

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year  
July 1, 2011 - June 30, 2012



## Franklinton, Louisiana

Mr. Lee Alan McCain  
President

Mr. Darrell Fairburn  
Superintendent

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 JAN 16 2013

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**Comprehensive Annual Financial Report**  
July 1, 2011 – June 30, 2012



Mt. Hermon School Activities



**Prepared by:**  
**Finance Department**

**Mrs. Beth Keaton**  
**Director of Finance**

**Mrs. Lacy Burris**  
**Chief Accountant**

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2012**

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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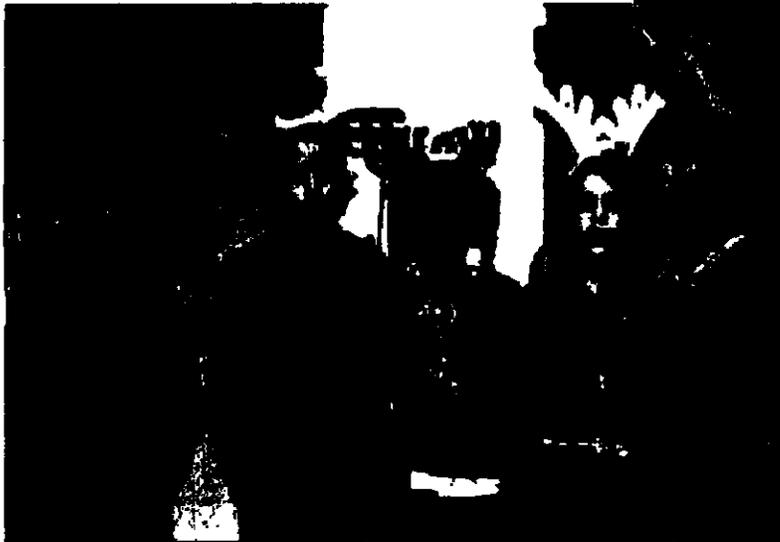
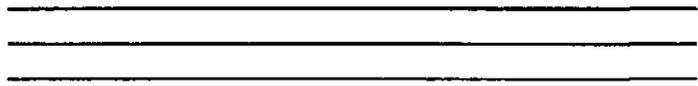
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Franklinton, Louisiana**

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INTRODUCTORY SECTION



Franklinton Elementary School  
Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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## WASHINGTON PARISH SCHOOL SYSTEM

PO BOX 587  
FRANKLINTON, LOUISIANA 70438  
(985) 839-3436 FAX # (985) 839-3464

December 4, 2012

To the Members and Citizens of the  
Washington Parish School Board  
Franklinton, Louisiana:

The comprehensive annual financial report of the Washington Parish School Board for the fiscal year ended June 30, 2012, is hereby submitted. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included. More specific and detailed information pertaining to the School Board's economic and financial status can be found in the management discussion and analysis section of these reports. The management discussion and analysis section immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The management discussion and analysis section complements this letter of transmittal and should be read in conjunction with it.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and 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 and the Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133, are included in the single audit section of this report.

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of Washington Parish, Louisiana. A nine-member board governs the School System with each member serving a concurrent four-year term. The current board is in the second year of its four-year term.

It is the responsibility of the School Board to make public education available to the residents of Washington Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children and vocational education. The system has a current enrollment at October 1, 2012 of 5,477 which includes 338 pre-kindergarten students.

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DISTRICT 1 - DAN SLOCUM  
DISTRICT 2 - JOHN WYBLE  
DISTRICT 3 - REV BRUCE L. BROWN, Sr

DISTRICT 4 - JOHN E. BRELAND  
DISTRICT 5 - MARY ADAMS  
DISTRICT 6 - DEWITT PERRY

DISTRICT 7 - LEE ALAN McCAIN  
DISTRICT 8 - MATTHEW TATE  
DISTRICT 9 - LISLEY MCKINLEY

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The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity.

### ***ECONOMIC CONDITION AND OUTLOOK***

Washington Parish, located in rural southeastern Louisiana, covers an area of 676 square miles. It is bordered on the east and north by the Mississippi state line. Its western boundary is Tangipahoa Parish and St. Tammany Parish is to the south. Washington Parish is recognized for the Washington Parish Free Fair, the largest free fair in the world. It is also recognized for its watermelons, dairy cattle, and timber industry, as well as its great hospitality. The population is approximately 47,100 people in approximately 17,300 households.

The economy of Washington Parish is primarily agricultural, with the paper industry and gas pipeline stations providing additional jobs. According to the 2010 census, the median value of owner-occupied housing units is \$81,400 compared to the state value of \$121,300. At the same time, the home ownership rate in Washington Parish is 74.5%, above the state rate of 68.2%.

Projected enrollment over the next few years is anticipated to increase at a slow rate. The School Board continues to assess the anticipated enrollment as well as the increased needs for the changes in technology and other considerations as the buildings of the School Board continue to age. Currently, the buildings range from 6 to 112 years old. The two newest buildings are the Pine Jr. and Sr. High School and Franklinton Elementary School, which were built in 2006. Repairs and maintenance as well as upkeep activities are ongoing to maintain the current level of the buildings.

### ***MAJOR INITIATIVES***

During fiscal year 2012, the School Board focused on repairing roofs and remodeling and adding restroom facilities. The School Board remodeled Franklinton Jr. High School and Wesley Ray's gymnasiums and added a field house and weight room at Varnado High School, spending approximately \$900,000 on the repairs and improvements.

Our education successes can be attributed to our dedicated teachers and staff. The School Board is in the tenth year of a universal 4-year old program, and continues the reading initiative that began with the Reading First Program eight years ago.

### ***FINANCIAL INFORMATION***

**Internal Controls.** Management of the School Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Single Audit.** As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable

laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2012 provided no instances of material weaknesses in internal controls or significant violations of applicable laws and regulations.

**Budgeting Controls.** In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all subsequent amendments, approved by the School Board. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function or project level within the individual funds. The School Board also maintains an *encumbrance accounting* system as one technique of accomplishing budgetary control throughout the year. Encumbrances lapse as of the end of each fiscal year.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

**Debt Administration.** At June 30, 2012, the School Board had a number of debt issues outstanding totaling \$16,023,000. The School Board is limited by state statute from issuing sales tax bonds in excess of seventy-five percent of the anticipated sales tax revenues.

**Cash Management.** Cash temporarily idle during the year was invested in demand deposits, money market funds, certificates of deposit, and Louisiana Asset Management Program ("LAMP"). The average yield on investments was 0.6%, and the School Board earned interest revenue of approximately \$96,000 on its cash and investments for the year ended June 30, 2012.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or secured by the pledge of securities owned by the financial institution. These pledged securities are held by a mutually agreed upon third-party financial institution in the name of the School Board. All of the investments held by the School Board during the year and at June 30, 2012 are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board.

**Long Term Financial Planning.** The current significant construction projects for the School Board are anticipated to be completed in fiscal year 2012, and only expenditures to maintain the current state of the buildings and facilities are anticipated. At this time, no additional construction or any additional debt is anticipated to be incurred by the School Board during the next five years. The number of students has consistently increased and the School Board will continue to seek funding to provide adequate resources for the education of its community. In addition, the School Board annually reviews its budget and operational matters and will continue to assess its long-term financial planning on an annual basis.

**Risk Management.** The School Board has a limited risk management program for workers' compensation. As part of this comprehensive plan, resources are accumulated in an Internal Service Fund to meet potential losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented to minimize accident-related losses. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$400,000.

## ***OTHER INFORMATION***

**Independent Audit.** State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of Postlethwaite and Netterville, APAC performed the fiscal year 2012 audit. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act, as amended and related OMB Circular A-133. The independent auditors' report on the financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the Single Audit Act are included in the Single Audit Section.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2011. The School Board first applied for the Certificate of Achievement (GFOA) in 2004.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The School Board is participating in the Certificate of Excellence in Financial Reporting program sponsored by the Association of School Business Officials, International (ASBO) for the eighth time. The certificate was awarded to the School Board for the first time for its comprehensive annual financial report for the fiscal year ended June 30, 2005. The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. We believe our current comprehensive annual financial report continues to conform to the program requirements of both organizations and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.

**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Accounting Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Members of the School Board, both individually and collectively, preparation of this report would not have been possible

Respectfully submitted,

David Fairman  
Beth Keaton  
Acy Burreis



**The Government Finance Officers Association  
of the United States and Canada**

*presents this*

## **AWARD OF FINANCIAL REPORTING ACHIEVEMENT**

*to*

**Financial Department**  
Washington Parish School Board, Louisiana



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

Date March 27, 2012

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**WASHINGTON PARISH SCHOOL BOARD**

**For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2011**

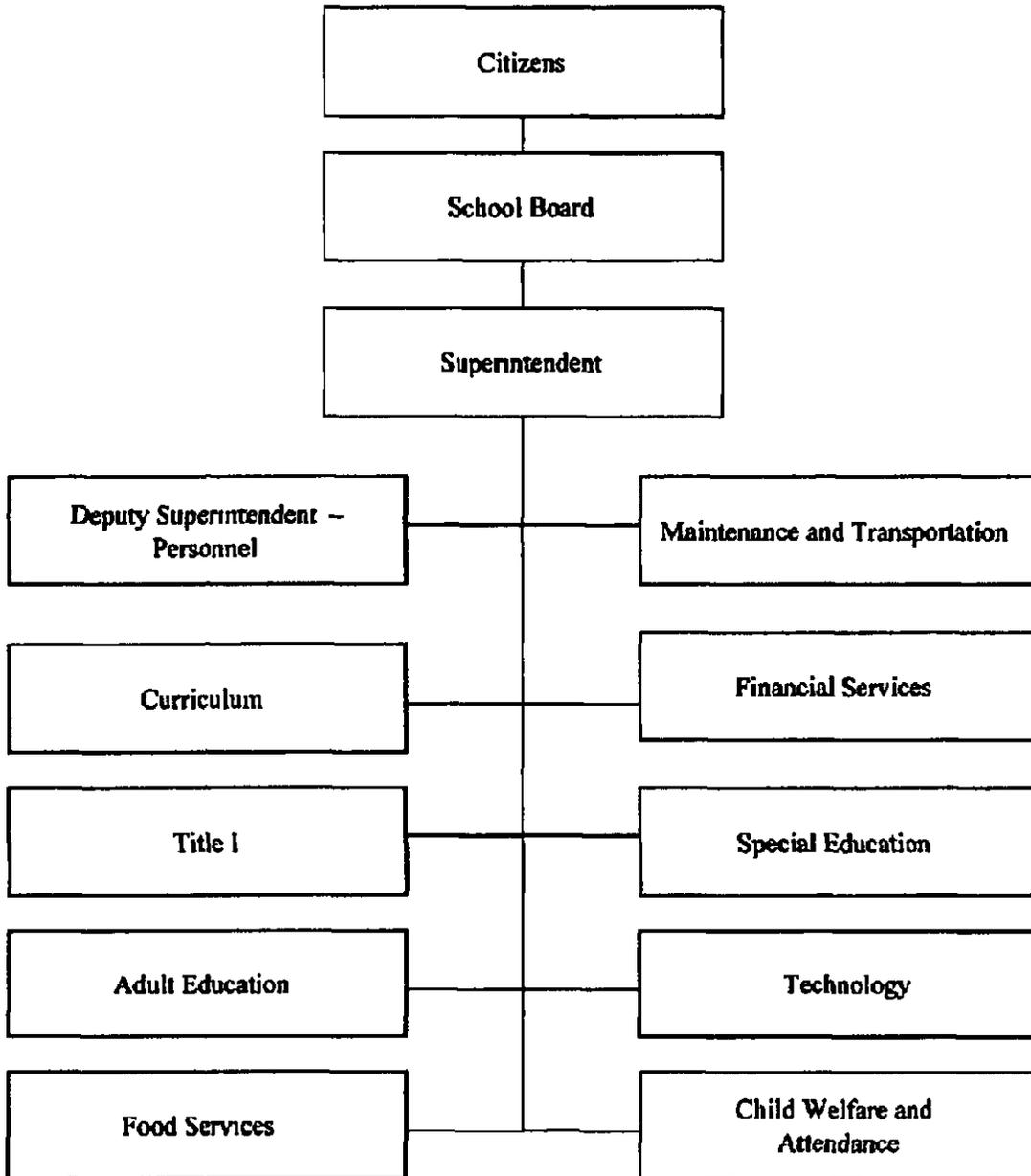
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Organizational Chart**



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**List of Principal Officials**

**SCHOOL BOARD MEMBERS**

Lee Alan McCain - President	District 7
Dan Slocum	District 1
John Wyble	District 2
Rev. Bruce L. Brown, Sr	District 3
John E. Breland	District 4
Mary Adams	District 5
Dewitt Perry	District 6
Matthew Tate	District 8
Lesley McKinley	District 9

**ADMINISTRATIVE OFFICIALS**

Superintendent	Darrell Fairburn
Financial Services	Beth Keaton, CPA, Director
Personnel	Richard Kennedy, Assistant Superintendent
Food Services	Marsha Newman, Supervisor
Curriculum	Mary Jones, Director
Title I	Mary Henderson, Director
Maintenance and Transportation	William Brignac, Supervisor
Special Education	Charlotte Fasola, Director
Adult Education	Penny Moses, Supervisor
Technology	Jimmy Thigpen, Coordinator
Child Welfare and Attendance	Frances Varnado, Supervisor

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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FINANCIAL SECTION

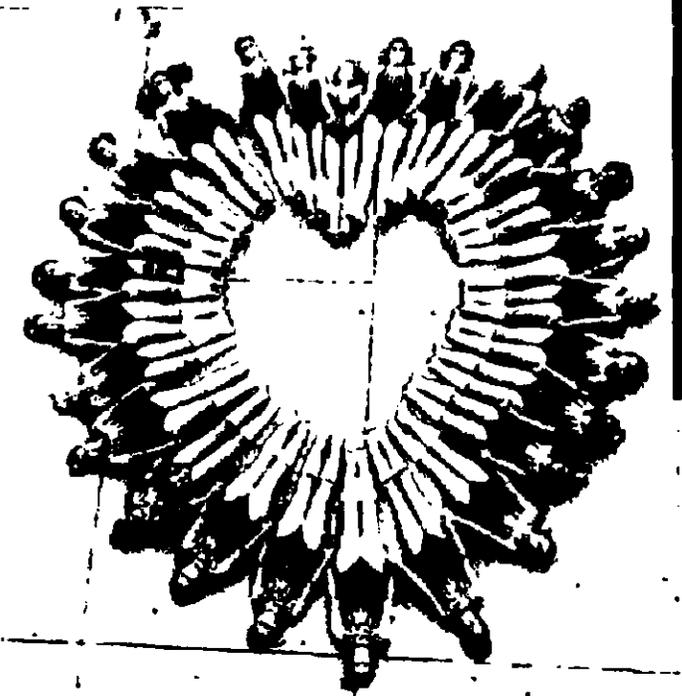
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Franklinton High School  
Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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## Independent Auditors' Report

The Members of the  
Washington Parish School Board  
Franklinton, Louisiana.

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2012, and the respective changes in financial position, and where applicable, the cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2012, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 47 through 50 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and budgetary comparison schedules, Statements of Changes in Assets and Liabilities and Deposits by School, Schedule of Compensation Paid to Board Members, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules, Statements of Changes in Assets and Liabilities and Deposits by School, and Schedule of Compensation Paid to Board Members are the responsibility of management and were derived from and relate 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 information is fairly stated in all material respects in relation to the basic 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.



Metairie, Louisiana  
December 4, 2012

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Required Supplementary Information -**  
**Management's Discussion and Analysis**

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2012**

The Management's Discussion and Analysis of the Washington Parish School Board's (the School Board) financial performance presents a narrative overview and analysis of the School Board's financial activities for the year ended June 30, 2012. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

**FINANCIAL HIGHLIGHTS**

- ★ The School Board's assets exceeded its liabilities at the close of fiscal year 2012 by \$19.6 million.
- ★ The School Board's expenditures exceeded revenues by \$2.6 million for the year ended June 30, 2012.
- ★ The School Board's general fund expended approximately \$45.9 million, recognizing a decrease in fund balance of approximately \$2.6 million for the fiscal year ended 2012.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

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

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the School Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows (e.g., recognition of taxes receivables/uncollected and changes in unused compensated absences).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature. Business-like means that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

**Fund financial statements.** A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into three categories: governmental funds, internal service funds, and fiduciary funds.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2012**

**Governmental funds** *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Title I, School Lunch, IDEA Special Education, and Tax District #4 Debt Service.

The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds.

**Internal Service Funds** Internal service funds are used to account for charges of fees to departments to help cover the costs of certain services it provides by being self insured. The School Board's workers' compensation program is accounted for in its Internal Service Fund.

**Fiduciary Fund** Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because of the resources of those funds are not available to support the School Board's programs. The sole fiduciary fund of the School board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

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

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and about activities in a way that helps answer the question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2012**

These two statements report the School Board's net assets and changes in net assets. Increases or decreases in the School Board's net assets are one indicator of whether its financial health is improving or deteriorating. The net assets of the School Board decreased by \$2.6 million or 11.5% in 2012 as compared to a decrease of \$0.6 million or 2.7% in 2011.

The Statement of Net Assets and Statement of Activities reflect the School Board's governmental activities (e.g., its basic service), such as instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program ("MFP") Funds, and state and federal grants finance most of these activities. The School Board's workers' compensation programs are accounted for here.

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the School Board's governmental activities. Key fluctuations include the following:

**TABLE 1**  
**SUMMARY OF NET ASSETS**  
**June 30, 2012 and 2011**

	2012	2011
<b>Assets:</b>		
Current and other assets:		
Cash and cash equivalents	\$ 12,920,039	\$ 15,503,387
Other assets	3,591,706	4,049,408
Restricted cash and cash equivalents	4,340,284	4,199,495
Capital assets, net of depreciation	36,947,523	37,158,405
Total assets	\$ 57,799,552	\$ 60,910,695
<b>Liabilities:</b>		
Current and other liabilities:		
Accounts, salaries and other payables	\$ 3,516,189	\$ 3,516,930
Other liabilities	1,339,374	1,581,096
Long-term liabilities:		
Due within one year	1,423,027	1,936,309
Due in more than one year	31,942,915	31,746,758
Total liabilities	38,221,505	38,781,093
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	20,924,523	19,966,405
Restricted	3,962,192	3,618,368
Unrestricted	(5,308,668)	(1,455,171)
Total net assets	\$ 19,578,047	\$ 22,129,602

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
AS OF JUNE 30, 2012

Statement of Net Assets

- Cash and cash equivalents, including restricted cash and cash equivalents, decreased by approximately \$2.4 million.
- Capital assets, which are reported net of accumulated depreciation, account for 63.9% of the total assets.
- Bonds payable, which have decreased from the prior year due to a bond principal payment of \$1,120,000, account for 41.9% of total liabilities reported.
- Net assets invested in capital assets account for 106.9% of total net assets reported as of June 30, 2012.
- Unrestricted net assets accounted for -27.1% of total net assets as of June 30, 2012. The School Board plans to gradually eliminate this negative balance as it collects the amount in deferred revenue related to protested taxes, reducing the total liability and increasing net assets.

**TABLE 2**  
**SUMMARY OF CHANGES IN NET ASSETS**  
For the years ended June 30, 2012 and 2011

<b>Revenues:</b>	<b>2012</b>	<b>2011</b>
Program revenues:		
Charges for services	\$ 330,042	\$ 372,296
Operating grants and contributions	8,391,076	10,341,198
Capital grants and contributions	172,081	157,678
General revenues:		
Ad valorem (property) taxes	4,035,499	4,750,896
Sales and use taxes	4,135,359	3,958,010
State revenue sharing	162,959	159,299
Minimum Foundation Program	35,603,561	34,207,760
Other general revenues	2,956,378	3,450,258
<b>Total revenues</b>	<b>55,786,955</b>	<b>57,397,395</b>
<b>Program expenses:</b>		
Regular programs	19,721,828	17,979,999
Special programs	9,177,496	11,111,076
Other education programs	2,156,276	2,153,793
Student services	2,809,847	1,915,441
Instructional staff support	3,401,647	3,297,652
General administration	2,100,479	2,519,663
School administration	3,607,317	3,487,821
Business services	475,666	444,872
Plant services	5,743,503	6,412,066
Student transportation services	4,222,332	4,079,095
Food services	4,134,852	3,847,331
Community service programs	25,487	29,938
Interest on long-term debt	761,780	739,832
<b>Total program expenses</b>	<b>58,338,510</b>	<b>58,018,581</b>
Changes in net assets	(2,551,555)	(621,186)
Net assets, beginning of year	22,129,602	22,750,788
Net assets, end of year	<b>\$ 19,578,047</b>	<b>\$ 22,129,602</b>

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
AS OF JUNE 30, 2012

Changes in Net Assets

- State Minimum Foundation Program funds increased approximately \$1.4 million or by 4.1% from the prior year due to MFP no longer being reduced as a result of ARRA stimulus funds.
- Operating grants and contributions decreased by approximately \$2.0 million because the ARRA grant awards were largely expended in the prior year.
- Revenues from other general sources decreased by \$0.5 million, approximately 14.3% from prior year, due mostly to state grants declining, indirect cost revenue decreasing (as a result of ARRA grant awards declining), and no awards received in current year for FEMA disaster relief.
- Expenses increased approximately \$0.3 million which was due to more expenses incurred for regular programs due to the reduction to some federal grants, such as ARRA and LA 4, and the ending of some state programs. The closure of schools also resulted in a reduction of general administration and plant services expenditures.

**MAJOR FUND FINANCIAL ANALYSIS**

The School Board's financial statements include five major funds. These funds are the General Fund, Title I Fund, School Lunch Fund, IDEA Special Education Fund, and Tax District #4 Debt Service.

The General Fund's fund balance decreased 19.2% during the year ended June 30, 2012, by \$2,601,972 to \$10,964,932 as a result of the excess of expenditures and other financing uses over revenues and other financial sources. Revenues increased by approximately \$0.8 million to \$43,480,916 as a result of MFP funding increases after the conclusion of ARRA funding. Expenditures increased by approximately \$3.8 million to \$45,881,508 as a result of debt service for the Community Disaster Loan, an additional spending on regular programs of \$1.7 million due to the decline of ARRA funding, and \$1.1 million spending for plant services. Variances between budgeted and actual amounts include a 0.4 percent variance over for total revenues and a 0.4 percent variance over for total expenditures.

The Title I Special Revenue Fund is funded substantially by a Federal grant. The fund balance in 2012 decreased by \$4,049 to \$1,809 as compared to 2011, which had a decrease of \$9,177. There were no major changes in the activities of this fund during the year ended June 30, 2012. Revenues in this fund increased by \$51,243 from 2011 to \$2,250,336 in 2012. Program expense increased by \$34,381 from 2011 to \$2,134,620 in 2012.

The School Lunch Special Revenue Fund's fund balance increased by \$19,186 to \$51,526 in 2012 as compared to a decrease of \$5,349 to \$32,340 in 2011. There were no major changes in the fund's activity during the year ended June 30, 2012. Expenditures were about \$4.0 million for the year and exceeded revenues by \$418,855.

The IDEA Special Education Special Revenue Fund is funded substantially by a Federal grant. The fund balance in 2012 decreased by \$42 from the prior year. There were no major changes in the activities of this fund during the year ended June 30, 2012. The decrease in revenues and expenses is mostly the result of a reduction in

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2012**

ARRA stimulus funding of \$454,302. Revenues in this fund decreased by \$505,592 from 2011 to \$1,306,628 in 2012. Program expense decreased by \$476,621 from 2011 to \$1,233,605 in 2012.

The Tax District #4 Debt Service Fund was established in fiscal year 2003-2004 to account for the debt service for the proceeds of the 2003 bond issue. Revenues for the fund approximated \$2.0 million, exceeding expenditures for debt service which approximated \$1.8 million for the year, resulting in an approximate \$257 thousand increase in fund balance. Ad valorem tax revenue decreased by \$642,173 to \$2,019,156 in 2012 due to collection of deferred revenues in the prior year. There were no major changes in the activities of this fund during the year ended June 30, 2012.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2012, the School Board had \$36.9 million (net of depreciation) invested in a broad range of capital assets, including land, building, and equipment (see note 5). This amount represents a net decrease (including additions, deductions, and depreciation) of approximately \$0.2 million from the prior year.

Capital assets have decreased from the prior year due primarily to depreciation expense exceeding additions.

**TABLE 3**  
**CAPITAL ASSETS AS OF JUNE 30, 2012**  
**(Net of Depreciation)**

Land and land improvements	\$ 3,561,719
Buildings and improvements	32,088,028
Furniture, fixtures and equipment	1,207,630
Construction in progress	90,146
	<u>\$ 36,947,523</u>

Additional information regarding capital assets is included in note 5 of the notes to the basic financial statements.

**Long-Term Debt**

At the end of the current fiscal year, the School Board had bonded debt outstanding of \$16,023,000 as compared to \$17,192,000 at the end of 2010. In addition, the School Board paid in full the Community Disaster Loan in November 2011, in the amount of \$465,057, with \$65,057 representing accrued interest.

The School Board's debt activity included scheduled principal repayments of \$1,169,000 and \$711,715 in interest payments. Additional information relating to long-term debt is included in note 9 of the notes to the basic financial statements.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2012**

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

There were no significant variations between the final budget and actual amounts for the general fund. There were no amendments to the original budget for the general fund.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

Growth of the parish is expected to be consistent with prior year's growth. The Washington Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Property tax millages for the Mt. Hermon District will drop from 18 to 17 mills in 2012.
- Property tax millages for the Tax District #4 will drop from 30.5 to 28.5 mills in 2012.
- Property tax millages for the Varnado District will drop from 16 to 14.5 mills in 2012.
- Growth of the parish is expected to be consistent with prior year's growth.
- Expenditures are expected to increase over the prior years, particularly in the following areas
  - ◆ Teachers retirement contribution rates will increase from 23.7% to 24.5%.
  - ◆ School employees retirement contribution rates will increase from 28.6% to 30.8%.

At the time these financial statements were prepared and audited, the School Board was aware of the following circumstances that could significantly affect the School Board's financial health in the future:

- Sales taxes are expected to increase slightly in fiscal year 2012-2013 based on trends and prior year collections.
- The student count for fiscal year ending June 30, 2012 has decreased slightly.
- State grants for educational programs are uncertain and may not continue during fiscal year 2012-2013.
- State formula funding has been level for four years, with no cost of living increases.

All of these factors were considered in preparing the Washington Parish School Board's budget for the 2012-2013 fiscal year.

**CONTACTING THE WASHINGTON PARISH SCHOOL BOARD'S MANAGEMENT**

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Beth Keaton, Washington Parish School Board, (985) 839-3436

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Basic Financial Statements:**

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

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

## Statement of Net Assets

June 30, 2012

		<u>Governmental Activities</u>
<b>Assets:</b>		
Cash and cash equivalents	\$	12,920,039
Receivables		2,873,427
Inventory		98,597
Prepays		619,682
Restricted cash and cash equivalents		4,340,284
<b>Capital assets:</b>		
Land		3,561,719
Capital assets, net of depreciation		33,295,658
Construction in process		90,146
		<hr/>
Total assets	\$	<u>57,799,552</u>
<b>Liabilities:</b>		
Accounts, salaries, and other payables	\$	3,516,189
Unearned revenues		1,117,995
Other liabilities		221,379
<b>Long-term liabilities:</b>		
Due within one year		
Bonds payable		1,218,000
Claims payable		158,195
Compensated absences		46,832
Due in more than one year		
Bonds payable		14,805,000
Claims payable		13,945
Compensated absences		4,705,333
Post-employment benefits		12,418,637
		<hr/>
Total liabilities		<u>38,221,505</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt		20,924,523
<b>Restricted for:</b>		
Debt service		3,962,192
Unrestricted		(5,308,668)
		<hr/>
Total net assets	\$	<u>19,578,047</u>

See accompanying notes to the basic financial statements.

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

Statement of Activities

For the year ended June 30, 2012

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
<b>Governmental Activities:</b>					
<b>Instruction:</b>					
Regular programs	\$ 19,721,828	-	-	-	\$ (19,721,828)
Special programs	9,177,496	-	3,558,078	-	(5,619,418)
Other education programs	2,156,276	-	-	-	(2,156,276)
<b>Support services:</b>					
Student services	2,809,847	-	336,783	-	(2,473,064)
Instructional staff support	3,401,647	-	1,377,876	-	(2,023,771)
General administration	2,100,479	-	220,237	-	(1,880,242)
School administration	3,607,317	-	17,078	-	(3,590,239)
Business services	475,666	-	-	-	(475,666)
Plant services	5,743,503	-	41,635	-	(5,701,864)
Student transportation services	4,222,332	-	5,072	-	(4,217,260)
Food services	4,134,852	336,042	2,808,826	172,081	(823,903)
Community service programs	25,487	-	25,487	-	-
Interest on long-term debt	761,730	-	-	-	(761,730)
<b>Total governmental activities</b>	<b>\$ 58,338,510</b>	<b>336,042</b>	<b>8,391,076</b>	<b>172,081</b>	<b>(49,445,311)</b>

**General revenues**

**Taxes**

Ad valorem (property) taxes	4,035,499
Sales and use taxes	4,353,359
State revenue sharing	62,959
Other state funding sources, including grants	607,075
Grants and contributions not restricted to specific programs -	
Minimum Foundation Program	35,603,561
Interest and investment earnings	26,220
Gain on property disposal	25,380
Miscellaneous	2,97,703
<b>Total general revenues</b>	<b>46,893,756</b>

Changes in net assets (2,551,555)

Net assets, beginning of year 22,125,602

Net assets, end of year \$ 19,578,047

See accompanying notes to the basic financial statements.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Basic Financial Statements:**

**Fund Financial Statements (FFS)**

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

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**WASHINGTON PARISH SCHOOL BOARD**  
Franklin, Louisiana

Governmental Funds - Balance Sheet  
June 30, 2012  
with comparative totals for June 30, 2011

Assets	Major Fund Types						Total	
	General	Title I	School Lunch	IDEA Special Education	Tax District #4 Debt Service	Nonmajor Fund Type	2012	2011
<b>Assets</b>								
Cash and cash equivalents	\$ 12,381,638	14,223	14,066	26,110	3,989,582	390,969	16,816,588	18,912,551
Receivables	657,090	310,531	-	340,670	324,407	507,909	2,140,607	2,728,098
Interfund receivables	810,149	-	220,000	-	-	21,328	1,051,477	1,596,303
Prepays	619,682	-	-	-	-	-	619,682	513,513
Inventory	-	-	98,597	-	-	-	98,597	73,740
<b>Total assets</b>	<b>\$ 14,468,559</b>	<b>324,754</b>	<b>332,661</b>	<b>366,780</b>	<b>4,313,989</b>	<b>920,206</b>	<b>20,726,951</b>	<b>23,824,205</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Accounts, salaries, and other payables	\$ 2,860,210	135,746	233,280	128,500	16,948	141,505	3,516,189	3,563,361
Interfund payable	241,328	187,199	-	238,280	-	384,670	1,051,477	1,596,303
Deferred revenues	402,089	-	47,857	-	665,412	2,637	1,117,995	1,298,284
<b>Total liabilities</b>	<b>3,503,627</b>	<b>322,945</b>	<b>281,137</b>	<b>366,780</b>	<b>682,360</b>	<b>528,812</b>	<b>5,685,661</b>	<b>6,457,948</b>
<b>Fund balances</b>								
Non-spendable								
Prepays	619,682	-	-	-	-	-	619,682	513,513
Inventory	-	-	50,740	-	-	-	50,740	31,562
Restricted for								
Debt service	-	-	-	-	3,631,629	330,563	3,962,197	3,618,368
Maintenance	-	-	-	-	-	36,919	36,919	24,869
Grant programs	-	1,809	786	-	-	1,142	3,737	31,048
Capital projects	-	-	-	-	-	22,770	22,770	93,506
Committed								
Schools	3,964,382	-	-	-	-	-	3,964,382	3,871,955
Assigned								
Insurance	2,716,499	-	-	-	-	-	2,716,499	2,718,934
Unassigned	3,664,369	-	-	-	-	-	3,664,369	6,462,502
<b>Total fund balance</b>	<b>10,964,932</b>	<b>1,809</b>	<b>51,526</b>	<b>-</b>	<b>3,631,629</b>	<b>391,394</b>	<b>15,041,290</b>	<b>17,366,257</b>
<b>Contingencies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$ 14,468,559</b>	<b>324,754</b>	<b>332,661</b>	<b>366,780</b>	<b>4,313,989</b>	<b>920,206</b>	<b>20,726,951</b>	<b>23,824,205</b>

See accompanying notes to the basic financial statements

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Statement D

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

June 30, 2012

Total fund balances – governmental funds \$ 15,041,290

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

Cost of capital assets	\$ 58,160,712	
Accumulated depreciation	<u>21,213,189</u>	36,947,523

Elimination of interfund assets and liabilities

Interfund assets	(1,051,477)	
Interfund liabilities	<u>1,051,477</u>	-

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets	<u>271,595</u>	271,595
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Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed “available” to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

	<u>732,820</u>	732,820
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Accrual basis recognition of interest expenditures

	<u>221,379</u>	(221,379)
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Long-term liabilities applicable to the School Board’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities – both current and long-term – are reported in the Statement of Net Assets.

Balance at June 30:

Long-term bonds payable	(16,023,000)	
Compensated absences	(4,752,165)	
Post-employment benefits	<u>(12,418,637)</u>	<u>(33,193,802)</u>

Net assets – governmental activities		\$ <u>19,578,047</u>
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See accompanying notes to the basic financial statements

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - All Governmental Fund Types

Year ended June 30, 2012  
with comparative totals for the year ended June 30, 2011

	Major Fund Types						Total	
	General	Title I	School Lunch	IDEA Special Education	Tax District #4 Debt Service	Nonmajor Fund Type	2012	2011
<b>Revenues</b>								
Local sources								
Taxes								
Ad valorem	\$ 1,728,882	-	-	-	2,019,156	287,461	4,035,499	4,750,896
Sales and use	4,135,359	-	-	-	-	-	4,135,359	3,958,010
Interest earnings	68,148	-	-	-	19,573	8,058	95,779	89,988
Food services	53,054	-	276,795	-	-	193	330,042	372,296
Other	1,484,426	-	3,307	-	-	40,000	1,528,233	1,664,849
State sources:								
Minimum Foundation	35,243,609	-	359,952	-	-	-	35,603,561	34,207,760
Other	767,438	-	-	-	-	2,596	770,034	1,029,415
Federal sources								
Restricted grants-in-aid	-	2,250,336	2,745,249	1,306,628	-	2,088,863	8,391,076	10,341,198
Other - commodities	-	-	167,549	-	-	4,532	172,081	157,678
Other sources	-	-	-	-	-	-	-	144,292
<b>Total revenues</b>	<b>42,480,916</b>	<b>2,250,336</b>	<b>3,553,352</b>	<b>1,306,628</b>	<b>2,038,729</b>	<b>2,431,703</b>	<b>55,061,664</b>	<b>56,716,382</b>
<b>Expenditures:</b>								
Current								
Instruction								
Regular programs	19,182,663	-	-	-	-	-	19,182,663	17,513,260
Special programs	5,176,467	1,265,872	-	420,929	-	1,871,277	8,734,545	10,519,565
Other education programs	2,102,051	-	-	-	-	-	2,102,051	2,155,965
Support services								
Student services	2,404,242	-	-	336,783	-	-	2,741,025	1,869,586
Instructional staff support	1,938,154	816,743	-	425,805	-	135,328	3,316,030	3,215,844
General administration	1,036,575	17,078	-	37,153	69,102	18,682	1,176,590	1,268,628
School administration	3,468,340	3,846	-	-	-	3,479	3,475,665	3,398,650
Business services	464,056	-	-	-	-	-	464,056	434,494
Plant services	5,402,981	3,357	-	10,100	-	37,146	5,453,584	5,191,154
Student transportation services	4,107,751	2,237	-	2,835	-	-	4,112,823	3,981,252
Food services	-	-	3,972,207	-	-	63,577	4,035,784	3,940,021
Capital outlay								
Construction and land improvement	133,161	-	-	-	-	110,764	243,925	573,412
Community service programs	-	25,487	-	-	-	-	25,487	29,938
Debt service								
Principal retirement	400,000	-	-	-	1,040,000	129,000	1,569,000	1,120,000
Interest and bank charges	65,067	-	-	-	672,794	38,921	776,782	753,624
<b>Total expenditures</b>	<b>45,881,508</b>	<b>2,134,620</b>	<b>3,972,207</b>	<b>1,233,605</b>	<b>1,781,896</b>	<b>2,408,174</b>	<b>57,412,010</b>	<b>55,965,393</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,400,592)</b>	<b>115,716</b>	<b>(418,855)</b>	<b>73,023</b>	<b>256,833</b>	<b>23,529</b>	<b>(2,350,346)</b>	<b>750,989</b>
<b>Other financing sources (uses)</b>								
Sale of property	22,338	-	3,341	-	-	-	25,379	585
Transfers in (note 6)	196,282	-	435,000	-	-	-	631,282	667,437
Transfers out: (note 6)	(420,000)	(119,765)	-	(73,065)	-	(18,452)	(631,282)	(667,437)
<b>Total other financing sources (uses)</b>	<b>(201,380)</b>	<b>(119,765)</b>	<b>438,341</b>	<b>(73,065)</b>	<b>-</b>	<b>(18,452)</b>	<b>25,379</b>	<b>585</b>
<b>Change in fund balances</b>	<b>(2,601,972)</b>	<b>(4,049)</b>	<b>19,186</b>	<b>(42)</b>	<b>256,833</b>	<b>5,077</b>	<b>(2,324,967)</b>	<b>751,574</b>
<b>Fund balances at beginning of year</b>	<b>13,566,904</b>	<b>5,858</b>	<b>32,340</b>	<b>42</b>	<b>3,374,795</b>	<b>386,317</b>	<b>17,366,257</b>	<b>16,614,683</b>
<b>Fund balances at end of year</b>	<b>\$ 10,964,932</b>	<b>1,809</b>	<b>51,526</b>	<b>-</b>	<b>3,631,629</b>	<b>391,394</b>	<b>15,041,290</b>	<b>17,366,257</b>

Note 1

Note 1 - No budget was prepared for this fund as budgets are not required for debt service funds.  
See accompanying notes to the basic financial statements

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

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

For the year ended June 30, 2012

Total net changes in fund balances – governmental funds	\$	(2,324,967)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the project.		
Capital outlays	\$	1,533,404
Loss on retirements		(11,913)
Depreciation expense		<u>(1,732,373)</u>
		(210,882)
Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets		
Principal repayments		<u>1,569,000</u>
		1,569,000
Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed “available” to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.		
		<u>27,609</u>
		27,609
Change in accrual basis recognition of interest expenditures		
		<u>15,002</u>
		15,002
In the Statement of Activities, certain operating expenses-compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used exceeded the amounts earned.		
		<u>70,487</u>
		70,487
In the Statement of Activities, post-employment benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The liability for post-employment benefits at June 30, 2012 is \$12,418,637		
		<u>(1,498,257)</u>
		(1,498,257)
All revenues, expenses, and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement		
		<u>(199,547)</u>
		(199,547)
Change in net assets of governmental activities	\$	<u>(2,551,555)</u>
See accompanying notes to the basic financial statements		

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Proprietary Fund Type - Internal Service Fund  
 Statements of Net Assets

June 30, 2012  
 with comparative totals for the year ended June 30, 2011

		<u>2012</u>	<u>2011</u>
<b>Assets:</b>			
Current assets - cash and cash equivalents	\$	443,735	790,331
Prepaid expenses		-	28,846
		<u>443,735</u>	<u>819,177</u>
<b>Liabilities and Net Assets:</b>			
Current liabilities - claims payable and other liabilities	\$	158,195	315,870
Non-current - claims payable and other liabilities		13,945	32,165
		<u>172,140</u>	<u>348,035</u>
<b>Net Assets:</b>			
Net assets restricted for benefits		<u>271,595</u>	<u>471,142</u>
		<u>443,735</u>	<u>819,177</u>

See accompanying notes to the basic financial statements.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Proprietary Fund Type - Internal Service Fund  
 Statements of Revenues, Expenses, and Changes in Net Assets

Year ended June 30, 2012  
 with comparative totals for the year ended June 30, 2011

	<u>2012</u>	<u>2011</u>
Operating revenues - premiums	\$ <u>50,100</u>	<u>50,854</u>
Operating expenses:		
Workers' compensation benefits	139,238	408,233
Claims administration fees	84,395	54,693
Excess insurance premium payments	<u>28,846</u>	<u>30,088</u>
Total operating expenses	<u>252,479</u>	<u>493,014</u>
Operating loss	(202,379)	(442,160)
Nonoperating revenues		
Interest	<u>2,832</u>	<u>5,437</u>
Total nonoperating revenues	<u>2,832</u>	<u>5,437</u>
Net loss	(199,547)	(436,723)
Net assets at beginning of year	<u>471,142</u>	<u>907,865</u>
Net assets at end of year	\$ <u><u>271,595</u></u>	<u><u>471,142</u></u>

See accompanying notes to the basic financial statements

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Proprietary Fund Type - Internal Service Fund  
 Statements of Cash Flows

Year ended June 30, 2012  
 with comparative totals for the year ended June 30, 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Premiums	\$ 50,100	50,854
Workers' compensation benefit recoveries, net	(315,133)	(385,702)
Claims administration fees	(55,549)	(83,539)
Excess insurance premium payments	<u>(28,846)</u>	<u>(30,088)</u>
Net cash used in operating activities	(349,428)	(448,475)
Cash flows from investing activities - interest earned	<u>2,832</u>	<u>5,437</u>
Net decrease in cash and cash equivalents	(346,596)	(443,038)
Cash and cash equivalents at beginning of year	<u>790,331</u>	<u>1,233,369</u>
Cash and cash equivalents at end of year	\$ <u><u>443,735</u></u>	<u><u>790,331</u></u>
Reconciliation of operating loss to net cash used in operating activities - operating loss	\$ (202,379)	(442,160)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Change in prepaids	28,846	(28,846)
Change in provision for claims	(147,406)	37,572
Change in liabilities	<u>(28,489)</u>	<u>(15,041)</u>
Net cash used in operating activities	\$ <u><u>(349,428)</u></u>	<u><u>(448,475)</u></u>

See accompanying notes to the basic financial statements.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Agency/Fiduciary Fund - School Activity Funds  
 Statements of Fiduciary Assets and Liabilities

June 30, 2012  
 with comparative totals as of June 30, 2011

	<u>2012</u>	<u>2011</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ <u>868,553</u>	<u>937,810</u>
<b>Total assets</b>	\$ <u><u>868,553</u></u>	<u><u>937,810</u></u>
<b>Liabilities:</b>		
Deposits due others	\$ <u>868,553</u>	<u>937,810</u>
<b>Total liabilities</b>	\$ <u><u>868,553</u></u>	<u><u>937,810</u></u>

See accompanying notes to the basic financial statements

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Footnote Captions**

- 1 Summary of Significant Accounting Policies**
  - A. Reporting Entity**
  - B. Basis of Presentation – Fund Accounting**
  - C. Basis of Accounting – Measurement Focus**
  - D. Budgetary Data**
  - E. Encumbrances**
  - F. Cash and Cash Equivalents**
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- 2. Cash and Cash Equivalents**
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- 6. Interfund Receivables, Payables, and Transfers**
- 7. Accounts, Salaries and Salary Related Accruals, and Other Payables**
- 8. Changes in Agency Fund - Deposits due Others**
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- 10. Reservation and Designations of Fund Balance**
- 11. Self-Insurance Program/Risk Management**
- 12. Pension Plans**
- 13. Post-Employment Health Care Benefits**
- 14. Excess of Expenditures over Appropriations**
- 15. Operating Leases**
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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

**(1) Summary of Significant Accounting Policies**

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

The School Board operates 10 schools within the parish with a total enrollment of 5,501 pupils as of October 1, 2011. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

**(a) Reporting Entity**

The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity for financial statements could include the appointment of management by elected officials, the accountability of management to elected officials for fiscal matters, and the ability of elected officials to significantly influence operations, such as reviewing and approving budgetary requests and amendments. One manifestation is financial interdependency between the governmental unit and an agency, including responsibility for funding deficits and operating deficiencies, control of surplus funds, and governing the process of collecting and disbursing funds.

There may be circumstances where factors are so significant in the relationship between a particular agency and a reporting entity that exclusion of the agency from the reporting entity's financial statements would be misleading. The scope of public service is one such factor that includes the following aspects:

- (1) Whether the activity is for the benefit of the reporting entity and/or its residents.
- (2) Whether the activity is conducted within the geographic boundaries of the reporting entity and is generally available to the citizens of that entity.

Several agencies, although meeting the criterion for scope of public service, are not included in the financial statements of the School Board because there is no financial interdependency with the School Board. These agencies, such as the parish police jury, independently elected parish officials and municipalities within the parish, are separate taxing entities established by Louisiana law.

Similarly, the School Board is not included in any other reporting entity since School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

The accounting policies of the Washington Parish School Board conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

**(b) Basis of Presentation - Fund Accounting**

The accounts 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, fund equities, revenues, and expenditures. Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the financial statements. The following fund types are used by the School Board:

***Governmental Fund Types***

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

**General Fund** - The General Fund is the general operating fund of the School Board. The General Fund receives most of the resources derived by the School Board from local sources (principally ad valorem and sales taxes) and state sources (principally the State Equalization funding). General fund expenditures represent the cost of general school system operations and individual functional categories of instructional and support services. 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 that are legally restricted to expenditures for specified purposes.

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

**Capital Project Funds** - Capital Projects Funds are used for the receipt and disbursement of proceeds of bond issues and other special or designated revenues, such as insurance, used for the acquisition or construction of major capital facilities, renovations, and major repairs.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

***Proprietary Fund Type***

The Proprietary Fund is used to account for the School Board's ongoing organizations and activities which are similar to those often found in the private sector. The Proprietary Fund is accounted for on an economic resources measurement focus, meaning that the measurement focus is based upon determination of net income. Operating revenues and expenses generally result from providing services and delivering goods in connection with the propriety fund's primary ongoing operations. The School Board's proprietary fund type is limited to one internal service fund for the workers' compensation insurance program. Premium revenues and related costs of providing the program are operating activities. All other items are considered non-operating.

***Fiduciary Fund Type***

The Fiduciary Fund is used to account for assets held by the School Board in a trustee or agency capacity. The School Board's only agency fund is the School Activity Agency Fund, which is used to account for assets held by the School Board as an agent for the individual schools and school organizations. Agency Funds are custodial in nature and do not involve measurement of results of operations.

**(c) *Basis of Accounting - Measurement Focus***

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

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

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes (ad valorem) are recognized as revenue in the year they are levied and grant revenues are recognized as soon as all eligibility requirements are met.

**Internal Activities** The workers' compensation and risk management funds provide services to the governmental funds. Accordingly, these funds were rolled up into the governmental activities. Pursuant to GASB 34, the internal activities have not been eliminated.

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

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

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

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

Fund financial statements report detailed information about the School Board. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported are the General Fund, Title I Special Revenue Fund, School Lunch Special Revenue Fund, IDEA Special Education Special Revenue Fund, and Tax District #4 Debt Service Fund.

The General Fund is used to account for the day-to-day operations for the School Board. The Title I, School Lunch, and IDEA Special Education Funds are used to account for the collection of the revenues for specific programmatic purposes. The Title I Special Revenue Fund is part of the No Child Left Behind Act (NCLB) funds, which are federally funded programs promulgated by Public Law (PL) 103-382 which consolidated fourteen programs. NCLB's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies. The School Lunch Special Revenue Fund, including the Breakfast program, is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation. Individuals with Disabilities Education Act (IDEA), Public Law (PL) 101-476, is a federally financed program of free public education in the least restrictive environment for children with exceptionalities. The Tax District #4 Debt Service Fund is used to account for monies for debt service for the capital projects in the Franklinton, Enon, Pine, and Thomas communities

Non-major funds are aggregated and presented in a single column. The internal service fund is presented in the proprietary fund statements

**Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types 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.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The School Board applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 in accounting and reporting its proprietary fund operations unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

The fiduciary fund types (agency fund) are reported in the financial statements on the accrual basis of accounting. Under the accrual basis, revenues are recorded when they are earned. Revenues not considered earned are recorded as deferred revenues.

The following practices in recording revenues and expenditures have been used for the governmental funds.

Revenues

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. These revenues are susceptible to accrual under the modified basis of accounting. For this purpose, the Board considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due and delinquent on December 31. The taxes were levied by the School Board on July 12, 2012. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the Washington Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School Board considers them available (60 days) to finance current year obligations and are collected by the Washington Parish Tax Collector. Substantially all other revenues are recorded when received. Revenue received in advance of revenue recognition is deferred.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Deferred Revenues

Deferred revenues arise when resources are received before the School Board has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures or when there is an inventory of donated food commodities at year end.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized. Deferred revenues also arise when taxes paid under protest are collected; such amounts are recorded in revenue when the settlement is finalized.

**(d) *Budgetary Data***

The proposed budgets for fiscal year 2012 were completed and made available for public inspection at the School Board office on September 8, 2011. A public hearing was held on September 8, 2011, for suggestions and comments from taxpayers. The proposed fiscal year 2012 budgets were formally adopted by the School Board on September 8, 2011. The legally required budgets, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds were published in the official journal ten days prior to the public hearings.

The budgets were prepared on a modified accrual basis, consistent with generally accepted accounting principles (GAAP). Special Revenue Funds were budgeted by program.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device. Appropriations which are not expensed lapse at the end of the year.

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. There were no amendments to the General Fund budget.

**(e) *Encumbrances***

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds as a management control device. However, at year end, all encumbrances lapse and must be budgeted in the subsequent year.

**(f) *Cash and Cash Equivalents***

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits. These deposits are recorded at cost which approximates market. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statement of cash flows, the School Board considers all highly-liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Notes to the Basic Financial Statements

June 30, 2012

**(g) Intergovernmental Receivables**

Intergovernmental receivables consist of receivables for reimbursement of expenditures under various state and federal programs and grants. All amounts are expected to be collected within the next twelve months.

**(h) Short-Term Interfund Receivables/Payables**

Short-term interfund loans are classified as interfund receivables/payables.

**(i) Inventories**

All purchased inventories are valued at cost (first-in, first-out), donated commodities are assigned values based on information provided by the U.S. Department of Agriculture. Inventories in the School Lunch Special Revenue Fund consist of food and supplies. The commodities are recorded as revenues and expenditures when consumed on the government-wide financial statements, and a portion are recorded as expenditures when purchased and a portion are recorded as expenditures when consumed on the fund financial statements.

**(j) Capital Assets**

Land, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental activities column in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their estimated market value on the date of donation. Approximately 99 percent of capital assets are valued at historical cost, while the remaining one percent are valued at estimated cost, based on the historical cost of like items. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
<i>Buildings and Improvements</i>	
Fixed Buildings and Improvements	40
Trailers and Outside Buildings	20 - 25
Roof Renovations	20 - 30
<i>Furniture and Equipment</i>	
Heavy Equipment	10 - 25
Office Equipment	5 - 12
Furniture and Fixture	5
Computers, Electronics, and Video Equipment	5 - 7

Land and construction in progress are not depreciated.

**WASHINGTON PARISH SCHOOL BOARD**  
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Notes to the Basic Financial Statements

June 30, 2012

**(k) Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, when material, are reported as deferred charges and amortized over the term of the related debt

**(l) Compensated Absences**

All 12-month employees earn from 6 to 24 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated to a maximum of 10 days at the end of each fiscal year.

Teachers and other 9-month employees earn 10 days of sick leave each year. All 12-month employees earn up to 12 days sick leave each year, prorated during first year of service with the School Board. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days and any unused vacation leave is paid to employees (or their heirs) at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for certain medical purposes and for professional and cultural improvement. An employee with a teacher's certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid. The cost of current leave privileges is recognized as current year expenditures in the governmental funds, generally the General Fund and Special Revenue Funds, when leave is actually taken

**(m) Pension Plans**

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements.

**(n) Restricted Net Assets – Government-Wide Financial Statements**

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or
- Imposed by law through constitutional provisions or enabling legislation.

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

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The governmental activities unrestricted net assets has a negative balance at June 30, 2012. The School Board plans to gradually eliminate this negative balance as it collects the amount in deferred revenue related to protested taxes, reducing the total liability and increasing net assets.

**(o) Equity – Fund Financial Statements**

Beginning with fiscal year 2011, the School Board implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement 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 resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority by a vote of the School Board; 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 fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the School Board and its management. The policy utilized by the School Board is that the School Board authorizes management to assign funds as needed for applicable items and this policy is established by the governing body pursuant to the Superintendent's authorization;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The School Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special initiatives). Assigned fund balance is established by the School Board through adoption of amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service, or for other purposes)

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School Board has provided otherwise in its commitment or assignment actions.

**(p) Interfund Transactions**

There are several types of transactions that are reported in the financial statements as interfund items.

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Interfund transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed.

Nonrecurring or nonroutine transfers of equity between funds are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

**(g) Sales Taxes**

On October 4, 1966, the voters of Washington Parish approved a one percent parishwide sales and use tax to be levied for the Washington Parish School Board and the City of Bogalusa School Board. The proceeds of the tax are allocated on the basis of 45 percent to the Washington Parish School Board and 55 percent to the City of Bogalusa School Board

The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated for payment of salaries of teachers, other school personnel and other operating expenditures. On April 4, 1981, the voters of Washington Parish approved a one percent sales and use tax to be levied only for the use of the Washington Parish School Board. The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated to the general operation and maintenance of the schools in the parish, including the payment of salaries and fringe benefits of all school board employees, acquisition of land and buildings, purchase of other capital improvements to the schools in the parish and funding of bonds for the purpose of making capital improvements as mentioned previously. Sales and use taxes are collected and remitted to the School Board by the Washington Parish Sheriff's Office. The sales and use taxes collected in June on behalf of the Washington Parish School Board are remitted to the School Board by July 30.

**(r) Claims and Judgments**

The School Board accounts for its workers' compensation self-insurance program in its internal service fund. The liabilities for claims and judgments are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated

Liabilities include an amount for claims that have been incurred but not reported as well as incremental claim adjustment expenses. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors

**(s) Prepaid Expenses**

Prepaid expenses include amounts paid in advance for goods and services. Prepaid expenses are shown as either current or other assets on the Government-Wide Statement of Net Assets, depending on when management expects to realize their benefits. Prepaid expenditures are recorded in the year that the expenditure is accrued using the consumption method.

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**(i) Management's Use of Estimates**

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

Significant items subject to such estimates and assumptions include the useful lives of fixed assets, the valuation of fixed assets, and pension and other post retirement benefits. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

**(u) Comparative Data and Total Columns on Statements**

Comparative total data for the prior year has been presented in the basic financial statements in order to provide an understanding of changes in the School Board's financial position and operations of these funds.

However, comparative data (i.e., presentation of prior year total by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. In the fund financial statements, interfund eliminations have not been made in the aggregation of this data.

**(2) Cash and Cash Equivalents**

At June 30, 2012, the School Board had cash and cash equivalents as follows:

Bank accounts	\$ 17,875,319
Certificates of deposit	126,575
LAMP	126,982
	<u>\$ 18,128,876</u>

Unrestricted cash and cash equivalents of \$12,920,039, restricted cash and cash equivalents of \$4,340,284, and Fiduciary Fund cash and cash equivalents of \$868,553 comprise total cash and cash equivalents of \$18,128,876. Under state law, the bank balances of money market, bank accounts, and time certificates of deposit, which totaled \$20,060,525 as of June 30, 2012, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. At June 30, 2012, the School Board was in compliance with this requirement. Because the pledged securities are held by the pledging fiscal agent in the School Board's name, the School Board does not have any custodial credit risk.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the state of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP

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portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S 33 2955 LAMP is a 2a7-like investment pool The following facts are relevant for 2a7-like investment pools:

- **Credit risk:** LAMP is rated AAAM by Standard & Poor's. State law limits the type of investments available. The School Board only invests in LAMP, which is a cash equivalent.
- **Custodial credit risk:** LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The investment is with the pool, not the securities that make up the pool; therefore, no public disclosure is required.
- **Concentration of credit risk:** Pooled investments are excluded from the five percent disclosure requirement.
- **Interest rate risk:** 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statements.
- **Foreign currency risk:** Not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates.

The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pools is the same as the value of the pool shares. LAMP, Inc is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**(3) Ad Valorem Taxes**

The School Board levies ad valorem taxes on real, business, and public personal property located within Washington Parish's boundaries. Property taxes on real and business personal property are levied by the School Board based on property values assessed by the Washington Parish Tax Assessor and approved by the State of Louisiana Tax Commission. Public personal property tax is also levied by the School Board based on property value assessed and approved by the State of Louisiana Tax Commission. The Washington Parish Sheriff's office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Assessment date	January 1
Levy date	By September 15
Total taxes are due	December 31
Penalties and interest are added	After December 31
Tax sale - delinquent property	Third Wednesday in May

The maximum bonded indebtedness is limited to 50% of the assessed property valuation. The tax roll is prepared by the tax assessor in the Fall of each year, with collections beginning by December of that year and substantially received by June 30<sup>th</sup> of the following year, therefore, no property tax receivable for the calendar year is included on the accompanying balance sheet. The School Board records property taxes when received.

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The distribution of the School Board's levy (tax rate per \$1,000 assessed value) to its funds was as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>		
Parish-wide taxes:				
Constitutional	3.91	3.91		
General operational	5.12	5.12		
Maintenance and operation	5.12	5.12		
Maintenance and operation	4.83	4.83		
Total	<u>18.98</u>	<u>18.98</u>		
	<u>Authorized Millage</u>	<u>Levied Millage</u>		
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
District taxes	<u>5.19</u>	<u>30.50</u>	<u>5.19</u>	<u>30.50</u>

**(4) Receivables**

The financial statements for the School Board do not contain an allowance for uncollectible receivables because management believes all amounts will be collected. However, if management becomes aware of information that would change its assessment about the collectability of any receivable, management would write off the receivable as a bad debt at that time.

Receivables at June 30, 2012 for governmental funds are as follows:

	<u>General Fund</u>	<u>Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
Intergovernmental – state grants including pass-through Federal grant reimbursements	\$ 481,761	1,159,110	-	\$ 1,640,871
Ad valorem tax receivable	<u>175,329</u>	<u>-</u>	<u>324,407</u>	<u>499,736</u>
	<u>\$ 657,090</u>	<u>1,159,110</u>	<u>324,407</u>	<u>\$ 2,140,607</u>

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**(5) Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2012 is as follows:

	Balance June 30, 2011	Additions	Adjustments/ Deletions	Balance June 30, 2012
<b>Governmental activities:</b>				
<b>Non Depreciable Assets</b>				
Land	\$ 3,561,719	-	-	\$ 3,561,719
Construction in progress	11,056	1,289,038	1,209,948	90,146
<b>Depreciable Assets:</b>				
Buildings and improvements	47,204,793	1,209,948	-	48,414,741
Furniture and equipment	6,636,052	244,366	786,313	6,094,105
<b>Total</b>	<u>57,413,620</u>	<u>2,743,352</u>	<u>1,996,261</u>	<u>58,160,711</u>
<b>Less accumulated depreciation</b>				
Buildings and improvements	15,101,681	1,225,032	-	16,326,713
Furniture and equipment	5,153,534	507,341	774,400	4,886,475
<b>Total accumulated depreciation</b>	<u>20,255,215</u>	<u>1,732,373</u>	<u>774,400</u>	<u>21,213,188</u>
Governmental activities				
<b>Capital assets, net</b>	<u>\$ 37,158,405</u>	<u>1,010,979</u>	<u>1,221,861</u>	<u>\$ 36,947,523</u>

Construction in progress mainly consists of construction at Wesley Ray Elementary, for concessions and restrooms, and Franklinton High School, for the baseball field house. Outstanding contractual commitments related to this and other construction projects were approximately \$90,146 as of June 30, 2012.

Depreciation expense for the year ended June 30, 2012, by function, is as follows.

Regular Programs	\$ 141,220
Special Programs	217,402
Other Education Programs	370
General Administrative Services	31,528
School Administrative Services	43,606
Plant Operation and Maintenance	1,237,810
Student Transportation Services	3,039
Food Service	57,398
	<u>\$ 1,732,373</u>

**(6) Interfund Receivables, Payables, and Transfers**

Individual fund interfund receivable and payable balances at June 30, 2012 were as follows and primarily relate to reimbursements due to (from) other funds for payroll and routine operating expenses. The School Board expects all amounts in the schedule below to be paid within one year.

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Major Special Revenue Funds	
	IDEA Special Education	\$ 238,280
	NCLB - Title I	<u>187,199</u>
		<u>425,479</u>
	Nonmajor Special Revenue Funds:	
	LA4 Federal	111,702
	REAP Federal	26,450
	NCLB - Title II	82,263
	Special Federal Funds	<u>164,255</u>
		<u>384,670</u>
	Total General Fund	<u>810,149</u>
School Lunch Special Revenue Fund	General Fund	220,000
Franklinton Enon Capital Projects Fund	General Fund	<u>21,328</u>
	Total	<u>\$ 1,051,477</u>

Individual fund interfund transfers primarily related to operating funding by the General Fund and/or recovery of indirect costs, for the year ended June 30, 2012 were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
General Fund	Major Special Revenue Fund - School Lunch	\$ 420,000
		<u>420,000</u>
Major Special Revenue Fund Title I IDEA Special Education	General Fund General Fund	119,765
		<u>73,065</u>
		<u>192,830</u>
Nonmajor Special Revenue Funds REAP Federal Summer Feeding Program	General Fund School Lunch	3,452
		<u>15,000</u>
		<u>18,452</u>
	Total	<u>\$ 631,282</u>

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**(7) Accounts, Salaries and Salary Related Accruals, and Other Payables**

Payables at June 30, 2012 are as follows:

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Total</b>
Salaries and related withholdings and accruals	\$ 2,377,576	493,525	-	\$ 2,871,101
Accounts and other payables	482,634	129,375	33,079	645,088
	<b>\$ 2,860,210</b>	<b>622,900</b>	<b>33,079</b>	<b>\$ 3,516,189</b>

**(8) Changes in Agency Fund - Deposits due Others**

The changes in school activity accounts for the year ended June 30, 2012, are as follows:

	<b>Balance at Beginning of year</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at end of year</b>
School activity accounts	\$ 937,810	2,236,877	2,306,134	\$ 868,553

**(9) Long-Term Obligations**

The following is a summary of long-term obligation transactions for the year ended June 30, 2012:

	<b>Bonded debt</b>	<b>Claims Payable</b>	<b>CDL</b>	<b>Compensated absences</b>	<b>Post- employment benefits</b>	<b>Total</b>
Long-term obligations at July 1, 2011	\$ 17,192,000	348,035	400,000	4,822,652	10,920,380	\$ 33,683,067
Deductions	(1,169,000)	(442,034)	-	(118,307)	-	(1,729,341)
Additions	-	266,139	(400,000)	47,820	1,498,257	1,412,216
Long-term obligations at June 30, 2012	\$ 16,023,000	172,140	-	4,752,165	12,418,637	\$ 33,635,942
Due within one year	\$ 1,218,000	158,195	-	46,832	-	\$ 1,423,027

All School Board bonds outstanding at June 30, 2012, in the amount of \$16,023,000 are general obligation bonds with final maturities from 2018 to 2023 and interest rates from 3.0 to 5.0 percent. The School Board does not have any outstanding in-substance defeased debt.

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<u>Bond issue</u>	<u>Original Issue</u>	<u>Interest rates</u>	<u>Final payment due</u>	<u>Interest to maturity</u>	<u>Principal outstanding</u>
Tax District #4 – 2003 Mt. Hermon School	\$ 23,000,000	3.0% - 5.0%	March 2023	\$ 4,278,604	\$ 15,125,000
District – 2008	\$ 662,000	3.65%	March 2018	56,758	430,000
Varnado School District – 2009	\$ 731,000	3.65%	March 2018	62,342	468,000
				<u>\$ 4,397,704</u>	<u>\$ 16,023,000</u>

The Tax District #4 bonds are 20 year General Obligation Bonds issued for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary streets and sidewalks adjacent thereto; purchasing, erecting, and/or improving school buildings and other related school facilities.

The Mt. Hermon School District bonds are 10 year General Obligation Bonds issued for the purpose of refunding General Obligation School Bonds, Series 1998, dated October 1, 1998. The refunded bonds were issued for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto, purchasing, erecting and/or improving school buildings and other school related facilities within and for the District and acquiring the necessary equipment and furnishings. All improvements will be made at the Mt. Hermon School

The Varnado School District bonds are 9 year General Obligation School Refunding Bonds issued for the purpose of refunding General Obligation School Bonds, Series 1998, dated March 1, 1998. The refunded bonds were issued for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto and purchasing, erecting, and/or improving school buildings and other school related facilities, and acquiring the necessary equipment and furnishings. The specific plan for the use of the money is for

- A. Construction of a new gymnasium
- B. Rebuild music room
- C. Rework north wing
- D. Construction of covered walkways
- E. Site work such as drainage, sidewalks, service drives, and demolition

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2012, the School Board has accumulated \$3,962,192 debt service funds for future debt requirements, which are as follows:

<u>Year ending June 30</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Payments</u>
2013	\$ 1,218,000	\$ 664,136	1,882,136
2014	1,276,000	617,238	1,893,238
2015	1,334,000	570,096	1,904,096
2016	1,397,000	519,620	1,916,620
2017	1,460,000	544,272	2,004,272

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2018-2022	7,633,000	1,404,765	9,037,765
2023	1,705,000	77,577	1,782,577
	<u>\$ 16,023,000</u>	<u>\$ 4,397,704</u>	<u>\$ 20,420,704</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property, which includes both homestead exempt property and nonexempt property. At June 30, 2012, the statutory limit was \$62,315,825, outstanding bonded debt net of debt service funds totaled \$12,060,808 and the legal debt margin is \$50,255,017. The School Board is in compliance with all significant limitations and restrictions set forth in the individual bond indentures.

During May 2007, the Board entered into a long-term agreement with the Federal Emergency Management Agency under the Community Disaster Loan Act of 2005 as a result of the major disaster declaration of August 29, 2005 for Hurricane Katrina. The Board drew down \$400,000, at an interest rate of 3.12%, of the \$5,521,445 total funds available at August 25, 2006. The loan was secured by a pledge of the Board's revenues for each fiscal year while the loan was outstanding, after provision has been made for payments on any outstanding bonded indebtedness. The loan was paid in full November 2011, in the amount of \$465,607, with \$65,607 representing accrued interest.

At June 30, 2012, employees of the School Board have accumulated \$4,752,165 of compensated absences benefits and \$12,418,637 for post-employment benefits. For further information on claims payable and post-employment benefits, see notes 11 and 13, respectively. General and Special Revenue Fund expenditures are recorded when incurred.

**(10) Self-Insurance Program/Risk Management**

On July 1, 1990, the School Board established a Self-Insurance Program (an internal service fund) to account for and finance its uninsured risk of loss in regard to workers' compensation insurance. Under the terms of an excess workers' compensation insurance agreement with a private insurance company, which became effective July 1, 2004, the School Board's maximum liability per occurrence is \$400,000. The School Board purchases commercial insurance with an excess limit of \$1,000,000 for claims in excess of coverage provided by the program. As of June 30, 2012, the School Board reported a claims liability of \$172,140 in the internal service fund. All funds of the School Board participate in the program and make payments to the internal service fund in amounts needed to pay current-year claims and to establish a reserve for catastrophic losses. The School Board is subject to a variety of risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions and natural disasters for which the School Board carries commercial insurance. Settlements have not exceeded coverage amounts in the past three years. At June 30, 2012, there is \$13,945 in long-term obligations arising from the Self-Insurance Program, and the program has net assets of \$271,595. Changes in the fund's claims liability amount are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current-year claims and changes in estimates</u>	<u>Claim payments</u>	<u>Balance at End of Year</u>
2010-11	\$ 325,504	444,441	(421,910)	\$ 348,035
2011-12	348,035	266,139	(442,034)	172,140

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There were no significant changes in insured amounts or deductibles in 2012.

**(11) Pension Plans**

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information, as required by the Governmental Accounting Standards Board Statement No 27, relative to each plan follows:

**(a) Teachers' Retirement System of Louisiana (TRS)**

Plan description - The School Board participates in two membership plans of the TRS, the Regular Plan and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits.

Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6446.

Funding policy - Plan members are required to contribute 8.0 percent and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rates are 23.7 percent of annual covered payroll for the Regular Plan and Plan B. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ended June 30, 2012, 2011, and 2010 were \$5,928,391, \$4,967,296, and \$3,874,128, respectively, equal to the required contributions for each year.

**(b) Louisiana School Employees' Retirement System (LSERS)**

Plan Description - The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484.

Funding Policy - Plan members are required to contribute 7.5 percent if hired before July 1, 2010 or 8 percent if hired on or after July 1, 2010 of their annual covered salary, and the School Board is required to contribute at an actuarially determined rate. The current rate is 28.6 percent of

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annual covered payroll. Under the provisions of Louisiana Revised Statute (LSA-R.S.) 11:102(B)(2)(b)(ii), employer contributions may be funded in whole or part from the Employer Credit Account. Member contributions and employer contributions for the LSERS are established by state law, and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board

The School Board's contributions to the LSERS for the year ended June 30, 2012, 2011, and 2010 were \$666,541, \$568,123, and \$419,115, respectively, equal to the required contributions for each year.

**(13) Post-Employment Health Care Benefits**

**Plan Description.** Washington Parish School Board participates in a fully insured health insurance and life insurance program administered by the Louisiana Office of Group Benefits (OGB).

Medical benefits are provided through the OGB and involve several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at [www.groupbenefits.org](http://www.groupbenefits.org) - "Quick Links" - "Health Plans". The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. OGB does not issue a stand-alone financial report on the plan; however, the financial information is included in the Louisiana State's Comprehensive Annual Financial Report. A copy can be obtained on the website at [www.doa.la.gov/osrap-2.htm](http://www.doa.la.gov/osrap-2.htm).

The OGB "Medicare Advantage" plan has been assumed as an alternative to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement from the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D R O.P. entry) provisions as follows: 30 years of service at any age, age 55 and 25 years of service, or, age 65 and 20 years of service.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays at least 50% of the cost of the retiree life insurance. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption, zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

**Contribution Rates.** Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Fund Policy.** Until 2008, Washington Parish School Board recognized the cost of providing post-employment medical and life benefits (Washington Parish School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2008, Washington Parish School Board implemented Government Accounting Standards Board

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Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). A schedule of funding progress would present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In fiscal years ending June 30, 2012 and 2011, Washington Parish School Board's portion of health care and life insurance funding cost for retired employees totaled \$2,440,717 and \$2,259,923, respectively. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the table in the following note.

**Annual Required Contribution.** Washington Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is set forth below for fiscal years ending June 30:

	2012	2011
Normal Cost	\$ 1,317,969	\$ 1,267,278
30-year UAL amortization amount	2,815,716	2,707,419
Annual required contribution (ARC)	\$ 4,133,685	\$ 3,974,697

**Net Post-Employment Benefit Obligation.** The table below shows Washington Parish School Board's Net Other Post-Employment Benefit (OPEB) Obligation for fiscal years ending June 30:

	2012	2011
Beginning Net OPEB Obligation, July 1, 2011	\$ 10,920,380	\$ 9,372,723
Annual required contribution	4,133,685	3,974,697
Interest on Net OPEB Obligation	436,816	374,909
ARC Adjustment	(631,527)	(542,026)
OPEB Cost	3,938,974	3,807,580
Contributions to trust	-	-
Current year retiree premium	(2,440,717)	(2,259,923)
Change in Net OPEB Obligation	1,498,257	1,547,657
Ending Net OPEB Obligation, June 30, 2012	\$ 12,418,637	\$ 10,920,380

The following table shows Washington Parish 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
June 30, 2012	\$ 3,938,973	61.96%	\$ 12,418,637
June 30, 2011	\$ 3,807,580	59.35%	\$ 10,920,380

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**Funded Status and Funding Progress.** In the fiscal years ending June 30, 2012 and 2011, Washington Parish School Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2010 actuarial valuation, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2012 was \$48,689,404, which is defined as that portion, as determined by a particular actuarial cost method (Washington Parish 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, the entire actuarial accrued liability of \$48,689,404 was unfunded.

	2012	2011
Actuarial Accrued Liability (AAL)	\$ 48,689,404	\$ 46,816,735
Actuarial Value of Plan Assets	-	-
Unfunded Act. Accrued Liability (UAAL)	48,689,404	46,816,735
Funded Ratio (Act. Val. Assets/AAL)	0%	0%
Covered Payroll (active plan members)	\$ 28,417,048	\$ 28,470,541
UAAL as a percentage of covered payroll	171.34%	164.44%

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as 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 Washington Parish School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Washington Parish 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 Washington Parish 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.

**Actuarial Cost Method.** The ARC is determined using the Projected Unit Credit Cost Method. 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 OPEB obligation has not yet been funded, there are not any assets. It is anticipated that in future valuations a smoothed market value will be consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

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**Turnover Rate.** An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18 - 25	15.0%
26 - 40	12.0%
41 - 54	10.0%
55+	7.0%

**Post-Employment Benefit Plan Eligibility Requirements.** It is assumed that entitlement to benefits will commence five years after satisfaction of the minimum retirement/D.R.O.P. entry eligibility requirements described above under "Plan Terms". This consists of a three year D.R.O.P. period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. Entitlement to benefits continue through Medicare to death.

**Investment Return Assumption (Discount Rate).** GASB Statement 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 (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections, 2003 to 2013, Table 3. National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). "State and Local" rates for 2010 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later. Zero trend has been assumed for valuing life insurance.

**Mortality Rate.** The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans.

**Method of Determining Value of Benefits.** The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The "State Share" premiums in the OGB medical rate schedule provided are "unblended" rates for active and retired as required by GASB 45 and have been used for valuation purposes. This valuation has been performed assuming the OGB alternative Medicare Advantage plan will be adopted by 50% of current and future retirees.

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**Inflation Rate** - Included in both the investment return assumption and the healthcare cost trend rates above is an implicit inflation assumption of 2.50% annually

**Projected Salary Increases** - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary

**Post-retirement Benefit Increases** - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal years.

	<u>2010</u>	<u>2011</u>	<u>2012</u>
OPEB Cost	\$ 7,211,204	\$ 3,807,580	\$ 3,938,974
Contributions to trust	-	-	-
Retiree premium	<u>2,425,486</u>	<u>2,259,923</u>	<u>2,440,717</u>
Total contribution and premium	<u>2,425,486</u>	<u>2,259,923</u>	<u>2,440,717</u>
Change in net OPEB obligation	<u>\$ 4,785,718</u>	<u>\$ 1,547,657</u>	<u>\$ 1,498,257</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	33.63%	59.35%	61.96%

**(14) Excess of Expenditures over Appropriations**

For those funds for which a budget-to-actual comparison was made on a line item basis, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	<u>Expenditures</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	
General Fund			
Instruction			
Regular programs	\$ 19,124,561	\$ 19,182,663	\$ (58,102)
Support services:			
Student services	2,225,327	2,404,242	(178,915)
School administration	3,434,170	3,468,340	(34,170)
Business services	462,980	464,056	(1,076)
Student transportation services	3,915,087	4,107,751	(192,664)
Construction	3,609	133,161	(129,552)
Debt service:			
Principal	-	400,000	(400,000)
Interest	-	65,067	(65,067)
Operating transfers out	200,000	420,000	(220,000)

**WASHINGTON PARISH SCHOOL BOARD**  
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Notes to the Basic Financial Statements

June 30, 2012

	<u>Expenditures</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	
School Lunch Fund			
Support services:			
Food services	3,830,156	3,972,207	(142,051)
IDEA Special Education Fund			
Support services:			
Instructional staff support	419,628	425,805	(6,177)
Special Federal Fund			
Instruction - special programs	234,046	279,092	(45,046)
Angie School District Fund			
Support services:			
School administration	3,450	3,479	(29)
Summer Feeding Program Fund			
Operating transfers out	-	15,000	(15,000)

**(15) Operating Leases**

The School Board leases equipment for its School Lunch program under operating leases. Payments for operating leases for fiscal year 2012 totaled \$277,048. The following is a schedule by year of future lease payments as of June 30, 2012:

<u>Year ending June 30</u>	<u>Total Payments</u>
2013	\$ 151,191
2014	115,428
	<u>\$ 266,619</u>

**(16) Contingencies**

The School Board participates in a number of state and federally-assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits, will not be material.

**(17) New Pronouncements**

The GASB issued Statement No 60, *Accounting and Financial Reporting for Service Concession Arrangements* in November 2010. The requirements of the related Statement are effective for financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented.

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The GASB issued Statement No. 61, *The Financial Reporting Entity Omnibus - an amendment of GASB Statements No. 14 and No. 34* in November 2010. The requirements of the related Statement are effective for financial statements for periods beginning after June 15, 2012.

The GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* in December 2010. The requirements of the related Statement are effective for financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented.

The GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* in June 2011. The requirements of the related Statement are effective for financial statements for periods beginning after December 15, 2011.

The GASB issued Statement No. 64, *Derivative Instruments. Application of Hedge Accounting Termination Provisions* in June 2011. The requirements of the related Statement are effective for financial statements for periods beginning after June 15, 2011.

The GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* in March 2012. The requirements of the related Statement are effective for financial statements for periods beginning after December 15, 2012.

The GASB issued Statement No. 67, *Financial Reporting for Pension Plans* in June 2012. The requirements of the related Statement are effective for financial statements for periods beginning after June 15, 2013.

The GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* in June 2012. The requirements of the related Statement are effective for financial statements for periods beginning after June 15, 2014.

Management of the School Board is currently assessing the impact of the new pronouncements on the financial statements.

**(18) Subsequent Events**

Management of the School Board has evaluated subsequent events through the date that the financial statements were available to be issued, December 4, 2012 and determined that there were no subsequent events requiring disclosure, except as noted below.

In September 2012, the School Board adopted a resolution regarding refunding of the 2003 District #4 Bond Issue. As of the date of this report, the bonds have yet to be refunded. In addition, the School Board recognized an impairment of \$107,994 during the year ended June 30, 2013 related to an older school structure which was demolished in the fall of 2012. The School Board is not aware of any environmental issues or obligations related to its demolition. In calendar year 2014, the School District No. 2 of Washington Parish's Operation and Maintenance Millage is set to expire. The School Board anticipates presenting renewal for 10 years for vote in April 2013.

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**WASHINGTON PARISH SCHOOL BOARD  
FRANKLINTON, LOUISIANA**

**Required Supplementary Information - Other  
BUDGETARY COMPARISON SCHEDULES**

- **General Fund**
- **Title I**

The Title I Special Revenue Fund is part of the No Child Left Behind Act (NCLB) funds, which are federally funded programs promulgated by Public Law (PL) 103-382 which consolidated fourteen programs. NCLB's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies.

- **School Lunch**

The School Lunch Special Revenue Fund, including the Breakfast program, is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

- **IDEA Special Education**

Individuals with Disabilities Education Act (IDEA), Public Law (PL) 101-476, is a federally financed program of free public education in the least restrictive environment for children with exceptionalities.

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**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

General Fund  
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2012

	Budgeted Amounts Original and Final	Actual	Variance from Budget
<b>Revenues</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 1,893,825	1,728,882	(164,943)
Sales and use	4,166,415	4,135,359	(31,056)
Interest earnings	70,000	68,148	(1,852)
Food services	55,500	53,054	(2,446)
Other	1,458,783	1,484,426	25,643
State sources:			
Equalization	34,851,793	35,243,609	411,816
Other	752,949	767,438	14,489
Federal sources:			
Unrestricted	49,500	-	(49,500)
Other sources	12,499	-	(12,499)
<b>Total revenues</b>	<u>43,291,264</u>	<u>43,480,916</u>	<u>189,652</u>
<b>Expenditures:</b>			
Instruction:			
Regular programs	19,124,561	19,182,663	(58,102)
Special programs	5,655,533	5,176,467	479,066
Other education programs	2,295,470	2,102,051	193,419
<b>Total instructional expenditures</b>	<u>27,075,564</u>	<u>26,461,181</u>	<u>614,383</u>
Support services:			
Student services	2,225,327	2,404,242	(178,915)
Instructional staff support	1,942,012	1,938,154	3,858
General administration	1,098,042	1,036,575	61,467
School administration	3,434,170	3,468,340	(34,170)
Business services	462,980	464,056	(1,076)
Plant services	5,546,591	5,402,981	143,610
Student transportation services	3,915,087	4,107,751	(192,664)
<b>Total support services expenditures</b>	<u>18,624,209</u>	<u>18,822,099</u>	<u>(197,890)</u>
Construction:			
	3,609	133,161	(129,552)
Debt service:			
Principal	-	400,000	(400,000)
Interest	-	65,067	(65,067)
<b>Total debt service expenditures</b>	<u>-</u>	<u>465,067</u>	<u>(465,067)</u>
<b>Total expenditures</b>	<u>45,703,382</u>	<u>45,881,508</u>	<u>(178,126)</u>
<b>Excess of revenues over expenditures</b>	<u>(2,412,118)</u>	<u>(2,400,592)</u>	<u>11,526</u>
<b>Other financing sources (uses)</b>			
Sale of property	-	22,338	22,338
Transfers in	225,001	196,282	(28,719)
Transfers out	(200,000)	(420,000)	(220,000)
<b>Total other financing uses</b>	<u>25,001</u>	<u>(201,380)</u>	<u>(226,381)</u>
<b>Net change in fund balance</b>	<u>(2,387,117)</u>	<u>(2,601,972)</u>	<u>(214,855)</u>
<b>Fund balances at beginning of year</b>	<u>13,566,904</u>	<u>13,566,904</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u>\$ 11,179,787</u>	<u>10,964,932</u>	<u>(214,855)</u>

See accompanying independent auditors' report

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Title I  
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2012

	Budgeted Amounts		Actual	Variance from Final Budget
	Original	Final		
<b>Revenues</b>				
Federal sources:				
Restricted grants-in-aid	\$ 2,392,603	2,436,130	2,250,336	(185,794)
Total revenues	<u>2,392,603</u>	<u>2,436,130</u>	<u>2,250,336</u>	<u>(185,794)</u>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Special programs	1,293,593	1,346,383	1,265,872	80,511
Total instructional expenditures	<u>1,293,593</u>	<u>1,346,383</u>	<u>1,265,872</u>	<u>80,511</u>
<b>Support services</b>				
Instructional staff support	888,074	865,067	816,743	48,324
Student administration	4,642	4,902	3,846	1,056
General administration	32,857	46,326	17,078	29,248
Plant services	11,000	11,508	3,357	8,151
Student transportation services	6,030	6,030	2,237	3,793
Total support services expenditures	<u>942,603</u>	<u>933,833</u>	<u>843,261</u>	<u>90,572</u>
<b>Community service programs</b>	29,632	31,047	25,487	5,560
Total expenditures	<u>2,265,828</u>	<u>2,311,263</u>	<u>2,134,620</u>	<u>176,643</u>
<b>Excess of revenues over expenditures:</b>	<u>126,775</u>	<u>124,867</u>	<u>115,716</u>	<u>(9,151)</u>
<b>Other financing uses</b>				
Indirect cost	(131,785)	(129,881)	(119,765)	10,116
Total other financing uses	<u>(131,785)</u>	<u>(129,881)</u>	<u>(119,765)</u>	<u>10,116</u>
Net change in fund balance	(5,010)	(5,014)	(4,049)	965
Fund balances at beginning of year	5,858	5,858	5,858	-
Fund balances at end of year	<u>\$ 848</u>	<u>844</u>	<u>1,809</u>	<u>965</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

School Lunch  
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2012

	<u>Budgeted Amounts Original and Final</u>	<u>Actual</u>	<u>Variance from Budget</u>
<b>Revenues:</b>			
<b>Local sources:</b>			
Food services	\$ 339,000	276,795	(62,205)
Other	4,200	3,807	(393)
<b>State sources</b>			
Minimum Foundation	359,951	359,952	1
<b>Federal sources.</b>			
Restricted grants-in-aid	2,783,022	2,745,249	(37,773)
Other - commodities	150,000	167,549	17,549
Total revenues	<u>3,636,173</u>	<u>3,553,352</u>	<u>(82,821)</u>
<b>Expenditures:</b>			
<b>Support services</b>			
Food services	3,830,156	3,972,207	(142,051)
Total support services expenditures	<u>3,830,156</u>	<u>3,972,207</u>	<u>(142,051)</u>
<b>Total expenditures</b>	<u>3,830,156</u>	<u>3,972,207</u>	<u>(142,051)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(193,983)</u>	<u>(418,855)</u>	<u>(224,872)</u>
<b>Other financing sources</b>			
Transfers in	200,000	435,000	235,000
Sale of property	2,700	3,041	341
Total other financing sources	<u>202,700</u>	<u>438,041</u>	<u>235,341</u>
<b>Net change in fund balance</b>	8,717	19,186	10,469
<b>Fund balances at beginning of year</b>	<u>38,144</u>	<u>32,340</u>	<u>(5,804)</u>
<b>Fund balances at end of year</b>	<u>\$ 46,861</u>	<u>51,526</u>	<u>4,665</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
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IDEA Special Education  
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2012

	Budgeted Amounts		Actual	Variance from Budget
	Original	Final		
Revenues:				
Federal sources:				
Restricted grants-in-aid	\$ 1,202,039	1,621,860	1,306,628	(315,232)
Total revenues	<u>1,202,039</u>	<u>1,621,860</u>	<u>1,306,628</u>	<u>(315,232)</u>
Expenditures				
Instruction - special programs	433,995	638,174	420,929	217,245
Support services:				
Student services	253,282	392,663	335,785	55,880
Instructional staff support	369,852	419,628	425,805	(6,177)
General administration	65,200	59,461	37,153	22,308
Plant services	10,500	13,775	10,100	3,675
Student transportation services	2,000	7,416	2,835	4,581
Total expenditures	<u>1,134,807</u>	<u>1,531,117</u>	<u>1,233,605</u>	<u>297,512</u>
Excess of revenues over expenditures	<u>67,232</u>	<u>90,743</u>	<u>73,023</u>	<u>(17,720)</u>
Other financing uses				
Transfers out	(67,232)	(90,743)	(73,065)	17,678
Total other financing uses	<u>(67,232)</u>	<u>(90,743)</u>	<u>(73,065)</u>	<u>17,678</u>
Net change in fund balance	-	-	(42)	(42)
Fund balances at beginning of year	42	42	42	-
Fund balances at end of year	<u>\$ 42</u>	<u>42</u>	<u>-</u>	<u>(42)</u>

See accompanying independent auditors' report.

**WASHINGTON PARISH SCHOOL BOARD  
FRANKLINTON, LOUISIANA**

**Other Supplementary Information**



**Thomas Elementary School  
Activities**



WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

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**WASHINGTON PARISH SCHOOL BOARD  
FRANKLINTON, LOUISIANA**

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



Franklinton Primary School  
Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Nonmajor Governmental Funds  
 Combining Balance Sheet - By Fund Type

June 30, 2012

Assets	Special Revenue	Debt Service	Capital Projects	Total
Cash and cash equivalents	\$ 40,267	349,260	1,442	390,969
Receivables	507,909	-	-	507,909
Interfund receivables	-	-	21,328	21,328
<b>Total assets</b>	<b>\$ 548,176</b>	<b>349,260</b>	<b>22,770</b>	<b>920,206</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
Accounts, salaries, and other payables	\$ 125,374	16,131	-	141,505
Interfund payables	384,670	-	-	384,670
Deferred revenues	71	2,566	-	2,637
<b>Total liabilities</b>	<b>510,115</b>	<b>18,697</b>	<b>-</b>	<b>528,812</b>
<b>Equity:</b>				
<b>Fund balances</b>				
Restricted for debt service	-	330,563	-	330,563
Restricted for maintenance	36,919	-	-	36,919
Restricted for grant programs	1,142	-	-	1,142
Restricted for capital projects	-	-	22,770	22,770
<b>Total equity</b>	<b>38,061</b>	<b>330,563</b>	<b>22,770</b>	<b>391,394</b>
<b>Total liabilities and equity</b>	<b>\$ 548,176</b>	<b>349,260</b>	<b>22,770</b>	<b>920,206</b>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2012

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Revenues</b>				
<b>Local sources:</b>				
<b>Taxes</b>				
Ad valorem	\$ 22,511	264,950	-	287,461
Interest earnings	150	7,880	28	8,058
Food services	193	-	-	193
Other	-	-	40,000	40,000
<b>State sources:</b>				
Other	2,596	-	-	2,596
<b>Federal sources:</b>				
Restricted grants-in-aid	2,088,863	-	-	2,088,863
Other - commodities	4,532	-	-	4,532
<b>Total revenues</b>	<u>2,118,845</u>	<u>272,830</u>	<u>40,028</u>	<u>2,431,703</u>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Special programs	1,871,277	-	-	1,871,277
<b>Support services:</b>				
Instructional staff support	135,328	-	-	135,328
General administration	764	17,918	-	18,682
Business services	3,479	-	-	3,479
Plant services	37,146	-	-	37,146
Food services	63,577	-	-	63,577
Construction and land improvement	-	-	110,764	110,764
<b>Debt service:</b>				
Principal retirement	-	129,000	-	129,000
Interest and bank charges	-	38,921	-	38,921
<b>Total expenditures</b>	<u>2,111,571</u>	<u>185,839</u>	<u>110,764</u>	<u>2,408,174</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>7,274</u>	<u>86,991</u>	<u>(70,736)</u>	<u>23,529</u>
<b>Other financing sources (uses):</b>				
Transfers out (note 6)	(18,452)	-	-	(18,452)
<b>Total other financing sources (uses)</b>	<u>(18,452)</u>	<u>-</u>	<u>-</u>	<u>(18,452)</u>
<b>Net change in fund balances</b>	(11,178)	86,991	(70,736)	5,077
<b>Fund balances at beginning of year</b>	<u>49,239</u>	<u>243,572</u>	<u>93,506</u>	<u>386,317</u>
<b>Fund balances at end of year</b>	<u>\$ 38,061</u>	<u>330,563</u>	<u>22,770</u>	<u>391,394</u>

See accompanying independent auditors' report.

## NONMAJOR FUNDS - SPECIAL REVENUE FUNDS

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### NO CHILD LEFT BEHIND

No Child Left Behind Act (NCLB) is a federally funded program (includes previous referred to Improving America's School Act Fund). NCLB's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies. NCLB nonmajor funds include Title II and Title II-D ARRA.

### LA4 FEDERAL

The LA 4 Prekindergarten Program is to provide universal, high-quality, early education and enrichment services to four-year-old children, at no cost to children considered to be "at risk" of achieving later academic success, which is defined as children eligible for free or reduced-price meals.

### READING FIRST

The Reading First Special Revenue Fund is a program that has been established out of the NCLB Act of 2001 to ensure that all children in America learn to read well by the end of the third grade; to provide the necessary assistance to the State and districts to establish research-based reading programs, to significantly increase professional development, and to provide assistance to the districts in preparing classroom teachers to effectively screen, diagnose, and monitor progress and outcome in order to overcome reading barriers for their students.

### SPECIAL FEDERAL

During fiscal year 1995, the School Board established this fund to account for federal grants previously recovered in the General Fund. The programs included in this fund, all of which are federally financed, include Vocational Education, Adult Basic Education and the High Risk Pool Grant

### EDUCATION JOBS

The Education Jobs Fund consists of funds only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services

### ANGIE SCHOOL DISTRICT

The Angie School District Fund accounts for a 5.12 mill ad valorem tax assessed on property within the Angie School District to improve, maintain, and operate schools within the district. The majority of financing is provided by ad valorem tax and state revenue sharing.

**NONMAJOR FUNDS - SPECIAL REVENUE FUNDS**

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**SUMMER FEEDING PROGRAM**

The Summer Feeding Program is a program that provides nourishing meals to students in summer school sessions.

**REAP FEDERAL**

The REAP Program provides funds to high-poverty, rural LEAs to supplement the LEA's activities under selected formula -funded Federal programs. LEAs have the flexibility to use their allocations for teacher recruitment and retention, teacher professional development, educational technology, parental involvement activities, activities authorized under Safe and Drug-Free Schools Program under Part A of Title IV, activities authorized under Part A of Title I, and activities authorized under Title III.



Franklinton Jr. High  
School Activities



Washington Parish School Board  
Franklinton, Louisiana

Nonmajor Special Revenue Funds  
Combining Balance Sheet

June 30, 2012

	<u>No Child Left Behind Act (NCLB)</u>		LA4 Federal	Reading First	Special Federal	Education Jobs	Angle School District	Summer Feeding Program	REAP Federal	Total
	Title II	ARRA Title II-D								
<b>Assets</b>										
Cash and cash equivalents	\$ -	-	-	-	-	-	36,990	3,277	-	40,267
Receivables	114,943	-	194,450	-	170,019	-	-	-	28,497	507,909
<b>Total assets</b>	<b>\$ 114,943</b>	<b>-</b>	<b>194,450</b>	<b>-</b>	<b>170,019</b>	<b>-</b>	<b>36,990</b>	<b>3,277</b>	<b>28,497</b>	<b>548,176</b>
<b>Liabilities and Equity</b>										
<b>Liabilities:</b>										
Accounts, salaries, and other payables	\$ 32,680	-	82,748	-	5,764	-	-	2,135	2,017	125,374
Interfund payables	82,263	-	111,702	-	164,255	-	-	-	26,450	384,670
Deferred revenues	-	-	-	-	-	-	71	-	-	71
<b>Total liabilities</b>	<b>114,943</b>	<b>-</b>	<b>194,450</b>	<b>-</b>	<b>170,019</b>	<b>-</b>	<b>71</b>	<b>2,135</b>	<b>28,497</b>	<b>510,115</b>
<b>Equity:</b>										
<b>Fund balances</b>										
Restricted for maintenance	-	-	-	-	-	-	36,919	-	-	36,919
Restricted for grant programs	-	-	-	-	-	-	-	1,142	-	1,142
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,919</b>	<b>1,142</b>	<b>-</b>	<b>38,061</b>
<b>Total liabilities and equity</b>	<b>\$ 114,943</b>	<b>-</b>	<b>194,450</b>	<b>-</b>	<b>170,019</b>	<b>-</b>	<b>36,990</b>	<b>3,277</b>	<b>28,497</b>	<b>548,176</b>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Nonmajor Special Revenue Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

June 30, 2012

	No Child Left Behind (NCLB)		LA4 Federal	Reading First	Special Federal	Education Jobs	Angle School District	Summer Feeding Program	REAP Federal	Total
	Title II	ARRA Title II-D								
<b>Revenues</b>										
Local sources										
Ad valorem taxes	\$ -	-	-	-	-	-	22,511	-	-	22,511
Interest earnings	-	-	-	-	-	-	150	-	-	150
Food services	-	-	-	-	-	-	-	193	-	193
State sources										
Other	-	-	-	-	-	-	2,596	-	-	2,596
Federal sources										
Restricted grants-in-aid	427,629	13,071	1,119,194	64,088	279,092	28,182	-	50,624	106,983	2,088,863
Other - commodities	-	-	-	-	-	-	-	4,532	-	4,532
<b>Total revenues</b>	<b>427,629</b>	<b>13,071</b>	<b>1,119,194</b>	<b>64,088</b>	<b>279,092</b>	<b>28,182</b>	<b>25,257</b>	<b>55,349</b>	<b>106,983</b>	<b>2,118,845</b>
<b>Expenditures</b>										
Instruction - special programs	404,505	13,071	1,085,709	64,088	279,092	-	-	-	24,812	1,871,277
Support services										
Instructional staff support	23,124	-	33,485	-	-	-	-	-	78,719	135,328
General administration	-	-	-	-	-	-	764	-	-	764
School administration	-	-	-	-	-	-	3,479	-	-	3,479
Plant services	-	-	-	-	-	28,182	8,964	-	-	17,146
Food services	-	-	-	-	-	-	-	63,577	-	63,577
<b>Total expenditures</b>	<b>427,629</b>	<b>13,071</b>	<b>1,119,194</b>	<b>64,088</b>	<b>279,092</b>	<b>28,182</b>	<b>13,207</b>	<b>63,577</b>	<b>103,531</b>	<b>2,111,571</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,050</b>	<b>(8,228)</b>	<b>3,452</b>	<b>7,274</b>
<b>Other financing uses</b>										
Transfers out	-	-	-	-	-	-	-	(15,000)	(3,452)	(18,452)
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,000)</b>	<b>(3,452)</b>	<b>(18,452)</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,050</b>	<b>(23,228)</b>	<b>-</b>	<b>(11,178)</b>
Fund balances at beginning of year	-	-	-	-	-	-	24,869	24,370	-	49,239
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,919</b>	<b>1,142</b>	<b>-</b>	<b>38,061</b>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Title II Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	Budgeted Amounts		Actual	Variance from Budget
	Original	Final		
Revenues:				
Federal sources:				
Restricted grants-in-aid	\$ 434,015	452,768	427,629	(25,139)
Total revenues	434,015	452,768	427,629	(25,139)
Expenditures:				
Instruction - special programs	404,193	405,363	404,505	858
Support services:				
Instructional staff support	29,822	47,405	23,124	24,281
Total expenditures	434,015	452,768	427,629	25,139
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	-	-	-

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**ARRA Title II-D Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Year ended June 30, 2012

	<b>Budgeted Amounts Original and Final</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues:</b>			
<b>Federal sources:</b>			
Restricted grants-in-aid	\$ 13,071	13,071	-
<b>Total revenues</b>	<u>13,071</u>	<u>13,071</u>	<u>-</u>
<b>Expenditures:</b>			
Instruction - special programs	13,071	13,071	-
<b>Total expenditures</b>	<u>13,071</u>	<u>13,071</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

LA 4 Federal Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance from Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Federal sources:				
Restricted grants-in-aid	\$ 1,006,363	1,119,194	1,119,194	-
<b>Total revenues</b>	<b>1,006,363</b>	<b>1,119,194</b>	<b>1,119,194</b>	<b>-</b>
<b>Expenditures:</b>				
Instruction - special programs	973,719	1,085,709	1,085,709	-
Support services:				
Instructional staff support	32,644	33,485	33,485	-
<b>Total support services expenditures</b>	<b>32,644</b>	<b>33,485</b>	<b>33,485</b>	<b>-</b>
<b>Total expenditures</b>	<b>1,006,363</b>	<b>1,119,194</b>	<b>1,119,194</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	-	-	-

See accompanying independent auditors' report.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Reading First Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Year ended June 30, 2012

	<b>Budgeted Amounts Original and Final</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues:</b>			
<b>Federal sources:</b>			
Restricted grants-in-aid	\$ 64,088	64,088	-
<b>Total revenues</b>	<b>64,088</b>	<b>64,088</b>	<b>-</b>
<b>Expenditures:</b>			
Instruction - special programs	64,088	64,088	-
<b>Total expenditures</b>	<b>64,088</b>	<b>64,088</b>	<b>-</b>
Net change in fund balance	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	\$ -	-	-

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Special Federal Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	Budgeted Amounts		Actual	Variance from Budget
	Original	Final		
Revenues.				
Federal sources:				
Restricted grants-in-aid	\$ 198,992	234,046	279,092	45,046
Total revenues	198,992	234,046	279,092	45,046
Expenditures:				
Instruction - special programs	198,992	234,046	279,092	(45,046)
Total expenditures	198,992	234,046	279,092	(45,046)
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	-	-	-

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Education Jobs Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	<u>Budgeted Amounts Original and Final</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	\$ 28,182	28,182	-
Total revenues	<u>28,182</u>	<u>28,182</u>	<u>-</u>
Expenditures:			
Support services:			
Plant services	28,182	28,182	-
Total expenditures	<u>28,182</u>	<u>28,182</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Angie School District Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Year ended June 30, 2012

	<b>Budgeted Amounts Original and Final</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues:</b>			
<b>Local sources:</b>			
Ad valorem taxes	\$ 24,000	22,511	(1,489)
Interest earnings	150	150	-
<b>State sources:</b>			
Other	<u>2,500</u>	<u>2,596</u>	<u>96</u>
<b>Total revenues</b>	<u>26,650</u>	<u>25,257</u>	<u>(1,393)</u>
<b>Expenditures:</b>			
<b>Support services:</b>			
General administration	799	764	35
School administration	3,450	3,479	(29)
Plant services	<u>47,270</u>	<u>8,964</u>	<u>38,306</u>
<b>Total expenditures</b>	<u>51,519</u>	<u>13,207</u>	<u>38,312</u>
<b>Net change in fund balance</b>	(24,869)	12,050	36,919
<b>Fund balances at beginning of year</b>	<u>24,869</u>	<u>24,869</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u>\$ -</u>	<u>36,919</u>	<u>36,919</u>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Summer Feeding Program Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	<u>Budgeted Amounts Original and Final</u>	<u>Actual</u>	<u>Variance from Budget</u>
<b>Revenues:</b>			
Local sources:			
Food services	\$ 400	193	(207)
Federal sources:			
Restricted grants-in-aid	70,000	50,624	(19,376)
Other - commodities	<u>3,500</u>	<u>4,532</u>	<u>1,032</u>
Total revenues	<u>73,900</u>	<u>55,349</u>	<u>(18,551)</u>
<b>Expenditures:</b>			
Support services:			
Food services	<u>70,150</u>	<u>63,577</u>	<u>6,573</u>
Total expenditures	<u>70,150</u>	<u>63,577</u>	<u>6,573</u>
Excess of revenues over expenditures	3,750	(8,228)	(11,978)
<b>Other financing uses:</b>			
Operating transfers out	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
Total other financing uses	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
Net change in fund balance	3,750	(23,228)	(26,978)
Fund balances at beginning of year	<u>24,370</u>	<u>24,370</u>	<u>-</u>
Fund balances at end of year	<u>\$ 28,120</u>	<u>1,142</u>	<u>(26,978)</u>

See accompanying independent auditors' report.

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

REAP Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance from Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal sources:				
Restricted grants-in-aid	\$ 113,180	113,179	106,983	(6,196)
Total revenues	<u>113,180</u>	<u>113,179</u>	<u>106,983</u>	<u>(6,196)</u>
Expenditures				
Instruction - special programs	27,997	24,843	24,812	31
Support services				
Instructional staff support	78,845	78,718	78,719	(1)
Total expenditures	<u>106,842</u>	<u>103,561</u>	<u>103,531</u>	<u>30</u>
Excess of revenues over expenditures	6,338	9,618	3,452	(6,166)
Other financing uses:				
Indirect costs	(6,338)	(9,618)	(3,452)	6,166
Total other financing uses	<u>(6,338)</u>	<u>(9,618)</u>	<u>(3,452)</u>	<u>6,166</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**NON-MAJOR FUNDS - DEBT SERVICE FUNDS**

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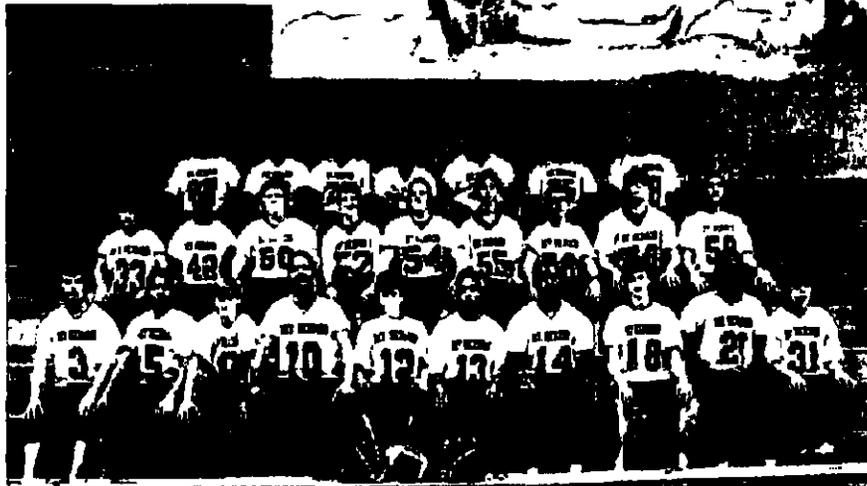
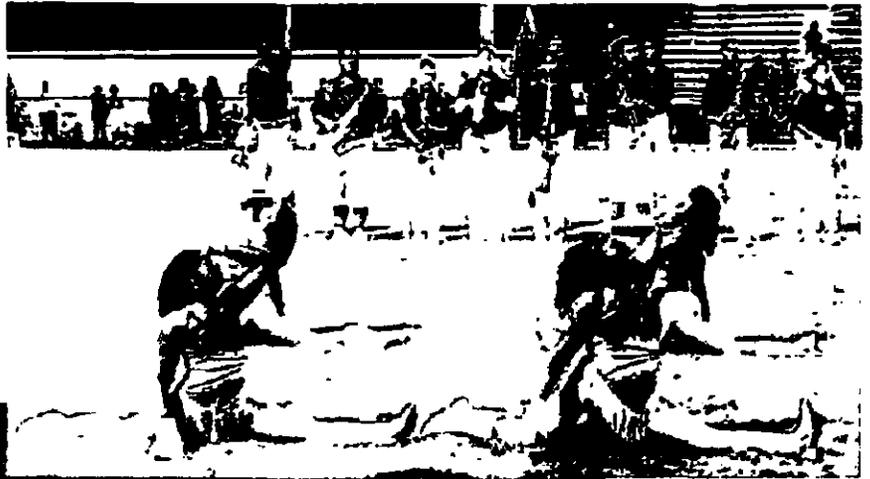
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The Varnado, Mt. Hermon, and Franklinton-Enon School District Debt Service Funds accumulate monies for the payment of remaining bond issues and/or improvements to those districts. The bond issues are financed by a special property tax levy on property within the territorial limits of the appropriate school districts

Varnado High School,  
Mt Hermon School & Enon  
Elementary School Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Nonmajor Debt Service Funds**  
**Combining Balance Sheet**

June 30, 2012

	<b>Varnado High School</b>	<b>Mt. Hermon High School</b>	<b>Franklinton Enon School District</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 117,165	133,716	98,379	349,260
Receivables	-	-	-	-
<b>Total assets</b>	<b>\$ 117,165</b>	<b>133,716</b>	<b>98,379</b>	<b>349,260</b>
<b>Liabilities and Equity</b>				
<b>Liabilities:</b>				
Other payables	\$ 160	-	15,971	16,131
Deferred revenues	600	-	1,966	2,566
<b>Total liabilities</b>	<b>760</b>	<b>-</b>	<b>17,937</b>	<b>18,697</b>
<b>Equity</b>				
<b>Fund balances:</b>				
Restricted for debt service	116,405	133,716	80,442	330,563
<b>Total equity</b>	<b>116,405</b>	<b>133,716</b>	<b>80,442</b>	<b>330,563</b>
<b>Total liabilities and equity</b>	<b>\$ 117,165</b>	<b>133,716</b>	<b>98,379</b>	<b>349,260</b>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Nonmajor Debt Service Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2012

	<u>Varnado School District</u>	<u>Mt. Hermon School District</u>	<u>Franklinton Enon School District</u>	<u>Total</u>
<b>Revenues.</b>				
<b>Local sources:</b>				
Ad valorem taxes	\$ 96,939	82,561	85,450	264,950
Interest earnings	<u>1,481</u>	<u>761</u>	<u>5,638</u>	<u>7,880</u>
Total revenues	<u>98,420</u>	<u>83,322</u>	<u>91,088</u>	<u>272,830</u>
<b>Expenditures:</b>				
Support services - general administration	3,283	2,905	11,730	17,918
<b>Debt service</b>				
Principal retirement	68,000	61,000	-	129,000
Interest and bank charges	<u>19,764</u>	<u>19,157</u>	<u>-</u>	<u>38,921</u>
Total expenditures	<u>91,047</u>	<u>83,062</u>	<u>11,730</u>	<u>185,839</u>
Net change in fund balances	7,373	260	79,358	86,991
Fund balances at beginning of year	<u>109,032</u>	<u>133,456</u>	<u>1,084</u>	<u>243,572</u>
Fund balances at end of year	<u>\$ 116,405</u>	<u>133,716</u>	<u>80,442</u>	<u>330,563</u>

See accompanying independent auditors' report.

## NON-MAJOR FUNDS - CAPITAL PROJECTS FUNDS

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The Tax District #4 Capital Projects fund accumulates monies for construction and improvements in the Franklinton, Enon, Pine, and Thomas communities. The bond is financed by a special property tax levy on property within the territorial limits of the appropriate school districts. As a capital projects fund, a budget is not required.

The Franklinton-Enon Capital Projects fund accounts for excess funds collected from the bond issue originally issued for the construction of Franklinton High School and renovations to Franklinton Junior High and other various projects within the district. These bonds have been paid in full and excess funds collected from the taxes may be used for the same purpose as the original bond issue, purchase of land, and capital construction within the district.



Pine School Activities

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

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**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Nonmajor Capital Projects Funds

Combining Balance Sheet

June 30, 2012

	<u>Tax District #4</u>	<u>Franklinton Euon</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,442	-	1,442
Interfund receivables	-	21,328	21,328
	<u>1,442</u>	<u>21,328</u>	<u>22,770</u>
<b>Total assets</b>	<b>\$ 1,442</b>	<b>21,328</b>	<b>22,770</b>
<b>Equity</b>			
Equity:			
Fund balances:			
Restricted for capital projects	<u>1,442</u>	<u>21,328</u>	<u>22,770</u>
<b>Total equity</b>	<b>\$ 1,442</b>	<b>21,328</b>	<b>22,770</b>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2012

	<u>Tax District #4</u>	<u>Franklinton Enon</u>	<u>Total</u>
<b>Revenues:</b>			
Local sources - interest earnings	\$ 28	-	28
Local sources - other	<u>-</u>	<u>40,000</u>	<u>40,000</u>
Total revenues	<u>28</u>	<u>40,000</u>	<u>40,028</u>
<b>Expenditures</b>			
Construction	<u>21,264</u>	<u>89,500</u>	<u>110,764</u>
Total expenditures	<u>21,264</u>	<u>89,500</u>	<u>110,764</u>
Net change in fund balances	(21,236)	(49,500)	(70,736)
Fund balances at beginning of year	<u>22,678</u>	<u>70,828</u>	<u>93,506</u>
Fund balances at end of year	<u>\$ 1,442</u>	<u>21,328</u>	<u>22,770</u>

See accompanying independent auditors' report.

**FIDUCIARY FUND - SCHOOL ACTIVITY  
AGENCY FUND**

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The School Activity Agency Fund accounts for monies generated by the schools and organizations within the schools of the parish. While these accounts are under the supervision of the School Board, they belong to the individual school or their student bodies and are not available for use by the School Board.



**Wesley Ray Elementary School  
Activities**



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

Agency/Fiduciary Fund  
Statement of Changes in Assets and Liabilities - School Activity Funds

Year ended June 30, 2012

		<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<b>Assets:</b>					
Cash and cash equivalents	S	937,810	2,236,877	2,306,134	868,553
<b>Total assets</b>	<b>S</b>	<b>937,810</b>	<b>2,236,877</b>	<b>2,306,134</b>	<b>868,553</b>
<b>Liabilities:</b>					
Deposits due others	S	937,810	2,236,877	2,306,134	868,553
<b>Total liabilities</b>	<b>S</b>	<b>937,810</b>	<b>2,236,877</b>	<b>2,306,134</b>	<b>868,553</b>

See accompanying independent auditors' report.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Agency/Fiduciary Fund

Statement of Changes in Deposits - By School  
Cash Balances

Year ended June 30, 2012

<u>School</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>
Angie Junior High School	\$ 13,236	57	13,293	-
Enon Elementary School	97,980	53,330	88,012	63,298
Franklinton Primary School	116,842	145,845	149,720	112,967
Franklinton Elementary School	64,095	141,014	140,224	64,885
Franklinton Junior High School	117,775	287,579	279,519	125,835
Franklinton High School	118,477	729,350	723,016	124,811
Mt. Hermon High School	61,872	156,726	149,227	69,371
Pine High School	152,656	361,834	383,909	130,581
Thomas Junior High School	120,680	112,621	128,571	104,730
Varnado High School	51,359	206,600	214,560	43,399
Wesley Ray Elementary School	22,370	39,584	33,681	28,273
Adult Education Center	468	2,337	2,402	403
	<u>\$ 937,810</u>	<u>2,236,877</u>	<u>2,306,134</u>	<u>868,553</u>

See accompanying independent auditors' report.

**Schedule of Compensation Paid  
to School Board Members**

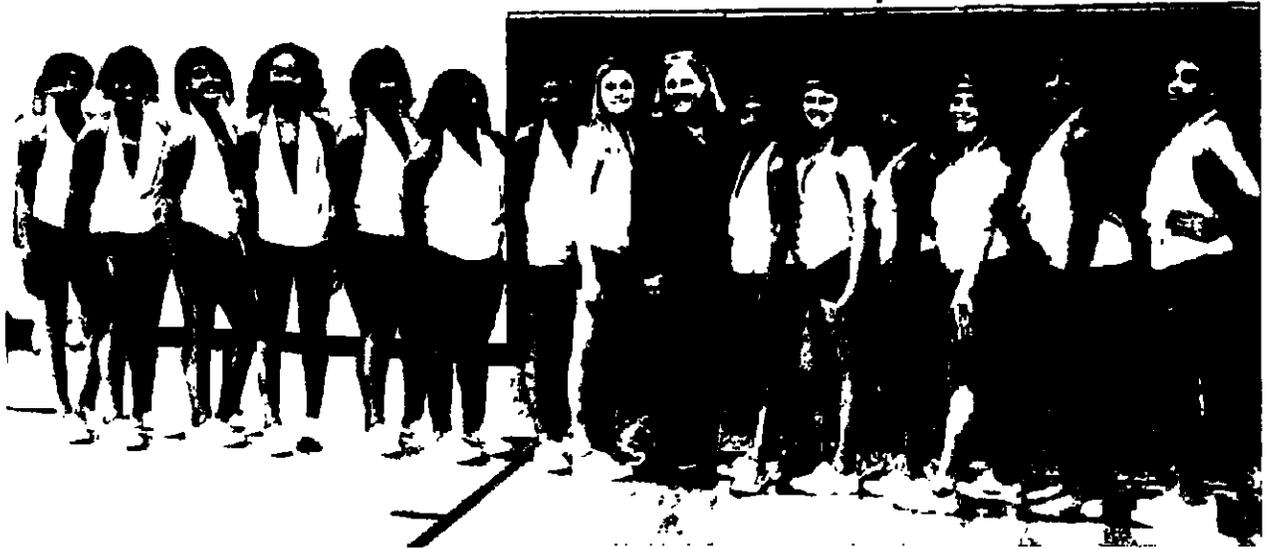
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The Schedule of Compensation Paid to School Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, and the president receives \$700 per month for performing the duties of his or her office.



Varnado High and  
Mt Hermon School Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana**

**Other Supplemental Information**

**Schedule of Compensation Paid to Board Members**

**Year ended June 30, 2012**

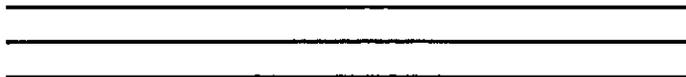
Lee Alan McCain, President	\$	8,400
Dan Slocum		7,200
John Wyble		7,200
Rev. Bruce L. Brown, Sr		7,200
John E. Breland		7,200
Mary Adams		7,200
Dewitt Perry		7,200
Matthew Tate		7,200
Lesley McKinley		<u>7,200</u>
	\$	<u><u>66,000</u></u>

See accompanying independent auditors' report

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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STATISTICAL SECTION



Enon Elementary  
School Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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**WASHINGTON PARISH SCHOOL BOARD  
FRANKLINTON, LOUISIANA**

**STATISTICAL INFORMATION**

This section which is comprised of accounting and non-accounting data is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the governmental unit.

<u>Index</u>	<u>Table</u>
<b>Financial Trends Information</b>	
These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.	
Net Assets by Component, Last Four Fiscal Years	1
Changes in Net Assets, Last Four Fiscal Years	2
Fund Balances of Governmental Funds, Last Ten Fiscal Years	3
Changes in Fund Balances of Governmental Funds and Tax Revenues by Source, Last Ten Fiscal Years	4
<b>Revenue Capacity Information</b>	
These schedules contain information to help the reader assess the School Board's most significant local revenue source, the property tax.	
Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	5
Property Tax Rates, All Direct and Overlapping Governments, Last Ten Fiscal Years	6
Principal Property Taxpayers, Current Year and Nine Years Ago	7
Property Tax Levies and Collections, Last Ten Fiscal Years	8
<b>Debt Capacity Information</b>	
These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue additional debt in the future.	
Ratio of Net General Obligation Debt to Assessed Value and Net Bonded Debt per Capita and per Student, Last Ten Fiscal Years	9
Computation of Direct and Overlapping Debt	10
Computation of Legal Debt Margin, Last Ten Tax Years	11
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment with which the School Board's financial activities take place.	
Demographic Statistics, Last Ten Fiscal Years	12
Principal Employers, Current Year and Nine Years Ago	13

**WASHINGTON PARISH SCHOOL BOARD  
FRANKLINTON, LOUISIANA**

**STATISTICAL INFORMATION**

This section which is comprised of accounting and non-accounting data is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the governmental unit

	<u>Index</u>	<u>Table</u>
<b>Operating Information</b>		
These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.		
<b>Full-time Equivalent (FTE) Employees, Last Ten Fiscal Years</b>		14
<b>General Fund Expenditures by Function, by Percentage and by Pupil, Last Ten Fiscal Years</b>		15
<b>Capital Asset Information</b>		16
<b>General Fund Revenues by Source, Last Ten Fiscal Years</b>		17
<b>State Support and Local Support Per Student, Last Ten Fiscal Years</b>		18
<b>Percentage of Annual Debt Service Expenditures For General Bonded Debt to Total General Fund Expenditures, Last Ten Fiscal Years</b>		19

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**NET ASSETS BY COMPONENT**  
**LAST FOUR FISCAL YEARS**  
 (accrual basis of accounting)  
 (Unaudited)

	Fiscal Year			
	2012	2011	2010	2009
Governmental activities				
Invested in capital assets, net of related debt	\$ 20,924,523	\$ 19,966,405	\$ 19,564,213	\$ 19,988,326
Restricted	3,962,192	3,618,368	2,734,756	2,263,023
Unrestricted	(5,308,668)	(1,455,171)	451,819	5,163,146
<b>Total governmental activities net assets</b>	<b>\$ 19,578,047</b>	<b>\$ 22,129,602</b>	<b>\$ 22,750,788</b>	<b>\$ 27,414,495</b>

Source: Audited Comprehensive Annual Financial Reports - Information available for four years

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

CHANGES IN NET ASSETS  
LAST FOUR FISCAL YEARS  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30,			
	2012	2011	2010	2009
<b>Expenses</b>				
<b>Instruction</b>				
Regular programs	\$ 18,721,828	\$ 17,979,999	\$ 19,118,013	\$ 19,460,754
Special programs	9,177,496	11,111,076	12,811,609	11,746,661
Other education programs	2,156,276	2,153,795	2,745,488	3,183,393
<b>Support services</b>				
Student services	2,809,847	1,916,441	1,903,133	1,783,415
Instructional staff services	3,401,647	3,297,662	2,988,133	2,770,004
General administration services	2,100,479	2,618,663	2,550,360	3,165,505
School administration services	3,607,317	3,487,821	3,683,234	3,772,773
Business services	475,666	444,872	476,870	480,830
Plant services	5,743,503	6,412,068	7,108,574	8,278,657
Student transportation services	4,222,332	4,078,095	4,108,242	3,987,629
Food services	4,134,852	3,847,331	4,312,820	4,345,160
Community service programs	25,487	28,938	27,093	11,378
Interest on long term debt	761,780	789,892	798,501	858,829
<b>Total expenses</b>	<b>58,338,510</b>	<b>58,018,581</b>	<b>62,588,070</b>	<b>61,840,886</b>
<b>Program revenues</b>				
Charges for services - school food	330,042	372,296	385,317	352,253
Operating grants and contributions	8,391,076	10,341,188	11,215,351	8,827,024
Capital grants and contributions	172,081	157,678	128,479	811,073
<b>Total program revenues</b>	<b>8,893,199</b>	<b>10,871,172</b>	<b>11,729,147</b>	<b>9,990,350</b>
<b>Net expense</b>	<b>(49,445,311)</b>	<b>(47,147,409)</b>	<b>(50,858,923)</b>	<b>(51,850,536)</b>
<b>General revenues and other changes in net assets:</b>				
<b>Taxes</b>				
Ad valorem taxes	4,035,499	4,750,898	3,962,116	4,167,811
Sales and use taxes	4,135,359	3,958,010	3,684,286	4,026,784
State revenue sharing	162,559	159,299	158,437	158,828
Other State funding sources, including grants	607,075	870,119	1,845,222	3,101,186
State aid not restricted to specific programs	35,603,561	34,207,780	33,489,301	33,928,807
Interest and investment earnings	128,220	141,785	206,281	279,303
Gain (loss) on property disposal	25,380	595	795	(12,001)
Miscellaneous	2,197,703	2,437,732	3,023,788	2,752,457
<b>Total general revenues and other changes in net assets</b>	<b>46,693,753</b>	<b>46,526,223</b>	<b>46,173,216</b>	<b>48,403,388</b>
<b>Change in net assets</b>	<b>\$ (2,861,868)</b>	<b>\$ (821,198)</b>	<b>\$ (4,685,707)</b>	<b>\$ (3,447,148)</b>

Source: Audited Comprehensive Annual Financial Reports - Information available for four years

**WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana**

**FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
(Unaudited)**

Fiscal Year	General Fund					All Other Governmental Funds		
	Non-spendable	Committed	Assigned	Unassigned	Total	Non-spendable	Restricted	Total
2012	\$ 619,682	\$ 3,964,382	\$ 2,716,499	\$ 3,664,369	\$ 10,964,932	\$ 50,740	\$ 4,025,618	\$ 4,076,358
2011	513,513	3,871,955	2,718,934	6,462,502	13,566,904	31,562	3,767,791	3,799,353
2010	622,849	3,177,496	2,689,524	6,772,024	13,261,893	72,343	3,280,447	3,352,790
2009	586,162	3,437,501	1,671,178	8,323,679	14,018,520	68,991	2,298,048	2,367,039
2008	473,793	3,505,707	652,887	8,655,075	13,287,462	77,852	1,409,407	1,487,259
2007	524,955	3,687,304	627,777	8,139,615	12,979,651	43,069	1,638,029	1,681,098
2006	-	3,579,459	587,198	7,444,796	11,611,453	45,051	6,185,659	6,230,710
2005	-	3,417,562	618,038	4,233,217	8,268,817	43,391	17,698,607	17,741,998
2004	-	3,192,384	595,716	4,975,676	8,763,776	38,374	23,139,162	23,177,536
2003	-	3,207,307	561,532	5,469,672	9,238,511	35,124	981,785	1,016,909

Source Audited Comprehensive Annual Financial Reports - Information available for ten years

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS AND TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 4,035,499	\$ 4,750,898	\$ 3,982,118	\$ 4,167,811	\$ 3,884,235
Sales and use taxes	4,135,359	3,958,310	3,684,268	4,151,928	4,648,127
Interest earnings	95,779	99,988	178,158	255,598	557,390
Food services	330,042	372,298	385,317	352,263	520,711
Other	1,528,233	1,684,849	1,679,153	1,429,818	1,559,574
State sources					
Minimum Foundation	35,603,561	34,207,769	33,489,301	33,928,807	32,925,077
Other	770,034	1,173,707	1,603,689	3,260,127	2,778,475
Federal sources:					
Restricted grants-in-aid	8,391,078	10,341,198	11,215,351	8,827,024	8,998,628
Other - commodities	172,081	157,678	128,479	144,990	132,718
<b>TOTAL REVENUES</b>	<b>55,081,884</b>	<b>58,716,382</b>	<b>66,223,800</b>	<b>66,518,456</b>	<b>63,804,836</b>
<b>EXPENDITURES</b>					
Current					
Instruction:					
Regular programs	19,182,663	17,513,280	17,447,390	17,727,113	17,080,101
Special programs	8,734,545	10,619,666	11,446,537	10,473,453	10,841,788
Other education programs	2,102,051	2,068,914	2,826,408	2,633,538	2,988,771
Support services					
Student services	2,741,025	1,869,688	1,752,398	1,846,834	1,680,827
Instructional staff support	3,316,030	3,215,844	2,705,403	2,550,936	2,471,893
General administration services	1,178,590	1,268,628	1,091,476	1,194,116	3,254,737
School administration services	3,475,665	3,388,850	3,280,808	3,459,587	3,281,488
Business services	464,055	434,464	439,071	481,958	430,780
Plant services	5,453,584	5,191,154	5,084,222	4,425,578	4,468,099
Student transportation services	4,112,823	3,681,252	3,778,983	3,657,910	3,854,682
Food services	4,035,784	3,840,021	3,638,022	3,870,390	1,478,080
Construction and land improvement	243,925	573,412	651,782	388,404	2,688,422
Community service programs	25,487	28,938	27,093	11,378	18,438
Debt service - principal	1,568,000	1,120,000	1,087,000	1,165,864	965,000
Debt service - interest	778,782	763,624	803,925	878,158	821,508
<b>TOTAL EXPENDITURES</b>	<b>57,412,013</b>	<b>55,909,342</b>	<b>58,120,167</b>	<b>54,807,993</b>	<b>68,139,345</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	<b>(2,350,343)</b>	<b>807,040</b>	<b>403,633</b>	<b>1,610,473</b>	<b>(534,710)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of property	25,379	585	795	365	-
Issuance of long-term debt	-	-	-	-	-
Issuance of refunding bonds	-	-	-	1,393,000	-
Redemption of refunded bonds	-	-	-	(1,393,000)	-
Insurance proceeds	-	-	-	-	648,682
Miscellaneous	-	(59,051)	(176,304)	-	-
Transfers in	631,282	667,437	1,272,432	1,272,432	1,453,920
Transfers out	(631,282)	(667,437)	(1,272,432)	(1,272,432)	(1,453,920)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>25,379</b>	<b>(55,466)</b>	<b>(174,509)</b>	<b>385</b>	<b>648,682</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (2,324,967)</b>	<b>\$ 751,574</b>	<b>\$ 229,124</b>	<b>\$ 1,610,838</b>	<b>\$ 113,972</b>
Debt service as a percentage of noncapital expenditures	4.20%	3.42%	3.33%	3.76%	3.67%

Source: Audited Financial Reports

(continued)

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS AND TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30				
	2007	2006	2005	2004	2003
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 3,560,100	\$ 3,340,728	\$ 3,089,785	\$ 2,863,648	\$ 1,828,884
Sales and use taxes	4,668,657	4,404,891	3,486,128	3,431,518	3,371,823
Interest earnings	911,751	981,687	711,409	678,280	580,183
Food Services	290,123	214,874	213,749	229,581	212,290
Other	1,053,340	757,179	852,220	608,801	567,009
State sources:					
Minimum Foundation	28,869,153	24,720,864	25,502,132	22,232,291	21,374,672
Other	1,605,460	2,015,798	1,718,938	1,239,203	1,193,938
Federal Sources:					
Restricted grants-in-aid	9,316,818	10,437,534	9,133,129	8,452,969	7,625,615
Other - commodities	129,805	155,824	142,680	138,334	149,231
<b>TOTAL REVENUES</b>	<b>50,384,957</b>	<b>46,828,817</b>	<b>42,860,163</b>	<b>39,872,509</b>	<b>37,203,647</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	15,040,868	14,158,125	13,560,812	13,251,339	12,689,755
Special programs	10,433,957	10,617,264	11,644,883	9,191,384	8,711,268
Other education programs	2,322,511	159,879	64,403	100,025	129,492
Support services:					
Student services	1,592,271	1,515,558	1,431,247	1,369,748	1,237,895
Instructional staff support:					
General administration services	2,114,387	2,898,745	2,512,143	1,584,434	1,705,091
School administration services	2,928,628	2,842,064	2,489,389	2,566,458	2,354,602
Business services	2,430,880	2,215,885	2,126,413	1,782,072	1,798,318
Plant services	370,648	358,388	351,963	325,497	288,708
Student transportation services	3,983,004	2,697,205	2,562,285	2,538,275	2,406,337
Food services	3,322,102	3,073,272	2,808,606	2,776,444	2,586,773
Construction and land improvement	1,374,528	1,185,152	1,148,988	1,008,575	1,008,379
Community service programs	8,180,804	12,827,037	6,065,628	3,270,099	1,378,516
Debt service - principal	30,851	8,681	17,778	12,459	4,840
Debt service - interest	935,600	960,000	888,000	820,000	1,345,000
<b>TOTAL EXPENDITURES</b>	<b>53,858,824</b>	<b>58,350,813</b>	<b>48,791,410</b>	<b>41,190,817</b>	<b>37,844,595</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,583,867)</b>	<b>(8,421,996)</b>	<b>(5,931,244)</b>	<b>(1,318,218)</b>	<b>(641,048)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of property	2,553	20	747	4,110	14,729
Issuance of long-term debt	-	-	-	23,300,000	-
Issuance of refunding bonds	-	-	-	-	-
Redemption of refunded bonds	-	-	-	-	-
Insurance proceeds	400,000	1,253,324	-	-	-
Miscellaneous	-	-	-	-	-
Transfers in	1,094,104	2,557,348	184,229	145,457	172,834
Transfers out	(1,094,104)	(2,557,348)	(184,229)	(145,457)	(172,834)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>402,553</b>	<b>1,253,344</b>	<b>747</b>	<b>23,004,110</b>	<b>14,729</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (3,181,414)</b>	<b>\$ (9,168,652)</b>	<b>\$ (5,930,497)</b>	<b>\$ 21,695,892</b>	<b>\$ (328,319)</b>
Debt service as a percentage of noncapital expenditures	3.95%	4.38%	4.44%	3.77%	4.21%

(concluded)

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	Real Estate Assessed Value	Commercial and Other Property Assessed Value	Total Assessed Value	Less Homestead Exemption Value	Total Assessed Value Taxed	Total Direct Tax Rate
2012	\$ 128,398,140	\$ 93,551,137	\$ 221,949,277	\$ 63,341,125	\$ 158,608,152	88.67
2011	127,838,840	96,354,900	224,193,740	63,396,609	160,797,131	95.17
2010	118,277,620	94,843,240	213,120,860	62,864,920	150,255,940	97.67
2009	115,240,670	96,062,610	211,303,280	62,251,907	149,051,373	115.67
2008	104,042,560	90,007,020	194,049,580	56,762,010	137,287,570	120.60
2007	102,258,320	77,542,620	179,800,940	55,045,485	124,755,455	126.10
2006	97,881,960	75,704,110	173,586,070	53,843,160	119,742,910	129.60
2005	85,093,850	77,855,890	162,949,740	62,441,790	110,507,950	133.60
2004	85,745,550	83,189,890	168,935,440	49,955,240	118,980,200	136.60
2003	82,511,580	81,552,370	164,063,950	49,702,230	114,361,720	109.10

Note: Property in the parish is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value. These values represent the parish's assessed values since the school district's data broken into real estate and commercial was not readily available.

Source: Washington Parish Assessor's Office

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)  
ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(Unaudited)

Fiscal Year	School Board Millage	Other Governments (Parishwide)			Other Governments (Special Districts)							
		Parish Council Millage	Law Enforcement Millage	Assessor Millage	Rogalusa City Schools	FLA Parishes Juvenile	Fire Districts	Hospital Tax	Forestry Tax per acre	LTC Assessment Fee	Jail Bond	Council On Aging
2012	88.67	51.29	10.96	5.37	62.81	2.8	183.76	8.00	0.08	0.25	0.00	2.80
2011	95.17	51.29	10.98	5.37	62.81	3.0	183.77	8.00	0.08	0.25	0.00	2.80
2010	97.67	51.29	10.98	5.13	62.76	3.0	182.48	8.00	0.08	0.25	0.00	2.80
2009	115.67	51.29	10.47	5.13	62.81	3.0	175.22	8.60	0.08	0.25	0.00	2.80
2008	120.60	51.29	10.96	5.37	62.81	3.0	179.32	8.50	0.08	0.25	0.00	-
2007	126.10	51.29	10.98	5.37	62.71	3.0	168.60	8.60	0.08	0.25	0.00	-
2006	129.60	51.29	10.98	5.37	62.81	3.0	173.50	8.60	0.08	0.25	0.00	-
2005	133.60	51.29	10.96	5.37	62.81	3.0	153.74	13.09	0.08	0.25	0.00	-
2004	136.60	51.29	10.96	5.37	62.81	3.0	161.09	13.97	0.08	0.25	0.00	-
2003	109.10	51.20	10.06	5.37	60.01	3.0	160.61	13.67	0.08	0.25	0.00	-

Components of the 2012 Total Direct Tax Rate

Angie School	5.19
Mt Herman School	18.00
Varnado School	18.00
Consolidated District 4	30.50
Washington Parish School Board	18.98
<b>Total School Board Millage</b>	<b>88.67</b>

Source: Respective Taxing Jurisdiction

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
(Unaudited)

		June 30, 2012		
Taxpayer	Type of Business	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Gas Transmission	Utility	\$ 9,041,770	1	29.15%
Southern Natural Gas Company	Utility	6,310,340	2	20.35%
Washington-St. Tammany Electric Coop	Utility	5,853,280	3	18.87%
Entergy Louisiana, LLC	Utility	2,389,770	4	7.71%
Bell South Telecommunications	Communications	2,206,050	5	7.11%
Entergy Gulf States, Inc.	Utility	1,150,900	6	3.71%
Miles, Joe N & Sons, Inc.	Lumber	1,253,110	7	4.04%
Lafarge North America	Gravel, Concrete	950,420	8	3.06%
Weyerhaeuser Company	Paper Products	889,040	9	2.87%
Central Louisiana Electric	Utility	971,030	10	3.13%
		<u>\$ 31,015,710</u>		100.00%

Source: Washington Parish Assessor's Office

Note: The table for principal property taxpayers should report the assessed valuation for the ten highest ranked taxpayers and the percentage of total assessed valuation that each represents for the current year and nine years ago. This information is not available for nine years ago, therefore, the earliest year available is presented below.

		June 30, 2005		
Taxpayer	Type of Business	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Gas Transmission	Utility	\$ 9,041,770	1	29.15%
Southern Natural Gas Co	Utility	6,310,340	2	20.35%
Washington-St. Tammany Elec. Coop	Utility	5,853,280	3	18.87%
Weyerhaeuser Company	Utility	2,389,770	4	7.71%
Bell South Telecommunications	Communications	2,208,050	5	7.11%
Entergy Louisiana, LLC	Utility	1,150,900	6	3.71%
Central Louisiana Electric	Gravel, Concrete	950,420	7	3.06%
Miles, Joe N & Sons, Inc	Lumber Company	1,253,110	8	4.04%
Entergy Gulf States, Inc	Utility	971,030	9	3.13%
Parish National Bank	Paper Products	889,040	10	2.87%
		<u>\$ 31,015,710</u>		100.00%

Source: Washington Parish Assessor's Office

**WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy Amount		% of Levy	Collections in Subsequent Years	Total Collections to Date	
						Total Tax Collections	Percentage of Levy
2012	\$ 3,812,520	\$ 3,690,233		96.79%	\$ -	\$ 3,690,233	96.79%
2011	4,007,953	3,782,956		94.64%	-	3,782,956	94.64%
2010	3,880,162	3,856,219		99.90%	-	3,856,219	99.90%
2009	4,271,156	4,167,911		97.58%	-	4,167,911	97.58%
2008	3,999,862	3,684,235		92.11%	-	3,684,235	92.11%
2007	3,809,520	3,509,500		92.12%	-	3,509,500	92.12%
2006	3,614,801	3,251,191		89.94%	-	3,251,191	89.94%
2005	3,353,212	3,007,539		89.68%	173	3,007,712	89.70%
2004	3,087,580	2,776,084		89.91%	542	2,776,626	89.93%
2003	1,800,852	1,708,451		94.87%	9,101	1,717,552	95.37%

Sources: Washington Tax Collector's Office and Washington Parish School Board Department of Finance

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**  
**RATIO OF NET GENERAL OBLIGATION DEBT**  
**TO ASSESSED VALUE AND NET**  
**BONDED DEBT PER CAPITA AND PER STUDENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	Personal Income (5)	Population (1)	Number of Students (4)	Assessed Value (2)	Gross Bonded Debt (3)	Less Debt Service Fund (3)	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Ratio of Net Bonded Debt to Personal Income	Net Bonded Debt per Capita	Net Bonded Debt per Student
2012	\$ 1,294,525,000	47,069	5,501	\$ 124,831,650	\$ 18,023,000	\$ 3,962,192	\$ 12,060,808	9.68%	0.93%	\$ 256	\$ 2,192
2011	1,290,788,000	47,100	5,368	124,272,810	17,192,000	3,618,368	13,573,632	10.82%	1.05%	288	2,528
2010	1,197,112,000	45,069	5,368	118,964,970	18,312,000	2,734,756	15,577,244	13.09%	1.30%	341	2,902
2009	1,117,874,000	45,430	5,328	117,121,870	19,379,000	2,263,023	17,115,977	14.61%	1.63%	377	3,214
2008	1,049,565,800	44,920	5,298	108,274,730	20,540,000	1,715,893	18,824,007	17.71%	1.79%	419	3,653
2007	1,045,583,750	44,750	4,919	98,510,000	21,625,000	1,404,309	20,120,691	20.42%	1.92%	450	4,090
2006	1,042,616,395	44,623	4,844	93,754,480	22,460,000	985,034	21,474,966	22.91%	2.06%	481	4,433
2005	879,211,087	44,161	4,803	88,206,270	23,360,000	728,782	22,631,218	25.66%	2.73%	512	4,712
2004	913,702,077	43,947	4,819	81,229,920	24,215,000	683,024	23,531,976	28.87%	2.68%	535	4,883
2003	852,657,167	43,813	4,530	79,221,020	2,635,000	238,369	1,796,631	2.27%	0.21%	41	397

- (1) Source: Census Office
- (2) Source: Washington Parish Assessor's Office. These values represent the school district's assessed value.
- (3) Source: Audited Financial Reports
- (4) Source: Washington Parish School Board
- (5) Source: Bureau of Economic Analysis

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
June 30, 2012  
(Unaudited)

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
<b>Direct:</b>			
Washington Parish School Board	\$ 16,023,000	100.00%	\$ 16,023,000
<b>Total Direct Debt</b>	<u>\$ 16,023,000</u>		<u>\$ 16,023,000</u>
<b>Overlapping:</b>			
Parish Council	\$ 7,095,000		\$ 7,095,000
<b>Total Overlapping Debt</b>	<u>\$ 7,095,000</u>		<u>\$ 7,095,000</u>
<b>Total Direct and Overlapping Debt</b>	<u>\$ 23,118,000</u>		<u>\$ 23,118,000</u>

Source: Respective government entities

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**COMPUTATION OF LEGAL DEBT MARGIN**  
**LAST TEN TAX YEARS**  
(Unaudited)

Year	Assessed Value (1)	Debt Limit of Fifty Percent (50%) of Assessed Value	Less: Total Bonded Debt (1)	Legal Debt Margin	Legal Debt Margin as a % of the Debt Limit
2012	\$ 124,631,650	\$ 62,315,825	\$ 12,060,808	\$ 50,255,017	80.65%
2011	124,272,610	62,136,305	13,573,632	48,562,673	78.16%
2010	118,964,970	59,482,485	15,577,244	43,905,241	73.81%
2009	117,121,870	58,560,935	17,115,977	41,444,958	70.77%
2008	106,274,730	53,137,365	18,824,007	34,313,358	64.57%
2007	98,510,660	49,255,330	20,120,691	29,134,639	59.15%
2006	93,754,480	46,877,240	21,474,966	25,402,274	54.19%
2005	88,206,270	44,103,135	22,631,218	21,471,917	48.69%
2004	81,229,920	40,614,960	23,531,976	17,082,984	42.06%
2003	79,221,620	39,610,810	1,798,631	37,814,179	95.46%

(1) Source: Table 9

Washington Parish School Board  
Franklinton, Louisiana

DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS  
(Unaudited)

Fiscal Year	Total Personal Income (1)	Population (1)	Per Capita Personal Income (3)	Unemployment Rate (4)	Total Number of Students (5)	Public Schools		Private Schools	
						Number of Students	Percentage of Number of Students to Total Students	Number of Students	Percentage of Number of Students to Total Students
2012	\$ 1,294,525,000	47,069	(2) \$ 27,503	10.40%	5,875	5,601	93.6	374	6.4
2011	1,290,786,000	47,168	27,385	10.20%	5,736	5,368	93.6	368	6.4
2010	1,197,112,000	45,659	26,212	9.50%	5,745	5,368	93.4	377	6.6
2009	1,117,824,000	45,430	24,843	6.10%	5,754	5,326	92.6	428	7.4
2008	1,049,555,800	44,920	23,365 (6)	5.20%	5,765	5,298	91.9	467	8.1
2007	1,045,683,750	44,750	23,365 (6)	6.80%	5,673	5,203	91.7	470	8.3
2006	1,042,616,395	44,623	23,365	7.30%	5,289	4,844	91.8	445	8.4
2005	829,211,097	44,161	18,777	9.90%	5,220	4,819	92.3	401	7.7
2004	913,702,077	43,947	20,791	7.30%	5,161	4,819	93.4	342	6.6
2003	852,557,167	43,613	19,459	7.70%	4,874	4,530	92.9	344	7.1

(1) Source: Bureau of Economic Analysis

(2) Source: Official US Census

(3) Source: Estimates- Bureau of Economic Analysis

(4) Source: Louisiana Department of Labor

(5) Source: Washington Parish School Board- Oct. 1 enrollment

(6) Most recent available is 2006

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

2012 Employer	Industry Type	Percentage of Total Employment	2003 Employer	Industry Type	Percentage of Total Employment
International Paper	Manufacturing	6.40%	Washington Parish School Board	Government	Note 1
Washington Parish School Board	Government	6.03%	Terrace-Grand	Manufacturing	Note 1
Bogalusa City School Board	Government	3.77%	Bogalusa City School Board	Government	Note 1
LSU Health Sciences Center	Healthcare	3.30%	Washington Correctional Facility	Government	Note 1
Rayburn Correctional Center	Government	2.34%	Bogalusa Community Medical Center	Healthcare	Note 1
Riverside Medical Center	Healthcare	1.51%	Windmill Nurseries	Agriculture	Note 1
Washington Parish Government	Government	1.40%	Washington-St. Tammany Charity Hospital	Healthcare	Note 1
City of Bogalusa	Government	1.35%	Winn-Dixie Louisiana, Inc.	Retail	Note 1
Wal-Mart	Retail	1.21%	City of Bogalusa	Government	Note 1
Winn-Dixie	Retail	1.06%	Riverside Medical Center	Healthcare	Note 1

Sources: Washington Economic Development Foundation (Internet), Washington Parish School Board, Bogalusa Chamber of Commerce

Note 1: Information regarding percentage of total employment is not available

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**FULL-TIME EQUIVALENT (FTE) EMPLOYEES**  
**LAST TEN FISCAL YEARS**  
 (Unaudited)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Regular Employees - CERTIFICATED</b>										
<b>Instructional.</b>										
Supervising Instructors	-	-	-	-	-	10	-	-	-	-
Classroom Teachers - Regular Programs	258.0	259.0	258.0	251.0	243.0	237.0	229.5	236.4	248.0	241.0
Classroom Teachers - Special Education	53.0	55.0	56.0	55.0	59.0	62.0	55.1	57.3	60.0	63.0
Classroom Teachers - Vocational Education	14.0	15.0	15.0	12.0	16.0	18.0	16.8	17.7	17.0	20.0
Classroom Teachers - Other Instructional Programs	-	-	-	-	-	2.0	2.7	6.3	-	-
Classroom Teachers - Special Programs	21.0	18.0	20.0	30.0	32.0	29.0	33.0	32.0	34.0	31.0
Classroom Teachers - Other Ed Programs	1.0	1.0	1.0	3.0	3.0	-	0.5	1.0	1.0	2.0
Classroom Teachers - ROTC Instructors	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	2.0
<b>Total Classroom Teachers</b>	<b>348.0</b>	<b>350.0</b>	<b>352.0</b>	<b>363.0</b>	<b>355.0</b>	<b>340.0</b>	<b>338.6</b>	<b>352.7</b>	<b>381.0</b>	<b>358.0</b>
Therapist/Specialist/Counselor - Instructional Programs	8.0	10.0	11.0	13.0	14.0	12.0	13.0	12.7	8.9	8.0
Sabbatical Leave - Instructional Programs	9.0	6.0	13.0	9.0	7.0	9.0	8.0	11.0	7.0	5.0
<b>Total Certificated - Instructional Programs</b>	<b>367.0</b>	<b>366.0</b>	<b>376.0</b>	<b>375.0</b>	<b>378.0</b>	<b>382.0</b>	<b>380.6</b>	<b>376.4</b>	<b>378.9</b>	<b>372.0</b>
<b>Instructional Support:</b>										
Supervisors - Instructional Support Functions	8.0	8.0	8.0	8.0	6.0	10.0	9.0	8.9	10.8	11.0
Librarians/Media-based Teachers/Staff Instructors - Instr Spl	10.0	11.0	11.0	12.0	11.0	24.0	21.0	24.0	12.0	12.0
Therapist/Specialist/Counselor - Instructional Support Functions	42.0	42.0	30.0	38.0	38.0	24.0	23.0	24.6	19.3	18.0
Sabbatical Leave - Instructional Support Functions	-	-	-	-	-	-	2.0	1.0	1.0	-
<b>Total Certificated - Instructional Support</b>	<b>60.0</b>	<b>61.0</b>	<b>49.0</b>	<b>56.0</b>	<b>55.0</b>	<b>58.0</b>	<b>55.0</b>	<b>58.5</b>	<b>43.1</b>	<b>41.0</b>
<b>Support Services:</b>										
Superintendents	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant/Associate/Deputy Superintendents	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
School Principals	10.0	11.0	12.0	12.0	12.0	12.0	12.0	11.0	12.0	12.0
School Assistant Principals	8.0	7.0	7.0	6.0	7.0	4.0	3.4	3.0	3.0	2.0
Other School Administrators	-	-	-	-	-	-	1.2	1.0	-	-
Non-Classroom Teachers - Support Services	-	-	-	-	-	-	-	-	-	-
Sabbatical Leave - Support Services	-	2.0	-	-	-	-	-	-	-	-
<b>Total Certificated - Support Services</b>	<b>20.0</b>	<b>22.0</b>	<b>21.0</b>	<b>20.0</b>	<b>21.0</b>	<b>17.0</b>	<b>17.6</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>
<b>Total Certificated</b>	<b>447.0</b>	<b>449.0</b>	<b>446.0</b>	<b>451.0</b>	<b>452.0</b>	<b>437.0</b>	<b>433.2</b>	<b>450.9</b>	<b>436.0</b>	<b>428.0</b>

(continued)

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

FULL-TIME EQUIVALENT (FTE) EMPLOYEES  
LAST TEN FISCAL YEARS  
(Unaudited)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Regular Employees, NON-CERTIFICATED</b>										
<b>Instructional</b>										
Aide - Instructional Programs	125.0	128.0	131.0	96.0	123.0	103.0	102.1	109.0	94.0	96.0
<b>Total Non-Certificated - Instructional Programs</b>	<b>125.0</b>	<b>128.0</b>	<b>131.0</b>	<b>96.0</b>	<b>123.0</b>	<b>103.0</b>	<b>102.1</b>	<b>109.0</b>	<b>94.0</b>	<b>96.0</b>
<b>Instructional Support</b>										
Supervisors - Instructional Support Functions	-	-	-	-	-	-	-	-	-	-
Therapist/Specialist/Counselor - Instructional Support Functions	-	-	-	-	1.0	-	-	-	-	-
Clerical/Secretarial - Instructional Support Functions	-	-	-	-	12.0	9.0	8.9	6.9	7.9	8.0
Aide - Instructional Support Functions	-	-	-	-	4.0	-	-	-	-	-
Service Worker - Instructional Support Functions	-	-	-	-	-	-	-	-	-	-
Skilled Craftsman - Instructional Support Functions	-	-	-	-	-	-	-	-	-	-
Degreed Professional - Instructional Support Functions	2.0	3.0	3.0	4.0	2.0	2.0	2.0	2.0	3.0	2.0
Other Personnel - Instructional Support Functions	5.0	7.0	5.0	8.0	-	1.0	1.0	-	-	-
<b>Total Non-Certificated - Instructional Support</b>	<b>7.0</b>	<b>10.0</b>	<b>8.0</b>	<b>12.0</b>	<b>19.0</b>	<b>12.0</b>	<b>11.9</b>	<b>8.9</b>	<b>10.9</b>	<b>10.0</b>
<b>Support Services:</b>										
Supervisors/Managers/Administrators/Support Services	-	-	-	-	2.0	2.0	2.0	2.0	11.0	13.0
Clerical/Secretarial - Support Services	42.0	42.0	42.0	39.0	28.0	28.0	28.0	27.1	27.1	28.8
Aide - Support Services	-	-	-	-	7.0	8.0	7.0	7.0	7.0	7.0
Service Worker - Support Services	162.0	163.0	165.0	168.0	167.0	167.0	163.9	169.8	163.1	166.0
Skilled Craftsman - Support Services	9.0	9.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0
Degreed Professional - Support Services	-	-	-	-	-	-	-	-	-	-
Other Personnel - Support Services	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0
<b>Total Non-Certificated - Support Services</b>	<b>213.0</b>	<b>214.0</b>	<b>215.0</b>	<b>215.0</b>	<b>212.0</b>	<b>213.0</b>	<b>208.9</b>	<b>213.9</b>	<b>216.2</b>	<b>222.8</b>
<b>Total Non-Certificated</b>	<b>345.0</b>	<b>352.0</b>	<b>354.0</b>	<b>323.0</b>	<b>354.0</b>	<b>328.0</b>	<b>322.9</b>	<b>331.8</b>	<b>321.1</b>	<b>328.8</b>
<b>Total Regular Employees (Certificated and Non-Certificated)</b>	<b>782.0</b>	<b>801.0</b>	<b>800.0</b>	<b>774.0</b>	<b>806.0</b>	<b>765.0</b>	<b>756.1</b>	<b>782.7</b>	<b>757.1</b>	<b>756.6</b>
<b>Other Reported Personnel</b>										
School Board Member	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
<b>Total Other Reported Personnel</b>	<b>9.0</b>									
<b>Grand Total</b>	<b>801.0</b>	<b>810.0</b>	<b>809.0</b>	<b>783.0</b>	<b>815.0</b>	<b>774.0</b>	<b>765.1</b>	<b>791.7</b>	<b>766.1</b>	<b>765.6</b>

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website

(concluded)

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**GENERAL FUND EXPENDITURES BY FUNCTION, BY PERCENTAGE AND BY PUPIL**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30,				
	2003	2004	2005	2006	2007
<b>EXPENDITURES</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular education programs	\$ 12,889,755 45.6%	\$ 13,251,339 45.6%	\$ 13,580,812 43.5%	\$ 14,158,125 42.1%	\$ 15,040,868 41.7%
Special education programs	6,225,659 18.8%	5,379,709 18.5%	6,321,872 20.2%	6,932,537 20.6%	5,031,310 14.0%
Other education programs	129,482 0.5%	100,025 0.3%	64,400 0.2%	75,695 0.2%	2,238,527 6.2%
<b>Support:</b>					
Pupil support services	1,098,235 3.9%	1,206,919 4.1%	1,282,181 4.1%	1,250,260 3.7%	1,304,828 3.6%
Instructional staff services	1,002,612 3.6%	1,075,843 3.7%	1,416,280 4.5%	1,509,514 4.5%	1,450,453 4.0%
General administration services	775,526 2.8%	773,895 2.7%	709,471 2.3%	750,390 2.2%	914,629 2.5%
School administration services	1,798,318 6.5%	1,781,454 6.1%	2,119,168 6.8%	2,212,389 6.8%	2,419,545 6.7%
Business services	298,708 1.1%	325,497 1.1%	351,963 1.1%	358,088 1.1%	370,548 1.0%
Plant services	2,228,189 8.0%	2,385,995 8.2%	2,451,089 7.9%	2,778,787 8.3%	3,868,102 10.7%
Transportation	2,579,992 8.3%	2,775,392 9.5%	2,903,628 9.3%	3,070,999 9.1%	3,319,556 9.2%
Food services	-	-	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
Community service programs	-	-	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
Facility acquisition and construction	25,080 0.1%	34,373 0.1%	19,071 0.1%	556,628 1.7%	105,825 0.3%
Debt service - principal	-	-	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
Debt service - Interest	-	-	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>\$ 27,851,566</b>	<b>\$ 29,090,441</b>	<b>\$ 31,219,935</b>	<b>\$ 33,853,412</b>	<b>\$ 36,064,191</b>
Pupil count - October 1* (1)	4,530	4,819	4,803	4,844	4,918
Average expenditures per pupil	\$ 6,148	\$ 6,037	\$ 6,500	\$ 6,947	\$ 7,335

(1) Source: Table 9

Source: Audited Financial Statements - Washington Parish School Board

\* The enrollment date for fiscal year 2006 is May 1, 2005. Due to the Hurricanes Katrina and Rita, the State changed the official count date for this year.

(continued)

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Table 15

GENERAL FUND EXPENDITURES BY FUNCTION, BY PERCENTAGE AND BY PUPIL, continued  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30.				
	2008	2009	2010	2011	2012
<b>EXPENDITURES</b>					
Current					
Instruction.					
Regular education programs	\$ 17,063,101 40.2%	\$ 17,727,113 41.3%	\$ 17,447,090 40.5%	\$ 17,513,260 41.6%	\$ 19,182,663 41.8%
Special education programs	5,897,826 13.9%	5,674,342 13.2%	5,537,642 12.9%	5,611,831 13.3%	5,176,467 11.3%
Other education programs	2,871,787 6.8%	2,933,535 6.8%	2,526,409 5.9%	2,099,914 5.0%	2,102,051 4.6%
Support.					
Pupil support services	1,495,645 3.5%	1,465,376 3.4%	1,454,556 3.4%	1,533,842 3.6%	2,404,242 5.2%
Instructional staff services	1,710,107 4.0%	1,973,837 4.6%	2,017,789 4.7%	2,094,807 5.0%	1,938,154 4.2%
General administration services	1,005,158 2.4%	1,116,666 2.6%	1,027,142 2.4%	1,066,158 2.5%	1,036,575 2.3%
School administration services	3,273,261 7.7%	3,456,337 8.1%	3,354,292 7.8%	3,391,546 8.1%	3,468,340 7.6%
Business services	400,780 0.9%	451,958 1.1%	439,071 1.0%	434,484 1.0%	464,056 1.0%
Plant services	4,353,291 10.2%	4,379,993 10.2%	5,051,400 11.8%	4,328,938 10.3%	5,402,981 11.8%
Transportation	3,652,128 8.6%	3,655,171 8.5%	3,771,613 8.8%	3,970,743 9.4%	4,107,751 9.0%
Food services	- 0%	- 0%	- 0%	- 0%	- 0%
Community service programs	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Facility acquisition and construction	754,877 1.8%	77,332 0.2%	345,439 0.8%	43,807 0.1%	133,161 0.3%
Debt service - principal	- 0.0%	- 0.0%	- 0.0%	- 0.0%	400,000 0.9%
Debt service - interest	- 0.0%	- 0.0%	- 0.0%	- 0.0%	65,067 0.1%
<b>Total</b>	<b>\$ 42,475,959</b>	<b>\$ 42,911,660</b>	<b>\$ 42,972,433</b>	<b>\$ 42,089,340</b>	<b>\$ 45,881,508</b>
Pupil count - October 1*	5,298	5,326	5,368	5,368	5,501
Average expenditures per pupil	\$ 8,017	\$ 8,057	\$ 8,005	\$ 7,841	\$ 8,341

(continued)

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

GENERAL FUND EXPENDITURES BY FUNCTION, BY PERCENTAGE AND BY PUPIL, continued  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30,				
	2003	2004	2005	2006	2007
<b>EXPENDITURES</b>					
<b>Current:</b>					
<b>Instruction.</b>					
Regular education programs	\$ 2,801 45.6%	\$ 2,750 45.6%	\$ 2,828 43.5%	\$ 2,923 42.1%	\$ 3,060 41.6%
Special education programs	1,154 18.8%	1,116 18.5%	1,316 20.2%	1,431 20.6%	1,023 13.9%
Other education programs	29 0.5%	21 0.3%	13 0.2%	16 0.2%	455 6.2%
<b>Support.</b>					
Pupil support services	242 3.9%	250 4.1%	267 4.1%	258 3.7%	265 3.6%
Instructional staff services	221 3.6%	223 3.7%	295 4.5%	312 4.5%	285 4.0%
General administration services	171 2.8%	161 2.7%	148 2.3%	155 2.2%	166 2.5%
School administration services	397 6.5%	370 6.1%	441 6.8%	457 6.8%	492 6.7%
Business and central services	66 1.1%	68 1.1%	73 1.1%	74 1.1%	75 1.0%
Plant operations and maintenance	492 8.0%	495 8.2%	510 7.9%	574 8.3%	787 10.7%
Transportation	570 9.3%	576 9.5%	605 9.3%	634 9.1%	675 9.2%
Community service programs	- 0.0%	- 0.0%	- 0.0%	- 0.0%	22 0.3%
Facility acquisition and construction	6 0.1%	7 0.1%	4 0.1%	115 1.7%	22 0.3%
Debt service - principal	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Debt service - interest	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
<b>Total</b>	<b>\$ 6,148</b>	<b>\$ 6,037</b>	<b>\$ 6,500</b>	<b>\$ 6,947</b>	<b>\$ 7,358</b>
Pupil count - October 1*	4,495	4,530	4,819	4,803	4,844

\* The enrollment date for fiscal year 2006 is May 1, 2006. Due to Hurricanes Katrina and Rita, the State changed the official count date for this year.

Source: Table 15

(continued)

WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana

Table 15

GENERAL FUND EXPENDITURES BY FUNCTION, BY PERCENTAGE AND BY PUPIL  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year Ended June 30,				
	2008	2009	2010	2011	2012
<b>EXPENDITURES</b>					
<b>Current</b>					
<b>Instruction</b>					
Regular education programs	\$ 3,220 39.5%	\$ 3,328 41.3%	\$ 3,250 40.6%	\$ 3,283 41.6%	\$ 3,487 41.8%
Special education programs	1,113 13.6%	1,065 13.2%	1,032 12.8%	1,045 13.3%	941 11.3%
Other education programs	542 6.6%	551 6.8%	471 5.9%	391 5.0%	382 4.6%
<b>Support</b>					
Pupil support services	282 3.5%	275 3.4%	271 3.4%	286 3.6%	437 5.2%
Instructional staff services	323 4.0%	371 4.6%	376 4.7%	390 5.0%	352 4.2%
General administration services	190 2.3%	210 2.6%	191 2.4%	199 2.5%	188 2.3%
School administration services	618 7.6%	649 8.1%	625 7.8%	632 8.1%	631 7.6%
Business and central services	78 0.9%	85 1.1%	82 1.0%	81 1.0%	84 1.0%
Plant operations and maintenance	822 10.1%	822 10.2%	841 11.8%	806 10.3%	882 11.8%
Transportation	689 8.4%	686 8.5%	703 8.6%	740 9.4%	747 9.0%
Community service programs	142 1.7%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Facility acquisition and construction	142 1.7%	15 0.2%	54 0.9%	8 0.1%	24 0.3%
Debt service - principal	- 0.0%	- 0.0%	- 0.0%	- 0.0%	73 0.9%
Debt service - interest	- 0.0%	- 0.0%	- 0.0%	- 0.0%	12 0.1%
<b>Total</b>	<b>\$ 8,159</b>	<b>\$ 8,057</b>	<b>\$ 8,025</b>	<b>\$ 7,841</b>	<b>\$ 8,341</b>
Pupil count - October 1*	4,916	5,298	5,326	5,368	5,501

(concluded)

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**CAPITAL ASSET INFORMATION**  
**June 30, 2012**  
**(Unaudited)**

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Capacity</u>	<u>Enrollment</u>
Angle Junior High School	1933	32,100	225	0
Enon Elementary School	1930	49,674	425	326
Franklinton Elementary School	1900	56,300	525	0
Franklinton Elementary School	2006	61,296	550	537
Franklinton Junior High School	1938	68,500	600	690
Franklinton Primary School	1945	85,236	725	656
Franklinton High School	1986	108,306	900	868
Mt. Hermon School	1965	71,370	575	515
Pine High School	1948	57,400	600	0
Pine School	2008	86,567	700	601
Thomas Elementary School	1952	46,799	575	608
Varnado Elementary School	1960	13,450	275	0
Varnado High School	1989	52,510	350	353
Wesley Ray Elementary School	1955	34,150	300	347

Source: Washington Parish School Board Department of Finance

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**GENERAL FUND REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

Fiscal Year	Local Sources				State Sources		Federal Sources	Total
	Ad Valorem Taxes	Sales Taxes	Earnings On Investments	Other	Equalization	Other		
2003	\$ 973,901	\$ 3,371,820	\$ 499,225	\$ 567,009	\$ 21,098,324	\$ 1,191,499	\$ 35,292	\$ 27,738,070
2004	950,965	3,431,519	247,363	608,801	21,960,896	1,236,798	29,800	28,468,142
2005	1,023,421	3,496,128	198,866	803,134	23,261,629	1,716,438	40,904	30,540,518
2006	1,021,097	4,404,861	363,214	857,667	24,460,061	2,013,324	211,783	33,322,007
2007	1,172,417	4,659,732	712,681	1,047,100	26,562,931	1,602,754	226,004	37,983,619
2008	1,287,347	4,648,127	464,288	1,531,746	32,551,255	2,775,671	69,712	43,328,146
2009	1,480,636	4,151,928	201,823	1,446,310	33,494,277	3,257,556	425,424	44,457,754
2010	1,578,681	3,684,288	134,567	1,720,377	33,123,925	1,801,141	1,252,310	43,295,267
2011	1,855,688	3,958,010	63,226	1,818,123	33,842,664	1,026,864	90,110	42,654,665
2012	1,728,882	4,135,359	68,148	1,537,480	35,243,609	767,438	-	43,480,916

Source: Audited Comprehensive Annual Financial Reports - Information available for ten years

**WASHINGTON PARISH SCHOOL BOARD  
Franklinton, Louisiana**

**STATE SUPPORT AND LOCAL SUPPORT  
PER STUDENT  
LAST TEN FISCAL YEARS  
(Unaudited)**

<u>Fiscal Year</u>	<u>Number of Students (2)</u>	<u>State Support (1)</u>	<u>State Support per Student</u>	<u>Total Student Expenditures (1)</u>	<u>Total Cost per Student</u>	<u>Local Support (1)</u>	<u>Local Support per Student</u>
2003	4,530	\$ 22,568,610	\$ 4,982	\$ 30,511,322	\$ 6,735	\$ 5,735,776	\$ 1,266
2004	4,819	23,471,496	4,871	32,076,372	6,656	5,500,405	1,141
2005	4,803	25,221,070	5,251	34,096,859	7,099	5,764,001	1,200
2006	4,844	26,736,360	5,519	36,550,183	7,545	6,857,740	1,416
2007	5,203	30,474,352	5,857	39,433,266	7,579	7,874,178	1,513
2008	5,298	35,703,552	6,739	46,187,347	8,718	8,332,362	1,573
2009	5,326	37,188,934	6,983	52,500,544	9,857	7,608,967	1,429
2010	5,368	35,292,960	6,575	53,581,111	9,982	7,334,211	1,366
2011	5,368	35,237,175	6,564	53,322,473	9,933	7,898,347	1,471
2012	5,501	36,373,595	6,612	54,735,283	9,950	7,773,325	1,413

(1) Consists of General Fund and Special Revenue Funds

(2) Source Table 9

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

**PERCENTAGE OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL BONDED DEBT TO  
TOTAL GENERAL FUND EXPENDITURES  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Percentage of Debt Service to General Fund Expenditures
2003	\$ 1,345,000	\$ 181,721	\$ 1,538,721	\$ 27,851,586	5.52%
2004	820,000	581,053	1,401,053	29,090,444	4.82%
2005	855,000	1,036,897	1,891,897	31,219,935	6.06%
2006	900,000	985,987	1,885,987	33,653,412	5.63%
2007	935,000	958,985	1,893,985	42,475,961	4.46%
2008	985,000	821,509	1,806,509	42,911,660	4.44%
2009	1,165,664	879,156	2,044,820	42,911,660	4.77%
2010	1,067,000	803,925	1,870,925	42,972,433	4.35%
2011	1,120,000	753,624	1,873,624	42,089,340	4.45%
2012	1,189,000	711,715	1,880,715	45,881,508	4.10%

Source: Audited Comprehensive Annual Financial Reports - Information available for ten years

**SINGLE AUDIT SECTION**

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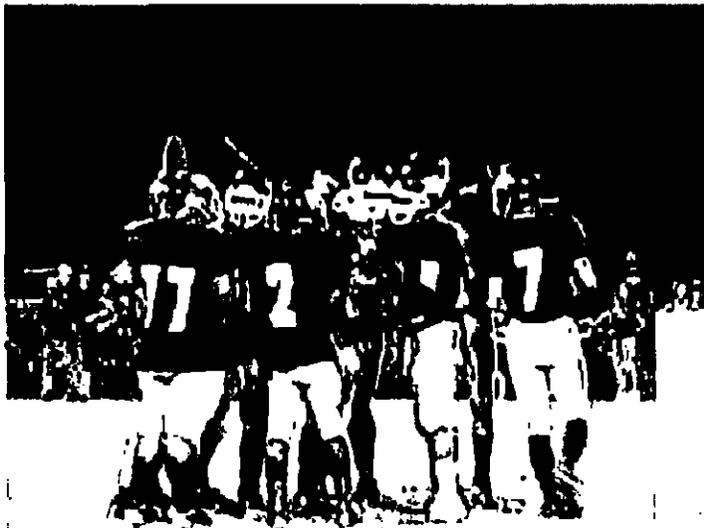
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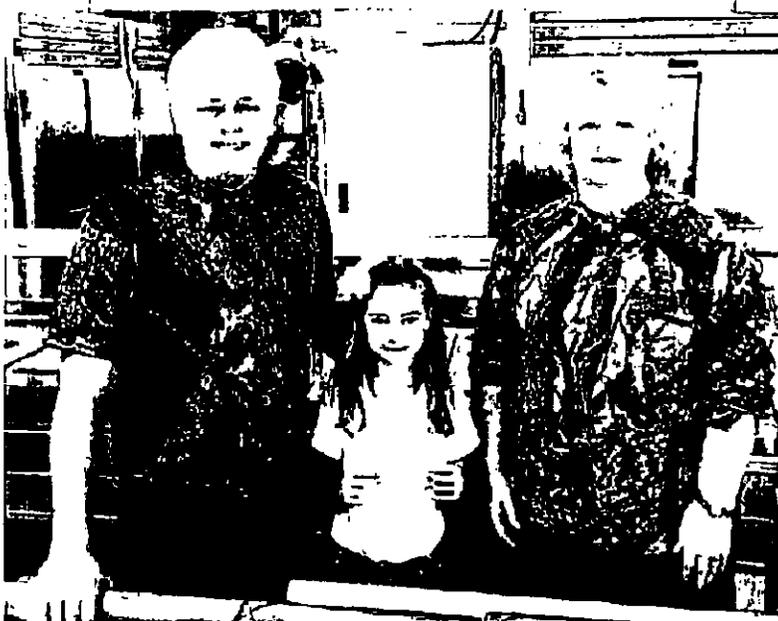
**REQUIRED REPORTS - GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on the internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. These reports address the financial statements, as well as the federal financial assistance programs of the School Board.

In accordance with Office of Management and Budget Circular A-133, a Schedule of Expenditures of Federal Awards and related notes are presented.



Varnado High School Activities



**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

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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**

The Members of the  
Washington Parish School Board  
Franklinton, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 4, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

*A 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 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.

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

Compliance and Other Matters

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

We noted certain other matters that we reported to management of the School Board in a separate letter dated December 4, 2012.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.



Metairie, Louisiana  
December 4, 2012

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The Members of the  
Washington Parish School Board  
Franklinton, Louisiana:

Compliance

We have audited the compliance of Washington Parish School Board (the School Board), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the 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, 2012.

### Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance 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.

*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.

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

### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 2012, and have issued our report thereon dated December 4, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic 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 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.



Metairie, Louisiana  
December 4, 2012

**WASHINGTON PARISH SCHOOL BOARD**  
Franklinton, Louisiana

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2012

	<u>Pass-Through Number</u>	<u>CFDA Program Number</u>	<u>Expenditures</u>
<b>United States Department of Agriculture</b>			
Passed-through Louisiana Department of Education			
National School Lunch Program	-	10 555	\$ 1,966,939
Summer Food Service Program for Children	-	10 559	50,624
School Breakfast Program	-	10 553	778,310
Passed-through Louisiana Department of Agriculture and Forestry - Food Distribution			
	-	10 550	<u>172,081</u>
<b>Total United States Department of Agriculture</b>			<u><u>2,967,954</u></u>
<b>United States Department of Defense</b>			
Marine ROTC			
	-	12 000	<u>49,470</u>
<b>United States Department of Health and Human Services</b>			
Passed-through Louisiana Department of Education			
LA4 (Temporary Aid to Needy Families)	28-12-36-59	93 558	1,119,194
Strategies to Empower People	-	93 558	<u>7,712</u>
<b>Total United States Department of Health and Human Services</b>			<u><u>1,126,906</u></u>
<b>United States Department of Education</b>			
Passed-through Louisiana Department of Education			
Reading First	28-08-R8-59	84 357A	64,088
Adult Education - State-Administered Program	V002A090018, V002A1C0018	84 002A	96,368
Title I - No Child Left Behind (NCLB) Part A Basic	28-12-T1-59	84 010A	2,233,598
Title I - No Child Left Behind (NCLB) Part A - ARRA	28-09-A1-59	84 389A	16,338
IDEA - PART B Special Education-Grants to States	28-12-B1-59	84 027A	1,196,526
IDEA - PART B Special Education-Grants to States - ARRA	28-09-A1-59	84 391A	22,564
Individuals with Disabilities Education Act - Preschool	23-12-P1-59	84 173A	73,452
Individuals with Disabilities Education Act - Preschool - ARRA	28-09-AP-59	84 392A	14,086
Education Jobs - ARRA	28-11-EK-59; 28-11-EI-59	84 410A	28,182
EETT High Tech - ARRA	28-09-EH-59	84 386A	13,071
Vocational Education - Basic Grants to States	28-11-02-59; 28-12-02-59	84 048A	89,722
Rural Education Achievement Program	28-12-RE-59	84 358B	106,983
Leadership Academy	28-12-SE-59	84 027A	375
Special Education High Risk Pool	28-12-RH-59	84 027A	35,054
Advanced Placement	28-09-26-59; 28-10-26-59	84 330B	391
Title II - Improving Teacher Quality State Grant	23-12-50-59	84 367A	<u>427,629</u>
<b>Total United States Department of Education</b>			<u><u>4,418,827</u></u>
<b>Total Federal Award Expenditures</b>			<u><u>\$ 8,563,157</u></u>

See accompanying independent auditor's report.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Notes to Schedule of Expenditures of Federal Awards**

**June 30, 2012**

**1. General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of the Washington Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2012. All federal awards received directly from federal agencies are included on the schedule, as well as federal awards passed-through other government agencies

**2. Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements for the year ended June 30, 2012.

**3. Relationship to Financial Statements**

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

Title I	\$ 2,250,336
School Lunch	
Grants	2,745,249
Commodities	167,549
IDEA Special Education	<u>1,306,628</u>
	<u>6,469,762</u>
Non-Major Funds	
Grants	2,088,863
Commodities	<u>4,532</u>
	<u>2,093,395</u>
Total Reported Schedule of Expenditures of Federal Awards	\$ <u><u>8,563,157</u></u>

Total commodities for the year ended June 30, 2012, were \$172,081

**4. Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2012.

**5. Notes Payable to a Federal Agency**

The School Board received a Special Community Disaster Loan (the "Loan") from the Federal government on August 25, 2006 in the amount of \$400,000. The terms of the Loan specified interest to accrue at 3.12% annually to be repaid with principal when due on July 10, 2011. The School Board paid the loan in full in November 2011, in the amount of \$465,057, with \$65,057 representing accrued interest.

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

**(1) Summary of Auditors' Results**

- (a) Type of auditors' report issued: unqualified opinion
- (b) Internal control over financial reporting:  
Material weakness(es) identified: no  
Significant deficiencies identified that are not considered to be material weakness(es): none reported
- (c) Noncompliance material to financial statements noted: no
- (d) Internal control over major programs.  
Material weakness(es) identified: no  
Significant deficiencies identified that are not considered to be material weakness(es): none reported
- (e) Type of auditors' report issued on compliance for major programs. unqualified opinion
- (f) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: no
- (g) Major programs  
  
United States Department of Education  
Passed through Louisiana Department of Education.

Title I – No Child Left Behind (NCLB) Part A Basic	84 010A
Title I – No Child Left Behind (NCLB) Part A Basic – ARRA	84 389A
Title II – Improving Teacher Quality State Grant	84 367A
- (h) Dollar threshold used to distinguish between Type A and Type B programs. \$300,000
- (i) Auditee qualified as a low-risk auditee. yes

**(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*: none**

**(3) Findings and Questioned Costs relating to Federal Awards: none**

**WASHINGTON PARISH SCHOOL BOARD**  
**Franklinton, Louisiana**

**Summary Schedule of Prior Audit Findings**

**Year ended June 30, 2012**

**N/A**

**WASHINGTON PARISH SCHOOL BOARD**  
**PERFORMANCE AND STATISTICAL DATA**  
**FOR THE YEAR ENDED JUNE 30, 2012**



A Professional Accounting Corporation

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

To the Members of the  
Washington Parish School Board  
Franklinton, Louisiana:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Washington Parish School Board (the School Board) and the Legislature Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin as related to the limited procedures performed herein. 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 the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

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

1 We selected a random sample of 40 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, and
- Total State Revenue in Lieu of Taxes

We noted no exceptions.

Education Levels of Public School Staff (Schedule 2)

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

**We noted no exceptions.**

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

**We noted no exceptions.**

- 4 We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1<sup>st</sup> 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.

**We noted no exceptions.**

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.

**We noted no exceptions.**

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

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

**We noted no exceptions.**

Public School Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 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.

**We noted no exceptions.**

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

**We noted no exceptions.**

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 1<sup>st</sup> roll books for those classes and determined if the class was properly classified on the schedule.

**We noted no exceptions.**

Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century (Schedule 7)

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

**We noted no exceptions.**

The Graduation Exit Exam for the 21<sup>st</sup> Century (Schedule 8)

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

**We noted no exceptions.**

The Iowa Tests (Schedule 9)

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

**We noted no exceptions.**

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

This report is intended solely for the use of management of the 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.

*Postlethwaite & Netterville*

Metairie, Louisiana  
December 4, 2012



**WASHINGTON PARISH SCHOOL BOARD**  
**PERFORMANCE AND STATISTICAL DATA SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**WASHINGTON PARISH SCHOOL BOARD  
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES  
AND CERTAIN LOCAL REVENUE SOURCES  
JULY 1, 2011 - JUNE 30, 2012**

**SCHEDULE 1**

**General Fund Instructional and Equipment Expenditures**

<b>General Fund Instructional Expenditures</b>		
<b>Teacher and Student Interaction Activities</b>		
Classroom Teacher Salaries	\$ 14,861,023	
Other Instructional Staff Activities	2,042,292	
Employee Benefits	8,528,521	
Purchased Professional and Technical Services	102,449	
Instructional Materials and Supplies	831,865	
Instructional Equipment	-	
<b>Total Teacher and Student Interaction Activities</b>	-	<b>\$ 26,366,150</b>
<b>Other Instructional Activities</b>		<b>74,774</b>
		<b>26,440,924</b>
<b>Pupil Support Activities</b>	<b>2,404,245</b>	
Less: Equipment for Pupil Support Activities	-	
<b>Net Pupil Support Activities</b>	-	<b>2,404,245</b>
<b>Instructional Staff Services</b>	<b>1,938,154</b>	
Less: Equipment for instructional staff services	-	
<b>Net Instructional Staff Services</b>	-	<b>1,938,154</b>
<b>Total General Fund Instructional Expenditures</b>		<b>\$ 30,783,323</b>
<b>Total General Fund Equipment Expenditures</b>		<b>\$ -</b>

**Certain Local Revenue Sources**

<b>Local Taxation Revenue</b>		
Constitutional Ad Valorem Taxes	333,330	
Renewable Ad Valorem Tax	1,284,728	
Debt Service Ad Valorem Tax	-	
Up to 1% of Collections by the Sheriff on Taxes	110,824	
Sales and Use Tax	4,135,359	
<b>Total Local Taxation Revenue</b>	-	<b>\$ 5,884,240</b>
<b>State Revenue in Lieu of Taxes</b>		
Revenue Sharing - Constitutional Tax	33,570	
Revenue Sharing - Other Taxes	129,389	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
<b>Total State Revenue in Lieu of Taxes</b>	-	<b>\$ 162,959</b>
<b>Nonpublic Textbook Revenue</b>		<b>\$ -</b>
<b>Nonpublic Transportation Revenue</b>		<b>\$ -</b>

Prepared by the Washington Parish School Board

**Schedule 2: Education Levels of Public School Staff  
As of October 1, 2011**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0.00%	1.00	0.27%	-	0.00%	-	0.00%
Bachelor's Degree	258.98	68.67%	1.00	0.27%	-	0.00%	-	0.00%
Master's Degree	81.02	21.48%	-	0.00%	9.97	2.64%	-	0.00%
Master's Degree +30	14.17	3.76%	-	0.00%	7.00	1.86%	-	0.00%
Specialist in Education	1.00	0.27%	-	0.00%	-	0.00%	-	0.00%
Ph D or Ed D.	2.00	0.53%	-	0.00%	1.00	0.27%	-	0.00%
<b>Total</b>	<b>367.17</b>	<b>94.70%</b>	<b>2.00</b>	<b>0.53%</b>	<b>17.97</b>	<b>4.76%</b>	<b>-</b>	<b>-</b>

Prepared by the Washington Parish School Board

**Schedule 3: Number and Type of Public Schools  
For the Year Ended June 30, 2011-2012**

<b>Type</b>	<b>Number</b>
Elementary	5
Middle / Junior High	1
Secondary	1
Combination	3
<b>TOTAL</b>	<b>10</b>

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

Prepared by the Washington Parish School Board

**Schedule 4: Experience of Public Principals, Assistant Principals, and Full-time  
Classroom Teachers  
As of October 1, 2011**

	0 - 1 Yr.	2 - 3 Yrs.	4 - 10 Yrs.	11 -14 Yrs.	16 -19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
<b>Assistant Principals</b>	-	-	2 97	2 00	-	-	3.00	7 97
<b>Principals</b>	-	-	-	1 00	1 00	2 00	6 00	10 00
<b>Classroom Teacher</b>	27 00	29 00	121 03	48.00	44.08	34 00	56 06	359 17
<b>TOTAL</b>	27 00	29 00	124 00	51 00	45.08	36 00	65 08	377 14

Prepared by the Washington Parish School Board

**Schedule 5: Public School Staff Data For the Year Ended June 30, 2012**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teacher's Salary Including Extra Compensation</b>	<b>44,427</b>	<b>44,001</b>
<b>Average Classroom Teacher's Salary Excluding Extra Compensation</b>	<b>42,148</b>	<b>41,705</b>
<b>Number of Teacher Full-time Equivalents (FTE's) used in Computation of Average Salaries</b>	<b>367 4371</b>	<b>349 3718</b>

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

**Prepared by the Washington Parish School Board**

**Schedule 6: Class Size Characteristics  
As of October 1, 2011**

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	53.40%	204	44.50%	170	2.09%	8	0.00%	0
Elementary Activity Classes	45.31%	29	48.44%	31	3.13%	2	3.13%	2
Middle/Junior High	54.76%	115	27.62%	58	17.62%	37	0.00%	0
Middle/Junior High Activity Classes	20.83%	5	12.50%	3	41.67%	10	25.00%	6
High	54.75%	173	25.95%	82	19.30%	61	0.00%	0
High Activity Classes	91.18%	62	4.41%	3	4.41%	3	0.00%	0
Combination	92.74%	168	6.70%	12	0.56%	1	0.00%	0
Combination Activity Classes	86.15%	112	6.15%	8	3.85%	5	3.85%	5

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

Prepared by the Washington Parish School Board

**Schedule 7: Louisiana Educational Assessment Program (LEAP 21) for the 21st Century  
For the Year Ended June 30, 2010-2012**

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	18	4%	20	4%	11	2%	18	4%	30	7%	18	4%
Mastery	101	25%	98	22%	60	13%	69	17%	87	20%	88	19%
Basic	192	47%	212	48%	218	48%	197	47%	205	46%	225	50%
Approaching Basic	74	18%	82	18%	97	21%	71	17%	71	16%	66	15%
Unsatisfactory	27	7%	34	8%	66	15%	61	15%	53	12%	57	13%
<b>Total</b>	<b>412</b>	<b>100%</b>	<b>446</b>	<b>100%</b>	<b>452</b>	<b>100%</b>	<b>418</b>	<b>100%</b>	<b>448</b>	<b>100%</b>	<b>452</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	24	6%	7	2%	16	4%	2	0%	7	2%	5	1%
Mastery	72	17%	57	13%	59	13%	49	12%	36	8%	50	11%
Basic	183	44%	213	48%	189	42%	208	50%	243	55%	213	47%
Approaching Basic	106	25%	129	29%	129	29%	93	22%	94	21%	106	24%
Unsatisfactory	32	8%	39	9%	68	13%	65	16%	65	15%	77	17%
<b>Total</b>	<b>417</b>	<b>100%</b>	<b>445</b>	<b>100%</b>	<b>451</b>	<b>100%</b>	<b>417</b>	<b>100%</b>	<b>445</b>	<b>100%</b>	<b>451</b>	<b>100%</b>

NOTE. Spring 2010, 2011, and 2012 LEAP 21 test data should be used to prepare this schedule

Prepared by the Washington Parish School Board

**Schedule 7: Louisiana Educational Assessment Program (LEAP 21) for the 21st Century  
For the Year Ended June 30, 2010-2012**

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	12	3%	28	8%	11	3%	11	3%	12	3%	10	3%
Mastery	63	16%	76	20%	54	14%	17	4%	18	5%	16	4%
Basic	201	47%	150	41%	149	40%	241	56%	200	55%	164	44%
Approaching Basic	118	28%	97	27%	131	35%	103	24%	85	23%	117	31%
Unsatisfactory	33	8%	16	4%	31	8%	56	13%	50	14%	70	19%
<b>Total</b>	<b>427</b>	<b>100%</b>	<b>368</b>	<b>100%</b>	<b>376</b>	<b>100%</b>	<b>428</b>	<b>100%</b>	<b>366</b>	<b>100%</b>	<b>376</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	10	2%	8	2%	5	1%	7	2%	12	3%	4	1%
Mastery	46	11%	60	16%	35	9%	37	9%	47	13%	39	10%
Basic	163	38%	144	39%	136	35%	204	48%	152	41%	160	41%
Approaching Basic	160	35%	95	26%	147	38%	112	26%	114	31%	109	28%
Unsatisfactory	56	13%	60	16%	65	17%	65	15%	42	11%	76	20%
<b>Total</b>	<b>426</b>	<b>100%</b>	<b>367</b>	<b>100%</b>	<b>388</b>	<b>100%</b>	<b>425</b>	<b>100%</b>	<b>367</b>	<b>100%</b>	<b>388</b>	<b>100%</b>

NOTE Spring 2010, 2011, and 2012 LEAP 21 test data should be used to prepare this schedule

Prepared by the Washington Parish School Board

**Schedule 8: The Graduation Exit Examination for the 21st Century (GEE21)  
For the Year Ended June 30, 2010-2012**

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced			0	0%	8	2%			17	4%	17	5%
Mastery			39	10%	53	16%			44	11%	47	14%
Basic			188	49%	157	47%			188	44%	154	47%
Approaching Basic			101	26%	69	21%			76	20%	49	15%
Unsatisfactory			56	16%	44	13%			79	21%	64	19%
<b>Total</b>			<b>384</b>	<b>100%</b>	<b>331</b>	<b>100%</b>			<b>384</b>	<b>100%</b>	<b>331</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	8	2%	7	2%	7	3%	7	2%	2	1%	1	0%
Mastery	54	15%	49	16%	25	9%	25	7%	18	6%	13	5%
Basic	146	41%	142	46%	114	43%	178	50%	158	51%	139	52%
Approaching Basic	91	25%	77	25%	82	31%	96	27%	85	28%	62	23%
Unsatisfactory	60	17%	33	11%	37	14%	53	15%	46	15%	50	19%
<b>Total</b>	<b>359</b>	<b>100%</b>	<b>308</b>	<b>100%</b>	<b>265</b>	<b>100%</b>	<b>359</b>	<b>100%</b>	<b>309</b>	<b>100%</b>	<b>265</b>	<b>100%</b>

NOTE Spring 2010, 2011, and 2012 GEE 21 test data should be used to prepare this schedule

Prepared by the Washington Parish School Board

**Schedule 9: iLEAP Tests**

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	13	3%	31	7%	13	3%	2	0%
Mastery	92	22%	80	19%	66	16%	56	13%
Basic	181	43%	165	39%	185	44%	201	47%
Approaching Basic	87	20%	80	19%	110	26%	77	18%
Unsatisfactory	52	12%	68	16%	50	12%	89	21%
<b>Total</b>	<b>425</b>	<b>100%</b>	<b>424</b>	<b>100%</b>	<b>424</b>	<b>100%</b>	<b>425</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	6	2%	21	5%	8	2%	11	3%
Mastery	46	12%	48	12%	60	16%	31	8%
Basic	174	45%	172	44%	149	39%	187	48%
Approaching Basic	108	28%	64	17%	118	30%	91	24%
Unsatisfactory	53	14%	82	21%	52	13%	67	17%
<b>Total</b>	<b>387</b>	<b>100%</b>	<b>387</b>	<b>100%</b>	<b>387</b>	<b>100%</b>	<b>387</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	4	1%	7	2%	7	2%	26	6%
Mastery	47	11%	37	9%	49	11%	44	10%
Basic	208	48%	220	51%	212	49%	207	48%
Approaching Basic	128	30%	104	24%	126	29%	101	23%
Unsatisfactory	42	10%	62	14%	36	8%	52	12%
<b>Total</b>	<b>429</b>	<b>100%</b>	<b>430</b>	<b>100%</b>	<b>430</b>	<b>100%</b>	<b>430</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	8	2%	12	3%	5	1%	9	2%
Mastery	63	13%	33	8%	64	16%	52	13%
Basic	198	50%	219	56%	172	44%	199	51%
Approaching Basic	105	27%	92	23%	129	33%	100	25%
Unsatisfactory	32	8%	38	10%	24	6%	34	9%
<b>Total</b>	<b>394</b>	<b>100%</b>	<b>394</b>	<b>100%</b>	<b>394</b>	<b>100%</b>	<b>394</b>	<b>100%</b>

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

Please note that the grade 9 ILEAP has been dropped by the Department of Education, everything at that level was moved to end of course testing  
The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year

For each grade supply the achievement levels.

**Schedule 9: /LEAP Tests**

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	11	3%	28	7%	9	2%	4	1%
Mastery	67	17%	75	19%	46	12%	38	10%
Basic	178	45%	182	46%	169	43%	183	46%
Approaching Basic	83	21%	70	18%	122	31%	100	25%
Unsatisfactory	57	14%	41	10%	50	13%	71	18%
<b>Total</b>	<b>396</b>	<b>100%</b>	<b>396</b>	<b>100%</b>	<b>396</b>	<b>100%</b>	<b>396</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	6	1%	16	4%	5	1%	7	2%
Mastery	55	13%	46	11%	52	13%	46	11%
Basic	173	42%	202	49%	167	41%	170	42%
Approaching Basic	109	27%	71	17%	138	34%	100	24%
Unsatisfactory	66	16%	74	18%	47	11%	86	21%
<b>Total</b>	<b>409</b>	<b>100%</b>	<b>409</b>	<b>100%</b>	<b>409</b>	<b>100%</b>	<b>409</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	7	2%	14	4%	4	1%	21	5%
Mastery	48	12%	29	7%	50	13%	49	13%
Basic	199	51%	234	60%	217	55%	188	48%
Approaching Basic	104	27%	73	19%	98	25%	95	24%
Unsatisfactory	33	8%	41	10%	22	6%	38	10%
<b>Total</b>	<b>391</b>	<b>100%</b>	<b>391</b>	<b>100%</b>	<b>391</b>	<b>100%</b>	<b>391</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	14	3%	8	2%	6	1%	2	0%
Mastery	46	11%	24	6%	30	7%	41	10%
Basic	190	45%	231	54%	169	40%	191	45%
Approaching Basic	140	33%	105	25%	164	39%	105	25%
Unsatisfactory	35	8%	58	14%	56	13%	86	20%
<b>Total</b>	<b>425</b>	<b>100%</b>	<b>426</b>	<b>100%</b>	<b>426</b>	<b>100%</b>	<b>426</b>	<b>100%</b>

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

Please note that the grade 9 ILEAP has been dropped by the Department of Education, everything at that level was moved to end of course testing. The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year.

For each grade supply the achievement levels.

### Schedule 9: /LEAP Tests

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	8	2%	22	5%	5	1%	4	1%
Mastery	76	19%	80	20%	49	12%	45	11%
Basic	177	44%	169	42%	183	41%	183	45%
Approaching Basic	92	23%	84	21%	137	34%	118	29%
Unsatisfactory	50	12%	48	12%	47	12%	53	13%
<b>Total</b>	<b>403</b>	<b>100%</b>	<b>403</b>	<b>100%</b>	<b>401</b>	<b>100%</b>	<b>403</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	5	1%	17	5%	3	1%	9	2%
Mastery	59	16%	58	16%	49	13%	28	8%
Basic	164	45%	184	50%	172	47%	192	53%
Approaching Basic	91	25%	54	15%	111	30%	75	21%
Unsatisfactory	46	13%	52	14%	29	8%	60	16%
<b>Total</b>	<b>365</b>	<b>100%</b>	<b>365</b>	<b>100%</b>	<b>364</b>	<b>100%</b>	<b>364</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	8	2%	10	2%	4	1%	21	5%
Mastery	58	14%	33	8%	34	8%	31	8%
Basic	203	50%	233	57%	186	46%	191	47%
Approaching Basic	96	24%	86	21%	145	36%	104	26%
Unsatisfactory	42	10%	45	11%	38	9%	60	15%
<b>Total</b>	<b>407</b>	<b>100%</b>	<b>407</b>	<b>100%</b>	<b>407</b>	<b>100%</b>	<b>407</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	23	6%	15	4%	7	2%	6	2%
Mastery	54	15%	34	9%	47	13%	48	13%
Basic	158	43%	194	52%	163	44%	199	54%
Approaching Basic	98	26%	78	20%	121	33%	68	18%
Unsatisfactory	38	10%	52	14%	33	9%	50	13%
<b>Total</b>	<b>371</b>	<b>100%</b>	<b>371</b>	<b>100%</b>	<b>371</b>	<b>100%</b>	<b>371</b>	<b>100%</b>

District Achievement Level Results	English Language		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	3	1%	9	2%
Mastery	46	12%	32	8%
Basic	193	49%	186	47%
Approaching Basic	131	33%	89	22%
Unsatisfactory	23	6%	80	20%
<b>Total</b>	<b>396</b>	<b>100%</b>	<b>396</b>	<b>100%</b>

For each grade supply the achievement levels.

The Members of the Board  
Washington Parish School Board  
Franklinton, Louisiana

In planning and performing our audit of the basic financial statements of the Washington Parish School Board (the School Board) as of June 30, 2012, we considered the School Board's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the consolidated financial statements and not to provide assurance on internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. We previously reported on the School Board's internal control in our report dated December 4, 2012. This letter does not affect our report dated December 4, 2012 on the basic financial statements of the School Board.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with School Board personnel and we will be pleased to discuss these comments in further detail at your convenience to perform any additional study of these matters, or to assist you in implementing the recommendations.

Our comments are summarized in Appendix A which also contains management's responses to the current year comments. Appendix B contains that status of prior year comments.

We wish to thank the Director of Finance and her department for their support and assistance during our audit.

This report is intended solely for the information and use of the Board, management, and others within the School Board.

*Postlethwaite & Netterville*

Metairie, Louisiana  
December 4, 2012

**Current Year Comments and Management's Response**

**Comment 1: Best Practices for School Activity Funds**

As noted in prior year, the School Board had received a report dated May 23, 2011 related to certain procedures performed at Varnado High School (herein referred to as the "May Report") As related to the May Report, the School Board should consider the following best practices:

- Establish a procedure for writing off and escheating outstanding checks
- Procedure requiring documented approvals for inter and intra school transfers
- Procedure regarding timely deposits
- Establish a standardized ticket reconciliation form with indications of the appropriate approval
- Reinforce and/or provide training regarding purchase order requirements
- Procedure for all fundraising activities that addresses processes and forms to be used

The May Report also identified a matter that was identified by the School Board as a fraudulent transaction The alleged fraud occurred in a fundraising activity. The School Board should consider establishing a reporting procedure for fraud as well as establishing procedures in the area of fundraising

**Management's Response:** Concur. The School Board is in the process of creating a best practices handbook for its school activity funds

**Comment 2: Documentation of Review**

As noted in prior year, management of the School Board performs several key controls which are not formally documented when reviewed by a person other than preparer. The School Board should consider a formal review policy requiring sign off on by a reviewer of any review over reconciliations, journal entries, financial statements, online disbursements, or budget to actual reports

**Management's Response:** Concur. The School Board has been working to update its policies to include applicable best practices.

**Comment 3: Fixed Asset Additions**

Charges for fixed asset additions are included in general repairs and maintenance accounts and reviewed at year end by the School Board to determine inclusion on the fixed asset listing. The School Board should consider that all fixed asset additions be recorded to a separate general ledger account from repairs in order to ensure the completeness of fixed assets recorded

**Management's Response:** Concur The School Board will segregate capitalizable charges from repairs and maintenance expense.

**Current Year Comments and Management's Response**

**Comment 4: Payroll**

Based on position, employees may receive supplemental or extra pay. School lunch managers receive additional pay based on a 2001 calculation of meals served. The School Board should consider reviewing all components of pay on an annual basis and including the calculation in the supporting payroll files with approval by the Superintendent.

Management's Response Concur The School Board will review and update its policies to include reviewing all components of pay on an annual basis

### **Status of Prior Year Comments**

#### **Comment 1: May Report**

The School Board had received a report dated May 23, 2011 related to certain procedures performed at Varnado High School (herein referred to as the "May Report") As related to the May Report, the School Board should consider the following best practices:

- Establish a procedure for writing off and escheating outstanding checks
- Procedure requiring documented approvals for inter and intra school transfers
- Procedure regarding timely deposits
- Establish a standardized ticket reconciliation form with indications of the appropriate approval
- Reinforce and/or provide training regarding purchase order requirements
- Procedure for all fundraising activities that addresses processes and forms to be used

We understand that the School Board is in process of updating its fixed asset list which expects to complete by June 2012. The May Report indicated issues related to inaccurate tag numbers and ability to locate items. We understand that the School Board is addressing these comments through the update process

The May Report also identified a matter that was identified by the School Board as a fraudulent transaction. The alleged fraud occurred in a fundraising activity The School Board should consider establishing a reporting procedure for fraud as well as establishing procedures in the area of fundraising.

Status: Partially resolved. The School Board had each school to review its fixed asset listing for fiscal year 2012 and independent School Board personnel have completed inspections of a number of schools as well. See current year finding comment 1 regarding best practices for school activity funds.

#### **Comment 2: Leases**

The School Board has a number of operating and capital leases for school lunch equipment. The School Board should consider creating a formal schedule of leases, payment terms, and classification in order to ensure appropriate accounting and classification/recordation of capital leases in the fixed asset listing

Status: Resolved. The School Board has a listing of all current leases to monitor lease payments.

#### **Comment 3: Online Bank Activity**

The Chief Accountant has access to the bank accounts online, and she is authorized to approve wires and/or ACH transactions. The School Board should consider creating a formal review policy whereby all online activity is printed and review is formally documented by the Director of Finance or the Superintendent for online disbursements.

Status: Partially resolved. See current year finding comment 2 regarding documentation.

**Status of Prior Year Comments**

**Comment 4: Documentation of Review**

Management of the School Board performs several key controls which are not formally documented when reviewed by a person other than preparer. The School Board should consider a formal review policy requiring sign off on by a reviewer of any review over reconciliations, journal entries, financial statements, or budget to actual reports.

Status: Partially resolved. See current year finding comment 2 regarding documentation.