-	-	-	-	-	-	-	-	-	54,208	54,208
Other Receivables	-	-	-	-	-	50,000	-	-	-	-	-	50,000
<b>Total Assets</b>	<b>\$ 122,355,587</b>	<b>\$ 48,682,076</b>	<b>\$ 19,166,904</b>	<b>\$ 25,007,181</b>	<b>\$ 239,100</b>	<b>\$ 34,718,988</b>	<b>\$ 61,308,156</b>	<b>\$ 15,098,499</b>	<b>\$ -</b>	<b>\$ 8,917,736</b>	<b>\$ 18,491,731</b>	<b>\$ 353,985,958</b>
<b>Liabilities and Fund Balances</b>												
<b>Liabilities</b>												
Accounts Payable	\$ 7,229,731	\$ 1,785,061	\$ -	\$ -	\$ 1,881,896	\$ 14,787	\$ -	\$ -	\$ -	\$ 2,146,476	\$ 1,301,010	\$ 14,358,961
Payroll Withholdings	486,007	-	-	-	-	-	-	-	-	-	-	486,007
Salaries Payable	769,567	-	-	-	-	-	-	-	-	-	-	769,567
Due to Other Funds	65,701,383	-	1,339,128	7,452,723	31,081,950	27,635,494	-	70,000	-	5,929,620	5,575,388	144,785,686
Due to Other Governments	1,290,837	7,808,806	-	-	-	-	-	-	-	-	1,675,592	10,775,235
Unearned Revenues	-	-	-	-	2,810,819	-	-	22,027,593	-	841,640	366,844	26,046,896
Funds Held For Future Distribution	-	39,088,209	-	-	-	-	-	-	-	-	-	39,088,209
<b>Total Liabilities</b>	<b>75,477,525</b>	<b>48,682,076</b>	<b>1,339,128</b>	<b>7,452,723</b>	<b>35,774,665</b>	<b>27,650,281</b>	<b>-</b>	<b>22,097,593</b>	<b>-</b>	<b>8,917,736</b>	<b>8,918,834</b>	<b>236,310,561</b>
<b>Fund Balances (Deficit)</b>												
<b>Nonspendable</b>												
Prepaid Items	1,767,124	-	-	-	-	-	-	-	-	-	-	1,767,124
Inventory	-	-	-	-	-	-	-	-	-	-	54,208	54,208
<b>Restricted for</b>												
Debt Service	-	-	17,827,776	17,551,898	-	-	-	-	-	-	2,795,772	38,175,446
Capital Projects	-	-	-	-	-	5,530,988	61,308,156	-	-	-	7,835,975	74,675,119
<b>Assigned to</b>												
Encumbrances	300,442	-	-	2,560	107,128,175	1,537,719	-	-	-	-	15,793,676	124,762,572
Special Programs	-	-	-	-	-	-	-	-	-	-	3,849,536	3,849,536
Unassigned	44,810,496	-	-	-	(142,663,740)	-	-	(6,999,094)	-	-	(20,756,270)	(125,608,608)
<b>Total Fund Balances (Deficit)</b>	<b>46,878,062</b>	<b>-</b>	<b>17,827,776</b>	<b>17,554,458</b>	<b>(35,535,565)</b>	<b>7,068,707</b>	<b>61,308,156</b>	<b>(6,999,094)</b>	<b>-</b>	<b>-</b>	<b>9,572,897</b>	<b>117,675,397</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 122,355,587</b>	<b>\$ 48,682,076</b>	<b>\$ 19,166,904</b>	<b>\$ 25,007,181</b>	<b>\$ 239,100</b>	<b>\$ 34,718,988</b>	<b>\$ 61,308,156</b>	<b>\$ 15,098,499</b>	<b>\$ -</b>	<b>\$ 8,917,736</b>	<b>\$ 18,491,731</b>	<b>\$ 353,985,958</b>

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2013**

<b>Total Fund Balances at June 30, 2013 - Governmental Funds</b>		<b>\$ 117,675,397</b>
Cost of Capital Assets at June 30, 2013	228,598,133	
Less Accumulated Depreciation as of June 30, 2013		
Buildings	(70,726,611)	
Movable Property	<u>(9,213,332)</u>	148,658,190
Accounts Receivable - RSD		134,096,551
Consolidation of Internal Service Funds		-
Long-Term Liabilities at June 30, 2013		
Bonds Payable	(168,939,206)	
Bond Premium	(6,076,048)	
Loans Payable	(8,636,118)	
Interest Payable	(14,565,653)	
Claims Payable	(36,176,571)	
OPEB Obligation Payable	(1,017,000)	
Compensated Absences Payable	<u>(8,158,842)</u>	<u>(243,569,438)</u>
<b>Total Net Position at June 30, 2013 - Governmental Activities</b>		<b><u>\$ 156,860,700</u></b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2013**

	General Fund	Pass - Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	QSCB Construction Fund	Master Plan Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Revenues</b>												
<b>Local Sources</b>												
Ad Valorem Taxes	\$ 10 412 784	\$ 110 039 439	\$ 13,238 881	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133 691 064
Sales and Use Tax	5 351 241	82 925 427	-	14,159 871	-	-	-	-	-	-	5 682 463	108 119 002
Earnings (Loss) on Investments	76 923	-	17 774	16 560	-	-	51,754	12 936	-	-	-	175 947
Food Services	-	-	-	-	-	-	-	-	-	-	582,504	582 504
Donations	43,178	-	-	-	-	-	-	-	-	-	173 753	216 931
Other	4 787 800	-	-	-	-	1 394 250	-	-	-	-	14 883	6 196 933
<b>State and Federal Sources</b>												
Minimum Foundation Program	11 983 784	33 909 646	-	-	-	-	-	-	-	-	174 708	46 048,138
State Revenue Sharing	2 455 088	-	-	-	-	-	-	-	-	-	-	2 455 088
Other	1 371 689	-	-	-	-	-	-	-	-	74 943	800 656	2 247 288
Federal Sources	36 537	-	-	-	4 957 767	-	-	-	-	35 941 519	9 657 054	50 592 877
<b>Total Revenues</b>	<b>36 499 004</b>	<b>226 874 512</b>	<b>13 256 635</b>	<b>14 176 431</b>	<b>4,957,767</b>	<b>1 394 250</b>	<b>51 754</b>	<b>12 936</b>	<b>-</b>	<b>36 016 462</b>	<b>17 086 021</b>	<b>350 325 772</b>
<b>Expenditures</b>												
<b>Current</b>												
<b>Instruction</b>												
Regular Programs	13 027 746	-	-	-	255,214	-	-	-	-	664,496	659 909	14 607 365
Special Programs	3 183 692	-	-	-	-	-	-	-	-	2 468 068	43 209	5 694 969
Other Programs	1,967 446	-	-	-	-	-	-	-	-	21 616 407	375 372	23 959 225
<b>Support</b>												
Student Services	2 097 799	-	-	-	-	-	-	-	-	3 187,459	39 834	5 325 092
Instructional Staff Support	1 689 262	-	-	-	-	-	-	-	-	4 727 677	158 753	6 575 692
General Administration	2 389,186	8 088 389	541 896	227 103	-	-	126	70 000	-	-	90 919	11 407 619
School Administration	2,401 313	-	-	-	-	-	-	-	-	244 573	-	2 645 886
Business Services	1 763 709	-	-	-	1,684	-	-	-	-	18 527	71 954	1 855 874
Student Transportation Services	3,206 358	-	-	-	-	-	-	-	-	259 066	-	3 465 424
Central Services	2,769 916	-	-	-	34 626	-	-	-	-	93 088	145 850	3 043 480
Plant Services	5 570 994	-	-	-	1,242,173	1 114 575	-	-	-	-	189 275	8 117 017
Food Services	-	-	-	-	-	-	-	-	-	-	5 452 790	5 452 790
Capital Outlay	-	-	-	-	27 439 537	1 023,344	-	-	-	-	9 105 269	37 568 150
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Debt Service</b>												
Principal Retirement	-	-	8 805 000	6 052 321	-	-	-	-	-	-	2 497,225	17 354 546
Interest and Bank Charges	-	-	3 814,350	10,588 453	-	-	-	-	-	-	301 371	14 704 174
<b>Total Expenditures</b>	<b>40 067 421</b>	<b>8 088 389</b>	<b>13,161 246</b>	<b>16,867 877</b>	<b>28,973 234</b>	<b>2 137 919</b>	<b>126</b>	<b>70 000</b>	<b>-</b>	<b>33 279 361</b>	<b>19 131 730</b>	<b>161 777 303</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3 568 417)</b>	<b>218 786 123</b>	<b>95 389</b>	<b>(2 691 446)</b>	<b>(24 015 467)</b>	<b>(743 669)</b>	<b>51 628</b>	<b>(57 064)</b>	<b>-</b>	<b>2 737 101</b>	<b>(2 045 709)</b>	<b>188 548 469</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Revenues, Expenditures and  
Changes in Fund Balances (Continued)  
Governmental Funds  
Fiscal Year Ended June 30, 2013**

	General Fund	Pass - Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	QSCB Construction Fund	Master Plan Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Other Financing Sources (Uses)</b>												
Proceeds from Debt Service												
Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Refunding Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Other	11,435	(21,914,918)	-	-	-	-	-	-	-	-	-	(21,903,483)
Transfers In	3,975,437	84,225	-	-	-	-	-	-	-	-	2,898	4,062,560
Transfers Out	(2,130)	(1,215,543)	-	-	-	(74,232)	(16,973,112)	(6,948,587)	-	(2,737,101)	(97,304)	(28,048,009)
Transfers Out - Building	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out - Charter Schools	-	(68,879,766)	-	-	-	-	-	-	-	-	-	(68,879,766)
Transfers Out - Recovery School District	-	(126,860,121)	-	-	-	-	-	-	-	-	-	(126,860,121)
Transfers Out - Other LEA	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>3,984,742</b>	<b>(218,786,123)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(74,232)</b>	<b>(16,973,112)</b>	<b>(6,948,587)</b>	<b>-</b>	<b>(2,737,101)</b>	<b>(94,406)</b>	<b>(241,628,819)</b>
<b>Net Change in Fund Balances</b>	<b>416,325</b>		<b>95,389</b>	<b>(2,691,446)</b>	<b>(24,015,467)</b>	<b>(817,901)</b>	<b>(16,921,484)</b>	<b>(7,005,651)</b>	<b>-</b>	<b>-</b>	<b>(2,140,115)</b>	<b>(53,080,350)</b>
<b>Fund Balances, June 30, 2012</b>	<b>46,461,737</b>	<b>-</b>	<b>17,732,387</b>	<b>20,245,904</b>	<b>(11,520,098)</b>	<b>7,886,608</b>	<b>78,229,640</b>	<b>6,557</b>	<b>-</b>	<b>-</b>	<b>11,713,012</b>	<b>170,755,747</b>
<b>Fund Balances June 30 2013</b>	<b>\$ 46,878,062</b>	<b>\$ -</b>	<b>\$ 17,827,776</b>	<b>\$ 17,554,458</b>	<b>\$ (35,535,565)</b>	<b>\$ 7,068,707</b>	<b>\$ 61,308,156</b>	<b>\$ (6,999,094)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,572,897</b>	<b>\$ 117,675,397</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Reconciliation of the Governmental Funds - Statement of  
 Revenues, Expenditures and Changes in Fund Balances  
 to the Statement of Activities  
 Fiscal Year Ended June 30, 2013**

Excess of Expenditures and Other Uses Over Revenues and Other Financing Sources - Total Governmental Funds		\$ (53,080,350)
<b>Capital Assets</b>		
Capital Outlay and Other Expenditures Capitalized	29,708,126	
Depreciation Expense for Year Ended June 30, 2013	(4,744,497)	
Assets Disposed	<u>(824)</u>	24,962,805
 Change in Net Assets of Internal Service Funds		 -
<b>Long-Term Debt</b>		
Proceeds from Bond Payable	-	
Bond Premium, Net	844,095	
Principal Portion of Debt Service and Capital Lease Payments	17,354,546	
Debt Forgiveness	-	
Excess of Interest Paid Over Interest Accrued	8,829,177	
Increase in Estimate of Long-Term Claims Payable	(555,451)	
Decrease in OPEB Obligation Payable	392,000	
Excess of Compensated Absences Used Over Amounts Earned	<u>854,419</u>	<u>27,718,786</u>
 <b>Change in Net Position - Governmental Activities</b>		 <b><u>\$ (398,759)</u></b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2013**

	<u>Business-Type Activities</u>			<u>Governmental</u>
	<u>Enterprise Funds</u>			<u>Activities</u>
	<u>Timbers</u>	<u>Orleans Schools Facility Foundation</u>	<u>Totals</u>	<u>Internal Service</u>
<b>Assets</b>				
Current				
Cash and Cash Equivalents	\$ 971,115	\$ -	\$ 971,115	\$ 2,842,813
Other Receivables	-	-	-	208,511
Due from Other Funds	-	-	-	24,656,609
Noncurrent				
Loan Receivable and Accrued Interest	-	6,972,950	6,972,950	-
Capital Assets				
Land	1,440,992	-	1,440,992	-
Net Investment in Capital Assets	4,689,372	-	4,689,372	-
<b>Total Assets</b>	<b>7,101,479</b>	<b>6,972,950</b>	<b>14,074,429</b>	<b>27,707,933</b>
<b>Liabilities and Net Position</b>				
<b>Liabilities</b>				
Current				
Accounts Payable	36,386	-	36,386	821,404
Deposit Payable	46,215	-	46,215	-
Due to Other Funds	26,068	-	26,068	18,602,137
Noncurrent				
Claims Payable	-	-	-	3,164,442
Unearned Revenue	-	-	-	5,119,950
<b>Total Liabilities</b>	<b>108,669</b>	<b>-</b>	<b>108,669</b>	<b>27,707,933</b>
<b>Net Position</b>				
Restricted	6,992,810	6,972,950	13,965,760	-
<b>Total Net Position</b>	<b>\$ 6,992,810</b>	<b>\$ 6,972,950</b>	<b>\$ 13,965,760</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Revenues, Expenses  
and Changes in Net Position  
Proprietary Funds  
Fiscal Year Ended June 30, 2013**

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Timbers	Orleans Schools Facility Foundation	Totals	Internal Service
<b>Operating Revenues</b>				
Employer Contributions	\$ -	\$ -	\$ -	\$ 8,370,170
Retiree Contributions	-	-	-	1,762,315
Employee Contributions	-	-	-	21,455
Workers Compensation Reimbursement	-	-	-	500,828
Rental Income	1,572,002	-	1,572,002	-
Other Miscellaneous	354	-	354	-
<b>Total Operating Revenues</b>	<b>1,572,356</b>	<b>-</b>	<b>1,572,356</b>	<b>10,654,768</b>
<b>Operating Expenses</b>				
Central Services	-	-	-	9,413,079
General Administrative	1,274,741	-	1,274,741	1,241,689
<b>Total Operating Expenses</b>	<b>1,274,741</b>	<b>-</b>	<b>1,274,741</b>	<b>10,654,768</b>
<b>Operating Income</b>	<b>297,615</b>	<b>-</b>	<b>297,615</b>	<b>-</b>
<b>Nonoperating Revenues</b>				
Investment Income	1,149	24,363	25,512	-
Transfers In	74,232	23,911,217	23,985,449	-
Transfers Out - Other LEA	-	(16,962,630)	(16,962,630)	-
<b>Total Operating Revenues</b>	<b>75,381</b>	<b>6,972,950</b>	<b>7,048,331</b>	<b>-</b>
<b>Change in Net Position</b>	<b>372,996</b>	<b>6,972,950</b>	<b>7,345,946</b>	<b>-</b>
<b>Net Position, June 30, 2012</b>	<b>6,619,814</b>	<b>-</b>	<b>6,619,814</b>	<b>-</b>
<b>Net Position, June 30, 2013</b>	<b>\$ 6,992,810</b>	<b>\$ 6,972,950</b>	<b>\$ 13,965,760</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2013**

	Business-Type Activities			Governmental Activities Internal Service
	Enterprise Funds			
	Timbers	Orleans Schools Facility Foundation	Totals	
<b>Cash Flows from Operating Activities</b>				
Cash Premiums Received	\$ -	\$ -	\$ -	\$ 6,797,830
Receipts from Customers	1,572,356	-	1,572,356	-
Receipts from Other Funds	322,342	-	322,342	-
Payments to Other Funds	-	-	-	-
Payments for Claims and Benefits	-	-	-	(5,033,339)
Payments to Suppliers	(1,049,041)	-	(1,049,041)	-
Payments to Customers	(4,803)	-	(4,803)	-
Payments to Employees	(68,577)	-	(68,577)	-
<b>Net Cash Used in Operating Activities</b>	<b>772,277</b>	<b>-</b>	<b>772,277</b>	<b>1,764,491</b>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Transfers from Other Funds	-	23,911,217	23,911,217	-
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<b>-</b>	<b>23,911,217</b>	<b>23,911,217</b>	<b>-</b>
<b>Cash Flows from Non-Capital and Related Financing Activities</b>				
Contribution to Others	-	(16,962,630)	(16,962,630)	-
Purchase of Capital Assets	(30,083)	-	(30,083)	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>(30,083)</b>	<b>(16,962,630)</b>	<b>(16,992,713)</b>	<b>-</b>
<b>Cash Flows from Investing Activities</b>				
Cash Paid for Loan to Others	-	(6,948,587)	(6,948,587)	-
Interest Income	1,149	-	1,149	-
<b>Net Cash Provided by Investing Activities</b>	<b>1,149</b>	<b>(6,948,587)</b>	<b>(6,947,438)</b>	<b>-</b>
<b>Net Increase in Cash</b>	<b>743,343</b>	<b>-</b>	<b>743,343</b>	<b>1,764,491</b>
<b>Cash at Beginning of Year</b>	<b>227,772</b>	<b>-</b>	<b>227,772</b>	<b>1,078,322</b>
<b>Cash at End of Year</b>	<b>\$ 971,115</b>	<b>\$ -</b>	<b>\$ 971,115</b>	<b>\$ 2,842,813</b>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Cash Flows (Continued)  
Proprietary Funds  
Fiscal Year Ended June 30, 2013**

	<b>Business-Type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities</b>
	<b>Timbers</b>	<b>Orleans Schools Facility Foundation</b>	<b>Totals</b>	<b>Internal Service</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>				
Operating Income	\$ 297,615	\$ -	\$ 297,615	\$ -
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	121,909	-	121,909	-
Changes in				
Other Receivables	-	-	-	400,043
Due from Other Funds	-	-	-	(6,271,006)
Accounts Payable	35,211	-	35,211	696,746
Unearned Revenue	-	-	-	1,069,764
Due to Other Funds	322,345	-	322,345	7,031,997
Deposits Payable	(4,803)	-	(4,803)	-
Claims Payable	-	-	-	(1,163,053)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 772,277</b>	<b>\$ -</b>	<b>\$ 772,277</b>	<b>\$ 1,764,491</b>

**Noncash Capital Financing Activities**

Capital assets of \$74,232 were acquired through contributions from the Capital Projects Other Fund

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2013**

	Trust Funds	Agency Funds
<b>Assets</b>		
Cash and Cash Equivalents	\$ -	\$ 219,707
Investments	303,580	-
Accounts Receivable	-	-
Due from Other Funds	338,760	-
	<hr/>	<hr/>
<b>Total Assets</b>	<b>642,340</b>	<b>219,707</b>
	<hr/>	<hr/>
<b>Liabilities</b>		
Accounts Payable	1,500	45,420
Due to Student Groups	-	174,287
	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>1,500</b>	<b>219,707</b>
	<hr/>	<hr/>
<b>Net Position</b>		
Held in Trust for Various Purposes	\$ 640,840	\$ -
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Trust Funds</b>
<hr/>	
<b>Additions</b>	
Other Miscellaneous	\$ -
Interest and Investment Loss	30,303
	<hr/>
<b>Total Additions</b>	30,303
 <b>Deductions</b>	
Administrative Expenses	510
	<hr/>
<b>Changes in Net Position</b>	29,793
 <b>Net Position - Beginning</b>	 611,047
	<hr/>
<b>Net Position - Ending</b>	 \$ 640,840
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

**NOTES TO FINANCIAL STATEMENTS**

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 1      General Information**

The Orleans Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51 and 17:121. A board consisting of seven members (the Board) elected from legally established districts is charged with the management and operation of the school system.

The school system, prior to Hurricane Katrina, was composed of a central office, 125 schools and support facilities. Student enrollment prior to the hurricane was approximately 60,000. Prior to the hurricane, the School Board employed approximately 8,000 persons, approximately 6,000 of whom were directly involved in the instructional process. The remaining 2,000 employees provided ancillary support such as general administration, repair and maintenance, business and central services, bus transportation and food service.

As of August 29, 2005, the majority of the employees of the School Board were put on Disaster Leave and on March 24, 2006, approximately 8,000 of the School Board's employees were terminated. As of the report date, the School Board has approximately 722 full-time or part-time employees of which approximately 429 are involved in the instructional process.

In November 2005, Louisiana House Bill 121 (Act 35) transferred control of each School Board school deemed to be in academic crisis, as determined by standardized student testing results, resulting in approximately 83% (106 schools) of the School Board's former schools being transferred to the Louisiana State Department of Education's Recovery School District (RSD). The RSD is responsible for providing all educational services to students attending the School Board transferred schools. Act 35 provided for the transfer of operational and managerial control of the transferred schools for a period of not less than five years. Further, Act 35 provides the RSD with authorization to manage and retain funding under the Minimum Foundation Program corresponding to the students attending the transferred schools. While the School Board retains ownership of each School Board transferred school, all rights and responsibilities associated with property ownership were transferred to the RSD.

As of the report date, the School Board is operating five schools and two programs with approximately 2,900 students. The School Board also has twelve charter schools opened and operating that have approximately 8,400 students. The School Board is working collaboratively with the RSD to ensure that a sufficient number of additional schools are opened to provide educational services to the New Orleans student population.

The regular school term begins in mid-August and runs through late May.

**Note 2.      Summary of Significant Accounting Policies**

The School Board complies with accounting principles generally accepted in the United States of America (GAAP). The School Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

This financial report has been prepared in conformity with GASB Statement No 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999. The following is a summary of the School Board's significant accounting policies.

**Financial Reporting Entity**

The accompanying financial statements present the School Board and its component units, as determined under the guidelines established by GASB Statement No 61, *The Financial Reporting Entity Omnibus an amendment of GASB Statements No 14 and No 34*.

GASB has set forth criteria to be considered in determining when a potential component unit should be included in the financial statements of a primary government. These criteria include:

1. The primary government is financially accountable if it appoints a voting majority of the organization's governing, and
  - a. It is able to impose its will on that organization.
  - b. There is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
2. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.
3. The primary government may determine, through exercise of management's judgment, that an organization that does not meet the specific financial accountability criteria should be included as a component unit to prevent the reporting entity's financial statements from being misleading. This determination should be based on the nature and significance of the organization's relationship with the primary government.

Under provisions of this Statement, 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. The School Board has eleven discretely presented component units, defined by GASB Statement No 61 as other legally separate organizations for which the School Board is financially accountable. Copies of submitted audited financial statements are available on the legislative auditor's web site at [www.la.state.la.us](http://www.la.state.la.us). The School Board also has one component unit blended with the primary government due to the closeness of their relationship with the primary government. This component unit is the Orleans Schools Facility Foundation (OSFF), a non-profit organization, reported as an enterprise fund. Separate financial statements for OSFF are not issued.

There are no other primary governments with which the School Board has a significant relationship. Certain units of local government over which the School Board exercises no authority, such as the City-Parish government and other independently elected officials, are excluded from the accompanying financial statements. These units of government are considered separate from those of the School Board. The School Board is not a component unit of any other entity.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 2. Summary of Significant Accounting Policies (Continued)**

**Financial Reporting Entity (Continued)**

Discretely presented component units which require inclusion in the basic financial statements are as follows

<b>Component Units</b>	<b>Number of Students</b>
<b>Charter Schools</b>	
* Audubon Charter School	808
* Ben Franklin High School	794
* Warren Easton Senior High School	929
* Einstein Charter School	475
* Encore Learning	190
* Hynes Charter School	636
* Lake Forest Elementary Charter School	500
* Lusher Charter School	1,697
* New Orleans Charter Science and Math High School	369
* Robert Russa Moton Charter School	346
* Algiers Charter Schools	
Alice M Harte Elementary	681
Edna Karr High School	974
	8,399
<b>Total Charter Student Enrollment</b>	<b>8,399</b>

\* Submitted June 30, 2013 audited financial statements

<b>Primary Government</b>	<b>Number of Students</b>
<b>Orleans Parish School Board Schools</b>	
<b>Schools</b>	
Bethune Elementary School	380
McDonogh No 35 High School	855
McMain High School	766
Benjamin Franklin Elementary Math and Science	698
Mahalia Jackson Elementary School	109
<b>Programs</b>	
Alternative Learning Center	94
Youth Study Center	34
	2,936
<b>Total OPSB Student Enrollment</b>	<b>2,936</b>

ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

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Note 2 Summary of Significant Accounting Policies (Continued)

**Basis of Presentation**

The School Board's *Basic Financial Statements* consist of the government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major funds and combined non-major funds) Separate financial statements are provided for governmental funds and proprietary funds The statements are prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units

**Government-Wide Financial Statements**

The Government-Wide Financial Statements were prepared using the economic resources measurement focus and the accrual basis of accounting Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows Property taxes are recognized as revenues in the year for which they are levied Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by 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 Operating grants and contributions consist of the many educational grants received from the federal and state government

As a general rule, the effect of interfund activity has been removed from these statements Exceptions to the general rule are advances between fiduciary funds and the various functions of the School Board The government-wide presentation focuses primarily on the sustainability of the School Board as an entity and the change in aggregate financial position resulting from the activities of the fiscal period

The internal service funds provide services to the governmental funds Accordingly, the internal service funds activities were rolled up into the governmental activities in the Government-Wide Financial Statements Pursuant to GASB Statement No 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion

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

**Fund Financial Statements**

The Fund Financial Statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB Statement No 34 Emphasis is on the major funds in either the governmental or business-type categories Non-major funds (by category or fund type) are summarized into a single column

ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

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**Note 2. Summary of Significant Accounting Policies (Continued)**

***Fund Financial Statements (Continued)***

The daily accounts and operations of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The funds of the School Board are classified into three broad categories: Governmental, Proprietary and Fiduciary. In turn, each category is divided into separate fund types.

***Governmental Fund Types***

***General Fund*** - The General Fund is the primary operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

***Special Revenue Funds*** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs for various educational objectives and child nutrition services.

***Debt Service Funds*** - Debt Service Funds, established to meet requirements of bond ordinances and other long-term borrowing, are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs and some capitalized leases. A separate Debt Service Fund is maintained for each similar bond issue type (e.g., General Obligation Bonds, Refunding Bonds, EPA Loans) or each refunding, unique issue, or long-term loan currently outstanding.

***Capital Projects Funds*** - Capital Projects Funds are used to account for the receipt and disbursement of the proceeds of general bond issues and other special or designated revenues used for the acquisition or construction of major capital facilities, renovations and major repairs (other than General Fund capital outlays, and Special Revenue Fund capital outlays).

***Proprietary Fund Type***

***Enterprise Fund - Timbers*** - An enterprise fund established to account for the rental receipts and operating costs of a five story building located at 3520 General DeGaulle Drive, New Orleans, LA. The Timbers Enterprise Fund is reported as a non-major fund.

***Enterprise Fund - Orleans Schools Facility Foundation*** - An enterprise fund established to account for the activity of the Orleans Schools Facilities Foundation (OSFF), a public benefit corporation of the School Board organized under the provisions of the Public School Facilities Financing Act contained in La. R.S. 17:100.10. The purpose of OSFF is to assist in facilitating the New Market Tax Credit financing for the construction and renovation school buildings as described in Note 21. The Orleans Schools Facility Foundation Enterprise Fund is reported as a non-major fund.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

***Proprietary Fund Types (Continued)***

*Internal Service Funds* - Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The Employee Health Insurance Fund, Retiree Health Insurance Fund, Workers' Compensation Insurance Fund and E-Rate Fund are reported as Internal Service Funds.

***Fiduciary Fund Types***

*Agency Funds* - Agency Funds are used to account for assets held by the School Board as an agent for individuals, private organizations or other governmental units and/or other funds. The School Board has one agency fund which is used to account for those monies collected by pupils and school personnel for school and school-related purposes.

*Trust Funds* - Trust Funds are created to account for cash, investments and other resources contributed by various individuals to the School Board to be expended for purposes for which the trusts were established.

In accordance with GASB, the Fiduciary Funds information is presented separately within this report and is not included in the Government-Wide Financial Statements or Fund Financial Statements.

***Major Funds***

The School Board reports the following major governmental funds:

*General Fund* - The General Fund is the primary operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is reported as a major fund.

*Pass - Through Fund* - Special revenue fund established to account for the collection of ad valorem taxes, sales taxes and certain state funding. These revenues are then transferred to the appropriate funds or other entities. The Pass - Through Fund is reported as a major fund.

*General Obligation Bond Fund* - Debt service fund established to account for the accumulation of resources for and payment of long-term debt principal, interest and related costs on outstanding general obligation bonds issued by the School Board. Fund revenues include receipt of ad valorem taxes from constitutional millage and interest earned on cash balances. Additionally, the School Board may transfer from the General Fund amounts to cover deficiencies, if any, or to provide additional reserves to service future obligations. The General Obligation Bond Fund is reported as a major fund.

*Refunding Bond Fund* - Debt service fund established to account for the accumulation of resources for and payment of long-term debt principal, interest and related costs on outstanding refunding bonds issued by the School Board. Fund revenues include receipt of sales and use taxes and interest earned on cash balances. Additionally, the School Board may transfer from the General Fund amounts to cover deficiencies, if any, or to provide additional reserves to service future obligations. The Refunding Bond Fund is reported as a major fund.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

***Major Funds (Continued)***

*Hurricane Katrina Restoration Fund* - Capital projects fund established to account for receipts and expenditures for projects funded by FEMA grant monies for reimbursement of allowable expenditures. Fund expenditures are used for mold remediation inside flooded schools, repairs and major construction to hurricane damaged schools, school facilities and administrative facilities. The Hurricane Katrina Restoration Fund is reported as a major fund.

*Capital Projects Fund* - Capital projects fund established to account for the receipts and disbursements for projects funded from the sales of surplus properties and insurance proceeds. Fund expenditures are used for both new construction and the renovation of existing facilities. The Capital Projects Fund is reported as a major fund.

*QSCB Construction Fund* - Capital projects fund established to account for the construction, rehabilitation and repair of public school facilities funded through the Qualified School Construction Bonds (QSCB).

*Master Plan Fund* - Capital projects fund established to account for the receipts and disbursements for the rebuilding of schools funded by insurance proceeds.

*Gulf Opportunity Bond Fund* - Debt service fund established for funds received which were authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006. These funds were utilized to assist in payment of debt service requirements from 2006 through 2008 due to disruption of revenue streams caused by Hurricanes Katrina and Rita. The debt was fully paid during the fiscal year. The Gulf Opportunity Bond fund is reported as a major fund.

*Federal Grant Fund* - Special revenue fund established to account for revenues from federal sources which are legally restricted to expenditures for specified purposes. The Federal Grant Fund is reported as a major fund.

**Basis of Accounting/Measurement Focus**

***Government-Wide Financial Statements (GWFS)***

The GWFS are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

***Fund Financial Statements (FFS)***

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

ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

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Note 2 Summary of Significant Accounting Policies (Continued)

*Fund Financial Statements (FFS) (Continued)*

The Proprietary Fund and Fiduciary Fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Proprietary Fund type's operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. For the Enterprise Fund - Timbers, the principal operating revenues are charges to tenants for rent, and operating expenses include costs to maintain and operate the building. For the Enterprise Fund - Orleans Schools Facility Foundation, there is no significant operating revenues or expenses as the activity is principally collection of payments related to the loan receivable. In the Internal Service Funds, current premium and claims expenses or increases in claims estimates occurring in the current period are considered operating expenses.

Contributions received which are related to these operating expenses are considered operating revenues. Interest earned on bank accounts or monies received from other funds which exceed their allocated share of the current operating expenses of the Proprietary Fund are considered non-operating revenues or transfers-in to the fund.

The Governmental Fund type is accounted for on the modified accrual basis of accounting. The following paragraphs describe the revenue recognition practices under that basis.

***Revenues***

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The School Board's definition of available means expected to be received within sixty days of the end of the fiscal year for property taxes and generally the next twelve months for other revenues. Revenues not considered available are recorded as unearned revenues.

Non-exchange transactions, in which the School Board receives value without directly giving value in return, include sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes are considered measurable when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

***Expenditures***

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

The Proprietary Fund and Trust Funds are accounted for using the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred

**Budget and Budgetary Accounting**

The School Board follows these procedures in establishing the budgetary data reflected in the financial statements

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis. These budgets include proposed expenditures and the means of financing them.

Annually, the Superintendent submits to the School Board a proposed annual appropriated budget for the General Fund and Special Revenues Funds. Public hearings are advertised and conducted to obtain taxpayer comments and the proposed budgets are published. The budget is adopted by the School Board and, as required, is submitted no later than September 30<sup>th</sup> to the State Department of Education for approval. The Superintendent is authorized to move budgeted items within the functional categories, the legal level of control, but may not increase the total amount authorized.

Expenditures for Special Revenue Fund budgets, except for the Child Nutrition Program, may not exceed budgeted amounts by more than five percent unless a budget revision is approved by the State Department of Education. For the Child Nutrition Program, budget amendments follow the same requirements as the General Fund.

The Capital Projects Funds' budgets are adopted on a project basis, since such projects may be started and completed at any time during the year or may extend beyond one fiscal year. Capital Projects Funds are allocated by project using architectural and engineering estimates. All projects remain programmed and funded until completed or until the School Board decides to eliminate the project. Accordingly, budget and actual comparisons are not reported in the basic financial statements for those funds.

Budgets are prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations at year end that have been approved by the Board are generally expended during the next fiscal year's operations, assuming that the underlying liability is ultimately incurred. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

**Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services, they are reported as restrictions of fund balance. Outstanding encumbrances are added to the budget in the subsequent year and are reported as expenditures when incurred. Encumbrances as of June 30, 2013 amounted to \$124,762,572.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents include interest-bearing demand deposits and short-term investments as described below, with a maturity date within three months of the date of acquisition

State statutes authorize the School Board to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. The School Board's Cash Management and Investment Policy requires that cash balances of all funds are combined and invested to the extent possible in direct obligations of the U.S. Government or its agencies, certificates of deposit and other short-term obligations. Interest earned on these investments is distributed to the individual funds on the basis of invested balances of the participating funds during the year.

Investments for the School Board are reported at fair value.

**Accounts Receivable**

Management has recorded a \$253,519 allowance for Federal Grant Fund receivables. Management considers all other receivables outstanding at June 30, 2013, to be fully collectible and as such, has no provision for uncollectible receivables recorded related to these receivables.

**Inventory**

***Government-Wide Level***

Inventory is stated at first-in, first-out (FIFO) cost and consists of food items held for consumption at the various schools. The cost of inventory items is recognized as an expense when used.

***Fund Level***

Inventory of the Child Nutrition Special Revenue Fund consists of food, lunchroom materials, and supplies purchased by the School Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at FIFO cost. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are valued at the market value at the date of donation based on market values provided by the USDA. The amount of commodity inventory is included in unearned revenue until consumed.

**Long-Term Accounts Receivable - RSD and Return of Capital Assets from the RSD**

As disclosed in Note 1, Act 35 transferred 106 schools from the School Board to the RSD. For the schools transferred to the RSD, the School Board recognized a receivable for the net book value of the land, buildings and equipment for the schools transferred.

For those schools that are returned to and accepted by the School Board from the RSD, Long-Term Accounts Receivable - RSD is reduced and capital assets are increased by the net book value of the land, buildings and equipment that were initially transferred to the RSD. Management will then perform an assessment to determine whether the land, buildings and equipment (the facilities) have incurred impairment, as well as perform an assessment to determine whether any significant enhancements or improvements have been made to the facilities.

ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Long-Term Accounts Receivable - RSD and Return of Capital Assets from the RSD (Continued)**

For facilities deemed to be impaired, an impairment charge is recorded to the Government-Wide Financial Statements. For facilities which significant improvements or enhancements have been made, the value of the enhancements or improvements are recorded for the actual costs incurred for the new structure or improvements, net of the amount of depreciation calculated for the period from when the enhancements or improvements were initially placed in service by the RSD to the date in which the facilities were returned to the School Board. For those instances in which cost information is not available, a professional appraisal shall be obtained.

For facilities transferred to the School Board, depreciation resumes/initiates once the facilities are placed into service by the School Board. The remaining useful lives of facilities transferred to the School Board are evaluated for reasonableness. Depreciation on the facilities is recognized on a straight-line basis over the estimated remaining useful life.

**Capital Assets**

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains threshold levels for capitalizing capital assets as follows: movable capital assets with a cost of \$5,000 or more per unit, all land and land improvements with a cost of \$50,000 or more, and buildings and building improvements that extend the useful life of a building with a cost of \$50,000 or more.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows: from 3 to 10 years for furniture and equipment, 5 to 8 years for transportation equipment, 5 to 20 years for equipment, 25 years for building improvements, 10 to 20 years for improvements other than building, and 20 to 40 years for buildings. Costs of assets damaged by Hurricane Katrina were reduced by the impairment and the adjusted cost depreciated over the assets' remaining useful life.

**Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the GWFS as "internal balances."

**Fund Equity**

The School Board follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

*Nonspendable* - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Fund Equity (Continued)**

*Restricted* - amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions, or by enabling legislation

*Committed* - amounts constrained to specific purposes by a government itself, using its highest level of decision making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint

*Assigned* - amounts a government intends to use for a specific purpose, intent can be expressed by the governing body or an official or body which the governing body delegates the authority

*Unassigned* - amounts that are available for any purpose

**Interfund Transactions**

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

**Compensated Absences**

Under School Board policy, each employee is entitled to ten days of sick leave per year. Sick leave may be accumulated without limit, however, employees or their heirs are only reimbursed for accumulated sick leave up to twenty-five days upon death or retirement at the employees' current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination (non-retirement). Upon retirement, accumulated sick leave in excess of reimbursement may be used in the retirement benefit computation as earned service.

Full-time employees who work year-round are granted vacation in varying amounts (maximum of 22 days per year) as established by School Board policy. Such leave is credited on a pro rata basis at the end of each payroll reporting period and accumulates. All leave earned during any fiscal year must be taken within the following six month period or it is forfeited. Any unused leave may be paid to the employee at termination.

Sabbatical leave may be granted for medical or professional purposes. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous services, or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave is paid at 65% of salary. Sabbatical leave is accrued upon Board approval.

**Unearned Revenues**

The School Board reports unearned revenues when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Funds Held For Future Distribution**

Funds held for future distribution represent funds for which the School Board has not made a determination as to the amount or who may have a legal claim to the funds, such as RSD or charter schools. Once the School Board has determined that either it or another entity has a legal claim to the resources, the amounts identified are reclassified as either revenue or as an obligation due to another entity.

**Long-Term Obligations**

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34, the amortization of the costs of bonds is amortized prospectively from the date of adoption of GASB Statement No. 34.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Restricted Net Position**

For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position 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.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

**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 as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 3. Deposits and Investments**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Under state law, all deposits are secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the School Board's name. At June 30, 2013, the carrying amount of the School Board's deposits (demand deposits) was \$178,148,508 and the related bank balances were \$179,616,515. The entire bank balance of \$179,616,515 was covered by collateral held by the pledging banks' trust department or agent in the School Board's name at June 30, 2013.

In addition, five schools maintained Student Activity Funds with book and bank balances of \$219,707 and \$224,414, respectively. The bank balances of these accounts were secured by federal depository insurance and the pledge of securities held by the pledging banks agent in the School Board's name. These funds are not assets of the School Board, but rather assets held for the benefit of the students attending those schools and are reported as Agency Funds in the Required Supplementary Section and not included in the government-wide financial statements.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 3. Deposits and Investments (Continued)**

**Investments**

*Interest rate risk* is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The School Board has a formal investment policy that limits investment of amounts in excess of immediate cash requirements only to statutorily permitted investments.

*Credit risk* State law limits investments to the following:

- 1 Direct United States Treasury obligations
- 2 Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America
- 3 Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U S government instrumentalities, which are federally sponsored
- 4 Direct security repurchase agreements of any federal book entry only securities
- 5 Time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks
- 6 Mutual or trust fund institutions which are registered with the SEC and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies
- 7 Guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service
- 8 Investment grade commercial paper of domestic United States corporations

The School Board has no investment policy that would further limit its investment choices.

Included in investments as of June 30, 2013, are marketable securities, which are uninsured investments for which the securities are held in a fiduciary trust fund, of \$303,580.

**Note 4. Ad Valorem Taxes and Sales Tax**

Ad valorem taxes were levied by the School Board on May 15, 2012 for the calendar year 2013, based on the assessed valuation of property as of December 2012, which was a revision of the values issued in November 2012. Values are established by the Orleans Parish Assessors' Offices each year based on 10% of the assessed market value of residential property and commercial land and on 15% of the assessed market value of commercial buildings, public utilities and personal property. The taxes become due on January 1 of each year, and become delinquent on February 1. Before the taxes can be collected, the assessment list (tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed in the Board of Tax Commission, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the year for the payment of the tax due on it. Ad valorem taxes are collected by the City of New Orleans and remitted to the School Board on a periodic basis. The taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the City of New Orleans. If taxes are not paid within the period stipulated in the public notice, the property is sold for taxes due at a tax sale held by the City of New Orleans. The tax sale is usually held prior to the end of the School Board's fiscal year.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 4. Ad Valorem Taxes and Sales Tax (Continued)**

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

	Authorized Millage	Levied Millage	Expres
Constitutional Millage	27 65	26 48	Not Applicable
<b>Dedicated Millage</b>			
Purpose A	School Books, Materials and Supplies	1 550	1 484
Purpose B	Early Childhood, Discipline and Dropout Programs	1 550	1 484
Purpose C	Employee Salary, Benefits and Incentives	7 270	6 962
Purpose D	Air Conditioning, Asbestos Removal and Facilities	2 320	2 222
School Board General Obligation Bond Taxes		4 97	4 47
<b>Total Millage</b>		<u>43 10</u>	

On July 19, 2008, the voters of Orleans Parish approved an extension of the Dedicate Millage for Purposes A, B and C for another 10 years, and Purpose D for another 20 years

All ad valorem taxes are recorded on the basis explained in Note 2. For governmental funds, revenues are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year - end. The School Board records these taxes gross of the assessor's and City's collection fees, which amounted to \$2,761,682 and \$2,490,485, respectively, for the year ended June 30, 2013.

Since ad valorem taxes receivable are secured by property, there is no allowance for uncollectible taxes.

Sales taxes are assessed and due on the first day of the month subsequent to the month of sale of any retail sales of goods used or consumed within Orleans Parish, including leases and rentals of movable tangible property. The rate of sales tax dedicated to the School Board is one and one-half percent. Revenues arising from the one percent sales tax authorized by the voters of Orleans Parish in 1966 are used exclusively for the payment of salaries of teachers and/or for the general operations of the School Board. The proceeds of the one-half percent sales tax, which was authorized in 1980, are used for the payment of salaries of teachers and other educational employees of the School Board, for the expenses of maintaining and operating schools and for providing funds to pay for capital improvements.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 4. Ad Valorem Taxes and Sales Tax (Continued)**

Sales taxes which remain uncollected on the twenty-first day of the month due are classified as delinquent Sales taxes are collected by the City of New Orleans and the State of Louisiana and are remitted monthly to the School Board The School Board records these taxes in the period that the underlying transaction occurred, including the City's collection fees, which amounted to \$1,629,868, for the year ended June 30, 2013

**Note 5. Loan Receivable**

On April 1, 2013, as part of the New Market Tax Credit (NMTC) transaction, the OSFF advanced \$6,948,587 to Wheatley NMTC Investment Fund, LLC in the form of a subordinate loan note The note will accrue interest at 1.40% and the maturity date is March 11, 2048 Interest only payments are due quarterly for the first seven years of the note, with principal and interest payments due quarterly for the remainder of the note At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and others charges are due Interest earned for the year ended June 30, 2013 totaled \$24,363 The loan is collateralized by a grant of a first position security interest in all of Wheatley NMTC Investment Fund LLC rights, title and interest in its 100% membership interest in the Sub-CDE

Future maturities are as follows

Fiscal Year Ending June 30,	Principle
2014	\$ -
2015	-
2016	-
2017	-
2018	-
Thereafter	6,948,587
<b>Total</b>	<u><u>\$ 6,948,587</u></u>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 6. Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2013, are as follows

	Land*	Buildings and Improvements	Furniture and Equipment	Construction in Process*	Total
<b>Governmental Activities</b>					
<b>Assets at Cost</b>					
Balance at June 30, 2012	\$ 16,398,845	\$ 161,818,212	\$ 11,182,786	\$ 9,493,968	\$ 198,893,811
Additions	584,898	1,854,179	120,093	27,148,956	29,708,126
Deletions	-	-	(3,804)	-	(3,804)
Transfers	-	1,053,833	-	(1,053,833)	-
Transfers from RSD	-	-	-	-	-
Balance at June 30, 2013	16,983,743	164,726,224	11,299,075	35,589,091	228,598,133
<b>Accumulated Depreciation</b>					
Balance at June 30, 2012	-	67,209,327	7,989,099	-	75,198,426
Additions	-	3,517,284	1,227,213	-	4,744,497
Deletions	-	-	(2,980)	-	(2,980)
Balance at June 30, 2013	-	70,726,611	9,213,332	-	79,939,943
<b>Total Governmental Activities</b>					
<b>Capital Assets, Net of Accumulated</b>					
<b>Depreciation at June 30, 2013</b>					
	\$ 16,983,743	\$ 93,999,613	\$ 2,085,743	\$ 35,589,091	\$ 148,658,190
<b>Business-Type Activities</b>					
<b>Assets at Cost</b>					
Balance at June 30, 2012	\$ 1,440,992	\$ 4,890,176	\$ -	\$ -	\$ 6,331,168
Additions	-	104,315	-	-	104,315
Deletions	-	-	-	-	-
Transfers	-	-	-	-	-
Transfers from RSD	-	-	-	-	-
Balance at June 30, 2013	1,440,992	4,994,491	-	-	6,435,483
<b>Accumulated Depreciation</b>					
Balance at June 30, 2012	-	183,209	-	-	183,209
Additions	-	121,909	-	-	121,909
Deletions	-	-	-	-	-
Balance at June 30, 2013	-	305,118	-	-	305,118
<b>Total Business-Type Activities</b>					
<b>Capital Assets, Net of Accumulated</b>					
<b>Depreciation at June 30, 2013</b>					
	\$ 1,440,992	\$ 4,689,373	\$ -	\$ -	\$ 6,130,365
<b>Total Primary Government</b>					
<b>Capital Assets, Net of Accumulated</b>					
<b>Depreciation at June 30, 2013</b>					
	\$ 18,424,735	\$ 98,688,986	\$ 2,085,743	\$ 35,589,091	\$ 154,788,555

\* Not being depreciated

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 6. Capital Assets (Continued)**

The School Board reviewed its capital assets and noted no impairment as of June 30, 2013

Depreciation expense, loss on disposals, and impairment for the year ended June 30, 2013, was charged to the following governmental functions

	Depreciation	Loss on Disposals
<b>Instruction</b>		
Regular Education Programs	\$ 799,383	\$ 139
Special Education Programs	311,655	54
Other Education Programs	1,311,161	228
<b>Support</b>		
Student Services	291,414	51
Instructional Staff Services	359,852	62
General Administration	624,278	108
School Administration	144,795	25
Business and Central Services	101,562	18
Transportation Services	189,644	33
Central Services	166,553	29
Plant Services	444,200	77
<b>Total</b>	<b>\$ 4,744,497</b>	<b>\$ 824</b>

**Note 7. Defined Benefit Pension Plans**

*Plan Description* - Substantially all School Board employees participate in either the Teachers' Retirement System of Louisiana or the Louisiana School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems. Each system is administered and controlled at the State level by a separate board of trustees with contribution rates and benefit provisions approved by the Louisiana Legislature. Participation in the Teachers' Retirement System is primarily divided into two plans - the Teachers' Regular Plan and the Teachers' Plan B. Five years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits under each plan.

Each of the Systems issues a publicly available financial report on an annual basis that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or viewing their websites.

Teachers' Retirement System of Louisiana

8401 United Plaza Blvd , 3<sup>rd</sup> Floor  
Baton Rouge, Louisiana 70809-7017

P O Box 94123  
Baton Rouge, Louisiana 70804-9123  
[www.trsl.org](http://www.trsl.org)

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 7 Defined Benefit Pension Plans (Continued)**

Louisiana School Employees' Retirement System

8660 United Plaza Blvd , 1<sup>st</sup> Floor  
Baton Rouge, LA 70809-7004

P O Box 44516  
Baton Rouge, LA 70804-4516  
(225) 925-6484  
[www.lasers.state.la.us](http://www.lasers.state.la.us)

*Funding Policy* - Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2013, for the School Board and covered employees were as follows:

	School Board	Employees
Teachers' Retirement System of Louisiana		
Regular Plan	24.5%	8.0%
Plan B	26.6%	5.0%
Louisiana School Employees' Retirement System	30.8%	7.5% / 8.0% *

\* 8.0% effective 7/1/10 for new LSERS members

As provided by Louisiana Revised Statute 11:103, the School Board's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The contributions made to the systems for the past three fiscal years, which substantially equaled the required contributions for each of these years, were as follows:

	2013	2012	2011
Teachers' Retirement System of Louisiana	\$ 5,412,991	\$ 5,168,274	\$ 4,422,602
Louisiana School Employees' Retirement System	\$ 150,684	\$ 135,050	\$ 96,936

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 8. Other Post Employment Benefits (OPEB)**

In accordance with state statutes, the School Board provides certain post employment health care to its retired employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching retirement age, if they are currently participating in the active health plan. Starting on February 1, 2006, the School Board paid approximately 25% of the health insurance costs for retired employees and their covered dependents. Retirees contribute 75% of the retiree and dependent coverage premiums. Retirees who are eligible for Parts A and B of Medicare pay a reduced premium for health coverage. Prior to February 1, 2006, the School Board had a traditional fully-insured Health Insurance Plan and recorded expenditures as premiums were paid. On February 1, 2006, the School Board changed to a self insured Health Insurance Plan and records expenditures as amounts are remitted to Blue Cross Blue Shield Louisiana, a third party administrator that reimbursed medical providers for participant claims. For the year ended June 30, 2013, the School Board's cost for providing all health care benefits to the 513 retired employees and their dependents amounted to \$1,970,179.

The School Board follows Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45)*.

**Annual OPEB Cost**

The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period not to exceed thirty years. A level dollar, closed amortization period has been used. The total ARC for the fiscal year beginning July 1, 2012 is \$1,467,000, as set forth below:

Normal Cost	\$ 68,000
Interest on Normal Cost	3,000
Amortization Payment	1,336,000
Interest on Amortization Payment	60,000
	<hr/>
Annual Required Contribution (ARC)	<u>\$ 1,467,000</u>

The following table shows the School Board's OPEB Obligation for the fiscal year 2013:

Beginning Net OPEB Obligation, July 1, 2012	\$ 1,409,000
Annual Required Contribution	1,467,000
Interest on Net OPEB Obligation	63,000
ARC Adjustment	<u>(54,000)</u>
	<hr/>
OPEB Cost	1,476,000
Contributions Made	-
Current Year Retiree Premium	<u>1,868,000</u>
	<hr/>
Change in Net OPEB Obligation	<u>(392,000)</u>
	<hr/>
Ending Net OPEB Obligation, June 30, 2013	<u>\$ 1,017,000</u>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 8. Other Post Employment Benefits (OPEB) (Continued)**

The following table shows the School Board's annual Post-Employment Benefits (PEB) cost, percentage of the cost contributed, and the net unfunded Post-Employment Benefits (PEB) liability

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
June 30, 2013	\$ 1,476,000	126.56%	\$ 1,017,000
June 30, 2012	\$ 1,479,000	116.50%	\$ 1,409,000
June 30, 2011	\$ 1,487,000	133.69%	\$ 1,653,000

**Funded Status and Funding Progress**

In the fiscal year ended June 30, 2013, the School Board made no contributions to its post employment benefits plan trust since such a trust had not been established. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2012, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$34,978,000, which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2012-2013, the entire actuarial liability of \$34,978,000 was unfunded. Below is the schedule of funding progress for the year ended June 30, 2013.

Fiscal Year	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2013	7/1/2012	\$ -	\$ 34,978,000	\$ 34,978,000	0%	\$ 31,116,478	112%
2012	7/1/2011	-	35,092,000	35,092,000	0%	33,082,275	106%
2011	7/1/2010	-	33,572,000	33,572,000	0%	27,102,116	124%

**Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) termination probabilities, (2) retirement rate, (3) health care cost trend rate, (4) participation assumption, (5) mortality rate and age based morbidity, (6) discount rate (investment return assumption), (7) non-claim expenses, and (8) salary increase assumption. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 8 Other Post Employment Benefits (OPEB) (Continued)**

**Actuarial Cost Method**

The ARC is determined using the Projected Unit Credit Cost Method with benefits attributed from the date of hire to expected retirement age. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

**Actuarial Value of Plan Assets**

Since the ARC has not yet been funded, there are not any assets. It is anticipated that, if funding should take place in the future, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6) would be used, as provided in paragraph number 125 of GASB Statement No 45.

**Termination**

The rate of withdrawal for reasons other than death and retirement were developed from the Teachers' Retirement System of Louisiana (TRSL) Actuarial Valuation as of June 30, 2012. Sample termination probabilities are as follows:

Age	Teachers	Age	Teachers
18 - 19	5%	35	9%
20	10%	36	8%
21	9%	37	7%
22	4%	38 - 40	6%
23	7%	41 - 43	5%
24 - 30	13%	44 - 47	4%
31 - 32	11%	48 - 51	3%
33 - 34	10%	52+	4%

**Eligibility Criteria**

To be eligible for retiree health benefits, a retired employee must have met the requirements for retirement eligibility through the Teachers' Retirement System of Louisiana (TRSL):

- 30 years of service at any age,
- Age 55 with 25 years of experience, or
- Age 65 with 5 years of service

**Investment Return Assumption (Discount Rate)**

GASB Statement No 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Based on the assumption that the ARC will be funded, a 4.5% annual investment return has been used in this valuation.

**Amortization Method**

The unfunded actuarial accrued liability is amortized over the period of 30 years on an open basis. It is calculated assuming a level percentage of projected payroll.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 8 Other Post Employment Benefits (OPEB) (Continued)**

**Health Care Cost Trend Rate**

The following annual trend rates are applied on a select and ultimate basis

<b>Benefit</b>	<b>Select</b>	<b>Ultimate</b>
Medical/Rx/Stop Loss	9.5%	5.0%
Administration	5.0%	5.0%

Select trends are reduced 0.5% each year until reaching the ultimate trend

**Participation Assumption**

The participation assumption is the assumed percentage of future retirees that participate and enroll in the health plan. The participation assumption used in this valuation is 25% for pre-65 retirees and 70% of pre-65 enrollees continuing coverage beyond age 65, and is based on data provided by the School Board.

**Per Capita Health Claim Cost**

Per capita health claim costs for the School Board's plan are developed using a blend of historical claims experience and manual claim costs. The annual age 60 and age 70 per capita health claim costs by plan are shown below.

Age 60	\$8,242
Age 70	\$10,867

**Age Based Morbidity**

The assumed per capita health claim costs are adjusted to reflect expected increases related to age. The increase in per capita health claim costs related to age are assumed to be the following:

<b>Age</b>	<b>Increase</b>	<b>Age</b>	<b>Increase</b>
42 - 46	3.19%	65 - 69	3.00%
47 - 51	3.89%	70 - 74	2.50%
52 - 56	3.58%	75 - 79	2.00%
57 - 61	4.52%	80 - 84	1.00%
62 - 64	5.06%	85 - 89	0.05%

**Post-65 Plan Election**

It is assumed that all future post-65 retirees elect the fully-insured Humana plan.

**Pre-65 Plan Costs**

The current annual plan costs assumed in the valuation of excise tax are based on the School Board's current premium information and plan enrollment and are estimated to be \$5,133 per year for retirees and \$5,986 per year for spouses.

**Contributions**

Premiums and employer contributions are assumed to increase with healthcare cost trend in future years.

**Mortality**

RP-2000 Table projected to 2015, applied on a gender specific basis.

**ORLEANS PARISH SCHOOL BOARD  
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**Notes to Financial Statements**

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**Note 8. Other Post Employment Benefits (OPEB) (Continued)**

**Retirement Age**

Annual retirement probabilities were development from the TRSL Actuanal Valuation as of June 30, 2012  
Sample retirement ages and associated probabilities are as follows

Age	Teachers	Age	Teachers
38	2%	56	25%
39	4%	57	37%
41	3%	58	28%
49	3%	63	33%
51	3%	66	40%
51	4%	67	34%
52	5%	72	50%
53	8%	73	99%
54	20%	75	100%
55	23%		

**Salary Increase Assumption**

The salary increase assumption is 3 5% per annum

**Census Data**

The census data was provided by the School Board as of November 2012

**CPI Trend**

Health CPI is assumed to increase at a rate of 3% each year

**Dependent Composition at Retirement**

The assumed number of eligible dependents is based on the current proportions of single and family contracts. If spouse date of birth information was not available, ten males were assumed to be 3 years older than females

**Non-Claim Expenses**

Non-claim expenses are based on the current amounts charged per retired employee. These amounts are provided in the table below

Expense Type	Cost Per Retired Employee Per Month
	PPO
Stop Loss - Specific (Single)	\$12 64
Stop Loss - Specific (Family)	\$31 62
Administrative Fee	\$11 00
Network Access Fee	\$10 75

**ORLEANS PARISH SCHOOL BOARD  
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**Notes to Financial Statements**

**Note 9 Long-Term Obligations**

All of the bonds and notes payable of the School Board are reported in the Government-Wide Financial Statements and are serviced by the debt service funds with revenues as described below

<u>Bonds Payable</u>	<u>Range of Interest in Remaining Years</u>	<u>Final Maturity</u>	<u>Balance as of June 30, 2013</u>
<b>Refunding Bonds</b>			
Series 1991 - Issued December 1, 1991	7.15 - 7.85%	2/1/2015	\$ 3,464,206
Series 2010 - Issued September 1, 2010	2.50 - 5.00%	9/1/2020	80,200,000
Series 2011 - Issued December 1, 2011	1.47 - 2.30%	2/1/2015	6,220,000
<b>Revenue Bonds</b>			
QSCB 2011 - Issued December 20, 2011	4.40%	2/1/2021	79,055,000
<b>Community Disaster Loan</b>	2.93%	8/27/2016	<u>8,636,118</u>
<b>Total</b>			<u><u>\$ 177,575,324</u></u>

**Refunding Bonds**

The Refunding Bonds are special limited School Board obligations payable from and secured by pledge of and lien on ad valorem taxes, sales taxes and revenue sharing. The bonds do not constitute general indebtedness or pledge of the general credit of the School Board.

\$121,698,366 Public School Refunding Bonds, Series 1991, dated December 1, 1991, partially refunded by the Series 1995 A and B Bonds described below - The purpose of these bonds was to refund the Public School Refunding Bonds, Series 1990. The bonds are insured and are payable from the one-half percent Dedicated Sales Tax and the Constitutional Millage.

\$97,005,000 Public School Refunding Bonds, dated September 1, 2010 - The purpose of the bonds was to refund the outstanding (a) General Obligation School Bonds Series 1995, (b) General Obligation School Bonds, Series 1996, (c) General Obligation School Bonds, Series 1997, (d) General Obligation School Bonds, Series 1997A, (e) General Obligation School Bonds, Series 1998A, and (f) General Obligation School Bonds, Series 1998B. The debt will be paid from the unlimited ad valorem taxation.

\$9,225,000 Public School Refunding Bonds, Series 2011 - The purpose of the bonds was to refund the outstanding \$8,855,000 Public School Refunding Bonds, Series 1995B dated December 1, 1995, which were set to mature February 1, 2014. The debt is payable directly from the ad valorem tax and from the 1/2% sales and use tax.

**Revenue Bonds**

\$79,055,000 Public School Revenue Bonds (Taxable QSCB), Series 2011B - The Qualified School Construction Bonds (QSCB) were issued for the purpose of construction, rehabilitation, and repair of public school facilities, including the equipping of school facilities. The bonds are secured by and payable from the revenues from the ad valorem tax and the 1/2% sales and use tax.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 9. Long-Term Obligations (Continued)**

**Revenue Bonds (Continued)**

The School Board irrevocably designated the Series 2011B bonds as "Qualified School Construction Bonds" as defined in Section 54F of the Internal Revenue Code and has elected under Section 6431(f)(1) of the Code to receive a subsidy from the United States Department of the Treasury equal to the lesser of the amount of interest payable on the Series 2011A Bonds if interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Code

**Community Disaster Loan**

On August 27, 2006, the Federal Emergency Management Agency (FEMA), under the provisions of the Community Disaster Loan Act of 2005, approved the School Board's second application for a disaster loan in the amount of \$33,045,240. On April 18, 2006, the School Board's first application was approved in the amount of \$26,430,814, of which \$25,001,093 was drawn down during fiscal year 2006. The School Board drew down the remaining \$1,479,721 and the entire \$33,045,240, related to the amounts approved during the fiscal years ended June 30, 2006 and 2007, respectively. The purposes of these loans were to allow the School Board to carry on existing governmental functions and to expand such functions to meet disaster-related needs. The term of these loans are for five years with an interest rate that is based on the five year Treasury rate on the date the Promissory Note is signed by FEMA, plus 1% rounded to the nearest 1/8%, and reducing this total by one half. The interest rate is 2.93% for the loans.

The School Board applied for cancellation of a portion of the total loans as well as an extension of five years to repay the balance. The School Board was granted the extension and cancellation of a total of \$48,127,666 of principal, as well as the interest accrued on that portion of the debt. Interest accrues on a simple interest basis from date of receipt of loan proceeds. The loans are collateralized with the School Board's future revenue after provision has been made for payments required in connection with any outstanding bond indebtedness in existence at the time of these CDL loans. As of June 30, 2013, the outstanding principal on these loans was \$8,636,118.

**Defeased Bonds**

In March 1998, the School Board entered into an \$8,155,000 refunding transaction (Series 1998B) for a portion of the School Board's Series 1995 General Obligations maturing September 2020. At June 30, 2012, the outstanding principal balance of the 1995 bonds, which are not included in the School Board's balance sheet, as they are considered defeased, totaled \$7,140,000.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 9 Long-Term Obligations (Continued)**

**Debt Service Requirements**

The annual requirements to amortize all long-term debt outstanding at June 30, 2013, excluding capital leases, accrued compensated absences and claims payable is as follows

Year Ending June 30,	Refunding Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 15,135,329	\$ 14,560,343	\$ -	3,478,420
2015	13,228,877	5,474,691	-	3,478,420
2016	9,905,000	2,692,950	-	3,478,420
2017	10,375,000	2,243,475	-	3,478,420
2018	10,880,000	1,730,000	-	3,478,420
2019-2021	30,360,000	2,144,250	79,055,000	10,435,260
<b>Total</b>	<b>\$ 89,884,206</b>	<b>\$ 28,845,709</b>	<b>\$ 79,055,000</b>	<b>\$ 27,827,360 *</b>

Year Ending June 30,	Community Disaster Loan		Total - All Debt	
	Principal	Interest	Principal	Interest
2014	\$ 2,570,565	\$ 225,216	\$ 17,705,894	\$ 18,263,979
2015	2,646,704	149,068	15,875,581	9,102,179
2016	2,725,025	70,747	12,630,025	6,242,117
2017	693,824	5,110	11,068,824	5,727,005
2018	-	-	10,880,000	5,208,420
2019-2021	-	-	109,415,000	12,579,510
<b>Total</b>	<b>\$ 8,636,118</b>	<b>\$ 450,141</b>	<b>\$ 177,575,324</b>	<b>\$ 57,123,210</b>

\* The School Board received a federal borrowing subsidy related to the interest payments. See Note 8 for further disclosure.

Long-Term Obligations	Beginning Balance	Additions/ Change in Estimates	Retirements/ Debt Forgiveness	Ending Balance	Balance Due Within One Year
<b>Refunding Bonds</b>					
** Series 1991	\$ 6,511,527	\$ -	\$ 3,047,321	\$ 3,464,206	\$ 3,080,000
Series 2010	89,005,000	-	8,805,000	80,200,000	9,145,000
Unamortized Premium on 2010 Bond	6,370,143	-	780,017	5,590,126	780,017
Series 2011	9,225,000	-	3,005,000	6,220,000	2,910,329
<b>Revenue Bonds</b>					
QSCB 2011 Bond	79,055,000	-	-	79,055,000	-
Unamortized Premium on QSCB 2011 Bond	550,000	-	64,078	485,922	64,078
<b>Loans</b>					
Community Disaster Loan (CDL)	11,133,343	-	2,497,225	8,636,118	2,570,575
Interest Payable on Refunding Series 1991	20,246,029	1,947,363	10,386,184	11,807,208	10,852,996
OPEB Obligation Payable	1,409,000	(392,000)	-	1,017,000	-
Accrued Compensated Absences	9,013,261	(854,419)	-	8,158,842	-
Liability for Claims Payable	35,621,120	555,451	-	36,176,571	-
<b>Total Long-Term Obligations</b>	<b>\$ 268,139,423</b>	<b>\$ 1,256,395</b>	<b>\$ 28,584,825</b>	<b>\$ 240,810,993</b>	<b>\$ 29,402,995</b>

\*\*Interest is compounded and due in the future on previous years interest payable which was recorded as principal

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 9 Long-Term Obligations (Continued)**

**Bond Indentures**

There are a number of limitations and restrictions contained in the various bond indentures. The School Board is in compliance with all significant covenants.

**Statutory Debt Limit**

As of June 30, 2013, the statutory debt limit for general obligation bonds was \$772,241,155, and the net legal debt margin was \$709,868,931. The School Board has no general obligation bonded debt outstanding as of June 30, 2013.

At June 30, 2013, the primary government has accumulated \$38,175,446 in the debt service funds for future debt requirements.

**Note 10. Leases**

**Operating Leases**

The School Board has a number of operating leases for land, buildings and equipment used for schools and administrative centers. For these leases, the School Board has, as of June 30, 2013, contractual agreements requiring the following annual rental payments:

Fiscal Year Ending June 30,	Amount
2014	\$ 188,449
	<u>\$ 188,449</u>

Rental expenditures under operating leases for facilities for the year ended June 30, 2013, amounted to \$2,402,365.

On January 31, 2011, the School Board purchased the building in which its offices are held and created the Enterprise Fund - Timbers Fund. The leases for other tenants in the building were transferred to the School Board at this time. Future annual rental payments for these leases are as follows:

Fiscal Year Ending June 30,	Amount
2014	\$ 390,766
2015	147,767
2016	90,695
2017	23,956
2018	8,063
Total	<u>\$ 661,247</u>

In 2014 and 2015, \$429,800 and \$417,536, respectively, is expected to be charged internally to the School Board for rent and utilities.

**ORLEANS PARISH SCHOOL BOARD  
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**Notes to Financial Statements**

**Note 11. Changes in Agency Funds - Deposits Due Others**

<b>Agency Fund</b>	<b>Balance at July 1, 2012</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at June 30, 2013</b>
Student Actvty	\$ 265,730	\$ 939,219	\$ 985,242	\$ 219,707
<b>Total</b>	<b>\$ 265,730</b>	<b>\$ 939,219</b>	<b>\$ 985,242</b>	<b>\$ 219,707</b>

**Note 12. Due To/From Other Funds**

Individual balances due to/from other funds at June 30, 2013, are as follows

	<b>Due To Other Funds</b>	<b>Due From Other Funds</b>
<b>Governmental Funds</b>		
General Fund	\$ 65,701,383	\$ 97,711,190
Pass Through Fund	-	20,835,267
General Obligation Bonds - Debt Service Fund	1,339,128	351,519
Refunding Bonds - Debt Service Fund	7,452,723	-
Capital Projects - Capital Projects Fund	27,635,494	2,910,398
Humcane Katrina Restoration - Capital Projects Fund	31,081,950	239,000
Federal Grant Fund - Special Revenue Fund	5,929,620	527,567
Master Plan Fund	70,000	-
<b>Other Non-major Governmental Funds</b>		
Non-major Special Revenue Funds	328,364	3,356,016
Non-major Capital Project Funds	5,247,024	9,691,793
Non-major Debt Service Funds	-	2,795,772
Expendable Trust	-	338,760
<b>Enterprise Funds</b>	26,068	-
<b>Internal Service Funds</b>	18,602,137	24,656,609
<b>Total</b>	<b>\$ 163,413,891</b>	<b>\$ 163,413,891</b>

The primary purpose of interfund receivables/payables are to (1) loan monies from the General Fund to individual federal funds to cover grant expenditures pending reimbursement from the respective granting agencies and (2) reflect operating transfers due from the General Fund to other funds. All interfund payables are expected to be repaid within the next fiscal year.

**ORLEANS PARISH SCHOOL BOARD  
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**Notes to Financial Statements**

**Note 13 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 On-behalf revenues and related expense are recorded in the General Fund During the year ended June 30, 2013, there were no payments made on behalf of the School Board

**Note 14. Act No. 640**

Act No 640 of the 2010 Regular Session of the Louisiana Legislature allows the Orleans Parsh School Board to exclude certain costs from the amount of local revenues that it would otherwise be required to transfer to the Recovery School District to fund certain legacy cost arising from Humcane Katrina and Act 35 of the 2010 Extraordinary Legislative Session The exclusion is limited to \$6 million dollars each year, although any excess in cost may be carried over to the next fiscal year

Legacy costs as of June 30, 2013 are as follows

Legacy Costs	2013
Carryover From Prior Fiscal Year	\$ -
Employer's cost of health insurance for retired participants in the Board's plan as of July 1, 2012, not to exceed 25% of total premium costs	1,089,379
A supplement of \$200 per month for health insurance premiums for retired participants in the Board's plan as of July 1, 2012	880,800
Workers' compensation claims filed against the Board prior to August 29, 2005, including administrative costs	1,156,848
Costs to defend legal claims against the Board prior to August 29, 2005	208,480
Legal claims against the Board after August 29, 2005 attributable to Humcane Katrina or Act 35 of 1995 1st Extraordinary Session	208,862
Cost of short-term borrowing, including but not limited to attorney fees and interest	97,447
Fee of one-tenth of one percent of total ad valorem and sales taxes collected	241,810
Total	<u>3,883,626</u>
Maximum Allowed	<u>(6,000,000)</u>
Carryover to Next Fiscal Year	<u>\$ -</u>

The exclusion expires (1) once the above costs are extinguished, (2) upon action by the Orleans Parsh School Board to reduce the constitutional millage from the level in effect for fiscal year 2009-2010, (3) 12 months following the full settlement of the Orleans Parsh School Board Special Community Disaster Loans, or (4) 20 tax years from the roll forward millage adoption, whichever occurs first

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 15. Litigation and Contingencies**

**Claims**

The School Board is a defendant in several workers' compensation, personal injury, personnel action and contractual lawsuits. Provisions for losses for these lawsuits are recorded in the financial statements, principally in long-term debt obligations. Management and legal counsel for the School Board believe that the potential claims against the School Board, not covered by insurance, are covered by the recorded liability. A summary of significant claims are as follows:

**Eddy Oliver, et al. vs. Orleans Parish School Board, CDC No. 2005-12244 (Wrongful Termination)**

This class action was brought by approximately 7,000 former OPSB employees who allege that they were wrongfully terminated following Hurricane Katrina. A bench trial on liability for the entire class and also on damages as to seven class representatives was held in 2011. On June 20, 2012, the trial court rendered a judgment that held the OPSB and the Louisiana Department of Education solidarily liable to the plaintiffs for wrongful termination and awarded \$1,362,632 in total damages to the seven class representatives. A suspensive appeal was taken. Appellate briefs were filed and oral argument was conducted on May 30, 2013. After argument, the appellate court requested additional briefing on the issue of res judicata, and supplemental briefs were filed on July 8, 2013 by the OPSB and the State and on July 22, 2013 by the class plaintiffs. The court has yet to issue an opinion. The only award of damages in this matter thus far is in the total amount of \$1,362,632. The legitimacy of the judgment and damage award against the OPSB is being contested on appeal.

**John Johnson, et al. vs. Orleans Parish School Board, et al., CDC No. 93-14333 c/w 94-5446, 94-12996, 95-13271 (Toxic Tort)**

Plaintiffs filed this environmental class action law suit related to a school built on an allegedly contaminated site. Judgment was rendered in favor of the class and against the School Board (the Housing Authority of New Orleans, and the City of New Orleans were also cast in judgment). The district court approved a procedure for claims of unnamed class-members to be presented to the School Board to determine whether the facts of those claims are consistent with the Board's records. At this time, the Board is engaged in that determination. The School Board's liability estimate is \$12,000,000.

**Federal and State Grants**

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

**FEMA**

On August 30, 2010, President Obama announced the Federal Emergency Management Agency's (FEMA) award of \$1.8 billion to the New Orleans Public Schools. This funding, plus an additional \$206 million not discussed in the announcement, represent FEMA's total funding to settle the Orleans Parish School Board (OPSB) and the Recovery School District's (RSD) eligible disaster damage claim for school facilities and contents.

**ORLEANS PARISH SCHOOL BOARD  
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**Notes to Financial Statements**

**Note 15. Litigation and Contingencies (Continued)**

**Claims (Continued)**

**FEMA (Continued)**

In addition to addressing damages to facilities and contents, this award has also supported and will continue to support temporary leased facilities, nine temporary modular school campuses, temporary busing costs, and other expenses that are necessary due to the impact of Hurricane Katrina

The majority of the FEMA funding awarded to OPSB and RSD has been structured into Alternative Projects under FEMA's Public Assistance program, which allows applicants to designate alternative ways to utilize FEMA funding to support the best interests of the community. This alternate funding vehicle will provide maximum flexibility to facilitate the implementation of the School Facilities Master Plan for Orleans Parish. OPSB has been issued in excess of 200 FEMA Project Worksheets which authorized or obligated \$407 million. As of June 30, 2013 OPSB has submissions to FEMA totaling \$84.2 million and has been reimbursed \$69.1 million. OPSB plans on using the majority of the remaining authorized monies to fund Phase One of the Master Plan, and to recover properly procured and executed work in the years immediately following the disaster.

**Construction Contracts**

At June 30, 2013, the School Board had construction commitments of approximately \$117.1 million. These commitments will be paid out of the Capital Projects Funds.

**Note 16 Interfund Operating Transfers**

Interfund operating transfers for the year ended June 30, 2013, were as follows:

	Transfers In	Transfers Out
<b>Governmental Funds</b>		
General Fund	\$ 3,975,437	\$ 2,130
Pass Through Fund	84,225	1,215,543
Federal Grant Fund	-	2,737,101
Capital Projects - Other		74,232
Master Plan Fund	-	6,948,587
QSCB Construction Fund	-	16,973,112
<b>Non-Major Governmental Funds</b>		
Non-Major Special Revenue Funds	74	97,304
Non-Major Debt Service Funds	2,824	-
<b>Proprietary Funds</b>		
Enterprise Funds	23,985,449	-
Internal Service Funds	-	-
<b>Total</b>	<b>\$ 28,048,009</b>	<b>\$ 28,048,009</b>

Operating transfers between the General Fund and other funds are generally made to provide supplemental funds for program operations.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

**Note 17. Risk Management**

The School Board is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, workers' compensation and health insurance for its employees. The School Board has established the following internal service funds to account for and finance these risks of loss

**Employee Health Insurance/Retiree Health Insurance**

These funds are used to account for the employee, retiree and employer contributions to, and the payment of self-insured claims for the Health Insurance Plan. On February 1, 2006, the School Board offered a self-insured employee medical and Health Insurance Plan financed solely by employees and the School Board. The plan has a \$200,000 stop-loss provision, whereby any claims incurred in excess of the amount for a single insured is covered by reinsurance purchased by the School Board. Prior to February 1, 2006, the School Board offered a fully-insured Health Insurance.

**Workers' Compensation Insurance**

This fund is used to account for claims arising from employment related injuries prior to July 1, 2006. The School Board maintained a self-insurance plan, which included the purchase of insurance for claims in excess of \$500,000 per occurrence. The workers' compensation limit for each accident is the statutory amount. At June 30, 2013, there were 57 active claims.

Self-insured litigated claims are not reported in internal service funds, but the revenues and expenses for non-litigated claims are in the General Fund. The estimate for litigated claim liabilities is reported in the Government-Wide Financial Statements.

A reconciliation of the unpaid claims liability, including the litigated claims reserve, as of June 30<sup>th</sup> is as follows:

	Employee Health Insurance Fund	Retiree Health Insurance Fund	Workers' Compensation Fund	Litigated Claims	Total
Unpaid Claims, as Previously Reported June 30, 2012	\$ 84,109	\$ 690,891	\$ 3,324,345	35,621,120	\$ 41,844,841
Current Year Claims Incurred and Changes in Estimates	3,551,009	3,732,494	372,345	555,451	8,211,299
Claims Paid	(3,551,009)	(3,882,894)	(1,156,848)	-	(8,590,751)
Unpaid Claims as of Year Ended June 30, 2013	\$ 84,109	\$ 540,491	\$ 2,539,842	\$ 36,176,571	\$ 41,465,389

The above unpaid claims as of June 30<sup>th</sup> include amounts for claims incurred but not yet reported, as determined from actual claims paid subsequent to year-end as well as an estimate based upon historical lag trends.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 18. Deficits in Fund Equity**

The Hurricane Katrina Restoration Fund has a fund deficit of \$35,535,565. This fund deficit is expected to be funded by making a draw down from the funds set aside for the School Board by FEMA as discussed in Note 15.

The Master Plan Fund has a fund deficit of \$6,999,094. This fund deficit is expected to be funded through reimbursement from funding sources for allowable expenditures that have been incurred.

The CDBG Capital Projects Fund has a fund deficit of \$5,313,803. This fund deficit is expected to be funded through reimbursement from funding sources for allowable expenditures that have been incurred.

**Note 19. Contingency for Unbilled Federal Revenue**

Included in Due from Other Governments are \$4,796,788 of amounts that are unbilled. At this time, it is uncertain whether all of these amounts will be recovered under the federal programs as they are recorded. Once the School Board has billed these amounts and received the reimbursements, adjustments will be recorded as required.

**Note 20. Fund Balances**

The nature and purpose of the fund balance designations are as follows:

Nonspendable for Prepaid Items – Represents property insurance which will be used in the future fiscal period.

Nonspendable for Inventory – Represents the food inventories in the Child Nutrition Fund which will be used in the future fiscal period.

Restricted for Encumbrances – This restriction was established for outstanding purchase orders that the School Board intends to honor.

Restricted for Debt Service – This restriction represents the amounts restricted for payment of principal and interest maturing in future years on bonded debt.

Restricted for Capital Items – This restriction was established for capital purchases which will be used in future fiscal periods.

Assigned to Special Projects – This represents the unexpended portion of unrestricted monies received by the School Board and designated for special programs.

Assigned to Capital Projects Fund – This represents an assignment of funds that are designated for construction and renovation projects.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 21. New Market Tax Credits**

In April 2013, the School Board and OSFF entered into a New Market Tax Credit Transaction (NMTC) to provide financing for the construction and development of the Phillis S Wheatley School, a charter school located in New Orleans, Louisiana. OSFF is a public benefit corporation which will serve as leverage lender. OSFF is a component unit of the School Board as described in Note 1 to the financial statements.

In April 2013, the School Board and the RSD signed a cooperative endeavor agreement (CEA) to approve the transfer of the Phillis S Wheatley School to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the Phillis S Wheatley School from OSFF to the Wheatley School Facility Foundation, Inc (Wheatley QALICB) through the execution of a 65 year ground lease, with Wheatley QALICB obtaining debt and equity financing to complete construction of the Wheatley School. Rent under this lease is \$1 per year of the term. The CEA further required the School Board to provide sufficient funds to the OSFF, by either loan or grant, as necessary to complete construction of the Wheatley School. Pursuant to this requirement, the School Board advanced \$23,911,217 to OSFF, \$6,948,587 of which was loaned to Wheatley NMTC Investment Fund LLC, with OSFF as the leveraged lender. The remaining \$16,962,630 was provided to Wheatley QALICB as a grant to be used solely and exclusively to pay for the construction costs of the Wheatley School. See Note 5 for terms of the loan from OSFF to Wheatley NMTC Investment Fund LLC.

**Note 22. Impact of Recently Issued Accounting Pronouncements**

**Governmental Accounting Standards Board Statement No. 62 (GASB 62)**

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011. The adoption of this statement in fiscal year 2013 did not have any impact on the School Board's financial statements.

**Governmental Accounting Standards Board Statement No. 63 (GASB 63)**

The GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in June 2011. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The adoption of this statement in fiscal year 2013 did not have any impact on the School Board's financial statements other than change the description of "Net Assets" to "Net Position".

ORLEANS PARISH SCHOOL BOARD  
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Notes to Financial Statements

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**Note 22. Impact of Recently Issued Accounting Pronouncements (Continued)**

**Governmental Accounting Standards Board Statement No. 65 (GASB 65)**

The GASB issued Statement No 65, *Items Previously Reported as Assets and Liabilities*, in March 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management does not anticipate the adoption of this statement will have a significant impact on the School Board's financial statements.

**Governmental Accounting Standards Board Statement No. 66 (GASB 66)**

The GASB issued Statement No 66, *Technical Corrections – 2012 – an amendment of GASB Statements No 10 and No 62*, in March 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012.

**Governmental Accounting Standards Board Statement No 67 (GASB 67)**

The GASB issued Statement No 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No 25*, in June 2012. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013.

**Governmental Accounting Standards Board Statement No. 68 (GASB 68)**

The GASB issued Statement No 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No 27*, in June 2012. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pension. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Management anticipates the adoption of this statement will have a significant impact on the School Board's financial statements.

**Governmental Accounting Standards Board Statement No 69 (GASB 69)**

The GASB issued Statement No 69, *Government Combinations and Disposals of Government Operations*, in January 2013. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis.

**Governmental Accounting Standards Board Statement No. 70 (GASB 70)**

The GASB issued Statement No 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, in April 2013. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

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**Note 23. Prior Period Adjustment**

During fiscal year ended June 30, 2013, management determined that a \$7,808,806 understatement of receivables and revenues occurred relating to the accrual of June 2013 sales taxes collected by the City of New Orleans in August 2013. As this amount is owed to other LEA's, the total would have been recorded as a liability and expenditure. Thus the net effect of this error is \$-0- to the fund balance and net position of the School Board. The \$7,808,806 is included as Due to Other Governments in the Pass-Through Fund as of June 30, 2013.

**Note 24. Subsequent Events**

Subsequent to year end, the School Board, through the OSFF, became party to a new market tax credit transaction wherein OSFF, acting as the leverage lender, loaned \$6,849,000 to McDonogh Elementary Investment Fund, LLC for the construction of a school building.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 23, 2013, and determined that there were no events, except as noted above, which occurred which require disclosure. No subsequent events occurring after the date above have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION - (PART II)**  
**BUDGETARY COMPARISON SCHEDULES**  
**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Budgetary Comparison Schedule  
General Fund  
Fiscal Year Ended June 30, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
<b>Local Sources</b>				
Ad Valorem Taxes	\$ 12,165,257	\$ 12,939,166	\$ 10,412,764	\$ (2,526,402)
Sales and Use Tax (Including Vehicle)	5,737,303	5,617,516	5,351,241	(266,275)
Earnings on Investments	400,000	300,000	76,923	(223,077)
Donations	-	-	43,178	43,178
Other	2,982,623	3,791,712	4,787,800	996,088
<b>State and Federal Sources</b>				
Minimum Foundation Program	12,276,144	12,115,062	11,963,784	(151,278)
State Revenue Sharing	2,253,417	2,253,417	2,455,088	201,671
Other	1,293,761	1,293,761	1,371,689	77,928
Federal Sources	-	-	36,537	36,537
<b>Total Revenues</b>	<b>37,108,505</b>	<b>38,310,634</b>	<b>36,499,004</b>	<b>(1,811,630)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular Programs	12,891,191	12,891,191	13,027,746	(136,555)
Special Programs	3,018,349	3,261,376	3,183,692	77,684
Other Programs	2,095,495	2,095,495	1,967,446	128,049
<b>Support</b>				
Student Services	2,011,999	2,255,026	2,097,799	157,227
Instructional Staff Support	1,778,563	1,778,563	1,689,262	89,301
General Administration	2,746,100	2,784,100	2,389,186	394,914
School Administration	2,631,062	2,631,062	2,401,313	229,749
Business Services	1,953,213	1,980,213	1,763,709	216,504
Student Transportation Services	3,204,296	3,562,336	3,206,358	355,978
Central Services	3,475,629	4,392,209	2,769,916	1,622,293
Plant Services	5,691,452	5,691,452	5,570,994	120,458
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	500,000	158,713	-	158,713
<b>Debt Service</b>				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>41,997,349</b>	<b>43,481,736</b>	<b>40,067,421</b>	<b>3,414,315</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(4,888,844)</b>	<b>(5,171,102)</b>	<b>(3,568,417)</b>	<b>1,602,685</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Budgetary Comparison Schedule (Continued)**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>				
Other	-	-	11,435	11,435
Transfers In	5,500,000	5,500,000	3,975,437	(1,524,563)
Transfers Out	-	-	(2,130)	(2,130)
Appropriations from Prior Year				
Budgetary Fund Balance	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,500,000</b>	<b>5,500,000</b>	<b>3,984,742</b>	<b>(1,515,258)</b>
<b>Net Change in Fund Balance - Budgetary Basis</b>	<b>\$ 611,156</b>	<b>\$ 328,898</b>	<b>416,325</b>	<b>\$ 87,427</b>
<b>Fund Balance, June 30, 2013</b>			<b>46,461,737</b>	
Less Appropriations from Beginning of Year				
Fund Balance			-	
<b>Fund Balance - Budgetary Basis, June 30, 2013</b>			<b>\$ 46,878,062</b>	

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule  
 Pass Through Fund  
 Fiscal Year Ended June 30, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local Sources				
Ad Valorem Taxes	\$ 110,039,439	\$ 110,039,439	\$ 110,039,439	\$ -
Sales and Use Tax (Including Vehicle)	82,925,427	82,925,427	82,925,427	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
State and Federal Sources				
Minimum Foundation Program	33,909,646	33,909,646	33,909,646	-
State Revenue Sharing	-	-	-	-
Other	-	-	-	-
Federal Sources	-	-	-	-
<b>Total Revenues</b>	<b>226,874,512</b>	<b>226,874,512</b>	<b>226,874,512</b>	<b>-</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Programs	-	-	-	-
Special Programs	-	-	-	-
Other Programs	-	-	-	-
Support				
Student Services	-	-	-	-
Instructional Staff Support	-	-	-	-
General Administration	8,088,389	8,088,389	8,088,389	-
School Administration	-	-	-	-
Business Services	-	-	-	-
Student Transportation Services	-	-	-	-
Central Services	-	-	-	-
Plant Services	-	-	-	-
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>8,088,389</b>	<b>8,088,389</b>	<b>8,088,389</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>218,786,123</b>	<b>218,786,123</b>	<b>218,786,123</b>	<b>-</b>

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule (Continued)  
 Pass Through Fund  
 Fiscal Year Ended June 30, 2013

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>				
Transfers In	84,225	84,225	84,225	-
Transfers Out	(1,215,543)	(1,215,543)	(1,215,543)	-
Transfers Out - Charters and RSD	(195,739,887)	(195,739,887)	(195,739,887)	-
Other	(21,914,918)	(21,914,918)	(21,914,918)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(218,786,123)</b>	<b>(218,786,123)</b>	<b>(218,786,123)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Budget amounts for the Pass Through Fund were set equal to actual revenues and expenditures incurred since the fund has no formal budget, all revenues recognized are fully expended or transferred out to other funds and to the Recovery School District and to charter schools

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule  
 Federal Grant Fund  
 Fiscal Year Ended June 30, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
<b>Local Sources</b>				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Tax (Including Vehicle)	-	-	-	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
<b>State and Federal Sources</b>				
Minimum Foundation Program	-	-	-	-
State Revenue Sharing	-	-	-	-
Other	74,943	74,943	74,943	-
Federal Sources	35,941,519	35,941,519	35,941,519	-
<b>Total Revenues</b>	<b>36,016,462</b>	<b>36,016,462</b>	<b>36,016,462</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular Programs	664,496	664,496	664,496	-
Special Programs	2,468,068	2,468,068	2,468,068	-
Other Programs	21,616,407	21,616,407	21,616,407	-
<b>Support</b>				
Student Services	3,187,459	3,187,459	3,187,459	-
Instructional Staff Support	4,727,677	4,727,677	4,727,677	-
General Administration	-	-	-	-
School Administration	244,573	244,573	244,573	-
Business Services	18,527	18,527	18,527	-
Student Transportation Services	259,066	259,066	259,066	-
Central Services	93,088	93,088	93,088	-
Plant Services	-	-	-	-
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
<b>Debt Service</b>				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>33,279,361</b>	<b>33,279,361</b>	<b>33,279,361</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>2,737,101</b>	<b>2,737,101</b>	<b>2,737,101</b>	<b>-</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Budgetary Comparison Schedule (Continued)**  
**Federal Grant Fund**  
**Fiscal Year Ended June 30, 2013**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources</b>				
Transfers In	-	-	-	-
Transfers Out	(2,737,101)	(2,737,101)	(2,737,101)	-
Transfers Out - Charters and RSD	-	-	-	-
Other	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,737,101)</b>	<b>(2,737,101)</b>	<b>(2,737,101)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The budgeted amounts of revenues and expenditures for the Federal Grant Fund were set equal to actual due to differences in grant periods compared to the fiscal period as well as extensions of grant periods

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Other Post-Employment Benefits Information  
Fiscal Year Ended June 30, 2013**

Fiscal Year	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2013	7/1/2012	\$ -	\$ 34,978,000	\$ 34,978,000	0%	\$ 31,116,478	112%
2012	7/1/2011	-	35,092,000	35,092,000	0%	33,082,275	106%
2011	7/1/2010	-	33,572,000	33,572,000	0%	27,102,116	124%

**Actuarial Assumptions 2013**

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.5%
Projected Salary Increases	3.0%

**Actuarial Assumptions 2012**

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.5%
Projected Salary Increases	3.5%

**Actuarial Assumptions 2011**

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.5%
Projected Salary Increases	3.5%

**OTHER SUPPLEMENTARY INFORMATION**

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Balance Sheet - By Fund Type**  
**Non-Major Governmental Funds**  
**June 30, 2013**

	Special Revenue	Debt Service	Capital Project	Total
<b>Assets</b>				
Cash	\$ 698,682	\$ -	\$ -	\$ 698,682
Due from Other Funds	3,356,016	2,795,772	9,691,793	15,843,581
Due from Other Governments	854,163	-	1,041,097	1,895,260
Inventory	54,208	-	-	54,208
<b>Total Assets</b>	<b>\$ 4,963,069</b>	<b>\$ 2,795,772</b>	<b>\$ 10,732,890</b>	<b>\$ 18,491,731</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 188,658	\$ -	\$ 1,112,352	\$ 1,301,010
Due to Other Funds	328,364	-	5,247,024	5,575,388
Due to Other Governments	-	-	1,675,592	1,675,592
Deferred Revenues	366,844	-	-	366,844
<b>Total Liabilities</b>	<b>883,866</b>	<b>-</b>	<b>8,034,968</b>	<b>8,918,834</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventory	54,208	-	-	54,208
<b>Restricted for</b>				
Capital Projects	-	-	7,835,975	7,835,975
Debt Service	-	2,795,772	-	2,795,772
<b>Assigned to</b>				
Encumbrances	175,459	-	15,618,217	15,793,676
Special Programs	3,849,536	-	-	3,849,536
Unassigned	-	-	(20,756,270)	(20,756,270)
<b>Total Fund Balances</b>	<b>4,079,203</b>	<b>2,795,772</b>	<b>2,697,922</b>	<b>9,572,897</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,963,069</b>	<b>\$ 2,795,772</b>	<b>\$ 10,732,890</b>	<b>\$ 18,491,731</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balance - By Fund Type**  
**Non-Major Governmental Funds**  
**Fiscal Year Ended June 30, 2013**

	Special Revenue	Debt Service	Capital Project	Total
<b>Revenues</b>				
<b>Local Sources</b>				
Sales Taxes	\$ -	\$ 5,682,463	\$ -	\$ 5,682,463
Food Services	582,504	-	-	582,504
Donations	173,753	-	-	173,753
Other	14,883	-	-	14,883
<b>State and Federal</b>				
Minimum Foundation Program	174,708	-	-	174,708
Other	800,656	-	-	800,656
Federal Funds	5,318,984	-	4,338,070	9,657,054
<b>Total Revenues</b>	<b>7,065,488</b>	<b>5,682,463</b>	<b>4,338,070</b>	<b>17,086,021</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular Education Programs	659,909	-	-	659,909
Special Education Programs	43,209	-	-	43,209
Other Education Programs	375,372	-	-	375,372
<b>Support</b>				
Student Services	39,834	-	-	39,834
Instructional Staff Services	158,753	-	-	158,753
General Administration	-	90,919	-	90,919
Business Services	71,954	-	-	71,954
Central Services	145,850	-	-	145,850
Plant Services	68,262	-	121,013	189,275
Food Services	5,452,790	-	-	5,452,790
Capital Outlay	-	-	9,105,269	9,105,269
<b>Debt Service</b>				
Principal Retirement	-	2,497,225	-	2,497,225
Interest and Bank Charges	-	301,371	-	301,371
<b>Total Expenditures</b>	<b>7,015,933</b>	<b>2,889,515</b>	<b>9,226,282</b>	<b>19,131,730</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>49,555</b>	<b>2,792,948</b>	<b>(4,888,212)</b>	<b>(2,045,709)</b>
<b>Other Financing Sources and Uses</b>				
Proceeds from Debt Service	-	-	-	-
Transfers In	74	2,824	-	2,898
Transfers Out	(97,304)	-	-	(97,304)
<b>Total Other Financing Sources (Uses)</b>	<b>(97,230)</b>	<b>2,824</b>	<b>-</b>	<b>(94,406)</b>
<b>Net Change in Fund Balance</b>	<b>(47,675)</b>	<b>2,795,772</b>	<b>(4,888,212)</b>	<b>(2,140,115)</b>
<b>Fund Balance, June 30, 2012</b>	<b>4,126,878</b>	<b>-</b>	<b>7,586,134</b>	<b>11,713,012</b>
<b>Fund Balance, June 30, 2013</b>	<b>\$ 4,079,203</b>	<b>\$ 2,795,772</b>	<b>\$ 2,697,922</b>	<b>\$ 9,572,897</b>

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 June 30, 2013

	State and Local	Child Nutrition	Non-Recurring Operational	Total
<b>Assets</b>				
Cash	\$ -	\$ 698,682	\$ -	\$ 698,682
Due from Other Funds	677,632	1,435,499	1,242,885	3,356,016
Due from Other Governments	260,651	593,512	-	854,163
Inventory	-	54,208	-	54,208
<b>Total Assets</b>	<b>\$ 938,283</b>	<b>\$ 2,781,901</b>	<b>\$ 1,242,885</b>	<b>\$ 4,963,069</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 7,679	\$ 94,502	\$ 86,477	\$ 188,658
Due to Other Funds	328,364	-	-	328,364
Deferred Revenues	366,844	-	-	366,844
<b>Total Liabilities</b>	<b>702,887</b>	<b>94,502</b>	<b>86,477</b>	<b>883,866</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventory	-	54,208	-	54,208
<b>Assigned to</b>				
Encumbrances	20,459	46,125	108,875	175,459
Special Programs	214,937	2,587,066	1,047,533	3,849,536
<b>Total Fund Balances</b>	<b>235,396</b>	<b>2,687,399</b>	<b>1,156,408</b>	<b>4,079,203</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 938,283</b>	<b>\$ 2,781,901</b>	<b>\$ 1,242,885</b>	<b>\$ 4,963,069</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Special Revenue Funds  
Fiscal Year Ended June 30, 2013**

	State and Local	Child Nutrition	Non-Recurring Operational	Total
<b>Revenues</b>				
<b>Local Sources</b>				
Food Services	\$ -	\$ 582,504	\$ -	\$ 582,504
Donations	173,753	-	-	173,753
Other	14,883	-	-	14,883
<b>State and Federal</b>				
Minimum Foundaton Program	-	174,708	-	174,708
Other	800,656	-	-	800,656
Federal Funds	24,166	5,294,818	-	5,318,984
<b>Total Revenues</b>	<b>1,013,458</b>	<b>6,052,030</b>	<b>-</b>	<b>7,065,488</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular Education Programs	341,474	-	318,435	659,909
Special Education Programs	43,209	-	-	43,209
Other Education Programs	375,372	-	-	375,372
<b>Support</b>				
Student Services	39,834	-	-	39,834
Instructional Staff Support	158,753	-	-	158,753
Business Services	-	-	71,954	71,954
Central Services	-	-	145,850	145,850
Plant Services	-	-	68,262	68,262
Food Services	-	5,452,790	-	5,452,790
<b>Total Expenditures</b>	<b>958,642</b>	<b>5,452,790</b>	<b>604,501</b>	<b>7,015,933</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>54,816</b>	<b>599,240</b>	<b>(604,501)</b>	<b>49,555</b>
<b>Other Financing Sources and Uses</b>				
Transfers In	74	-	-	74
Transfers Out	(13,079)	(84,225)	-	(97,304)
<b>Total Other Financing Sources (Uses)</b>	<b>(13,005)</b>	<b>(84,225)</b>	<b>-</b>	<b>(97,230)</b>
<b>Net Change in Fund Balance</b>	<b>41,811</b>	<b>515,015</b>	<b>(604,501)</b>	<b>(47,675)</b>
<b>Fund Balance, June 30, 2012</b>	<b>193,585</b>	<b>2,172,384</b>	<b>1,760,909</b>	<b>4,126,878</b>
<b>Fund Balance, June 30, 2013</b>	<b>\$ 235,396</b>	<b>\$ 2,687,399</b>	<b>\$ 1,156,408</b>	<b>\$ 4,079,203</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Balance Sheet**  
**Non-Major Debt Service Funds**  
**June 30, 2013**

	Community Disaster Loan	QSCB 2011	Total
<b>Assets</b>			
Due from Other Funds	\$ 2,795,772	\$ -	\$ 2,795,772
<b>Total Assets</b>	<b>\$ 2,795,772</b>	<b>\$ -</b>	<b>\$ 2,795,772</b>
<b>Fund Balances</b>			
Restricted for Debt Service	\$ 2,795,772	\$ -	\$ 2,795,772
<b>Total Fund Balances</b>	<b>\$ 2,795,772</b>	<b>\$ -</b>	<b>\$ 2,795,772</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Non-Major Debt Service Funds  
 Fiscal Year Ended June 30, 2013**

	Community Disaster Loan	QSCB 2011	Total
<b>Revenues</b>			
Local Sources			
Sales and Use Tax	\$ 5,682,463	\$ -	\$ 5,682,463
<b>Total Revenues</b>	<b>5,682,463</b>	<b>-</b>	<b>5,682,463</b>
<b>Expenditures</b>			
Support			
General Administration	90,919	-	90,919
Debt Service			
Principal Retirement	2,497,225	-	2,497,225
Interest and Bank Charges	298,547	2,824	301,371
<b>Total Expenditures</b>	<b>2,886,691</b>	<b>2,824</b>	<b>2,889,515</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,795,772</b>	<b>(2,824)</b>	<b>2,792,948</b>
<b>Other Financing Uses and Sources</b>			
Transfer In	-	2,824	2,824
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>2,824</b>	<b>2,824</b>
<b>Net Change in Fund Balance</b>	<b>2,795,772</b>	<b>-</b>	<b>2,795,772</b>
<b>Fund Balance, June 30, 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2013</b>	<b>\$ 2,795,772</b>	<b>\$ -</b>	<b>\$ 2,795,772</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Balance Sheet**  
**Non-Major Capital Projects Funds**  
**June 30, 2013**

	G.O Bond Capital Project Fund	Harrat's Casino Capital Projects	CDBG Capital Projects	Total
<b>Assets</b>				
Due from Other Funds	\$ 5,070,398	\$ 4,616,919	\$ 4,476	\$ 9,691,793
Due from Other Governments	-	-	1,041,097	1,041,097
<b>Total Assets</b>	<b>\$ 5,070,398</b>	<b>\$ 4,616,919</b>	<b>\$ 1,045,573</b>	<b>\$ 10,732,890</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ -	\$ 1,112,352	\$ 1,112,352
Due to Other Funds	-	-	5,247,024	5,247,024
Due to Other Governments	-	1,675,592	-	1,675,592
<b>Total Liabilities</b>	<b>-</b>	<b>1,675,592</b>	<b>6,359,376</b>	<b>8,034,968</b>
<b>Fund Balances</b>				
Restricted for Capital Projects	5,063,775	2,772,200	-	7,835,975
Restricted for Encumbrances	6,623	169,127	15,442,467	15,618,217
Unassigned	-	-	(20,756,270)	(20,756,270)
<b>Total Fund Balances</b>	<b>5,070,398</b>	<b>2,941,327</b>	<b>(5,313,803)</b>	<b>2,697,922</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,070,398</b>	<b>\$ 4,616,919</b>	<b>\$ 1,045,573</b>	<b>\$ 10,732,890</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Capital Projects Funds  
Fiscal Year Ended June 30, 2013**

	<b>G O Bond Capital Project Fund</b>	<b>Harrah's Casino Capital Projects</b>	<b>CDBG Capital Projects</b>	<b>Total</b>
<b>Revenues</b>				
<b>State and Federal</b>				
Federal Funds	\$ -	\$ -	\$ 4,338,070	\$ 4,338,070
<b>Total Revenues</b>	-	-	4,338,070	4,338,070
<b>Expenditures</b>				
<b>Support</b>				
Plant Services	121,013	-	-	121,013
Capital Outlay	-	2,171,796	6,933,473	9,105,269
<b>Total Expenditures</b>	121,013	2,171,796	6,933,473	9,226,282
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(121,013)	(2,171,796)	(2,595,403)	(4,888,212)
<b>Net Change in Fund Balance</b>	(121,013)	(2,171,796)	(2,595,403)	(4,888,212)
<b>Fund Balance, June 30, 2012</b>	5,191,411	5,113,123	(2,718,400)	7,586,134
<b>Fund Balance, June 30, 2013</b>	\$ 5,070,398	\$ 2,941,327	\$ (5,313,803)	\$ 2,697,922

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Net Position**  
**Proprietary Fund Type - Internal Service Funds**  
**June 30, 2013**

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ -	\$ 2,842,813	\$ -	\$ -	\$ 2,842,813
Other Receivables	433	136,240	-	71,838	208,511
Due From Other Funds	14,637,701	-	10,018,908	-	24,656,609
<b>Total Assets</b>	<b>14,638,134</b>	<b>2,979,053</b>	<b>10,018,908</b>	<b>71,838</b>	<b>27,707,933</b>
<b>Liabilities and Net Position</b>					
<b>Liabilities</b>					
Accounts Payable	168,635	179,327	473,442	-	821,404
Due to Other Funds	13,175,629	35,522	5,319,148	71,838	18,602,137
Liability Claims Payable	84,109	540,491	2,539,842	-	3,164,442
Deferred Revenue	1,209,761	2,223,713	1,686,476	-	5,119,950
<b>Total Liabilities</b>	<b>14,638,134</b>	<b>2,979,053</b>	<b>10,018,908</b>	<b>71,838</b>	<b>27,707,933</b>
<b>Net Position</b>					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenses  
and Changes in Net Position  
Proprietary Fund Type - Internal Service Funds  
Fiscal Year Ended June 30, 2013**

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
<b>Operating Revenues</b>					
Employer Contributions	\$ 3,529,554	\$ 2,120,579	\$ 2,720,037	\$ -	\$ 8,370,170
Retiree Contributions	-	1,762,315	-	-	1,762,315
Employee Contributions	21,455	-	-	-	21,455
Workers Compensation Reimbursement	-	-	500,828	-	500,828
<b>Total Operating Revenues</b>	<b>3,551,009</b>	<b>3,882,894</b>	<b>3,220,865</b>	<b>-</b>	<b>10,654,768</b>
<b>Operating Expenses</b>					
General Administrative	-	631,261	610,428	-	1,241,689
Central Services	3,551,009	3,251,633	2,610,437	-	9,413,079
<b>Total Operating Expenses</b>	<b>3,551,009</b>	<b>3,882,894</b>	<b>3,220,865</b>	<b>-</b>	<b>10,654,768</b>
<b>Operating Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Nonoperating Revenues</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Change in Net Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position at June 30, 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position at June 30, 2013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Cash Flows  
Proprietary Fund Type - Internal Service Funds  
Fiscal Year Ended June 30, 2013

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
<b>Cash Flows from Operating Activities</b>					
Cash Premiums Received	\$ 91,238	\$ 5,621,582	\$ 1,156,848	\$ (71,838)	\$ 6,797,830
Cash Paid in Claims and Benefits	(91,238)	(3,857,091)	(1,156,848)	71,838	(5,033,339)
<b>Net Cash Provided by Operating Activities</b>	-	1,764,491	-	-	1,764,491
<b>Cash Flows from Non-Capital Financing Activities</b>					
Interfund Transfers	-	-	-	-	-
<b>Net Cash Provided by Non-Capital Financing Activities</b>	-	-	-	-	-
<b>Net Increase in Cash</b>	-	1,764,491	-	-	1,764,491
Cash, Beginning of Year	-	1,078,322	-	-	1,078,322
<b>Cash, End of Year</b>	\$ -	\$ 2,842,813	\$ -	\$ -	\$ 2,842,813
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>					
Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities					
Changes in					
Other Receivables	(433)	(6,441)	-	406,917	400,043
Due from Other Funds	(7,249,340)	1,113,867	(135,533)	-	(6,271,006)
Accounts Payable	153,188	174,687	368,871	-	696,746
Deferred Revenue	(1,247,974)	631,262	1,686,476	-	1,069,764
Due to Other Funds	8,572,709	1,516	(1,135,311)	(406,917)	7,031,997
Claims Payable/Self-Insured	(228,150)	(150,400)	(784,503)	-	(1,163,053)
<b>Net Cash Provided by Operating Activities</b>	\$ -	\$ 1,764,491	\$ -	\$ -	\$ 1,764,491

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Assets and Liabilities**  
**Fiduciary Fund Type - Agency Funds**  
**June 30, 2013**

	<b>Student Activity</b>	<b>Agency Total</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 219,707	\$ 219,707
<b>Total Assets</b>	<b>\$ 219,707</b>	<b>\$ 219,707</b>
<b>Liabilities</b>		
Accounts Payable	\$ 45,420	\$ 45,420
Due to Student Groups	174,287	174,287
<b>Total Liabilities</b>	<b>\$ 219,707</b>	<b>\$ 219,707</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Statement of Changes in Assets and Liabilities  
 Fiduciary Fund Type - Agency Funds  
 Fiscal Year Ended June 30, 2013**

	Balance June 30, 2012	Additions/ Transfers to OPSB	Deductions	Balance June 30, 2013
<b>Student Activity</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 265,730	\$ 939,219	\$ 985,242	\$ 219,707
<b>Total Assets</b>	<b>\$ 265,730</b>	<b>\$ 939,219</b>	<b>\$ 985,242</b>	<b>\$ 219,707</b>
<b>Liabilities</b>				
Accounts Payable	\$ 39,714	\$ 5,706	\$ -	\$ 45,420
Due to Student Groups	226,016	933,513	985,242	174,287
<b>Total Liabilities</b>	<b>\$ 265,730</b>	<b>\$ 939,219</b>	<b>\$ 985,242</b>	<b>\$ 219,707</b>
<b>Total Agency Funds</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 265,730	\$ 939,219	\$ 985,242	\$ 219,707
<b>Total Assets</b>	<b>\$ 265,730</b>	<b>\$ 939,219</b>	<b>\$ 985,242</b>	<b>\$ 219,707</b>
<b>Liabilities</b>				
Accounts Payable	\$ 39,714	\$ 5,706	\$ -	\$ 45,420
Due to Student Groups	226,016	933,513	985,242	174,287
<b>Total Liabilities</b>	<b>\$ 265,730</b>	<b>\$ 939,219</b>	<b>\$ 985,242</b>	<b>\$ 219,707</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Government-Wide Expenses by Function  
For the Three Years Ended June 30, 2013**

(Unaudited)

<b>Governmental Activities</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Instruction			
Regular Programs	\$ 16,614,774	\$ 14,456,934	\$ 12,485,534
Special Programs	6,477,596	21,125,509	5,670,809
Other Instructional Programs	27,251,809	10,258,296	19,771,214
Support Services			
Student Services	6,056,891	6,416,504	4,829,455
Instructional Staff Support	7,479,352	8,522,463	7,501,398
General Administration	12,975,305	14,163,953	12,123,862
School Administration Services	3,009,496	2,888,897	1,946,446
Business Services	2,110,917	2,155,218	2,198,940
Student Transportation Services	3,941,658	4,520,742	3,154,365
Central Services	3,461,728	3,207,763	2,767,098
Plant Services	9,232,493	14,699,628	10,508,007
Other	21,914,918	563,236	530,941
Food Services	5,452,790	4,661,895	3,864,930
Transfer to Charter Schools and RSD	195,739,887	189,111,737	183,113,370
Interest on Long-Term Debt	5,030,902	11,903,516	9,444,926
<b>Total Governmental Activities</b>	<b>\$ 326,750,516</b>	<b>\$ 308,656,291</b>	<b>\$ 279,911,295</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Government-Wide Revenues  
For the Three Years Ended June 30, 2013**

(Unaudited)

<b>Governmental Activities</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>Program Revenues</b>			
Charges for Services	\$ 582,504	\$ 1,497,632	\$ 1,521,380
Operating Grants and Contributions	43,761,262	39,318,354	42,064,857
Capital Grants and Contributions	9,295,834	15,339,224	9,504,524
<b>General Revenues</b>			
Ad Valorem Taxes	133,691,064	120,447,536	110,794,005
Sales and Use Taxes	108,119,002	90,820,786	95,109,617
State Revenue Sharing	2,455,088	2,253,417	2,777,950
Minimum Foundation Program (MFP)	46,048,138	42,342,377	38,921,305
Interest and Investment Earnings	175,947	370,195	487,919
Debt Forgiveness	-	8,298,250	46,341,764
Insurance Proceeds	-	-	-
Miscellaneous	6,208,367	22,471,027	(3,599,309)
<b>Total Governmental Activities</b>	<b>\$ 350,337,206</b>	<b>\$ 343,158,798</b>	<b>\$ 343,924,012</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
General Fund Expenditures by Function  
Last Ten Fiscal Years  
June 30, 2013**

(Unaudited)

<b>Governmental Activities</b>	<b>2012 - 2013</b>	<b>2011 - 2012</b>	<b>2010 - 2011</b>	<b>2009 - 2010</b>	<b>2008 - 2009</b>
<b>Instructional</b>					
Regular	\$ 13,027,746	\$ 10,783,639	\$ 9,708,233	\$ 11,741,153	\$ 12,293,081
Special	3,183,692	3,029,204	2,881,996	2,224,169	2,297,469
Other Instructional Programs	1,967,446	2,051,161	2,411,786	1,485,948	1,682,444
<b>Support Services</b>					
Student Services	2,097,799	2,181,313	2,026,753	1,060,801	1,937,578
Instructional Staff	1,689,262	1,564,722	1,417,888	1,127,846	1,929,356
General Administration	2,389,186	4,076,291	4,262,910	3,000,371	3,249,389
School Administration	2,401,313	2,378,693	2,017,519	1,457,434	1,593,290
Business Administration					
Business Services	1,763,709	1,639,885	1,886,694	2,041,587	2,181,043
Maintenance of Plant	5,570,994	5,699,167	5,928,194	5,361,358	5,869,546
Student Transportation	3,206,358	3,468,801	3,159,234	2,551,994	2,837,647
Central Services	2,769,916	2,496,616	2,745,644	3,475,355	1,718,313
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Other	-	5,783	5,412	370,000	5,911,773
Debt Service	-	-	-	-	-
<b>Total</b>	<b>\$ 40,067,421</b>	<b>\$ 39,375,275</b>	<b>\$ 38,452,263</b>	<b>\$ 35,898,016</b>	<b>\$ 43,500,929</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
General Fund Expenditures by Function (Continued)  
Last Ten Fiscal Years  
June 30, 2013**

(Unaudited)

<b>Governmental Activities</b>	<b>2007 - 2008</b>	<b>2006 - 2007</b>	<b>2005 - 2006</b>	<b>2004 - 2005</b>	<b>2003 - 2004</b>
<b>Instructional</b>					
Regular	\$ 13,135,211	\$ 14,704,750	\$ 37,609,376	\$ 165,776,902	\$ 164,822,376
Special	2,248,217	1,644,518	8,751,997	53,973,784	53,460,499
Other Instructional Programs	1,896,083	953,387	4,031,308	7,104,077	5,085,898
<b>Support Services</b>					
Pupil	2,441,699	1,701,780	4,756,256	31,991,866	32,144,739
Instructional Staff	2,230,574	1,057,502	1,503,732	12,493,798	12,742,945
General Administration	12,816,283	7,130,149	5,193,536	11,867,615	9,909,996
School Administration	1,794,791	1,434,032	4,320,659	22,885,725	22,700,785
Business Administration					
Business Services	2,706,386	8,120,944	17,073,174	9,401,343	13,372,082
Maintenance of Plant	8,917,945	13,317,687	17,602,740	46,288,702	47,811,446
Pupil Transportation	2,567,773	4,908,926	1,842,567	17,033,284	17,927,731
Central Services	10,136,366	8,265,779	2,189,754	19,227,657	16,778,330
Food Services	-	-	-	130,967	150,104
Capital Outlay	61	41,782	-	630,225	515,854
Other	-	7,619	771,580	39,660	14,180
Debt Service	-	-	3,624,851	1,070,912	716,876
<b>Total</b>	<b>\$ 60,891,389</b>	<b>\$ 63,288,855</b>	<b>\$ 109,271,530</b>	<b>\$ 399,916,517</b>	<b>\$ 398,153,841</b>



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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***

Independent Auditor's Report

To the Orleans Parish School Board  
New Orleans, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Orleans Parish School Board (the School Board), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 23, 2013. Our report includes a reference to other auditors who audited the financial statements of the following aggregate discretely presented component units: Hynes Charter School, Lusher Charter School, New Orleans Charter Science and Math High School, Warren Easton Senior High School, Robert Russa Moton Charter School, Encore Learning, Ben Franklin High School and Algiers Charter Schools - Alice M. Harte Elementary and Edna Karr High School, as described in our report on the School Board's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, item 2013-1, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency.

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from 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 two instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2013-2 and 2013-3.

### **School Board's Response to Finding**

The School Board's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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



LaPorte, APAC  
Metairie, LA

December 23, 2013



LaPorte, APAC  
111 Veterans Blvd | Suite 600  
Metairie, LA 70005  
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LaPorte.com

**Report on Compliance For Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

Independent Auditor's Report

To the Orleans Parish School Board  
New Orleans, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited Orleans Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2013. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

**Report on Internal Control Over Compliance**

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

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The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the School Board as of and for the year ended June 30, 2013, and have issued our report thereon dated December 23, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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



LaPorte, APAC

Metairie, LA  
December 23, 2013

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor No	OPSB Expenditures	Charter Pass-Through Expenditures
United States Department of Homeland Security (FEMA)				
Passed through the Louisiana Department of Education				
FEMADisaster Relief Program	97 036	-	\$ 4,957,767	\$ -
Total United States Department of Homeland Security			<u>4,957,767</u>	<u>-</u>
United States Department of Housing and Urban Development				
Passed through the Louisiana Office of Community Development				
Community Development Block Grant	14 228	-	4,338,070	-
Total United States Department of Homeland Security			<u>4,338,070</u>	<u>-</u>
United States Department of Agriculture				
Passed Through Louisiana Department of Agriculture				
Noncash Assistance (Commodities):				
National School Lunch Program	10 555		295,710	
Summer Food Service Program for Children	10 559		1,380	
Noncash Assistance Subtotal			<u>297,090</u>	
Cash Assistance				
School Breakfast Program	10 553	-	1,242,542	-
National School Lunch Program	10 555	-	3,465,248	-
Summer Food Service Program for Children	10 559	-	289,938	-
Cash Assistance Subtotal			<u>4,997,728</u>	<u>-</u>
Total United States Department of Agriculture			<u>5,294,818</u>	<u>-</u>
United States Department of Agriculture - Natural Resources				
Conservation Service Soil and Water Conservation	10 902	-	(95)	-
Total United States Department of Agriculture - Natural Resources			<u>(95)</u>	<u>-</u>
United States Department of Defense				
ROTC	12 998	-	36,537	-
Total United States Department of Defense			<u>36,537</u>	<u>-</u>
United States Department of Education				
Passed Through Department of Education				
No Child Left Behind Act (NCLB)				
Title I	84 010A	28-13-T-1-36	13,802,861	9,269,763
Title II	84 367A	28-13-50-36	2,973,562	725,436
Title III	84 365A	28-13-60-36	72,271	-
Title IV	84 186A	28-10-70-36	56,611	
Gulf Coast Recovery Grant	84.215C		430,112	1,700,215
McKinney-Vento Homeless Assistance Act - Title VII	84 387A	28-13-H1-36	83,386	
Individuals with Disabilities and Exceptionalities Act (IDEA)				
IDEA Part B	84 027A	28-13-B1 36	4,810,178	531,549
Special Education High Risk Pool	84 027A	28-13-B1 36	3,371	33,128
Preschool	84 173A	28-13-P1 36	39,005	
Vocational Education				
Carl Perkins	84 048	28-13-02-36	156,786	-
Hurricane Katrina Foreign Contributions	84 940C	28-07-FC-36	80,449	7,329
Hurricane Educator Assistance Program (HEAP)	84 938K	28-08-HE 36	-	301,779
Total United States Department of Education			<u>22,508,592</u>	<u>12,569,199</u>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Schedule of Expenditures of Federal Awards (Continued)  
 For the Year Ended June 30, 2013**

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Pass-Through Grantor No	OPSB Expenditures	Charter Pass-Through Expenditures
United States Department of Health and Human Services				
Passed through the Louisiana Department of Education				
Temporary Assistance for Needy Families (TANF) After School For All	93 558B	-	376,966	486,857
Safe and Healthy School Initiative - HIV	93 938	28-12 5H-36	24,166	-
Total United States Department of Health and Human Services			<u>401,132</u>	<u>486,857</u>
Total Expenditures of Federal Awards			<u>37,536,821</u>	<u>13,056,056</u>
				<u>\$ 50,592,877</u>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2013**

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**Note 1 Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Orleans Parish School Board and is presented on the modified accrual basis of accounting. Commodities received, which are non-cash revenue, are valued at prices provided by the U.S. Department of Agriculture. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**Note 2. Reconciliation to the Basic Financial Statements**

The expenditures listed in the accompanying schedule are reported in the following funds in either the governmental funds statement of revenues, expenditures and changes in fund balances (basic statement) or the non-major special revenue funds combining statement of revenues, expenditures and changes in fund balance, (supplementary information) of the Orleans Parish School Board's June 30, 2013, financial statements.

General Fund	\$ 36,537
Hurricane Katrina Restoration Fund	4,957,767
Federal Grant Fund	35,941,519
CDBG Capital Projects Fund	4,338,070
State and Local Fund	24,166
Child Nutrition Fund	5,294,818
	<hr/>
Financial Statement Total	\$ 50,592,877
	<hr/>
Schedule of Expenditures of Federal Awards Total	\$ 50,592,877
	<hr/>

**Note 3. Loans Payable to Federal Agency**

The School Board has Federal Community Disaster Loans (the "Loans") of \$8,636,118 as of June 30, 2013. The terms of the Loans call for interest to accrue at 2.93% annually, with principal and interest payments scheduled.

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2013

---

Section 1

Financial Statements

1	Type of auditors' report	Unmodified
2	Internal control over financial reporting	
	a Maternal weaknesses identified	None
	b Significant deficiencies identified not considered to be maternal weaknesses	Yes
	c Noncompliance material to the financial statements noted	Yes

Federal Awards

1	Internal control over major programs	
	a Maternal weaknesses identified	None
	b Significant deficiencies identified not considered to be maternal weaknesses	None
2	Type of auditors' report issued on compliance for each major program	Unmodified
3	Audit findings disclosed that are required in accordance with OMB A-133, Section 510(a)	No
4	Identification of major programs	
	14 228	Community Development Block Grant
	84 010A	Title I
	84 048	Carl Perkins
5	Dollar threshold used to distinguish between Type A and B programs	\$1,517,786
6	Auditee qualified as a low-risk auditee under OMB A-133 Section 530	Yes

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2013**

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**Section 2**

Financial Statement Findings

**2013-1 Documentation of Credit Card Transactions**

Issue The School Board did not maintain adequate documentation on charge card transactions incurred during the year. Of the 98 transactions selected for testing, we noted the following:

- Seven transactions lacked sufficient supporting documentation
- One transaction was documented as being an "unauthorized" charge

Criteria All expenditures, including those paid through charge cards, should be supported by sufficient documentation.

Effect The condition results in a weakness in the School Board's internal controls over purchasing and procurement.

Cause Lack of sufficient oversight and review of charge card transaction.

Recommendation We recommend that usage of charge cards be limited for only those expenditures approved by the appropriate level of management, and that all charges be supported by sufficient documentation prior to payment.

Management's Response We concur with the finding and have already implemented a new process for credit card transactions. A new form was developed which would require pre-approval of all credit card transactions. This form requires documentation about the transaction, including the approval of the transaction by proper personnel, as well as the general ledger account, which addresses the issues noted in this finding.

**2013-2 Noncompliance with Budget Law – Public Inspection**

Issue The budget for the School Board was made available for public inspection on September 3, 2012 and adopted by the school board on September 13, 2012. The budget was not made available for public inspection no later than 15 days prior to the date of budget adoption by the School Board as required by state law.

Criteria R S 39:1306(A)(1) and R S 17:88(A) require the school board budget to be completed and submitted to the school board and made available for public inspection no later than 15 days prior to the date for budget adoption by the school board.

Effect Public inspection of the budget was less than 15 days prior to budget adoption.

Cause While the advertisement request was submitted timely, on August 29, 2012, Hurricane Isaac passed through the City of New Orleans, delaying the advertisement of the budget for public inspection.

Recommendation As the circumstances resulting in this instance of noncompliance with Budget law were out of the School Board's control, our recommendation is for the School Board to continue to follow the requirements relating to state law relating to budget requirements.

Management's Response While we concur that the budget was not advertised for the time frame required by law, the circumstances leading to this finding were beyond the control of the School Board. The School Board submitted the advertisement timely to the publisher but due to Hurricane Isaac, the publishing date was delayed.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2013**

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**2013-3 – Noncompliance with Budget Law – Budget Amendments**

Issue At June 30, 2013, actual revenues and other sources for the General Fund failed to meet total budgeted revenues and other sources by approximately 7.6%

Criteria R S 39 1310 and 39 1311 requires that whenever total revenue and other sources are failing to meet total budgeted revenues and other sources by five percent or more, the governing authority shall adopt a budget amendment

Effect The School Board did not meet the requirements of the state budget laws in regards to the revenues of its general fund

Cause A number of post-closing entries were recorded that resulted in actual revenues and other sources being less than amounts budgeted

Recommendation Near the end of the fiscal year, management should evaluate its actual revenues and other sources and compare those amounts to its current budget. If management projects significant variances (i.e., more than 5%) between budgeted and actual revenues and other sources, a budget amendment should be prepared and submitted to the School Board.

Management's Response Management agrees that a variance greater than 5% existed between actual and budgeted revenues and other sources, however we would like to note that actual expenditures and other uses were less than budget by approximately 7%, thus resulting in a positive fund balance.

**Section 3**

Federal Awards Findings and Questioned Costs

None

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Summary Schedule of Prior Year Findings and Questioned Costs  
For the Year Ended June 30, 2013**

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**2012-1 Ad Valorem Taxes Receivable**

Condition and Recommendation Currently there is a lack of control surrounding year end entries for the above noted transaction cycle Management should review ad valorem taxes receivable accounts to ensure proper recordation at year end

Current Status No exceptions were noted surrounding the above noted transactions

**ORLEANS PARISH SCHOOL BOARD**

\*\*\*\*\*

**SUMMARY OF CHARTER SCHOOL FINDINGS**

## ALGIERS CHARTER SCHOOLS ASSOCIATION

### **A. SUMMARY OF AUDIT RESULTS**

- 1 The independent auditors' report expresses an unqualified opinion on the financial statements of the Algiers Charter School Association
- 2 No control deficiencies relating to the audit of the financial statements are reported in the *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*
- 3 No instances of noncompliance material to the financial were disclosed during the audit
- 4 No control deficiencies relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*
- 5 The auditors' report on compliance with requirements applicable to major federal award programs for Algiers Charter School Association expresses an unqualified opinion
- 6 The auditors' report disclosed no findings that were required to be reported in accordance with Section 510(a) of OMB Circular A-133
- 7 A management letter was not issued for the year ended June 30, 2013
- 8 The programs tested as major programs were

	CFDA No
National School Lunch Program	10 555
Special Education Grants to States	84 027
- 9 The threshold for distinguishing between type A and type B programs was \$300,000
- 10 Algiers Charter School Association was determined to not be a low-risk auditee

### **B. Findings Related to the Financial Statements**

None

### **C. Findings and Questioned Costs Related to Major Federal Award Programs**

None

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON CHARTER SCHOOL**

**Part I - Summary of Auditor's Results**

**Financial Statement Section**

1 Type of auditor's report	Unqualified
2 Internal control over financial reporting and compliance and other matters	
a Maternal weaknesses identified	None
b Significant deficiencies identified not considered to be maternal weaknesses	None
c Noncompliance noted	None
3 Management letter comment provided	None

**Federal Awards Section**

4 Type of auditor's report issued on compliance for major program	Unqualified
5 Internal control over major program	
a Maternal weaknesses identified	None
b Significant deficiencies identified not considered to be maternal weaknesses	None
6 Audit findings disclosed that are required in accordance with OMB A-133, Section 510a	None
7 Identification of major programs 84 010 Title 1 - Grants to Local Education Agencies (LEAs)	
8 Dollar threshold used to distinguish between Type A and B programs	\$300,000
9 Auditee qualified as a low-risk auditee under OMB A-133, Section 530	Yes

**Part I - Financial Statements Findings Section**

None

**Part II - Federal Award Findings and Questioned Costs Section**

None

**D/B/A BENJAMIN FRANKLIN HIGH SCHOOL**

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statement**

**Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2013 related to internal control over financial reporting

**Compliance and Other Matters**

There were no findings noted during the audit for the year ended June 30, 2013 related to compliance and other matters

**Section II - Internal Control and Compliance Material to Federal Awards**

**Internal Control/Compliance**

The School did not expend more than \$500,000 in Federal awards

**Section III – Management Letter**

**Management Letter**

A management letter was not issued in connection with the audit of the financial statement for the year ended June 30, 2013

**THE EINSTEIN GROUP, INC.**

**Section I. Summary of Audit Results**

**Financial Statements**

- |   |             |
|---|-------------|
| 1) Type of auditor's report   | Unqualified |
| 2) Internal control over financial reporting and compliance and other matters   |             |
| a) Maternal weaknesses identified   | None        |
| b) Significant deficiencies identified not considered to be maternal weaknesses | None        |
| c) Noncompliance noted  | None        |
| 3) Management letter comment provided   | None        |

**Federal Awards**

- |  |             |
|--|-------------|
| 4) Internal control over major program   |             |
| a) Maternal weaknesses identified  | None        |
| b) Significant deficiencies identified not considered to be maternal weaknesses          | None        |
| 5) Type of auditor's report issued on compliance for major program                       | Unqualified |
| 6) Audit findings disclosed that are required in accordance with OMB A-133, Section 510a | None        |
| 7) Identification of major program<br>84 396B - Investing in Innovation Fund             |             |
| 8) Dollar threshold used to distinguish between Type A and B programs                    | \$300,000   |
| 9) Auditee qualified as a low-risk auditee under OMB A-133, Section 530                  | Yes         |

**Section II. Internal Control Over Financial Reporting**

None

**Section III. Findings and Questioned Costs Related to Major Federal Award Program**

None

## ENCORE LEARNING

### **Summary of Auditor's Results**

#### *Financial Statements*

- |  |             |
|--|-------------|
| • Type of auditor's report issued  | Unqualified |
| • Maternal weaknesses identified   | No          |
| • Significant deficiencies identified not considered to be maternal weaknesses | No          |
| • Noncompliance material to the financial statements noted                     | No          |

### **Finding – Financial Statement Audit**

There are no findings for the year ended June 30, 2013

### **Questioned Costs**

There are no questioned costs for the year ended June 30, 2013

**HYNES CHARTER SCHOOL CORPORATION**

**Section I – Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting	
Material weaknesses identified?	no
Significant deficiencies identified not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards

Internal control over major programs	
Material weaknesses identified?	no
Significant deficiencies identified not considered to be material weaknesses?	none reported
Type of auditors' report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510 (a)?	no

Identification of major programs

CFDA Numbers	Name of Federal Program or Cluster
84 010A	Title I – Grants to Local Educational Agencies – Part A - Basic

Dollar threshold used to distinguish between Type A and Type B programs	\$500,000
Auditee qualified as low-risk audit?	yes

**Section II - Internal Control and Compliance - Governmental Auditing Standards**

No findings or questioned costs for the year ended June 30, 2013

**Section III - Internal Control and Compliance - Major Federal Programs**

No findings or questioned costs for the year ended June 30, 2013

**LAKE FOREST ELEMENTARY CHARTER SCHOOL**

**Section I. Summary of Audit Results**

**Financial Statements**

- |   |             |
|---|-------------|
| 1) Type of auditor's report   | Unqualified |
| 2) Internal control over financial reporting and compliance and other matters   |             |
| a) Maternal weaknesses identified   | None        |
| b) Significant deficiencies identified not considered to be maternal weaknesses | None        |
| c) Noncompliance noted  | None        |
| 3) Management letter comment provided   | None        |

**Federal Awards**

- |  |             |
|--|-------------|
| 4) Internal control over major program   |             |
| a) Maternal weaknesses identified  | None        |
| b) Significant deficiencies identified not considered to be maternal weaknesses          | None        |
| 5) Type of auditor's report issued on compliance for major program                       | Unqualified |
| 6) Audit findings disclosed that are required in accordance with OMB A-133, Section 510a | None        |
| 7) Identification of major program<br>84 396B - Investing in Innovation Fund             |             |
| 8) Dollar threshold used to distinguish between Type A and B programs                    | \$300,000   |
| 9) Auditee qualified as a low-risk auditee under OMB A-133, Section 530                  | Yes         |

**Section II. Internal Control Over Financial Reporting**

None

**Section III. Findings and Questioned Costs Related to Major Federal Award Program**

None

**ADVOCATES FOR ARTS-BASED EDUCATION CORPORATION  
D/B/A LUSHER CHARTER SCHOOL**

**Section I – Summary of Auditor’s Results**

a) Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting

- Material weaknesses identified? No
- Significant deficiencies identified not considered to be *material weaknesses*? None reported

Noncompliance material to financial statements noted? No

b) Federal Awards

The School did not expend more than \$500,000 in federal awards during the year ended June 30, 2013, and therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Government, and Non-Profit Organizations.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements**

**Internal Control Over Financial Reporting**

No internal control over financial reporting findings were reported during the audit for the year ended June 30, 2013

**Compliance and Other Matters**

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2013

**Section III – Federal Award Findings and Questioned Costs**

**Internal Control / Compliance**

The School did not expend more than \$500,000 in federal awards during the year ended June 30, 2013, and therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Government, and Non-Profit Organizations.

**ADVOCATES FOR INNOVATIVE SCHOOLS, INC.  
(D/B/A ROBER RUSSA MOTON CHARTER SCHOOL)**

**Section I – Summary of Auditor’s Results**

Financial Statement

Type of auditors' report issued Unqualified

Internal control over financial reporting

- Material weaknesses identified? No
- Significant deficiencies identified? No
- Noncompliance material to financial statements noted? No

**Section II - Financial Statement Findings**

No findings or questioned costs for the year ended June 30, 2013

**Section III – Federal Awards Findings**

No findings or questioned costs for the year ended June 30, 2013

**ADVOCATES FOR SCIENCE AND MATHEMATICS EDUCATION, INC.**

**A. SUMMARY OF AUDIT RESULTS**

- The independent auditors' report expresses an unqualified opinion on the financial statements of Advocates for Science and Mathematics Education, Inc ("Advocates") (a nonprofit organization)
- No instances of noncompliance material to the financial statements of Advocates was disclosed and identified during the audit
- No material weaknesses were noted relating to the audit in the *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Auditing Standards*
- The Independent Auditor's Report on Compliance for each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 expresses an unqualified opinion on all major federal programs
- There were no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133
- A management letter was issued for the year ended June 30, 2013
- The program tested as a major program for the year ended June 30, 2013 was  

<u>Program Title</u>	<u>CFDA No</u>
Title I	84 010
- The threshold for distinguishing between type A and type B programs was \$300,000
- Advocates qualifies as a low-risk auditee

**B. Findings and Question Costs – Major Federal Award Programs**

None

**C. Findings Related to the Financial Statements**

None

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

None

**SECTION II – FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

None

**SECTION III – MANAGEMENT LETTER**

Cash Management – Resolved

**WARREN EASTON SENIOR HIGH SCHOOL FOUNDATION, INC**

**Section I – Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	no
Significant deficiencies identified not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards

Internal control over major programs	
Material weaknesses identified?	no
Significant deficiencies identified not considered to be material weaknesses?	none reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510 (a)?	no

Identification of major programs

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84 010A	Title I – Grants to Local Educational Agencies – Part A - Basic

Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk audit?	yes

**Section II – Findings related to the financial statements that are required to be reported in accordance with *Governmental Auditing Standards***

No findings and questioned costs for the year ended June 30, 2013

**Section III – Findings and questioned costs for federal awards under OMB Circular A-133 Section 510(a)**

No findings and questioned costs for the year ended June 30, 2013



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

To the Orleans Parsh School Board  
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Orleans Parsh School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Orleans Parsh 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. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings 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

No differences were noted.

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

An Independently Owned Member, McGladrey Alliance

The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

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, Assistant 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

No differences were noted

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

No differences were noted

- 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

No differences were noted

Number and Type of Public Schools (Schedule 3)

- 5 We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84 010) application and/or the National School Lunch Program (CFDA 10 555) application

No differences were noted

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

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

For the 19 of the 25 teachers, principals and assistants sampled, discrepancies were noted. We discussed with management who further analyzed the discrepancies. It was determined that the information for the schedule was obtained from the School board's MUNIS data system. The data system pulled the years of service from the salary scale in MUNIS which identifies the salary step of an employee but does not necessarily correlate to the years of service. As a result the discrepancies we noted in our sample occurred. Management is in the process of upgrading the MUNIS system and will not utilize the module which captures years of service

Public School Staff Data Average Salaries (Schedule 5)

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

No differences were noted

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

No differences were noted

Class Size Characteristics (Schedule 6)

- 9 We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in Procedure 5 We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule

No differences were noted

Louisiana Educational Assessment Program (LEAP) (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 Orleans Parish School Board

No differences were noted

Graduation Exit Examination (GEE) (Schedule 8)

- 11 Information is not applicable for 2013, and is shown for historical purposes

iLEAP Tests (Schedule 9)

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

No differences were noted

\*\*\*\*\*

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 Orleans 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.

\*\*\*\*\*

We were not engaged to, and did not perform, an audit, 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 Orleans 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.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

December 23, 2013

**SCHEDULES REQUIRED BY LOUISIANA STATE LAW  
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)**

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 General Fund Instructional and Support Expenditures  
 And Certain Local Revenue Sources  
 For the Year Ended June 30, 2013**

Schedule 1

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures**

**Teacher and Student Interaction Activities**

Classroom Teacher Salaries	\$ 8,781,940
Other Instructional Staff Activities	1,000,920
Employee Benefits	6,532,714
Purchased Professional and Technical Services	1,064,841
Instructional Materials and Supplies	796,699
Instructional Equipment	-

**Total Teacher and Student Interaction Activities** **\$ 18,177,114**

Other Instructional Activities 1,770

<b>Pupil Support Activities</b>	<b>2,097,802</b>
Less Equipment for Pupil Support Activities	(58,400)

**Net Pupil Support Activities** **2,039,402**

<b>Instructional Staff Services</b>	<b>1,689,261</b>
Less Equipment for Instructional Staff Services	(136,248)

**Net Instructional Staff Services** **1,553,013**

<b>School Administration</b>	<b>2,401,313</b>
Less Equipment for School Administration	(730)

**Net School Administration** **2,400,583**

**Total General Fund Instructional Expenditures** **\$ 24,171,882**

**Total General Fund Equipment Expenditures** **\$ -**

**Certain Local Revenue Sources**

**Local Taxation Revenue**

Constitutional Ad Valorem Taxes	\$ 82,591,467
Renewable Ad Valorem Tax	37,860,736
Debt Service Ad Valorem Tax	13,238,861
Up to 1% of Collections by the Sheriff on Taxes	
Other than School Taxes	(8,855,818)
Sales and Use Taxes	108,119,002

**Total Local Taxation Revenue** **\$ 232,954,248**

**State Revenue Sharing** **\$ 2,455,088**

**Nonpublic Textbook Revenue** **\$ 475,440**

**Nonpublic Transportation Revenue** **\$ -**

See independent accountant's report on applying agreed-upon procedures

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Education Levels of Public School Staff  
 As of October 1, 2012

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	1	0%	0	0%	0	0%
Bachelor's Degree	97	50%	3	75%	0	0%	0	0%
Master's Degree	72	37%	0	0%	9	69%	0	0%
Master's Degree + 30	26	13%	0	0%	4	31%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph D or Ed D	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>195</b>	<b>100%</b>	<b>4</b>	<b>75%</b>	<b>13</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

See independent accountant's report on applying agreed-upon procedures

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Number and Type of Public Schools  
For the Year Ended June 30, 2013**

**Schedule 3**

<b>Type</b>	<b>Number</b>
Elementary	3
Middle/Jr High	-
Secondary	0
Combinaton	3
<b>Total</b>	<b>6</b>

See independent accountant's report on applying agreed-upon procedures

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Experience of Public Principals, Assistant  
 Principals and Full Time Classroom Teachers  
 As of October 1, 2012**

**Schedule 4**

	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	1	0	1	1	1	4
Principals	0	0	0	2	1	1	5	9
Classroom Teachers	25	3	20	19	25	25	78	195
<b>Total</b>	<b>25</b>	<b>3</b>	<b>21</b>	<b>21</b>	<b>27</b>	<b>27</b>	<b>84</b>	<b>208</b>

See independent accountant's report on applying agreed-upon procedures

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Public School Staff Data- Average Salaries  
 For the Year Ended June 30, 2013

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers Salary Including Extra Compensation	\$55,466	\$55,327
Average Classroom Teachers Salary Excluding Extra Compensation	\$55,240	\$55,098
Number of Teacher Full-Time Equivalents (FTEs) Used in Computation of Average Salaries	184	182

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Class Size Characteristics  
 As of October 1, 2012

Schedule 6

CLASS SIZE RANGE										
SCHOOL TYPE	TYPE TOTAL	%	1 THRU 20	%	21 THRU 26	%	27 THRU 33	%	34+	%
ELEMENTARY	242	20.86%	50	4.31%	96	8.28%	90	7.76%	6	0.52%
ELEMENTARY ACTIVITY CLASSES	108	9.31%	21	1.81%	32	2.76%	51	4.40%	4	0.34%
MIDDLE	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
MIDDLE/JR HIGH ACTIVITY CLASSES	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
HIGH	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
HIGH ACTIVITY CLASSES	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
COMBINATION	506	43.62%	204	17.59%	113	9.74%	133	11.47%	56	4.83%
COMBINATION ACTIVITY CLASSES	304	26.21%	254	21.90%	21	1.81%	15	1.29%	14	1.21%
<b>TOTAL</b>	<b>1,160</b>	<b>100.00%</b>	<b>529</b>	<b>45.60%</b>	<b>262</b>	<b>22.59%</b>	<b>289</b>	<b>24.91%</b>	<b>80</b>	<b>6.90%</b>

See independent accountant's report on applying agreed-upon procedures

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Louisiana Educational Assessment Program (LEAP)  
For the Year Ended June 30, 2013**

**Schedule 7**

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%
Grade 4																								
Advanced	15	12%	8	6%	22	18%	20	16%	13	11%	19	11%	5	4%	3	2%	4	7%	1	8%	1	8%	9	6%
Mastery	50	40%	50	41%	43	36%	33	26%	47	39%	36	22%	22	17%	21	17%	18	21%	18	33%	19	33%	35	36%
Basic	48	38%	50	41%	46	38%	48	38%	42	34%	54	57%	69	55%	68	56%	74	57%	78	48%	84	48%	68	46%
Approaching Basic	10	8%	10	8%	9	8%	14	11%	14	11%	7	8%	24	19%	26	21%	17	12%	21	2%	11	2%	4	8%
Unsatisfactory	3	2%	4	3%	0	0%	11	9%	6	5%	4	2%	6	5%	4	3%	7	3%	8	9%	7	9%	4	4%
Total	126	100%	122	100%	120	100%	126	100%	122	100%	120	100%	126	100%	122	100%	120	100%	126	100%	122	100%	120	100%

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%	Nbr	%
Grade 8																								
Advanced	3	1%	3	1%	5	3%	2	1%	0	0%	6	3%	1	0%	0	0%	0	0%	0	0%	1	0%	0	0%
Mastery	39	16%	20	9%	35	21%	3	1%	2	1%	4	4%	9	4%	10	4%	12	7%	3	1%	7	3%	12	7%
Basic	128	51%	125	53%	90	54%	123	50%	104	44%	81	57%	103	42%	73	31%	63	37%	117	47%	102	43%	73	43%
Approaching Basic	71	29%	78	33%	36	21%	87	35%	86	36%	58	25%	106	43%	114	48%	57	34%	85	34%	89	38%	64	38%
Unsatisfactory	7	3%	9	4%	2	1%	32	13%	45	19%	16	11%	28	11%	39	17%	37	22%	42	17%	37	16%	20	12%
Total	248	100%	235	100%	168	100%	247	100%	237	100%	165	100%	247	100%	236	100%	169	100%	247	100%	236	100%	169	100%

See independent accountant's report on applying agreed-upon procedures

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Graduation Exit Exam (GEE)  
 For the Year Ended June 30, 2013

Schedule 8

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012*		2011		2012*		2012*		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	N/A	N/A	N/A	N/A	2	0%	N/A	N/A	N/A	N/A	10	3%
Proficient	N/A	N/A	N/A	N/A	21	9%	N/A	N/A	N/A	N/A	39	15%
Basic	N/A	N/A	N/A	N/A	171	50%	N/A	N/A	N/A	N/A	160	46%
Approaching Basic	N/A	N/A	N/A	N/A	76	30%	N/A	N/A	N/A	N/A	54	20%
Unsatisfactory	N/A	N/A	N/A	N/A	35	11%	N/A	N/A	N/A	N/A	43	16%
Total	0	0%	0	0%	305	100%	0	0%	0	0%	306	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	N/A	N/A	1	0%	2	0%	N/A	N/A	0	0%	0	0%
Proficient	N/A	N/A	25	7%	22	6%	N/A	N/A	3	1%	4	1%
Basic	N/A	N/A	166	48%	121	47%	N/A	N/A	222	64%	172	61%
Approaching Basic	N/A	N/A	103	30%	101	33%	N/A	N/A	73	21%	78	30%
Unsatisfactory	N/A	N/A	52	15%	53	14%	N/A	N/A	49	14%	45	8%
Total	0	0%	347	100%	299	100%	0	0%	347	100%	299	100%

\* The 10th grade cohort of students did not participate in GEE testing during spring of 2012

See independent accountant's report on applying agreed-upon procedures

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 iLEAP Test Results  
 For the Year Ended June 30, 2013

Schedule 9

iLEAP Tests - 2013

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	4	3%	9	9%	4	3%	2	2%
Mastery	35	32%	37	25%	27	20%	25	22%
Basic	57	47%	58	43%	65	55%	66	52%
Approaching Basic	18	14%	14	15%	25	19%	15	19%
Unsatisfactory	16	4%	12	8%	9	3%	22	5%
<b>Total</b>	<b>130</b>	<b>100%</b>	<b>130</b>	<b>100%</b>	<b>130</b>	<b>100%</b>	<b>130</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	16	16%	5	7%	2	1%	3	7%
Mastery	24	34%	23	27%	22	14%	17	33%
Basic	62	43%	67	50%	71	59%	70	50%
Approaching Basic	13	7%	19	9%	23	22%	21	10%
Unsatisfactory	5	0%	6	7%	2	4%	9	0%
<b>Total</b>	<b>120</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>120</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	12	25%	17	5%	2	6%	4	15%
Mastery	45	18%	30	18%	26	23%	13	13%
Basic	54	48%	52	69%	60	54%	68	58%
Approaching Basic	5	4%	10	5%	22	14%	24	10%
Unsatisfactory	1	5%	8	3%	7	3%	8	4%
<b>Total</b>	<b>117</b>	<b>100%</b>	<b>117</b>	<b>100%</b>	<b>117</b>	<b>100%</b>	<b>117</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	2	3%	1	6%	0	3%	0	0%
Mastery	25	18%	9	9%	13	10%	6	9%
Basic	93	61%	94	54%	67	40%	104	62%
Approaching Basic	43	15%	46	22%	68	38%	35	19%
Unsatisfactory	9	3%	21	9%	21	9%	25	10%
<b>Total</b>	<b>172</b>	<b>100%</b>	<b>171</b>	<b>100%</b>	<b>169</b>	<b>100%</b>	<b>170</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2013		2013	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0%	0	1%
Mastery	0	7%	0	6%
Basic	0	55%	0	58%
Approaching Basic	0	33%	0	22%
Unsatisfactory	0	5%	0	13%
<b>Total</b>	<b>0</b>	<b>100%</b>	<b>0</b>	<b>100%</b>

See independent accountant's report on applying agreed-upon procedures

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 iLEAP Test Results  
 For the Year Ended June 30, 2013

Schedule 9

iLEAP Tests - 2012

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	8	6%	8	6%	4	3%	0	0%
Mastery	27	22%	26	21%	27	22%	22	18%
Basic	61	49%	60	48%	57	46%	64	51%
Approaching Basic	21	17%	22	18%	31	25%	27	22%
Unsatisfactory	8	6%	9	7%	6	5%	12	10%
<b>Total</b>	<b>125</b>	<b>100%</b>	<b>125</b>	<b>100%</b>	<b>125</b>	<b>100%</b>	<b>125</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	10	9%	16	14%	2	2%	2	2%
Mastery	34	30%	21	18%	12	10%	18	16%
Basic	55	48%	50	43%	59	51%	52	45%
Approaching Basic	15	13%	21	18%	36	31%	32	28%
Unsatisfactory	1	1%	7	6%	6	5%	11	10%
<b>Total</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	7	7%	18	18%	1	1%	0	0%
Mastery	31	32%	22	22%	14	14%	9	9%
Basic	56	57%	48	49%	48	49%	54	55%
Approaching Basic	3	3%	4	4%	32	33%	29	30%
Unsatisfactory	1	1%	6	6%	3	3%	6	6%
<b>Total</b>	<b>98</b>	<b>100%</b>	<b>98</b>	<b>100%</b>	<b>98</b>	<b>100%</b>	<b>98</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	3	2%	2	1%	0	0%	1	1%
Mastery	12	8%	11	7%	11	7%	2	1%
Basic	85	57%	70	47%	68	45%	54	38%
Approaching Basic	44	30%	41	28%	56	38%	59	40%
Unsatisfactory	4	3%	24	16%	15	10%	32	22%
<b>Total</b>	<b>148</b>	<b>100%</b>	<b>148</b>	<b>100%</b>	<b>148</b>	<b>100%</b>	<b>148</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2012		2012	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0%	0	0%
Mastery	0	0%	0	0%
Basic	0	0%	0	0%
Approaching Basic	0	0%	0	0%
Unsatisfactory	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

See independent accountant's report on applying agreed-upon procedures

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
iLEAP Test Results (Continued)  
For the Year Ended June 30, 2013**

**Schedule 9  
(Continued)**

**iLEAP Tests - 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced								
Mastery	11	9%	10	8%	3	2%	3	2%
Basic	27	21%	24	19%	12	10%	18	14%
Approaching Basic	67	53%	62	49%	72	57%	78	62%
Unsatisfactory	16	13%	23	18%	37	29%	16	13%
	5	4%	7	6%	2	2%	11	9%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	9	8%	14	12%	2	2%	8	7%
Mastery	33	29%	18	16%	12	10%	33	29%
Basic	46	41%	54	48%	53	47%	43	38%
Approaching Basic	18	16%	13	12%	33	29%	17	15%
Unsatisfactory	7	6%	14	12%	13	12%	12	11%
<b>Total</b>	<b>113</b>	<b>100%</b>	<b>113</b>	<b>100%</b>	<b>113</b>	<b>100%</b>	<b>113</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	5	5%	9	9%	1	1%	10	10%
Mastery	28	28%	15	15%	7	7%	9	9%
Basic	54	53%	63	61%	65	64%	56	55%
Approaching Basic	12	12%	8	8%	25	25%	22	22%
Unsatisfactory	2	2%	7	7%	3	3%	4	4%
<b>Total</b>	<b>101</b>	<b>100%</b>	<b>102</b>	<b>100%</b>	<b>101</b>	<b>100%</b>	<b>101</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	2	2%	0	0%	0	0%	0	0%
Mastery	13	11%	4	4%	3	3%	3	3%
Basic	59	52%	56	49%	55	48%	64	56%
Approaching Basic	32	28%	32	28%	32	28%	26	23%
Unsatisfactory	8	7%	22	19%	24	21%	21	18%
<b>Total</b>	<b>114</b>	<b>100%</b>	<b>114</b>	<b>100%</b>	<b>114</b>	<b>100%</b>	<b>114</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0%	0	0%
Mastery	0	0%	0	0%
Basic	0	0%	0	0%
Approaching Basic	0	0%	0	0%
Unsatisfactory	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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