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For the year ended June 30, 2000



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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

For the Year Ended June 30, 2000

**Mike Powell
President**

**Ron Festavan
Assistant Superintendent –
Support Services**

**Dr. Robert Schiller
Superintendent**

**Ben Wreyford
Director of Finance**

Prepared by the Finance Department

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Comprehensive Annual Financial Report

Year Ended June 30, 2000

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Introduction Section



POST OFFICE BOX 32000
1961 MIDWAY STREET

ROBERT E. SCHILLER, Ed. D.
SUPERINTENDENT

CADDO PARISH SCHOOL BOARD

SHREVEPORT, LOUISIANA 71130 - 2000

AREA CODE 318
TELEPHONE 636-0210
FAX 631-5241

September 15, 2000

MIKE POWELL
President
3320 Youree Drive
Shreveport, LA 71105
District 8

JERRY TIM BROOKS
First Vice President
4605 Curtis Lane
Shreveport, LA 71109
District 7

ALVIN MIMS
Second Vice President
633 Eden Boulevard
Shreveport, LA 71106
District 6

GINGER ARMSTRONG
9800 Chaseway
Shreveport, LA 71118
District 11

JUDY D. BOYKIN
710 Hyde Park Place
Shreveport, LA 71108
District 10

WILLIE D. BURTON
417 Indian Trail
Shreveport, LA 71107
District 3

PHILIP R. GUIN
P.O. Box 1414
Blanchard, LA 71009
District 1

MILES HITCHCOCK, Sc.D.
3336 Pines Road
Shreveport, LA 71119
District 12

MARK MILAM
1525 Cambridge
Shreveport, LA 71105
District 9

MILDRED B. PUGH
3803 Michigan Boulevard
Shreveport, LA 71109
District 5

MICHAEL J. THIBODEAUX
3620 Madison Park
Shreveport, LA 71104
District 4

JOHNNY VANCE, JR.
841 Wilton Place
Shreveport, LA 71107
District 2

Mr. Mike Powell, President,
Caddo Parish School Board Members
and Citizens of Caddo Parish
Shreveport, Louisiana:

The Comprehensive Annual Financial Report of the Caddo Parish School Board (School Board) for the year ended June 30, 2000 is submitted herewith. This report has been prepared by Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada.

A. Management Responsibility

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. 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 various funds and account groups 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.

B. Comprehensive Annual Financial Report (CAFR)

The CAFR consists of three parts:

- (1) The Introductory Section. This section includes a letter of transmittal, information on financial reporting achievements, the School Board's organizational chart, recognition of the elected officials of the School Board, and a list of selected administrative officials.
- (2) The Financial Section. The independent auditors' report and the School Board's financial statements and schedules are presented in accordance with the financial reporting pyramid set forth by the Governmental Accounting Standards Board. The School Board's complete financial operations are depicted in the general purpose financial statements and thus present an overview of the School Board's operations. Individual fund and account group statements and schedules are also presented along with the combining statements.
- (3) The Statistical Section. This section includes a number of tables of unaudited data depicting the financial history, demographics, and other miscellaneous information of the Caddo Parish School Board for the past ten years.

Mr. Mike Powell, President
Caddo Parish School Board Members
and Citizens of Caddo Parish
Shreveport, Louisiana

The School Board is required to undergo an annual single audit in conformity with the provisions of Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels K through 12. These include regular and enriched academic education, special education for handicapped youngsters, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in the fine arts and athletics.

C. Reporting Entity

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

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

Caddo-Shreveport Sales and Use Tax Commission – The Commission is an independent agency responsible for the collection, enforcement, and administration of sales and use taxes levied by the School Board and the City of Shreveport. The Commission is considered a separate reporting entity and issues financial statements separate from those of the School Board. The School Board does not retain an ongoing financial interest or responsibility in its day-to-day operations. The Commission is not considered a component unit of the School Board and its operations are not included in the accompanying financial statements.

D. Economic Condition and Outlook

Indicators show the local economy to be robust. The value of retail sales is up 5.6% over 1999. The value of single family construction is up 12.7%. Hotel revenues are up 9.8%. In the 1980's many people in Caddo Parish lost jobs as a result of the oil bust. However, the area is considered at full employment today. The average unemployment rate in September 2000 was 4.6%. A greatly diversified economy supported by tourism, manufacturing services, and the medical industry has yielded this stability in employment.

The local retail and wholesale work force has been projected to increase by almost 2,000 jobs in the next two years. Leading the way in retail growth is the construction of a new Super Target, now underway in southeast Shreveport, expected to employ 400 workers. A major shopping center is also under

Mr. Mike Powell, President
Caddo Parish School Board Members
and Citizens of Caddo Parish
Shreveport, Louisiana

construction on the adjacent 80 acres. In southwest Shreveport, a new Wal-Mart Super Center will soon be completed and will employ about 500 people. Another major project is the Hollywood retail complex in the downtown Red River Entertainment District.

Highlighting the growth in manufacturing is the \$700 million expansion of the General Motors plant. Construction is well underway. This giant project is expected to produce significant spin-off growth as suppliers locate to the area. The other examples of growth is the new Frymaster Corporation plant, expansion of Cellxion, a manufacturer of cellular phone towers, and additional jobs at Shreveport Fabricators. It has been projected that up to 8,000 new manufacturing and service industry jobs may be added in the next two years.

The health care industry continues to expand, as Shreveport becomes a regional medical hub. Over \$50 million in projects at local hospitals have been completed this year or are currently underway.

The tourism and entertainment industry is flourishing. One thousand new hotel rooms are soon to be completed on the Shreveport riverfront. Total investment in these projects is over \$400 million. Construction of the city's new \$85 million convention center should begin in the upcoming year.

E. Major Initiatives

FOR THE YEAR

Major plant projects completed by the school system in 1999-2000 were:

- Automotive Technology Center at Caddo and Technology Center
- Roofing replacements at Bickham, Fair Park, Newton Smith, Summer Grove, Vivian, Walnut Hill, Westwood, and Youree Drive
- Air conditioning improvements at Captain Shreve (Phase II)
- Renovation of locker rooms at Byrd High, Bethune Middle, J.S. Clark Middle, and Northwood Stadium
- Track improvements at Caddo Stadium
- Boiler replacement at Linear Middle School
- Electrical upgrades at Atkins, Forest Hill, Green Oaks, Herndon, Mooringsport, and B.T. Washington
- Air conditioned cafeteria kitchens at Creswell, North Highlands, Riverside, Southwood, Summer Grove, and University
- Technology Center expansion
- Flooring replacement at Pine Grove Elementary
- Relocation of Special Education Administrative Center to Shreve City Office Park

Major projects begun in 1999-2000 were classroom wing additions at Byrd, Caddo Heights, Creswell, Forest Hill, South Highlands, Summer Grove, Sunset Acres, and University.

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Caddo Parish School Board Members
and Citizens of Caddo Parish
Shreveport, Louisiana

FOR THE FUTURE

High quality and successful organizations are characterized by being goal focused, innovative, and adaptable. Caddo Parish Schools have shifted from being centered on process to being centered on results. The district is now ready to focus on being more adaptive to the changing environment, flexible, and innovative. An extensive review of the district's changing demographics, an analysis of enrollment data and the educational needs of our students has led the system to consider a comprehensive set of educational initiatives that will be responsive to our changing environment and render our district more flexible and innovative.

A facilities utilization plan is being considered to create more options and opportunities for our students, thereby giving to them more chances for success and giving parents more choices. Goals of the plan are to improve lower performing schools, provide students with choices and options not limited by geographic or economic constants, assure programmatic equity for all students at all schools, and address critical environmental variables affecting our students and schools. The plan addresses facilities issues due to enrollment declines and redistribution of student enrollments.

F. Internal Control

Management of the School Board is responsible for establishing and maintaining internal control 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 generally accepted accounting principles. Internal control is 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.

We believe that the School Board's accounting controls provide reasonable assurance that errors or irregularities to the financial statements are prevented or would be detected within a timely period by employees in the normal course of performing their assigned functions.

As a recipient of Federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and the internal audit staff.

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2000 provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations.

Mr. Mike Powell, President
 Caddo Parish School Board Members
 and Citizens of Caddo Parish
 Shreveport, Louisiana

G. Budgetary Controls

The School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund, special revenue funds, debt service fund and the capital projects fund are included in the annual appropriated budget. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and capital projects fund and at the fund level for the special revenue funds. Legal requirements provide that expenditures may not exceed appropriations in excess of five percent of the budgeted expenditures at the fund level.

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.

H. Financial Condition

General Educational Functions

General educational activities which are accounted for in the general fund are supported principally by local taxes and state entitlements. Direct federal aid is nominal in the general fund, but substantial sums are made available to the Louisiana Department of Education which are subsequently distributed to local entities. General fund revenues are as follows:

| | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) From 1999</u> | <u>Percentage Change From 1999</u> |
|-------------------|-----------------------|-----------------------------|--|--|
| Local | \$ 102,906,945 | 41.15% | \$ 4,402,395 | 4.28% |
| State | 146,305,278 | 58.51 | 5,192,105 | 3.55 |
| Federal and Other | 854,069 | .34 | (5,118) | (.60) |
| | <u>\$ 250,066,292</u> | <u>100.00%</u> | <u>\$ 9,589,382</u> | |

The general fund revenues increase of \$9,589,382 from the prior year amount of \$240,476,910 was primarily due to the following:

- Local sources increased due to a \$2,955,413 increase in sales tax revenues and a \$1,138,806 increase in ad valorem taxes.
- State revenues increased \$5,192,105 due primarily to increases in minimum foundation payments (MFP) and state pay supplements. MFP funding is, in part, driven by student population.
- Federal sources decreased due to a decrease in federal grant monies received.

Mr. Mike Powell, President
 Caddo Parish School Board Members
 and Citizens of Caddo Parish
 Shreveport, Louisiana

General educational expenditures by function were as follows:

| <u>Item</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) From 1999</u> | <u>Percentage Change From 1999</u> |
|---------------------------------|-----------------------|-----------------------------|--|--|
| Instruction | \$ 179,896,762 | 72.96% | \$ 7,750,910 | 4.31% |
| General administration | 2,815,598 | 1.14 | (296,228) | (9.52) |
| School administration | 17,238,566 | 6.99 | 809,767 | 4.70 |
| Business services | 2,817,066 | 1.14 | 58,841 | 2.09 |
| Plant services | 25,321,315 | 10.27 | 318,695 | 1.26 |
| Student transportation services | 14,955,490 | 6.07 | 779,169 | 5.21 |
| Central services | 3,509,363 | 1.42 | 432,245 | 12.32 |
| Community service program | 17,476 | .01 | (16,333) | (93.46) |
| Capital outlay | 2,567 | 0.00 | 2,567 | 100.00 |
| | <u>\$ 246,574,203</u> | <u>100.00%</u> | <u>\$ 9,839,633</u> | |

General fund expenditures increased \$9,839,633 from the prior year amount of \$236,734,570. This increase was primarily due to increases in teacher and other employee salaries along with related benefits. Teacher and employee salaries increased approximately \$7,930,000. Related benefits also increased approximately \$1,765,000.

The unreserved fund balance in the general fund was maintained at an adequate level. The unreserved fund balance, which includes a designation for contingencies of \$5,816,903 and a designation for equipment replacement of \$850,387 at June 30, 2000, increased from \$22,680,383 to \$26,089,622 or 15.03%. This unreserved fund balance represents 10.58% of 1999-2000 general fund expenditures.

Special Revenue Activities

Special revenue fund revenues of \$41,145,520, including \$8,242,141 of state sources, \$2,825,360 of local sources, and \$30,078,019 of federal sources, were restricted for use in fifteen separate activities. The Child Nutrition Program fund accounts for \$17,595,217 of these revenues. The School Lunch Program is administered by this fund. Of the remaining revenues, \$10,657,639 funds the Title I program for educationally deprived students. The remainder was designed primarily to: (1) provide instructional and related services to handicapped children and (2) provide extended day remedial instruction including books, tapes and audiovisual hardware and software for general student population.

Mr. Mike Powell, President
 Caddo Parish School Board Members
 and Citizens of Caddo Parish
 Shreveport, Louisiana

Special revenue fund expenditures by function were:

| <u>Item</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) From 1999</u> | <u>Percentage Change From 1999</u> |
|---------------------------------|----------------------|-------------------------|--------------------------------------|------------------------------------|
| Instruction | \$ 21,659,949 | 52.83% | \$ 944,231 | 4.56% |
| General administration | 472,013 | 1.15 | 65,826 | 13.95 |
| School administration | 201,140 | .49 | (63,999) | (31.82) |
| Business services | 44,069 | .11 | (13,881) | (31.50) |
| Plant services | 156,489 | .38 | (3,547) | (2.27) |
| Student transportation services | 71,536 | .17 | (75,708) | (105.83) |
| Food services | 17,559,728 | 42.83 | (808,822) | (4.61) |
| Community service programs | 586,063 | 1.43 | (90,055) | (15.37) |
| Capital outlay | 252,226 | .61 | 252,226 | 100.00 |
| | <u>\$ 41,003,213</u> | <u>100.00%</u> | <u>\$ 206,271</u> | |

The special revenue fund expenditures increase of \$206,271 over the prior year amount of \$40,796,942 is mainly due to an increase in support from the state and federal governments for the various programs accounted for as special revenue funds.

General Long-Term Debt Activities

The changes in general long-term obligations are as follows:

| | <u>July 1, 1999</u> | <u>Additions</u> | <u>Deletions</u> | <u>June 30, 2000</u> |
|------------------------------|----------------------|-------------------|------------------|----------------------|
| Bonds payable | \$ 40,640,000 | 20,000,000 | 3,635,000 | 57,005,000 |
| Claims and judgments payable | 80,888 | 26,112 | - | 107,000 |
| Compensated absences payable | 14,328,509 | 485,213 | - | 14,813,722 |
| | <u>\$ 55,049,397</u> | <u>20,511,325</u> | <u>3,635,000</u> | <u>71,925,722</u> |

Capital Project Activities

All major capital improvements are accounted for in the capital projects fund. During the year ended June 30, 2000, capital expenditures were made in the amount of \$25,239,483. The majority of these funds were expended on the renovation and expansion of existing schools. These projects were primarily funded with the proceeds of \$20,000,000 in bonds, an allocation of property taxes in the amount of \$10,705,141, interest earnings on idle funds in the amount of \$730,840, state sources of \$361,369, a transfer of \$400,000 from the general fund and funds carried over from prior years.

Mr. Mike Powell, President
 Caddo Parish School Board Members
 and Citizens of Caddo Parish
 Shreveport, Louisiana

Nonexpendable Trust Activities

The Caddo Educational Excellence fund is a nonexpendable trust fund. The fund is used to account for the trust principal investment earnings and boarding fees from area casinos as provided for in Louisiana Revised Statute LSA-R.S. 17:408.1. Revenues consisted of \$1,164,977 of boarding fees and \$253,161 of interest earnings. The operating transfer out of \$207,658 was transferred to the general fund to be used for educational enhancement.

Fiduciary Activities

The school activity funds comprise approximately one-half of the School Board's agency fund activities. These funds are held by the individual schools of the School Board to support school activities such as athletics and other student organizations. All school activity funds are audited periodically by the internal audit staff.

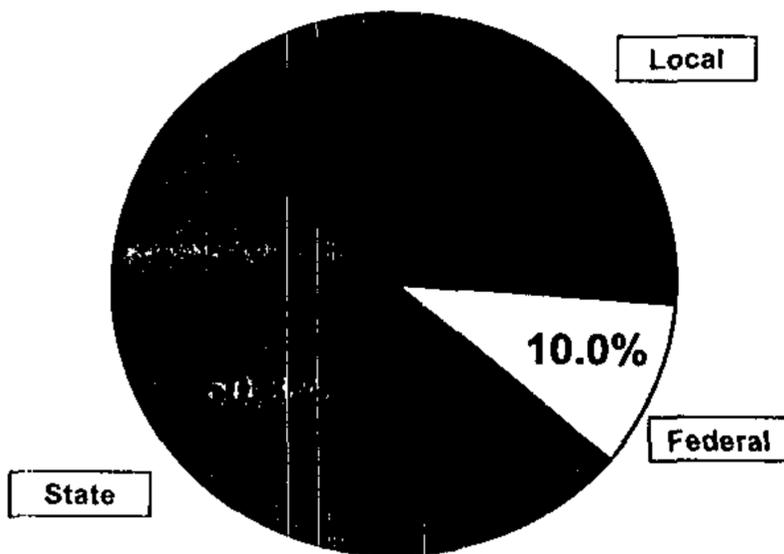
Sources and Uses of Funds

The following charts provide an analysis of the sources of revenues and the expenditures by function for the year ended June 30, 2000:

ALL GOVERNMENTAL FUNDS

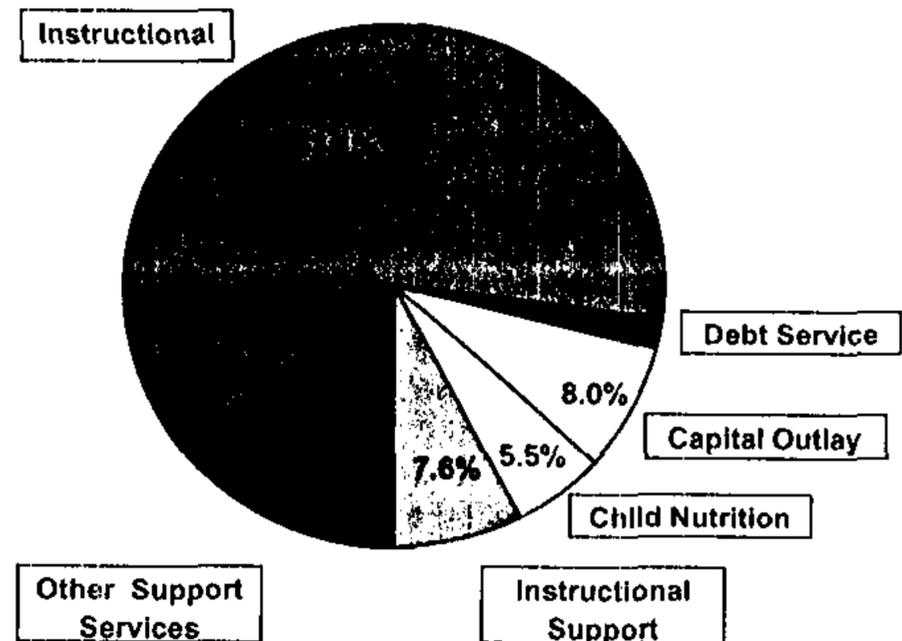
Revenue Sources

Percentage of Total Revenues



Expenditures by Function

Percentage of Total Expenditures



Mr. Mike Powell, President
 Caddo Parish School Board Members
 and Citizens of Caddo Parish
 Shreveport, Louisiana

I. Cash Management

The School Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by instruments issued by the United States Government or federal government agencies created by an act of Congress or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned was \$4,238,192 for the year ended June 30, 2000. This was distributed as follows:

| | | |
|--|----|------------------|
| General fund | \$ | 2,798,576 |
| Special revenue fund – Child Nutrition Program | | 344,200 |
| Debt service fund | | 110,782 |
| Capital projects fund | | 730,840 |
| Internal service fund | | 633 |
| Nonexpendable trust fund | | 253,161 |
| | \$ | <u>4,238,192</u> |

J. Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the School Board's debt position. Net bonded debt represents total bonded debt of \$57,005,000 less fund equity in the debt service fund of \$1,457,152. This data as of June 30, 2000 is as follows:

| | <u>Amount</u> | <u>Ratio of Debt to Assessed Value</u> | <u>Debt per Capita</u> |
|--|---------------|--|----------------------------|
| Net direct general obligation bonded debt | \$55,547,848 | 5.16% | \$231 |

The School Board maintained an A+ bond rating from Standard and Poor's Corporation and an A1 bond rating from Moody's.

K. Risk Management

The School Board maintains a combination of self-insurance and stop-loss coverage to manage its risk of loss from property damage, theft and claims against employees. In addition, the School Board was partially self-insured for group hospitalization, dental, disability and life insurance prior to April 1, 1997.

A list of insurance in force is included in Table 14. The fund balance of the general fund includes \$5,816,903 designated for contingencies established in anticipation of possible losses from lawsuits and self-insurance liability including self-insurance run-off claims.

Mr. Mike Powell, President
Caddo Parish School Board Members
and Citizens of Caddo Parish
Shreveport, Louisiana

L. Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Caddo Parish School Board for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999. This was the 12th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the School Board for its Comprehensive Annual Financial Report, for every fiscal year since the year ended June 30, 1988. To be awarded this certificate, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This certificate is valid for a period of one year only. We believe our current report continues to conform to the certificate requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

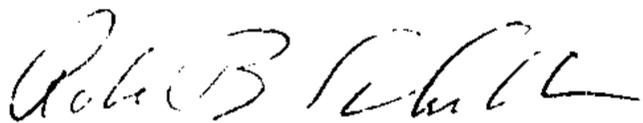
M. Independent and Internal Audits

The report of our independent certified public accountants, KPMG LLP, follows as an integral component of this report. Their audit of the general purpose financial statements was performed in accordance with generally accepted auditing standards and, accordingly, included a review of the School Board's system of budgetary and accounting controls.

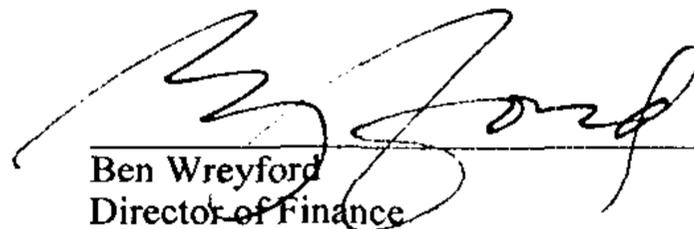
In addition to the accounting control systems and the use of independent auditors, the School Board maintains a staff of internal auditors who conduct internal audits as well as special audits of the operations of the School Board.

N. Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the Internal Auditing Department. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.



Dr. Robert Schiller
Superintendent



Ben Wreyford
Director of Finance

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Certificate of Achievement for Excellence in Financial Reporting (GFOA)

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Caddo Parish School
Board, Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

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



Anne Spray Kinney
President

Jeffrey L. Esder
Executive Director

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Certificate of Excellence in Financial Reporting (ASBO)



This Certificate of Excellence in Financial Reporting is presented to

CADDO PARISH SCHOOL BOARD

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 1999

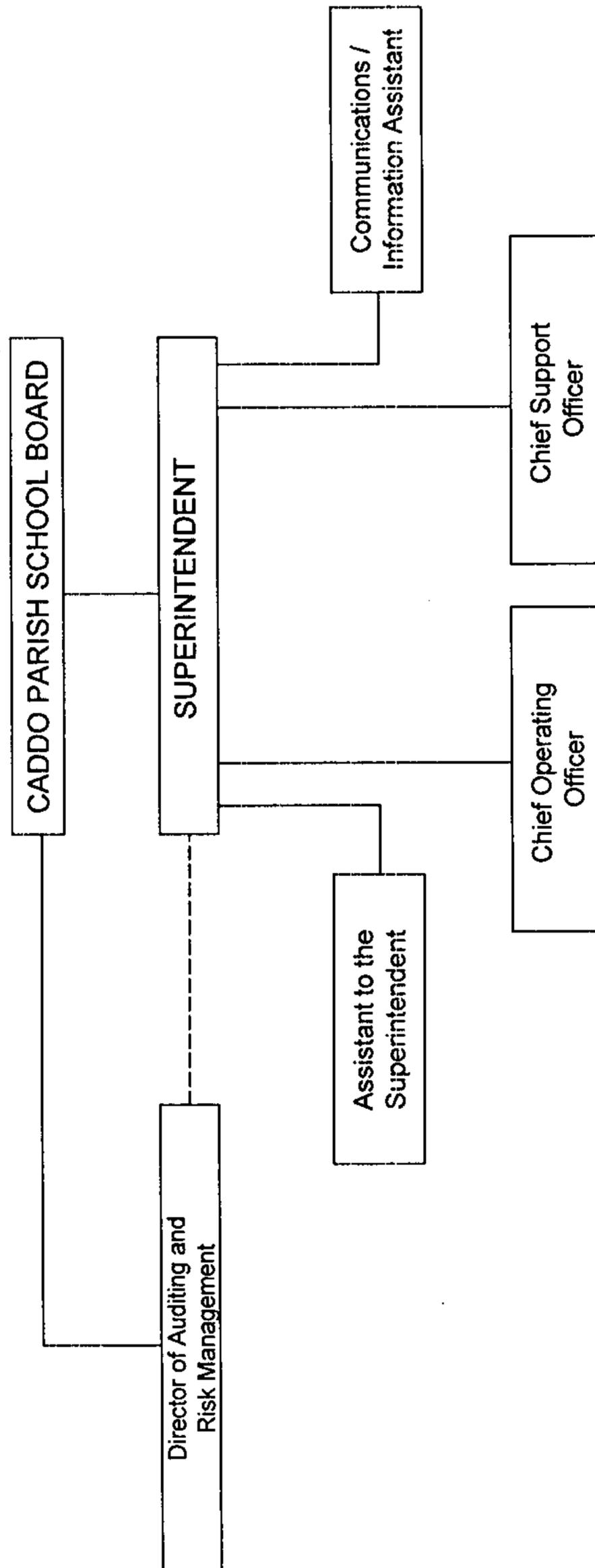
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Sam Deering
President

Don L. Harper
Executive Director

**Caddo Parish School Board
Shreveport, Louisiana**

**Organization Chart
June 30, 2000**



The Caddo Parish School Board

EXECUTIVE COMMITTEE



Mike Powell
President
District 8



Jerry Tim Brooks
1st. Vice President
District 7



Alvin Mims
2nd. Vice President
District 6



Phillip R. Guin
District 1



Johnny Vance, Jr.
District 2



Willie D. Burton
District 3



Michael J. Thibodeaux
District 4



Mildred B. Pugh
District 5



Mark Milam
District 9



Judy D. Boykin
District 10



Ginger Armstrong
District 11



Miles Hitchcock
District 12

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

ELECTED OFFICIALS
June 30, 2000

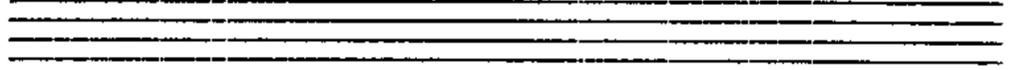
| | <u>Present Term Began</u> | <u>Present Term Expires</u> | <u>Began as a Board Member</u> |
|--|-------------------------------|---------------------------------|------------------------------------|
| Mike Powell, President | January 1, 1999 | December 31, 2002 | November 1994 |
| Jerry Tim Brooks, 1 st Vice President | January 1, 1999 | December 31, 2002 | January 1982 |
| Alvin Mims, 2 nd Vice President | January 1, 1999 | December 31, 2002 | January 1995 |
| Willie D. Burton | January 1, 1999 | December 31, 2002 | January 1991 |
| Ginger Armstrong | January 1, 1999 | December 31, 2002 | January 1999 |
| Judy D. Boykin | January 1, 1999 | December 31, 2002 | January 1991 |
| Phillip R. Guin | January 1, 1999 | December 31, 2002 | January 1999 |
| Miles Hitchcock, Sc.D. | January 1, 1999 | December 31, 2002 | January 1995 |
| Mark Milam | January 1, 1999 | December 31, 2002 | January 1991 |
| Mildred B. Pugh | January 1, 1999 | December 31, 2002 | September 1982 |
| Michael J. Thibodeaux | January 1, 1999 | December 31, 2002 | January 1987 |
| Johnny Vance, Jr. | January 1, 1999 | December 31, 2002 | January 1991 |

SELECTED ADMINISTRATIVE OFFICIALS
June 30, 2000

| | |
|---------------------|--|
| Dr. Robert Schiller | Superintendent |
| John Dilworth | Chief Operating Officer |
| Ron Festavan | Chief Support Officer |
| Dwight E. Collier | Director of Auditing and Risk Management |
| Ben Wreyford | Director of Finance |

Financial Section

**INDEPENDENT
AUDITORS' REPORT**





333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

Independent Auditors' Report

Members of the Caddo Parish School Board
Shreveport, Louisiana:

We have audited the general purpose financial statements of the Caddo Parish School Board (School Board) as of and for the year ended June 30, 2000, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2000, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2000 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



The accompanying financial information listed in the statistical section is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and accordingly we express no opinion on this information.

KPMG LLP

September 15, 2000

COMBINED FINANCIAL STATEMENTS — OVERVIEW

The Combined Financial Statements - Overview include all funds and account groups in order to provide an overview of the financial position and results of operations for the Caddo Parish school system as a whole. Detailed financial statements for each fund and account group are presented elsewhere in this report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 2000
(with comparative totals for June 30, 1999)

| | Governmental Fund Types | | | | Proprietary Fund Type Internal Service Fund | Fiduciary Fund Type Trust and Agency Funds | Account Groups | | | Totals (Memorandum Only) |
|---|-------------------------|-----------------------|-------------------|-----------------------|--|---|----------------------|--------------------|--------------------|-----------------------------|
| | General Fund | Special Revenue Funds | Debt Service Fund | Capital Projects Fund | | | General Fixed Assets | Long-Term Debt | 2000 | |
| ASSETS AND OTHER DEBITS | | | | | | | | | | |
| Assets: | | | | | | | | | | |
| Cash and cash equivalents | \$ 48,440,834 | 7,551,510 | 1,457,152 | 29,208,930 | - | 3,228,308 | - | - | 89,886,734 | 71,858,741 |
| Cash and cash equivalents-nonexpendable trust | - | - | - | - | - | 423,145 | - | - | 423,145 | 210,361 |
| Investments | - | - | - | - | - | 5,005,412 | - | - | 5,005,412 | 3,974,633 |
| Receivables | 4,942,176 | 8,792,570 | - | - | - | 87,803 | - | - | 13,822,549 | 10,661,744 |
| Interfund receivable | 7,032,143 | - | - | - | - | - | - | - | 7,032,143 | 5,102,215 |
| Inventory | 502,567 | 153,544 | - | - | - | - | - | - | 656,111 | 742,528 |
| Land, buildings and equipment | - | - | - | - | - | - | - | 243,655,931 | 243,655,931 | 223,254,497 |
| Other debits: | | | | | | | | | | |
| Amount available in Debt Service Fund | - | - | - | - | - | - | - | - | 1,457,152 | 2,295,917 |
| Amount to be provided for payment of general long-term debt | - | - | - | - | - | - | - | - | 70,468,570 | 52,753,480 |
| Total assets and other debits | \$ 60,917,720 | 16,497,624 | 1,457,152 | 29,208,930 | - | 8,744,668 | - | 243,655,931 | 432,407,747 | 370,854,116 |

LIABILITIES, EQUITY AND OTHER CREDITS

| | | | | | | | | | | |
|---|----------------------|-------------------|------------------|-------------------|----------|------------------|----------|--------------------|--------------------|--------------------|
| Liabilities: | | | | | | | | | | |
| Accounts, salaries and other payables | \$ 32,839,564 | 3,006,547 | - | 2,636,175 | - | 13,787 | - | - | 38,496,073 | 27,043,949 |
| Retainage payable | - | - | - | 699,546 | - | - | - | - | 699,546 | 263,275 |
| Interfund payable | - | 7,032,143 | - | - | - | - | - | - | 7,032,143 | 5,102,215 |
| Deposits due others | - | - | - | - | - | 3,439,797 | - | - | 3,439,797 | 3,091,503 |
| Deferred revenues | - | 346,277 | - | - | - | - | - | - | 346,277 | 323,956 |
| Bonds payable | - | - | - | - | - | - | - | 57,005,000 | 57,005,000 | 40,640,000 |
| Claims and judgments payable | 281,205 | - | - | - | - | - | - | 107,000 | 388,205 | 521,313 |
| Compensated absences payable | 1,080,943 | - | - | - | - | - | - | 14,813,722 | 15,894,665 | 15,439,849 |
| Total liabilities | 34,201,712 | 10,384,967 | - | 3,335,721 | - | 3,433,584 | - | 71,925,722 | 123,301,706 | 92,426,060 |
| Equity and other credits: | | | | | | | | | | |
| Investments in general fixed assets | - | - | - | - | - | - | - | 243,655,931 | 243,655,931 | 223,254,497 |
| Retained earnings (deficit) | - | - | - | - | - | - | - | - | - | 109 |
| Fund balances: | | | | | | | | | | |
| Reserved for encumbrances | 123,819 | 2,728,515 | - | 5,481,093 | - | - | - | - | 8,333,427 | 10,240,925 |
| Reserved for inventory | 502,567 | 153,544 | - | - | - | - | - | - | 656,111 | 742,528 |
| Reserved for debt service | - | - | 1,457,152 | - | - | - | - | - | 1,457,152 | 2,295,917 |
| Reserved for instructional enhancement | - | - | - | - | - | 5,291,084 | - | - | 5,291,084 | 4,080,770 |
| Unreserved: | | | | | | | | | | |
| Designated for contingencies | 5,816,903 | 807,703 | - | - | - | - | - | - | 6,624,606 | 6,427,480 |
| Designated for equipment replacement | 850,387 | 2,027,921 | - | - | - | - | - | - | 2,878,308 | 2,865,520 |
| Undesignated fund balance | 19,422,332 | 394,974 | - | 20,392,116 | - | - | - | - | 40,209,422 | 28,520,310 |
| Total equity and other credits | 26,716,008 | 6,112,657 | 1,457,152 | 25,873,209 | - | 5,291,084 | - | 243,655,931 | 309,106,041 | 278,428,056 |
| Total liabilities, equity, and other credits | \$ 60,917,720 | 16,497,624 | 1,457,152 | 29,208,930 | - | 8,744,668 | - | 243,655,931 | 432,407,747 | 370,854,116 |

See accompanying notes to general purpose financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

**Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Governmental Fund Types**
For the year ended June 30, 2000
(with comparative totals for June 30, 1999)

| | Governmental Fund Types | | | | Totals | |
|--|-------------------------|-----------------------|-------------------|------------------------|--------------------|------------------------|
| | General Fund | Special Revenue Funds | Debt Service Fund | Capital Projects Funds | 2000 | (Memorandum Only) 1999 |
| Revenues: | | | | | | |
| Local sources: | | | | | | |
| Taxes: | | | | | | |
| Ad valorem | \$ 49,720,600 | - | 4,885,138 | 10,705,141 | 65,310,879 | 64,261,146 |
| Sales and use | 49,164,115 | - | - | - | 49,164,115 | 46,208,702 |
| Investment income | 2,798,576 | 344,200 | 110,782 | 730,840 | 3,984,398 | 3,704,850 |
| Food services | - | 2,472,001 | - | - | 2,472,001 | 2,297,908 |
| Other | 1,223,654 | 9,159 | - | 6,830 | 1,239,643 | 1,691,855 |
| State sources: | | | | | | |
| Equalization | 142,473,821 | 4,166,010 | - | - | 146,639,831 | 139,545,515 |
| Other | 3,831,457 | 4,076,131 | - | 361,369 | 8,268,957 | 10,407,459 |
| Federal and other sources | 854,069 | 30,078,019 | - | - | 30,932,088 | 29,055,190 |
| Total revenues | <u>250,066,292</u> | <u>41,145,520</u> | <u>4,995,920</u> | <u>11,804,180</u> | <u>308,011,912</u> | <u>297,172,625</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction | 179,896,762 | 21,659,949 | - | - | 201,556,711 | 192,861,570 |
| Support services: | | | | | | |
| General administration | 2,815,598 | 472,013 | 178,875 | 544,918 | 4,011,404 | 4,243,153 |
| School administration | 17,238,566 | 201,140 | - | - | 17,439,706 | 16,693,938 |
| Business services | 2,817,066 | 44,069 | - | 194 | 2,861,329 | 2,817,135 |
| Plant services | 25,321,315 | 156,489 | - | - | 25,477,804 | 25,162,656 |
| Student transportation services | 14,955,490 | 71,536 | - | - | 15,027,026 | 14,323,565 |
| Central services | 3,509,363 | - | - | - | 3,509,363 | 3,077,118 |
| Food services | - | 17,559,728 | - | - | 17,559,728 | 18,368,550 |
| Community service programs | 17,476 | 586,063 | - | - | 603,539 | 709,927 |
| Capital outlay | 2,567 | 252,226 | - | 25,239,483 | 25,494,276 | 15,669,869 |
| Debt service: | | | | | | |
| Principal retirement | - | - | 3,635,000 | - | 3,635,000 | 3,445,000 |
| Interest and bank charges | - | - | 2,020,810 | - | 2,020,810 | 1,847,018 |
| Total expenditures | <u>246,574,203</u> | <u>41,003,213</u> | <u>5,834,685</u> | <u>25,784,595</u> | <u>319,196,696</u> | <u>299,219,499</u> |
| Excess (deficiency) of revenues over expenditures | 3,492,089 | 142,307 | (838,765) | (13,980,415) | (11,184,784) | (2,046,874) |
| Other financing sources (uses): | | | | | | |
| Proceeds from sale of fixed assets | 16,187 | - | - | - | 16,187 | 53,014 |
| Proceeds from bonds | - | - | - | 20,000,000 | 20,000,000 | 20,000,000 |
| Operating transfers in | 207,658 | - | - | 400,000 | 607,658 | 228,946 |
| Operating transfers out | (400,000) | - | - | - | (400,000) | (70,000) |
| Total other financing sources (uses) | <u>(176,155)</u> | <u>-</u> | <u>-</u> | <u>20,400,000</u> | <u>20,223,845</u> | <u>20,211,960</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 3,315,934 | 142,307 | (838,765) | 6,419,585 | 9,039,061 | 18,165,086 |
| Residual equity transfer in | 27,285 | - | - | - | 27,285 | - |
| Fund balances at beginning of year | 23,372,789 | 5,970,350 | 2,295,917 | 19,453,624 | 51,092,680 | 32,927,594 |
| Fund balances at end of year | <u>\$ 26,716,008</u> | <u>6,112,657</u> | <u>1,457,152</u> | <u>25,873,209</u> | <u>60,159,026</u> | <u>51,092,680</u> |

See accompanying notes to general purpose financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General, Special Revenue, Debt Service and Capital Projects Funds**

For the year ended June 30, 2000

| | General Fund | | | Special Revenue Funds | | | Debt Service Fund | | | Capital Projects Fund | | |
|--|--------------|-------------|----------------------------------|-----------------------|------------|----------------------------------|-------------------|-----------|----------------------------------|-----------------------|--------------|----------------------------------|
| | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | | |
| Taxes: | | | | | | | | | | | | |
| Ad valorem | 49,991,200 | 49,720,600 | (270,600) | - | - | - | 4,800,000 | 4,885,138 | 85,138 | 10,809,200 | 10,705,141 | (104,059) |
| Sales and use | 48,350,000 | 49,164,115 | 814,115 | - | - | - | 125,000 | 110,782 | (14,218) | 725,000 | 730,840 | 5,840 |
| Investment income | 2,200,000 | 2,798,576 | 598,576 | 100,000 | 344,200 | 244,200 | - | - | - | - | - | - |
| Food services | - | - | - | 2,135,000 | 2,472,001 | 337,001 | - | - | - | - | - | - |
| Other | 1,296,000 | 1,223,654 | (72,346) | 68,624 | 9,159 | (59,465) | - | - | - | - | 6,830 | 6,830 |
| State sources: | | | | | | | | | | | | |
| Equalization | 142,474,362 | 142,473,821 | (541) | 3,876,840 | 4,166,010 | 289,170 | - | - | - | 367,500 | 361,369 | (6,131) |
| Other | 3,896,300 | 3,831,457 | (64,843) | 4,248,008 | 4,076,131 | (171,877) | - | - | - | - | - | - |
| Federal sources | 1,062,000 | 854,069 | (207,931) | 32,873,471 | 30,978,019 | (2,795,452) | - | - | - | - | - | - |
| Total revenues | 249,269,862 | 250,066,292 | 796,430 | 43,301,943 | 41,145,520 | (2,156,423) | 4,925,000 | 4,995,920 | 70,920 | 11,901,700 | 11,804,180 | (97,520) |
| Expenditures: | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | |
| Instruction | 183,573,760 | 179,896,762 | 3,676,998 | 27,193,431 | 21,659,949 | 5,533,482 | - | - | - | - | - | - |
| Support services: | | | | | | | | | | | | |
| General administration | 3,698,660 | 2,815,598 | 883,062 | 673,271 | 472,013 | 201,258 | 185,000 | 178,875 | 6,125 | 540,400 | 544,918 | (4,518) |
| School administration | 17,740,500 | 17,238,566 | 501,934 | 68,939 | 201,140 | (132,201) | - | - | - | - | - | - |
| Business services | 2,959,200 | 2,817,066 | 142,134 | 12,750 | 44,069 | (31,319) | - | - | - | - | 194 | (194) |
| Plant services | 26,461,700 | 25,231,315 | 1,140,385 | 193,847 | 156,489 | 37,358 | - | - | - | - | - | - |
| Student transportation services | 15,003,400 | 14,955,490 | 47,910 | 127,413 | 71,536 | 55,877 | - | - | - | - | - | - |
| Central services | 3,625,650 | 3,509,363 | 116,287 | - | - | - | - | - | - | - | - | - |
| Food services | - | 17,476 | (17,476) | 17,290,800 | 17,559,728 | (268,928) | - | - | - | - | - | - |
| Community service programs | - | 2,567 | (2,567) | - | 586,063 | (586,063) | - | - | - | - | - | - |
| Debt service: | | | | | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | 3,635,000 | 3,635,000 | - | - | - | - |
| Interest and bank charges | - | - | - | - | - | - | 2,018,825 | 2,020,810 | (1,985) | - | - | - |
| Total expenditures | 253,062,870 | 246,574,203 | 6,488,667 | 45,811,563 | 41,003,213 | 4,808,350 | 5,838,825 | 5,834,685 | 4,140 | 28,866,400 | 25,784,195 | 3,082,205 |
| Excess (deficiency) of revenues over expenditures | (3,793,008) | 3,492,089 | 7,285,097 | (2,509,620) | 142,307 | 2,651,927 | (913,825) | (838,765) | 75,060 | (16,964,700) | (13,980,015) | 2,984,685 |
| Other financing sources (uses): | | | | | | | | | | | | |
| Proceeds from the sale of fixed assets | - | 16,187 | 16,187 | - | - | - | - | - | - | - | - | - |
| Proceeds from bonds | - | - | - | - | - | - | - | - | - | 20,000,000 | 20,000,000 | - |
| Operating transfers in | 207,660 | 207,658 | (2) | - | - | - | - | - | - | 700,000 | 400,000 | (300,000) |
| Operating transfers out | (400,000) | (400,000) | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | (192,340) | (176,155) | 16,185 | - | - | - | - | - | - | 20,700,000 | 20,400,000 | (300,000) |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (3,985,348) | 3,315,934 | 7,301,282 | (2,509,620) | 142,307 | 2,651,927 | (913,825) | (838,765) | 75,060 | 3,735,300 | 6,419,985 | 2,684,685 |
| Residual equity transfer in | - | 27,285 | 27,285 | - | - | - | - | - | - | - | - | - |
| Fund balance at beginning of year | 23,372,789 | 23,372,789 | - | 5,970,350 | 5,970,350 | - | 2,295,917 | 2,295,917 | - | 19,453,624 | 19,453,624 | - |
| Fund balance at end of year | 19,387,441 | 26,716,008 | 7,328,567 | 3,460,730 | 6,112,657 | 2,651,927 | 1,382,092 | 1,457,152 | 75,060 | 23,188,924 | 25,873,609 | 2,684,685 |

See accompanying notes to general purpose financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings -
Proprietary Fund Type and Fiduciary Fund Type

For the year ended June 30, 2000
(with comparative totals for the year ended June 30, 1999)

| | Proprietary Fund Type - Internal Service | Fiduciary Fund Type - Nonexpendable Trust | Totals (Memorandum Only) | |
|---|---|--|-----------------------------|------------------|
| | | | 2000 | 1999 |
| Operating revenue: | | | | |
| Fees | \$ - | 1,164,977 | 1,164,977 | 1,113,362 |
| Claim refunds | 27,440 | - | 27,440 | 66,990 |
| Total operating revenues | <u>27,440</u> | <u>1,164,977</u> | <u>1,192,417</u> | <u>1,180,352</u> |
| Operating expenses: | | | | |
| Administration | 107 | 166 | 273 | 320 |
| Claims | 790 | - | 790 | 21,333 |
| Total operating expenses | <u>897</u> | <u>166</u> | <u>1,063</u> | <u>21,653</u> |
| Operating income | 26,543 | 1,164,811 | 1,191,354 | 1,158,699 |
| Nonoperating revenue - investment income | 633 | 253,161 | 253,794 | 177,054 |
| Income before operating transfers | 27,176 | 1,417,972 | 1,445,148 | 1,335,753 |
| Operating transfers from/(to) other funds | - | (207,658) | (207,658) | (158,946) |
| Net income | 27,176 | 1,210,314 | 1,237,490 | 1,176,807 |
| Retained earnings at beginning of year | 109 | 4,080,770 | 4,080,879 | 2,904,072 |
| Residual equity transfer out | (27,285) | - | (27,285) | - |
| Retained earnings at end of year | <u>\$ -</u> | <u>5,291,084</u> | <u>5,291,084</u> | <u>4,080,879</u> |

See accompanying notes to general purpose financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combined Statement of Cash Flows -
Proprietary Fund Type and Fiduciary Fund Type

For the year ended June 30, 2000
(with comparative totals for the year ended June 30, 1999)

| | Proprietary Fund Type - Internal Service | Fiduciary Fund Type - Nonexpendable Trust | Totals (Memorandum Only) | |
|---|---|--|-----------------------------|--------------------|
| | | | 2000 | 1999 |
| Cash flow from operating activities: | | | | |
| Operating income | \$ 26,543 | 1,164,811 | 1,191,354 | 1,158,699 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| (Increase) decrease in receivables | - | (57,321) | (57,321) | 28,681 |
| Decrease in interfund payable | - | - | - | (60,000) |
| Net cash provided by operating activities | <u>26,543</u> | <u>1,107,490</u> | <u>1,134,033</u> | <u>1,127,380</u> |
| Cash flow from noncapital financing activities: | | | | |
| Residual equity transfer out | (27,285) | - | (27,285) | - |
| Transfers out | - | (207,658) | (207,658) | (158,946) |
| Net cash used in noncapital financing activities | <u>(27,285)</u> | <u>(207,658)</u> | <u>(234,943)</u> | <u>(158,946)</u> |
| Cash flow from investing activities: | | | | |
| Purchase of investments | - | (940,209) | (940,209) | (1,514,927) |
| Investment income | 633 | 253,161 | 253,794 | 177,054 |
| Net cash provided by (used in) investing activities | <u>633</u> | <u>(687,048)</u> | <u>(686,415)</u> | <u>(1,337,873)</u> |
| Net increase (decrease) in cash and cash equivalents | (109) | 212,784 | 212,675 | (369,439) |
| Cash and cash equivalents at beginning of year | <u>109</u> | <u>210,361</u> | <u>210,470</u> | <u>579,909</u> |
| Cash and cash equivalents at end of year | <u>\$ -</u> | <u>423,145</u> | <u>423,145</u> | <u>210,470</u> |

See accompanying notes to general purpose financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

(1) Summary of Significant Accounting Policies

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

The School Board operates 74 schools within the parish with a total enrollment of approximately 46,000 pupils. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

(a) Reporting Entity

The basic criterion established by the Governmental Accounting Standards Board for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

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

Jointly Governed Organization

Caddo Parish Sales and Use Tax Commission (Commission) — The Commission is an independent agency responsible for the collection, enforcement, and administration of sales and use taxes levied by the School Board and the City of Shreveport. The Commission is considered a separate reporting entity and issues financial statements separate from those of the School Board. The School Board does not retain an ongoing financial interest or responsibility in its operations. The Commission is not considered a component unit of the School Board and its operations are not included in the accompanying financial statements.

The accounting policies of the School Board conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

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Notes to General Purpose Financial Statements

June 30, 2000

(b) Basis of Presentation

The accounts of the School Board are organized on the basis of funds or account groups, 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 equity, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the School Board:

Governmental Funds

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use, and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the School Board's governmental fund types:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund receives a dedicated portion of ad valorem and sales taxes paid to the School Board.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds

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 a capital maintenance measurement focus; that is the measurement focus is based upon determination of net income.

The School Board applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

Internal Service Fund - The Internal Service Fund is the only proprietary fund and was used to account for the accumulation of resources for and the payment of benefits by the School Board's risk retention program. On April 1, 1997, the School Board changed to a fully insured plan. All claims occurring after April 1, 1997 belong to the carrier. Current-year activity consisted of paying run-out claims incurred before April 1, 1997 but filed in the current year. All liabilities have been paid and the Internal Service Fund has been terminated.

Fiduciary Fund

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

Agency Funds - The Agency Funds are used to account for assets held by the School Board as an agent for other parties. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Nonexpendable Trust Fund - The Nonexpendable Trust Fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The Nonexpendable Trust Fund is used to account for assets held by the School Board in trust, of which the principal is not to be expended.

Account Groups

Account groups are used to establish accounting control and accountability for the School Board's general fixed assets and general long-term obligations. The following are the School Board's account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School Board. Items that are charged against the capital outlay accounts, materials and supplies, and repairs and maintenance that meet the capitalization policy are recorded in the General Fixed Assets Account Group.

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the School Board.

(c) Fixed Assets and Long-Term Liabilities

The accounting and reporting treatments applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

CADDO PARISH SCHOOL BOARD
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Notes to General Purpose Financial Statements

June 30, 2000

All purchased or constructed fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

(d) *Basis of Accounting/Measurement Focus*

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

Proprietary and nonexpendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Their fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) and fiduciary funds are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For property taxes, available means that revenues have been collected before the current fiscal year end. Ad valorem taxes are considered "measurable" at the time of levy, whereas sales taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time.

Revenues which are susceptible to accrual are ad valorem taxes and investment income. Sales taxes in the hands of the intermediary collecting agency are recognized as revenue. Food services and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. For intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In reimbursement-type programs, monies must be expended on the specific purpose or project before any amounts

CADDO PARISH SCHOOL BOARD
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Notes to General Purpose Financial Statements

June 30, 2000

will be paid to the School Board; therefore, revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due. As of June 30, 2000, all instructional related salaries for July and August have been accrued because the salaries have been earned but not paid.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of the leave privileges not requiring current resources is recorded in the General Long-Term Debt Account Group.

Proprietary funds and nonexpendable trust funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Other Financing Sources (Uses)

Operating transfers between funds that are not expected to be repaid and long-term debt proceeds are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

(e) Budget Practices

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

- (1) About May 1, the Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and sources of funding.
- (2) A public hearing is then conducted after proper official journal notification to obtain taxpayer comments.
- (3) Prior to July 1, the budget is legally adopted by the School Board during public session.

CADDO PARISH SCHOOL BOARD
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Notes to General Purpose Financial Statements

June 30, 2000

- (4) Budget documents for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund are structured such that revenues are budgeted by source and appropriations by function. School Board policy prescribes that the level of budgetary control is at the functional level for the General Fund, Debt Service Fund and Capital Projects Fund and at the fund level for the Special Revenue Funds. Legal requirements provide that expenditures may not exceed appropriations in excess of five percent of the budgeted expenditures at the fund level. Revisions to the budget as enacted on a functional level require School Board approval. Budget amounts included in the accompanying financial statements include the original budget and amendment. The School Board issues a budget report at least annually that demonstrates legal compliance at the legal level of budgetary control.
- (5) The School Board utilizes formal budgetary integration as a management control device for the General Fund, all Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Internal Service Fund.
- (6) Comparison of budgeted and actual amounts is included in Exhibit 3 in the accompanying financial report and includes all funds for which budgets are legally required. The budget and actual comparisons are made by source for revenues and by function for expenditures. Annual budgets are not required and are not presented in the accompanying financial report for the Internal Service Fund, the Nonexpendable Trust Fund and Fiduciary Funds.
- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted and legally amended by the School Board during the fiscal year. Appropriations which are not expended lapse at year end.

(f) *Encumbrances*

Encumbrance accounting is not employed. Outstanding encumbrances (e.g., purchase orders, contracts) lapse at year end. To the extent the School Board intends to honor the purchase orders and commitments, they are reported as reservations of fund balances. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

(g) *Cash and Cash Equivalents*

The School Board maintains a pooled cash account for all funds of the School Board. The asset balance and interest income is allocated to each respective individual fund monthly based on their respective fund balances at month end.

For purposes of the statement of cash flows, the School Board considers each fund's equity investment in the pooled cash account and all highly liquid debt instruments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

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Notes to General Purpose Financial Statements

June 30, 2000

(h) Investments

Investments as of June 30, 2000 are limited to cash held in the State Treasury and United States agency obligations and certificates of deposit with a maturity of one year or less at the time of purchase. Investments are stated at fair value. The School Board maintains investments separately for each fund.

Under state law, the School Board may invest in direct United States Treasury obligations, indebtedness issued or guaranteed by federal governmental agencies (provided such obligations are backed by the full faith and credit of the U.S. government), indebtedness issued or guaranteed by federally sponsored U.S. government agencies, and may deposit its 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 or mutual or trust fund institutions registered with the Securities and Exchange Commission.

(i) Inventories

Inventories in the General Fund consists of materials and supplies. Inventory of the Child Nutrition Program special revenue fund consists of supplies and food purchased by the School Board. All commodities received through both the cash in lieu of commodities program and the food distribution program are received and consumed in the current year.

Material, food and supplies are accounted for on the consumption method. All purchased inventory items are valued at cost (first-in, first-out). Inventories are equally offset by a fund balance reserve which indicates that these do not constitute "available spendable resources", even though they are a component of total assets.

(j) Vacation, Sick Leave, and Sabbatical Leave

All twelve-month School Board employees earn from ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment. Upon termination, employees may be paid for up to thirty days of unused vacation leave.

All School Board employees earn from twelve to sixteen days of sick leave each year, depending upon the length of service. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days may be paid to the employee or the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for medical reasons and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

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Leave benefits are based on accrued leave benefits of employees with ten years service to a maximum of twenty-five days for sick leave and thirty days for vacation at their current annual salary.

Sabbatical leave benefits are recorded as expenditures in the period paid.

Only the current portion of the liability for compensated absences, which includes salary and salary related payments, is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is reported in the general long-term debt account group.

(k) Sales Tax

The School Board receives sales tax revenue from the following three sales taxes:

- (1) The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (½%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.
- (2) The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (½%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.
- (3) The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (½%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and other school board employees and for the operation of public schools in Caddo Parish.

(l) 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 (see note 6 for details of these plans).

(m) Reserves

Use of the term "reserve" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance is not available to appropriate for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

Encumbrances

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

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Inventory

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

Debt Service

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

Instructional Enhancement

This amount represents the portion of fund balance that has been reserved in the Caddo Educational Excellence Fund (nonexpendable trust).

(n) Designations

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

Designated for Contingencies

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

Designated for Equipment Replacement

This amount has been accumulated over several years to fund the replacement or updating of data processing equipment.

(o) Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements to a fund for expenditures initially made from that fund which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of the expenditure in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and 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. Reference should be made to note 9 regarding interfund transactions.

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Notes to General Purpose Financial Statements

June 30, 2000

(p) *Grants and Entitlements From Other Governmental Agencies*

Federal and state governmental agencies represent an important source of supplementary funding to finance educational programs and other activities beneficial to parish schools. These funds, primarily in the form of grants, are recorded in the General Fund and Special Revenue Funds. A grant receivable is recorded when the School Board has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually as mandated in OMB Circular A-133.

(q) *Comparative Total Data*

Comparative total data for the prior year have been presented in the accompanying combined financial statements to provide an understanding of changes in the School Board's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements, since their inclusion would make the statements unduly complex and difficult to read. Certain amounts relating to 1999 have been reclassified in the accompanying financial statements in order to conform with the 2000 presentation.

(r) *Total Columns on Combined Statements*

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(s) *Claims and Judgments*

Claims and judgments are recorded as expenditures in governmental funds for the amount that will be liquidated with expendable available financial resources. The remainder of the liability (if any) is recorded in the General Long-Term Debt Account Group.

(t) *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, expenditures, expenses, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

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Notes to General Purpose Financial Statements

June 30, 2000

(2) Cash and Investments

At June 30, 2000, the carrying amount of the School Board's cash deposits was \$2,658,943 and the bank balance was \$5,656,818. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Of the bank balance, \$918,596 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). \$4,738,222 was collateralized with securities held by the pledging financial institution's trust department or agent but in the School Board's name (GASB Category 2).

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances included the following:

| | <u>Category 1</u> | <u>Category 3</u> | <u>Carrying Amount and Fair Value</u> |
|---|-------------------|-------------------|---|
| Repurchase agreements | \$ - | 87,876,212 | 87,876,212 |
| U.S. Agency obligations | 4,780,136 | - | 4,780,136 |
| Total investments | | | <u>92,656,348</u> |
| Total deposits | | | <u>2,658,943</u> |
| Cash, cash equivalents and investments | | | <u>\$ 95,315,291</u> |

(3) Levied Taxes

The School Board levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Caddo Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

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June 30, 2000

The Caddo 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, 1999 |
| Levy date | Not later than June 1, 1999 |
| Tax bills mailed | On or about November 15, 1999 |
| Total taxes are due | December 31, 1999 |
| Penalties and interest are added | January 1, 2000 |
| Lien date | January 1, 2000 |
| Tax sale - 1999 delinquent property | July 19, 2000 |

The School Board is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose or, in the aggregate for all purposes, 35% of the assessed valuation for the payment of principal and interest on long-term debt after approval by the voters of the parish.

All 1999 property taxes that had not been received as of June 30, 2000 were considered uncollectible. Any amounts that might be collected subsequently would not be significant. The tax roll is not prepared by the tax assessor until November of each year; therefore, the amount of 2000 property taxes to be collected within the next year is not known. As a result, no property tax receivable for 2000 taxes is included on the accompanying combined balance sheet.

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

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

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1997. Total assessed value was \$1,077,027,570 for calendar year 1999. Louisiana State law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$278,350,870 of the assessed value in calendar year 1999.

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June 30, 2000

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

| <u>Parish-wide taxes</u> | <u>Date of Voter Approval</u> | <u>Authorized Millage</u> | <u>Levied Millage</u> | <u>Expiration Date</u> |
|------------------------------|---|---------------------------|-----------------------|------------------------|
| Constitutional | Statutory | 9.41 | 9.41 | Statutory |
| Operation and Maintenance | January 16, 1993 | 12.67 | 12.37 | 2003 |
| Operation and Maintenance | January 16, 1993 | 19.26 | 18.80 | 2003 |
| Technology | October 18, 1997 | 1.50 | 1.50 | 2006 |
| Employee Salaries & Benefits | October 18, 1997 | 21.79 | 21.79 | 2006 |
| Construction | January 16, 1993 | 7.71 | 7.53 | 2003 |
| Construction | October 18, 1997 | 6.28 | 6.28 | 2006 |
| Bond and Interest | May 4, 1985 and amended on October 18, 1997 | Variable | 6.30 | 2017 |

The difference between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

(4) General Fixed Assets

A summary of changes in general fixed assets is as follows:

| | <u>Balance July 1, 1999</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance June 30, 2000</u> |
|----------------------------|-------------------------------------|-------------------|--------------------|--------------------------------------|
| General fixed assets: | | | | |
| Land | \$ 5,191,922 | - | 42,239 | 5,149,683 |
| Buildings and improvements | 154,917,768 | 9,708,527 | 2,082,828 | 162,543,467 |
| Furniture and equipment | 37,657,144 | 7,563,918 | 3,629,894 | 41,591,168 |
| Transportation equipment | 19,510,468 | 2,253,935 | 523,089 | 21,241,314 |
| Construction in progress | 5,977,195 | 10,406,314 | 3,253,210 | 13,130,299 |
| | <u>\$ 223,254,497</u> | <u>29,932,694</u> | <u>9,531,260</u> | <u>243,655,931</u> |

Included in construction in progress at June 30, 2000 is construction of classroom wings and technology upgrades at various schools.

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Notes to General Purpose Financial Statements

June 30, 2000

(5) Receivables

The receivables of \$13,822,549 at June 30, 2000 consist of the following:

| <u>Class of Receivable</u> | <u>General Fund</u> | <u>Special Revenue Funds</u> | <u>Trust and Agency Funds</u> | <u>Total</u> |
|--------------------------------|-------------------------|--------------------------------------|---------------------------------------|-------------------|
| Grants: | | | | |
| Federal | \$ 243,764 | 7,291,688 | - | 7,535,452 |
| State | 98,640 | 1,500,882 | - | 1,599,522 |
| Sales tax | 4,583,373 | - | - | 4,583,373 |
| Other | 16,399 | - | 87,803 | 104,202 |
| | <u>4,942,176</u> | <u>8,792,570</u> | <u>87,803</u> | <u>13,822,549</u> |
| Total | \$ <u>4,942,176</u> | <u>8,792,570</u> | <u>87,803</u> | <u>13,822,549</u> |

(6) Defined Benefit Pension Plans

The School Board provides retirement, death, and disability benefits to its employees through two pension plans administered by the state of Louisiana. These plans are:

Teachers' Retirement System of Louisiana (TRS):

Plan Description

Participation in the Teachers' Retirement Systems is divided into two plans – the Teachers' Regular Plan and the Teachers' Plan A (Teachers' Plan). In general, professional employees (such as teachers and principals) and lunchroom workers are members of these cost-sharing multiple-employer statewide plans. Benefit provisions are established in accordance with Louisiana state statute. The Teachers' Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Teachers' Retirement System of Louisiana, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Funding Policy

Covered employees are required to contribute 8% of their salary to the Teachers' Regular Plan. The School Board was required to contribute 15.2%, 16.5% and 16.4% of covered employees' salaries for the years ended June 30, 2000, 1999 and 1998, respectively. Covered employees are required to contribute 9.10% percent of their salary to the Teachers' Plan A.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

The employer and employee contribution obligations are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 2000, 1999, and 1998 were \$24,255,414, \$23,750,923, and \$22,202,482, respectively, equal to the required contributions for each year. In accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the School Board did not report a pension liability for the Teachers' Plan.

Deferred Retirement Option Plan

Effective July 1, 1992, the Teachers' Retirement System adopted a Deferred Retirement Option Plan (DROP). Under the DROP, a member is allowed to retire and accumulate his/her retirement benefits in a special reserve fund and yet continue employment and draw a salary. Upon termination of employment at the end of the specified period, the monthly retirement benefits and the amounts paid into the DROP will begin being paid to the retiree.

Louisiana School Employees' Retirement System (School Employees' Plan):

Plan Description

All bus drivers, bus aids, maintenance employees, and custodians are members of this cost-sharing multiple-employer statewide plan. Benefit provisions are established in accordance with Louisiana state statute. The School Employees' Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804-4516.

Funding Policy

Covered employees were required to contribute 6.35% of their salary to the School Employees' Plan for 2000, 1999, and 1998. The School Board was required to contribute 6% of covered employees' salaries from July 1, 1995 to June 30, 1999. Beginning July 1, 1999 through June 30, 2000, the School Board was not required to make a contribution. The employer and employee contribution obligations are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 2000, 1999, and 1998 were \$0, \$974,666, and \$922,744, respectively, equal to the required contribution for each year. In accordance with GASB 27, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the School Board did not report a pension liability for the School Employees' Plan.

(7) Post-Retirement Health Care and Life Insurance Benefits

In accordance with state statutes, the School Board provides continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees were provided through a

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

fully-insured program, whose monthly premiums are paid jointly by the employees and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due.

The School Board is responsible for 70-80% of the health insurance premium, depending on the category of employee. Total cost to the School Board of health care insurance premiums totaled \$5,632,324 for 2000, while the employees paid \$1,636,460. At June 30, 2000, 2,503 former employees receive such benefits.

For life insurance benefits, the School Board is responsible for 25% of the premiums, while the employee is responsible for the remaining 75%. The School Board paid a total of \$63,125 in life insurance premiums, while the former employees paid \$190,251 for 2000. At June 30, 2000, 2,503 former employees were qualified to receive such benefits.

(8) Long-Term Obligations

The following is a summary of the long-term obligation activity for the year ended June 30, 2000:

| | <u>General Bonded Debt</u> | <u>Claims and Judgments Payable</u> | <u>Compensated Absences</u> | <u>Total</u> |
|--|------------------------------------|---|---------------------------------|-------------------|
| Balances, at July 1, 1999 | \$ 40,640,000 | 80,888 | 14,328,509 | 55,049,397 |
| Debt additions and increases in compensated absences | 20,000,000 | 26,112 | 485,213 | 20,511,325 |
| Debt retirements and payments of compensated absences | <u>3,635,000</u> | <u>-</u> | <u>-</u> | <u>3,635,000</u> |
| Balances, at June 30, 2000 | <u>\$ 57,005,000</u> | <u>107,000</u> | <u>14,813,722</u> | <u>71,925,722</u> |

For the year ended June 30, 2000, the principal payments of \$3,635,000 plus interest and fiscal charges of \$2,020,810 on the obligations were paid from Debt Service Fund.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

General obligation bonds at June 30, 2000 is comprised of the following issues:

| | |
|---|----------------------|
| \$28,265,000 1993 refunding bonds due in annual installments of \$2,865,000 to \$4,120,000 through March 1, 2005; interest at 2.65% to 5.2%; callable on or after March 1, 2003. | \$ 18,195,000 |
| \$20,000,000 general obligation bonds due in annual installments of \$580,000 to \$1,575,000 through March 1, 2018; interest at 4.5% to 6.0%; callable on or after March 1, 2008. | 18,810,000 |
| \$20,000,000 general obligation bonds due in annual installments of \$325,000 to \$1,645,000 through March 1, 2020; interest at 5.10% to 9.00%; callable on or after March 1, 2010. | <u>20,000,000</u> |
| Total general obligation bonds | \$ <u>57,005,000</u> |

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 and through general fund operations. At June 30, 2000, the School Board has accumulated \$1,457,152 in the Debt Service Fund for future debt requirements.

On June 1, 2000, the School Board issued \$20,000,000 of general obligation bonds. The issue was a portion of \$48,000,000 general obligation bonds authorized by the citizens of Caddo Parish in a special election held October 18, 1997. The proceeds from the bonds are to be used for the acquisition and construction of new classrooms at existing public schools in Caddo Parish.

The annual requirements to amortize all debt outstanding as of June 30, 2000 are as follows:

| Year Ending June 30, | General Obligation Bonds | Interest Payments | Total |
|-------------------------|--------------------------------|----------------------|-------------------|
| 2001 | \$ 4,170,000 | 2,719,931 | 6,889,931 |
| 2002 | 4,700,000 | 2,789,650 | 7,489,650 |
| 2003 | 4,980,000 | 2,530,870 | 7,510,870 |
| 2004 | 5,295,000 | 2,253,361 | 7,548,361 |
| 2005 | 5,630,000 | 1,954,915 | 7,584,915 |
| 2006 – 2020 | <u>32,230,000</u> | <u>14,251,039</u> | <u>46,481,039</u> |
| Total | \$ <u>57,005,000</u> | <u>26,499,766</u> | <u>83,504,766</u> |

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2000, the statutory limit was \$376,959,650, the outstanding bonded debt net of applicable debt service funds totaled \$55,547,848 and the legal debt margin was \$321,411,802.

On April 1, 1993, the School Board issued \$28,265,000 General Obligation School Refunding Bonds, Series 1993, to refund \$25,495,000 of the outstanding General Obligation School Bonds, Series 1989. The net proceeds were used to make an initial deposit in the escrow fund and purchase a U.S. government security. This security, plus an initial cash deposit, was deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the 1989 bonds. As of June 30, 2000, \$17,865,000 of the 1989 bonds due in 2005 remain outstanding but are considered to be defeased and the liability for those bonds has been removed from the General Long-Term Debt Account Group.

(9) Other Required Individual Fund Disclosures

(a) Interfund Receivables and Payables

Individual fund interfund receivable and payable balances at June 30, 2000 were as follows:

| Fund | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|------------------------------------|----------------------------------|-------------------------------|
| General Fund | \$ 7,032,143 | - |
| Special Revenue Funds: | | |
| Title I | - | 4,018,097 |
| 8G State Fund | - | 274,667 |
| Special Education | - | 436,988 |
| Class Size Reduction | - | 627,521 |
| JPTA | - | 4,145 |
| Vocational Education | - | 484,114 |
| Adult Education | - | 136,912 |
| Goals 2000 | - | 82,196 |
| Title IV (Drug Free) | - | 123,000 |
| Title VI | - | 37,001 |
| Title II | - | 54,507 |
| Miscellaneous State/Federal Grants | - | 752,995 |
| Total | <u>\$ 7,032,143</u> | <u>7,032,143</u> |

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

(b) Operating Transfers

A reconciliation of operating transfers for the year ended June 30, 2000 follows:

| Fund | <u>In</u> | <u>Out</u> |
|---|------------|------------|
| General Fund | \$ 207,658 | 400,000 |
| Capital Projects Fund | 400,000 | - |
| Fiduciary Fund – Nonexpendable Trust: Caddo Education Excellence | - | 207,658 |
| Total | \$ 607,658 | 607,658 |

(c) Residual Equity Transfer

Prior to April 1997, the School Board provided a self-insured health plan for its employees. This activity was accounted for in the Internal Service Fund. In 2000, all claims were paid and activity ceased. The remaining equity of the fund in the amount of \$27,285 was transferred to the General Fund.

(10) Compliance, Stewardship, and Accountability

(a) Excess of Expenditures Over Appropriations

For those funds for which a budget to actual comparison was made, 2000 actual expenditures exceeded budgeted expenditures on a fund basis as follows:

| Fund | Expenditures | | <u>Unfavorable Variance</u> |
|---|---------------|------------|---------------------------------|
| | Budget | Actual | |
| Special Revenue Funds: Child Nutrition | \$ 17,290,800 | 17,560,002 | (269,202) |

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

(b) Budgets and Budget Basis of Accounting

Annual expenditure budgets are adopted for the General Fund and Special Revenue Funds. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Revisions made to the original budget for each fund were as follows:

| | <u>Original Budget</u> | <u>Total Revision</u> | <u>Revised Budget</u> |
|------------------------------------|----------------------------|---------------------------|---------------------------|
| General Fund | \$ 245,826,700 | 7,236,170 | 253,062,870 |
| Title I | 13,053,540 | 393,959 | 13,447,499 |
| Title VI | 333,137 | 8,580 | 341,717 |
| Class Size Reduction | 1,703,455 | 41,689 | 1,745,144 |
| Special Education | 4,428,142 | 72,000 | 4,500,142 |
| Title II | 431,757 | - | 431,757 |
| Title XIX | 474,570 | - | 474,570 |
| Title IV (Drug Free) | 303,961 | - | 303,961 |
| Family Support | 674,241 | - | 674,241 |
| 8G State Fund | 833,596 | - | 833,596 |
| Adult Education | 411,875 | - | 411,875 |
| Vocational Education | 932,983 | - | 932,983 |
| Child Nutrition Program | 17,290,800 | - | 17,290,800 |
| Goals 2000 | 331,831 | - | 331,831 |
| JTPA | 113,588 | - | 113,588 |
| Miscellaneous State/Federal Grants | 3,922,238 | 55,621 | 3,977,859 |
| Debt Service Fund | 5,838,825 | - | 5,838,825 |
| Capital Projects Fund | 26,206,400 | 2,660,000 | 28,866,400 |

(11) Commitments and Contingencies

Litigation

At June 30, 2000, the School Board is involved in various litigation. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

Tax Arbitrage Rebate

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

Self-Insurance

The School Board is partially self-insured for workers' compensation. Claims are funded through employer contributions and operating funds of the School Board. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements. A portion of fund balance of the General Fund has been designated for payment of future claims.

Grant Audits

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. 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 loss, if any, which may arise from future audits will not be material.

Risk Management

The School Board is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The School Board is a defendant in several lawsuits involving civil actions. The School Board is self-insured for losses up to \$200,000. The School Board currently reports all of its risk management activities except for employees' health insurance in the General Fund and the General Long-Term Debt Account Group. An insurance policy covers individual claims in excess of \$200,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information.

At June 30, 2000, \$5,816,903 of the fund balance of the General Fund is designated for payment of future claims.

Prior to April 1, 1997, the School Board provided a self-insured health insurance plan for employees. Stop-loss insurance was maintained for losses in excess of 105% of expected claims. On April 1, 1997, the School Board changed to a fully insured health insurance plan with Blue Cross/Blue Shield of Louisiana. All financial risk for claims incurred after April 1, 1997 belong to Blue Cross. Therefore, no estimate of incurred but unreported claims is necessary as of June 30, 2000.

Current-year activity consisted of run-out claims for health services incurred before April 1, 1997, and submitted for payment this fiscal year.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

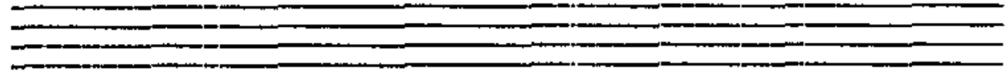
Notes to General Purpose Financial Statements

June 30, 2000

Changes in the reported liability for the current and recent previous fiscal year are as follows:

| | <u>Beginning of Fiscal-Year Liability</u> | <u>Current Year Claims and Changes in Estimates</u> | <u>Claim Payments</u> | <u>Balance at Fiscal Year End</u> |
|---|---|---|---------------------------|---|
| Risk Management Activities (other than Group Health) | | | | |
| 1998-1999 | \$ 215,959 | 1,692,612 | 1,468,146 | 440,425 |
| 1999-2000 | 440,425 | 1,120,139 | 1,279,359 | 281,205 |
| Group Health Insurance | | | | |
| 1998-1999 | \$ - | 21,333 | 21,333 | - |
| 1999-2000 | - | 790 | 790 | - |

**SUPPLEMENTAL STATEMENTS
AND SCHEDULES —
COMBINING,
INDIVIDUAL FUND,
AND ACCOUNT
GROUP STATEMENTS
AND SCHEDULES**



GOVERNMENTAL FUNDS

- SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

Title I

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

Title VI

To assist state and local educational agencies to improve elementary and secondary education.

Grants are awarded for students at risk of failure in school; instructional materials; school-wide improvements and effective school programs; training and professional development; early identification of children with reading disabilities, personal excellence of students and student achievements; and innovative enhancement projects to the educational program and climate of the school.

Class Size Reduction

To help schools improve student learning by hiring additional, highly qualified teachers so that children, especially those in the early elementary grades, can attend smaller classes. The Class Size Reduction program also includes a strong emphasis on teacher quality and professional development in which the School Board may use up to fifteen percent of their grant on activities in this area.

SPECIAL EDUCATION

Special Education – State Grants

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

Payments to States for Child Care Assistance

To make grants available to assist low-income families with child care services. The purpose of the program is to increase the availability, affordability, and quality of child care and to increase the availability of early childhood development and before- and after-school programs.

Preschool Grants

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

Title II

To improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

Title XIX

This fund is a federally funded program to improve the health status of children by providing preventive services, health assessments, and the necessary diagnosis, treatment and follow-up care in the context of an ongoing relationship between the patient and other health care providers.

Title IV – (Drug-Free)

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

Family Support

Family Support was established to account for the receipts and expenditures of a federally funded program to provide educational services to participate in Project Independence. These educational services include training welfare mothers with job skills while providing day-care for their children.

8G State Fund

The 8G state fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

Adult Education

To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

Vocational Education

To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

Child Nutrition Program

To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Louisiana Learn (formerly known as Goals 2000)

To provide grants to State Education Agencies (SEAs) on a formula basis to support the development and implementation of comprehensive reform plans at the state, local, and school levels to improve the teaching and learning of all children. To support top down and bottom up reform through subgrants by SEAs of 90 percent of these grant funds to local education agencies (LEAs) and through LEAs to individual schools. To support the establishment by states and localities of high standards in their core content areas. All aspects of the educational process are aligned including, but not limited to assessments, curriculum, professional development, and pre-service training.

JTPA

To provide job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers. The ultimate goal of the Act is to move trainees into permanent, self-sustaining employment.

Miscellaneous State/Federal Grants

The fund includes various small state and federal funded grants.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Funds
Combining Balance Sheet

June 30, 2000
(with comparative totals for June 30, 1999)

| | Title I | Title VI | Class Size Reduction | Special Education | Title II | Title XIX | Title IV (Drug-Free) | Family Support | \$G State Fund | Adult Education | Vocational Education | Child Nutrition Program | Louisiana Learn | JTPA | Misc. State/Federal Grants | Totals |
|--------------------------------------|--------------|----------|----------------------|-------------------|----------|-----------|----------------------|----------------|----------------|-----------------|----------------------|-------------------------|-----------------|-------|----------------------------|------------|
| | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 | 2000 | 1999 |
| Assets | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 321,823 | 12,170 | - | 87,390 | - | 488,060 | 400 | 35,380 | 14,277 | 4,191 | - | 6,386,976 | 10,189 | 72 | 190,582 | 7,090,410 |
| Receivables | 4,700,896 | 26,290 | 738,476 | 500,750 | 58,242 | - | 140,889 | 93,716 | 274,253 | 159,267 | 497,391 | 85,466 | 82,294 | 4,099 | 1,430,541 | 5,934,772 |
| Inventories | - | - | - | - | - | - | - | - | - | - | - | 153,544 | - | - | - | 228,707 |
| Total assets | \$ 5,022,719 | 38,460 | 738,476 | 588,140 | 58,242 | 488,060 | 141,289 | 129,096 | 288,530 | 163,458 | 497,391 | 6,625,986 | 92,483 | 4,171 | 1,621,123 | 13,253,889 |
| Liabilities and Fund Balances | | | | | | | | | | | | | | | | |
| Accounts/salaries and other payables | \$ 1,004,622 | 1,459 | 110,955 | 151,152 | 3,357 | 17,500 | 18,289 | 32,332 | 13,863 | 26,546 | 13,277 | 886,204 | 10,287 | 26 | 716,578 | 1,857,368 |
| Due to other funds | 4,018,097 | 37,001 | 627,521 | 436,988 | 54,507 | - | 123,000 | - | 274,667 | 136,912 | 484,114 | - | 82,196 | 4,145 | 752,995 | 5,102,215 |
| Deferred revenues | - | - | - | - | 378 | - | - | - | - | - | - | 194,349 | - | - | 151,550 | 323,956 |
| Total liabilities | \$ 5,022,719 | 38,460 | 738,476 | 588,140 | 58,242 | 17,500 | 141,289 | 32,332 | 288,530 | 163,458 | 497,391 | 1,080,553 | 92,483 | 4,171 | 1,621,123 | 7,283,539 |
| Fund balances: | | | | | | | | | | | | | | | | |
| Reserved: | 34,891 | - | 7,560 | 103,963 | 1,549 | - | - | 14,372 | - | - | - | 2,556,265 | 3,252 | - | 6,663 | 2,728,515 |
| Encumbrances | - | - | - | - | - | - | - | - | - | - | - | 153,544 | - | - | - | 228,707 |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Unreserved: | - | - | - | - | - | - | - | - | - | - | - | 807,703 | - | - | - | 640,203 |
| Designated for contingencies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Designated for equipment replacement | (34,891) | - | (7,560) | (103,963) | (1,549) | 470,460 | - | 82,392 | - | - | - | 2,027,921 | (3,252) | - | (6,663) | 2,408,836 |
| Undesignated | - | - | - | - | - | 470,460 | - | 96,764 | - | - | - | 5,545,433 | - | - | - | 457,333 |
| Total fund balances | \$ 5,022,719 | 38,460 | 738,476 | 588,140 | 58,242 | 488,060 | 141,289 | 129,096 | 288,530 | 163,458 | 497,391 | 6,625,986 | 92,483 | 4,171 | 1,621,123 | 13,253,889 |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Funds

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

June 30, 2000
(with comparative totals for June 30, 1999)

| | Title I | Title VI | Class Size Reduction | Special Education | Title II | Title XIX | Title IV (Drug-Free) | Family Support | 8G State Fund | Adult Education | Vocational Education | Child Nutrition Program | Goals 2000 | JTPA | Misc. State/Federal Grants | Totals 2000 | Totals 1999 |
|---|------------|----------|----------------------|-------------------|----------|-----------|----------------------|----------------|---------------|-----------------|----------------------|-------------------------|------------|---------|----------------------------|-------------|-------------|
| Revenues: | | | | | | | | | | | | | | | | | |
| Local sources: | | | | | | | | | | | | | | | | | |
| Investment income | - | - | - | - | - | - | - | - | - | - | - | 344,200 | - | - | - | 344,200 | 454,292 |
| Food services | - | - | - | - | - | - | - | - | - | - | - | 2,472,001 | - | - | - | 2,472,001 | 2,297,908 |
| Other | - | - | - | - | - | - | - | 3,933 | - | - | - | 5,226 | - | - | - | 9,159 | 24,819 |
| State sources: | | | | | | | | | | | | | | | | | |
| Equalization | - | - | - | - | - | - | - | - | - | - | - | 4,166,010 | - | - | - | 4,166,010 | 3,876,840 |
| Other | - | - | - | - | - | - | - | - | 825,709 | 152,527 | - | 1,884 | - | - | 3,096,011 | 4,076,131 | 4,595,493 |
| Federal sources | 10,657,639 | 286,992 | 1,302,538 | 3,563,083 | 293,040 | 325,702 | 287,241 | 568,000 | - | 257,413 | 922,150 | 10,605,896 | 231,468 | 113,233 | 663,624 | 30,078,019 | 28,196,003 |
| Total revenues | 10,657,639 | 286,992 | 1,302,538 | 3,563,083 | 293,040 | 325,702 | 287,241 | 571,933 | 825,709 | 409,940 | 922,150 | 17,595,217 | 231,468 | 113,233 | 3,759,635 | 41,345,520 | 39,445,355 |
| Expenditures: | | | | | | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | | | | | | |
| Instruction | 9,603,893 | 281,877 | 1,267,515 | 3,184,214 | 285,094 | 229,035 | 268,920 | 396,706 | 816,684 | 403,348 | 922,150 | - | 226,484 | 105,136 | 3,668,893 | 21,659,949 | 20,715,718 |
| Support services: | | | | | | | | | | | | | | | | | |
| General administration | 302,768 | 5,115 | 35,023 | 76,897 | 7,748 | 6,599 | 8,076 | - | - | 6,592 | - | - | 4,984 | - | 18,301 | 472,013 | 406,187 |
| School administration | 142,474 | - | - | 1,879 | - | - | - | 37,690 | 1,835 | - | - | - | - | 291 | 16,971 | 201,140 | 265,139 |
| Business services | 27,098 | - | - | 1,311 | 198 | - | 6,734 | - | 6,330 | - | - | 274 | - | - | 2,124 | 44,069 | 57,950 |
| Plant services | 242 | - | - | 30,584 | - | 600 | 3,471 | 115,014 | - | - | - | - | - | - | 6,578 | 156,489 | 160,036 |
| Student transportation services | - | - | - | 16,062 | - | - | 40 | - | 860 | - | - | 17,559,728 | - | - | 46,768 | 71,536 | 147,244 |
| Food services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 17,559,728 | 18,368,550 |
| Community service program | 586,063 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 586,063 | 676,118 |
| Capital outlay | 10,662,538 | 286,992 | 1,302,538 | 3,563,083 | 293,040 | 236,234 | 287,241 | 549,410 | 825,709 | 409,940 | 922,150 | 17,560,002 | 231,468 | 113,233 | 3,759,635 | 41,003,213 | 40,796,942 |
| Total expenditures | 28,115,718 | 286,992 | 1,302,538 | 3,563,083 | 293,040 | 236,234 | 287,241 | 549,410 | 825,709 | 409,940 | 922,150 | 17,560,002 | 231,468 | 113,233 | 3,759,635 | 41,003,213 | 40,796,942 |
| Excess (deficiency) of revenues over expenditures | (4,899) | - | - | - | - | 89,468 | - | 22,523 | - | - | - | 35,215 | - | - | - | 142,307 | (1,351,587) |
| Other financing sources - proceeds from the sale of fixed assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,717 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures | (4,899) | - | - | - | - | 89,468 | - | 22,523 | - | - | - | 35,215 | - | - | - | 142,307 | (1,347,870) |
| Fund balances at beginning of year | 4,899 | - | - | - | - | 380,992 | - | 74,241 | - | - | - | 5,510,218 | - | - | - | 5,970,350 | 7,318,220 |
| Fund balances at end of year | - | - | - | - | - | 470,460 | - | 96,764 | - | - | - | 5,545,433 | - | - | - | 6,112,657 | 5,970,350 |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Fund

Title I

Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual

For the year ended June 30, 2000
(with comparative totals for June 30, 1999)

| | 2000 | | | 1999 |
|---|-------------------|-------------------|--|-------------------|
| | Budget | Actual | Variance Favorable (Unfavorable) | |
| Revenues: | | | | |
| Local sources - investment income | \$ - | - | - | 106,924 |
| Federal sources | 13,447,499 | 10,657,639 | (2,789,860) | 10,945,482 |
| Total revenues | <u>13,447,499</u> | <u>10,657,639</u> | <u>(2,789,860)</u> | <u>11,052,406</u> |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 13,005,431 | 9,603,893 | 3,401,538 | 9,752,291 |
| General administration | 442,068 | 302,768 | 139,300 | 279,986 |
| School administration | - | 142,474 | (142,474) | 213,706 |
| Business services | - | 27,098 | (27,098) | 23,558 |
| Plant services | - | 242 | (242) | 39,484 |
| Student transportation services | - | - | - | 62,364 |
| Community service programs | - | 586,063 | (586,063) | 676,118 |
| Total expenditures | <u>13,447,499</u> | <u>10,662,538</u> | <u>2,784,961</u> | <u>11,047,507</u> |
| Excess (deficiency) of revenues over expenditures | - | (4,899) | (4,899) | 4,899 |
| Fund balance at beginning of year | 4,899 | 4,899 | - | - |
| Fund balance at end of year | <u>\$ 4,899</u> | <u>-</u> | <u>(4,899)</u> | <u>4,899</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Title VI

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|----------------|----------------|--|----------------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 341,717 | 286,992 | (54,725) | 266,722 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 335,331 | 281,877 | 53,454 | 262,479 |
| General administration | 6,266 | 5,115 | 1,151 | 4,103 |
| Student transportation services | 120 | - | 120 | 140 |
| Total expenditures | <u>341,717</u> | <u>286,992</u> | <u>54,725</u> | <u>266,722</u> |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Class Size Reduction

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000

| | 2000 | | Variance Favorable (Unfavorable) |
|--------------------------------------|--------------|-----------|--|
| | Budget | Actual | |
| Revenues - federal sources | \$ 1,745,144 | 1,302,538 | (442,606) |
| Expenditures - current: | | | |
| Instruction and support services: | | | |
| Instruction | 1,696,125 | 1,267,515 | 428,610 |
| General administration | 49,019 | 35,023 | 13,996 |
| Total expenditures | 1,745,144 | 1,302,538 | 442,606 |
| Excess of revenues over expenditures | - | - | - |
| Fund balance at beginning of year | - | - | - |
| Fund balance at end of year | \$ - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Special Education

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|--------------|-----------|--|-----------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 4,500,142 | 3,563,083 | (937,059) | 3,029,107 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 4,034,242 | 3,184,214 | 850,028 | 2,905,218 |
| General administration | 105,859 | 76,807 | 29,052 | 73,507 |
| School administration | 6,701 | 1,879 | 4,822 | 2,864 |
| Business services | 3,680 | 1,311 | 2,369 | 582 |
| Plant services | 62,325 | 30,584 | 31,741 | 28,526 |
| Student transportation services | 36,223 | 16,062 | 20,161 | 18,410 |
| Capital outlay | 251,112 | 252,226 | (1,114) | - |
| Total expenditures | 4,500,142 | 3,563,083 | 937,059 | 3,029,107 |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Title II

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|------------|---------|--|---------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 431,757 | 293,040 | (138,717) | 265,647 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 419,629 | 285,094 | 134,535 | 258,041 |
| General administration | 12,128 | 7,748 | 4,380 | 7,606 |
| Business services | - | 198 | (198) | - |
| Total expenditures | 431,757 | 293,040 | 138,717 | 265,647 |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Title XIX

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--|-----------|---------|--|---------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 93,599 | 325,702 | (232,103) | 244,691 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 463,187 | 229,035 | 234,152 | 165,520 |
| General administration | 11,383 | 6,599 | 4,784 | 4,915 |
| Plant services | - | 600 | (600) | 126 |
| Total expenditures | 474,570 | 236,234 | 238,336 | 170,561 |
| Excess (deficiency) of revenues over (under) expenditures | (380,971) | 89,468 | 470,439 | 74,130 |
| Fund balance at beginning of year | 380,992 | 380,992 | - | 306,862 |
| Fund balance at end of year | \$ 21 | 470,460 | 470,439 | 380,992 |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Title IV (Drug-Free)

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|----------------|----------------|--|----------------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 303,961 | 287,241 | (16,720) | 325,301 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 283,987 | 268,920 | 15,067 | 302,537 |
| General administration | 8,528 | 8,076 | 452 | 9,299 |
| Business services | 6,636 | 6,734 | (98) | 10,087 |
| Plant services | 4,610 | 3,471 | 1,139 | 3,358 |
| Student transportation services | 200 | 40 | 160 | 20 |
| Total expenditures | <u>303,961</u> | <u>287,241</u> | <u>16,720</u> | <u>325,301</u> |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Family Support

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--|------------------|----------------|--|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Local sources - other | \$ 68,624 | 3,933 | (64,691) | 4,880 |
| Federal sources | 580,928 | 568,000 | (12,928) | 580,928 |
| Total revenues | <u>649,552</u> | <u>571,933</u> | <u>(77,619)</u> | <u>585,808</u> |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 512,829 | 396,706 | 116,123 | 467,566 |
| School administration | 42,450 | 37,690 | 4,760 | 35,577 |
| Plant services | 118,962 | 115,014 | 3,948 | 77,048 |
| Total expenditures | <u>674,241</u> | <u>549,410</u> | <u>124,831</u> | <u>580,191</u> |
| Excess (deficiency) of revenues over expenditures | (24,689) | 22,523 | 47,212 | 5,617 |
| Fund balance at beginning of year | <u>74,241</u> | <u>74,241</u> | - | <u>68,624</u> |
| Fund balance at end of year | <u>\$ 49,552</u> | <u>96,764</u> | <u>47,212</u> | <u>74,241</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

8G State Fund

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|------------|---------|--|-----------|
| | Budget | Actual | | |
| Revenues - state sources - other | \$ 833,596 | 825,709 | (7,887) | 1,159,487 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 831,401 | 816,684 | 14,717 | 1,151,215 |
| School administration | 1,935 | 1,835 | 100 | - |
| Business services | - | 6,330 | (6,330) | 7,682 |
| Student transportation services | 260 | 860 | (600) | 590 |
| Total expenditures | 833,596 | 825,709 | 7,887 | 1,159,487 |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Adult Education

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|----------------|----------------|--|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Local sources - other | \$ - | - | - | 19,939 |
| State sources - other | 153,042 | 152,527 | (515) | 108,995 |
| Federal sources | 258,833 | 257,413 | (1,420) | 228,738 |
| Total revenues | <u>411,875</u> | <u>409,940</u> | <u>(1,935)</u> | <u>357,672</u> |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 405,241 | 403,348 | 1,893 | 353,908 |
| General administration | 6,634 | 6,592 | 42 | 3,764 |
| Total expenditures | <u>411,875</u> | <u>409,940</u> | <u>1,935</u> | <u>357,672</u> |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Vocational Education

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|------------|---------|--|---------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 932,983 | 922,150 | (10,833) | 823,961 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 920,210 | 922,150 | (1,940) | 823,961 |
| General administration | 12,773 | - | 12,773 | - |
| Total expenditures | 932,983 | 922,150 | 10,833 | 823,961 |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Fund

Child Nutrition Program

Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual

For the year ended June 30, 2000
(with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|---|-----------------------|-------------------|--|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Local sources: | | | | |
| Investment income | \$ 100,000 | 344,200 | 244,200 | 347,368 |
| Food services | 2,135,000 | 2,472,001 | 337,001 | 2,297,908 |
| Other | - | 5,226 | 5,226 | - |
| State sources: | | | | |
| Equalization | 3,876,840 | 4,166,010 | 289,170 | 3,876,840 |
| Other | - | 1,884 | 1,884 | 177,576 |
| Federal sources | 9,075,000 | 10,605,896 | 1,530,896 | 10,235,604 |
| Total revenues | <u>15,186,840</u> | <u>17,595,217</u> | <u>2,408,377</u> | <u>16,935,296</u> |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Business services | - | 274 | (274) | 265 |
| Food services | 17,290,800 | 17,559,728 | (268,928) | 18,368,550 |
| Total expenditures | <u>17,290,800</u> | <u>17,560,002</u> | <u>(269,202)</u> | <u>18,368,815</u> |
| Excess (deficiency) of revenues over (under) expenditures | (2,103,960) | 35,215 | 2,139,175 | (1,433,519) |
| Other financing sources - proceeds from the sale of fixed assets | - | - | - | 3,717 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures | (2,103,960) | 35,215 | 2,139,175 | (1,429,802) |
| Fund balance at beginning of year | - | 5,510,218 | 5,510,218 | 6,940,020 |
| Fund balance at end of year | <u>\$ (2,103,960)</u> | <u>5,545,433</u> | <u>7,649,393</u> | <u>5,510,218</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Special Revenue Fund

Louisiana Learn

Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual

For the year ended June 30, 2000
 (with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|------------|---------|--|---------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 331,831 | 231,468 | (100,363) | 633,977 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 324,830 | 226,484 | 98,346 | 603,145 |
| General administration | 7,001 | 4,984 | 2,017 | 15,461 |
| Business services | - | - | - | 13,446 |
| Plant services | - | - | - | 1,925 |
| Total expenditures | 331,831 | 231,468 | 100,363 | 633,977 |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | - | - | - |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Fund

JTPA

Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual

For the year ended June 30, 2000
(with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--------------------------------------|----------------|----------------|--|---------------|
| | Budget | Actual | | |
| Revenues - federal sources | \$ 113,588 | 113,233 | (355) | 82,843 |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 106,340 | 105,136 | 1,204 | 78,666 |
| School administration | 300 | 291 | 9 | 246 |
| Plant services | - | - | - | 700 |
| Student transportation services | 6,948 | 7,806 | (858) | 3,231 |
| Total expenditures | <u>113,588</u> | <u>113,233</u> | <u>355</u> | <u>82,843</u> |
| Excess of revenues over expenditures | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Special Revenue Fund

Miscellaneous State/Federal Grants

Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual

For the year ended June 30, 2000
(with comparative totals for June 30, 1999)

| | 2000 | | Variance Favorable (Unfavorable) | 1999 |
|--|------------------|------------------|--|------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| State sources - other | \$ 3,261,370 | 3,096,011 | (165,359) | 3,149,435 |
| Federal sources | 716,489 | 663,624 | (52,865) | 533,002 |
| Total revenues | <u>3,977,859</u> | <u>3,759,635</u> | <u>(218,224)</u> | <u>3,682,437</u> |
| Expenditures - current: | | | | |
| Instruction and support services: | | | | |
| Instruction | 3,854,648 | 3,668,893 | 185,755 | 3,591,171 |
| General administration | 11,612 | 18,301 | (6,689) | 7,546 |
| School administration | 17,553 | 16,971 | 582 | 12,746 |
| Business services | 2,434 | 2,124 | 310 | 2,330 |
| Plant services | 7,950 | 6,578 | 1,372 | 8,869 |
| Student transportation services | 83,662 | 46,768 | 36,894 | 62,489 |
| Total expenditures | <u>3,977,859</u> | <u>3,759,635</u> | <u>218,224</u> | <u>3,685,151</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | (2,714) |
| Fund balance at beginning of year | - | - | - | 2,714 |
| Fund balance at end of year | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying independent auditors' report.

FIDUCIARY FUNDS — TRUST AND AGENCY FUNDS

The Nonexpendable Trust Fund is used to account for assets of the School Board held in trust, for which the principal may not be spent.

Agency funds are used to account for assets held by the Board in a fiduciary capacity. These funds are custodial in nature and do not involve measurement of results of operations.

The following activities are reported in this section:

- Caddo Educational Excellence Nonexpendable Trust Fund
- School Activity Agency Funds
- Central Office Concession Agency Fund

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Combining Balance Sheet - All Trust and Agency Funds

June 30, 2000
 (with comparative totals for June 30, 1999)

| | Nonexpendable | Agency Funds | | Totals | |
|---|---------------------|------------------|--------------|------------------|------------------|
| | Trust Fund | School | Central | 2000 | 1999 |
| | Caddo | Activity | Office | | |
| | Educational | Funds | Concession | | |
| | Excellence | | | | |
| Assets | | | | | |
| Cash and cash equivalents | \$ 423,145 | 3,226,230 | 2,078 | 3,651,453 | 3,331,394 |
| Investments | 4,780,136 | 225,276 | - | 5,005,412 | 3,839,927 |
| Receivables | 87,803 | - | - | 87,803 | 30,482 |
| Total assets | \$ 5,291,084 | 3,451,506 | 2,078 | 8,744,668 | 7,201,803 |
| Liabilities and Fund Balance | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | 13,787 | - | 13,787 | 29,530 |
| Deposits due others | - | 3,437,719 | 2,078 | 3,439,797 | 3,091,503 |
| Total liabilities | - | 3,451,506 | 2,078 | 3,453,584 | 3,121,033 |
| Fund Balance: | | | | | |
| Reserved for instructional enhancement | 5,291,084 | - | - | 5,291,084 | 4,080,770 |
| Total fund balance | 5,291,084 | - | - | 5,291,084 | 4,080,770 |
| Total liabilities and fund balance | \$ 5,291,084 | 3,451,506 | 2,078 | 8,744,668 | 7,201,803 |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2000

| | <u>Balance July 1, 1999</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance June 30, 2000</u> |
|---------------------------------------|---------------------------------|------------------|-------------------|----------------------------------|
| SCHOOL ACTIVITY FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,039,753 | 8,653,877 | 8,467,400 | 3,226,230 |
| Investments | 76,262 | 224,446 | 75,432 | 225,276 |
| Total assets | <u>\$ 3,116,015</u> | <u>8,878,323</u> | <u>8,542,832</u> | <u>3,451,506</u> |
| Liabilities | | | | |
| Accounts payable | \$ 26,202 | 13,787 | 26,202 | 13,787 |
| Deposits due others | 3,089,813 | 8,864,536 | 8,516,630 | 3,437,719 |
| Total liabilities | <u>\$ 3,116,015</u> | <u>8,878,323</u> | <u>8,542,832</u> | <u>3,451,506</u> |
| CENTRAL OFFICE CONCESSION FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ <u>5,018</u> | <u>22,047</u> | <u>24,987</u> | <u>2,078</u> |
| Liabilities | | | | |
| Accounts payable | \$ 3,328 | - | 3,328 | - |
| Deposits due others | 1,690 | 22,047 | 21,659 | 2,078 |
| Total liabilities | <u>\$ 5,018</u> | <u>22,047</u> | <u>24,987</u> | <u>2,078</u> |
| ALL AGENCY FUNDS | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,044,771 | 8,675,924 | 8,492,387 | 3,228,308 |
| Investments | 76,262 | 224,446 | 75,432 | 225,276 |
| Total assets | <u>\$ 3,121,033</u> | <u>8,900,370</u> | <u>8,567,819</u> | <u>3,453,584</u> |
| Liabilities | | | | |
| Accounts payable | \$ 29,530 | 13,787 | 29,530 | 13,787 |
| Deposits due others | 3,091,503 | 8,886,583 | 8,538,289 | 3,439,797 |
| Total liabilities | <u>\$ 3,121,033</u> | <u>8,900,370</u> | <u>8,567,819</u> | <u>3,453,584</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Activity Agency Fund

Schedule of Changes in Deposits Due Others

For the year ended June 30, 2000

| School | <u>Balance, Beginning</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance, Ending</u> |
|----------------------------------|-------------------------------|------------------|-------------------|----------------------------|
| Arthur Circle Elementary | 24,653 | 42,631 | 43,087 | 24,197 |
| Atkins Elementary | 7,442 | 22,271 | 20,327 | 9,386 |
| Barrett Elementary | 4,495 | 10,514 | 11,656 | 3,353 |
| Bethune Middle | 5,767 | 25,214 | 19,987 | 10,994 |
| Donnie Bickham Middle | 27,517 | 134,780 | 140,722 | 21,575 |
| Blanchard Elementary | 51,582 | 48,904 | 42,913 | 57,573 |
| Broadmoor Elementary | 44,539 | 168,052 | 152,301 | 60,290 |
| Byrd High | 220,233 | 991,882 | 902,326 | 309,789 |
| Caddo Career Center | 95,146 | 221,517 | 267,224 | 49,439 |
| Caddo Exceptional | 17,004 | 5,923 | 7,667 | 15,260 |
| Caddo Heights Elementary | 8,540 | 23,419 | 22,549 | 9,410 |
| Caddo Magnet High | 107,705 | 611,089 | 579,256 | 139,538 |
| Caddo Middle Magnet | 62,409 | 221,935 | 216,522 | 67,822 |
| Captain Shreve High | 232,598 | 435,964 | 397,378 | 271,184 |
| Central Elementary | 15,743 | 31,733 | 33,013 | 14,463 |
| Cherokee Park Elementary | 13,968 | 16,949 | 13,356 | 17,561 |
| Claiborne Elementary | 11,360 | 48,287 | 49,629 | 10,018 |
| J.S. Clark Middle | 46,930 | 52,866 | 53,478 | 46,318 |
| Creswell Elementary | 5,134 | 26,821 | 26,586 | 5,369 |
| Eden Gardens Fundamental | 52,027 | 89,128 | 89,682 | 51,473 |
| Eighty-First Street ECE | 10,849 | 18,299 | 21,205 | 7,943 |
| Fairfield Elementary | 5,081 | 13,993 | 15,839 | 3,235 |
| Fair Park High | 42,880 | 254,532 | 220,983 | 76,429 |
| Forest Hill Elementary | 38,286 | 71,856 | 77,234 | 32,908 |
| Green Oaks High | 53,026 | 168,691 | 166,111 | 55,606 |
| Hamilton Terrace Learning Center | 16,681 | 13,892 | 13,424 | 17,149 |
| Hendrix Elementary | 8,746 | 16,853 | 13,156 | 12,443 |
| Herndon Middle Magnet | 62,595 | 190,781 | 188,004 | 65,372 |
| Hillsdale Elementary | 20,040 | 23,307 | 19,397 | 23,950 |
| Hollywood Middle | 41,048 | 50,956 | 50,759 | 41,245 |
| Hosston Elementary | 4,038 | 4,656 | 7,215 | 1,479 |
| Huntington High | 176,297 | 736,991 | 643,580 | 269,708 |
| Ingersoll Elementary | 18,073 | 4,837 | 4,644 | 18,266 |
| Judson Fundamental Elementary | 12,433 | 68,920 | 71,331 | 10,022 |
| Keithville Elem/Middle | 27,905 | 110,875 | 109,713 | 29,067 |
| Lakeshore Elementary | 20,387 | 24,270 | 25,644 | 19,013 |

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Activity Agency Fund

Schedule of Changes in Deposits Due Others

For the year ended June 30, 2000

| School | <u>Balance, Beginning</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance, Ending</u> |
|---------------------------------|-------------------------------|------------------|-------------------|----------------------------|
| Laurel Street Early Childhood | \$ 2,871 | 7,049 | 8,080 | 1,840 |
| Linear Middle | 18,477 | 30,015 | 31,797 | 16,695 |
| Linwood Middle | 31,404 | 99,095 | 95,657 | 34,842 |
| Midway Middle | 12,669 | 44,461 | 39,854 | 17,276 |
| Mooretown ECE | 15,823 | 9,409 | 16,387 | 8,845 |
| Mooringsport Elementary | 15,654 | 37,194 | 30,691 | 22,157 |
| North Caddo High | 44,767 | 215,734 | 178,409 | 82,092 |
| North Highlands Elementary | 12,676 | 40,334 | 44,427 | 8,583 |
| Northside Elementary | 10,844 | 28,525 | 30,086 | 9,283 |
| Northwood High | 64,705 | 485,949 | 490,297 | 60,357 |
| Oak Park Elementary | 10,247 | 30,374 | 24,473 | 16,148 |
| Oak Terrace Special Ed. | 13,896 | 17,282 | 26,206 | 4,972 |
| Oil City Elem/Middle | 12,895 | 46,237 | 45,341 | 13,791 |
| Pine Grove Elementary | 18,160 | 10,519 | 8,359 | 20,320 |
| Queensborough Elementary | 7,892 | 15,712 | 15,391 | 8,213 |
| Ridgewood Middle | 18,723 | 129,836 | 128,218 | 20,341 |
| Riverside Elementary | 8,166 | 65,898 | 66,138 | 7,926 |
| JROTC | 3,191 | 6,404 | 6,803 | 2,792 |
| Shreve Island Elementary | 11,102 | 66,634 | 73,653 | 4,083 |
| Newton Smith Elementary | 2,331 | 14,251 | 14,739 | 1,843 |
| South Highlands Elementary | 27,015 | 37,053 | 34,222 | 29,846 |
| Southern Hills Elementary | 19,589 | 128,559 | 100,631 | 47,517 |
| Southwood High | 176,499 | 553,204 | 518,898 | 210,805 |
| A.C. Steere Elementary | 25,089 | 54,963 | 51,470 | 28,582 |
| E.B. Williams Stoner Hill Elem. | 11,457 | 43,638 | 44,418 | 10,677 |
| Summerfield Elementary | 38,356 | 70,318 | 77,813 | 30,861 |
| Summer Grove Elementary | 17,148 | 44,543 | 52,281 | 9,410 |
| Sunset Acres Elementary | 24,210 | 21,864 | 26,112 | 19,962 |
| Timmons Elementary | 15,656 | 19,353 | 17,833 | 17,176 |
| Turner Elem/Middle | 191,693 | 140,899 | 126,764 | 205,828 |
| University Elementary | 16,336 | 90,484 | 87,119 | 19,701 |
| Vivian Elem/Middle | 31,638 | 74,719 | 78,982 | 27,375 |
| Walnut Hill Elem/Middle | 218,711 | 352,295 | 353,370 | 217,636 |
| B.T. Washington High | 45,572 | 232,536 | 226,784 | 51,324 |
| Werner Park Elementary | 25,095 | 30,170 | 23,849 | 31,416 |
| West Shreveport Elementary | 16,970 | 35,510 | 38,491 | 13,989 |
| Westwood Elementary | 21,377 | 33,626 | 37,824 | 17,179 |
| Woodlawn High | 90,608 | 266,601 | 273,960 | 83,249 |
| Youree Drive Middle | 127,144 | 229,701 | 232,905 | 123,940 |
| Total | \$ 3,089,813 | 8,864,536 | 8,516,630 | 3,437,719 |

See accompanying independent auditors' report.

GENERAL FIXED ASSETS ACCOUNT GROUP

The *General Fixed Assets Account Group* represents a summary of fixed assets of the School Board. Capital outlay in all funds is recorded as an expenditure of those funds at the time of purchase and is subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for governmental entities, depreciation is not recorded on general fixed assets.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

General Fixed Assets Account Group

Comparative Schedule of General Fixed Assets - By Sources

June 30, 2000
(with comparative amounts for June 30, 1999)

| | 2000 | 1999 |
|--|-----------------------|--------------------|
| General fixed assets: | | |
| Land | \$ 5,149,683 | 5,191,922 |
| Buildings and improvements | 162,543,465 | 154,917,768 |
| Furniture and equipment | 41,591,170 | 37,657,144 |
| Transportation equipment | 21,241,314 | 19,510,468 |
| Construction in progress | 13,130,299 | 5,977,195 |
| | <u>\$ 243,655,931</u> | <u>223,254,497</u> |
| Investment in general fixed assets: | | |
| Capital Projects Funds | \$ 185,365,102 | 171,118,824 |
| General Fund | 36,471,707 | 31,918,905 |
| Child Nutrition Fund | 4,098,229 | 4,130,575 |
| Federal Funds | 10,306,034 | 9,215,976 |
| Donations | 1,310,184 | 1,259,461 |
| State Funds | 6,104,675 | 5,610,756 |
| | <u>\$ 243,655,931</u> | <u>223,254,497</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets -
By Function and Activity

Year ended June 30, 2000

| Function and Activity | General Fixed Assets July 1, 1999 | Additions | Retirements | General Fixed Assets June 30, 2000 |
|-----------------------------------|---|-------------------|------------------|--|
| Instruction: | | | | |
| High schools | \$ 66,881,490 | 4,120,114 | 1,657,531 | 69,344,073 |
| Middle schools | 32,966,733 | 3,057,846 | 1,345,244 | 34,679,335 |
| Elementary schools | 26,825,756 | 4,129,262 | 401,433 | 30,553,585 |
| Adult education | 47,818,838 | 4,114,146 | 1,540,321 | 50,392,663 |
| Total instruction | <u>174,492,817</u> | <u>15,421,368</u> | <u>4,944,529</u> | <u>184,969,656</u> |
| General and school administration | 9,873,655 | 1,726,133 | 646,293 | 10,953,495 |
| Plant and maintenance | 8,101,759 | 198,827 | - | 8,300,586 |
| Food service equipment | 5,792,835 | 32,976 | 164,139 | 5,661,672 |
| Transportation equipment | 19,016,236 | 2,147,076 | 523,089 | 20,640,223 |
| Construction in progress | <u>5,977,195</u> | <u>10,406,314</u> | <u>3,253,210</u> | <u>13,130,299</u> |
| Total general fixed assets | <u>\$ 223,254,497</u> | <u>29,932,694</u> | <u>9,531,260</u> | <u>243,655,931</u> |

See accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

General Fixed Assets Account Group

Schedule of General Fixed Assets -
By Function and Activity

June 30, 2000

| Function and Activity | <u>Total</u> | <u>Land</u> | <u>Buildings and Improvements</u> | <u>Furniture and Equipment</u> | <u>Transportation Equipment</u> | <u>Construction in Progress</u> |
|---|-----------------------|------------------|---|--|-------------------------------------|-------------------------------------|
| <i>Instruction:</i> | | | | | | |
| High schools | \$ 69,344,073 | 1,472,084 | 62,293,980 | 5,577,404 | 605 | - |
| Middle schools | 34,679,335 | 849,608 | 29,662,279 | 4,167,448 | - | - |
| Elementary schools | 30,553,585 | 757,748 | 26,550,638 | 3,245,199 | - | - |
| Adult education | 50,392,663 | 1,044,363 | 33,830,392 | 15,517,908 | - | - |
| Total instruction | <u>184,969,656</u> | <u>4,123,803</u> | <u>152,337,289</u> | <u>28,507,959</u> | <u>605</u> | <u>-</u> |
| General and school administration | 10,953,495 | 66,503 | 7,531,723 | 3,210,326 | 144,943 | - |
| Plant and maintenance | 8,300,586 | 959,377 | 2,667,936 | 4,101,758 | 571,515 | - |
| Food service equipment | 5,661,672 | - | - | 5,645,610 | 16,062 | - |
| Transportation equipment | 20,640,223 | - | 6,517 | 125,517 | 20,508,189 | - |
| Construction in progress | <u>13,130,299</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,130,299</u> |
| Total general fixed assets allocated to functions | <u>\$ 243,655,931</u> | <u>5,149,683</u> | <u>162,543,465</u> | <u>41,591,170</u> | <u>21,241,314</u> | <u>13,130,299</u> |

See accompanying independent auditors' report.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-Term Debt Account Group represents a summary of the general long-term debt of the School Board.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

General Long-Term Debt Account Group

Schedule of Changes in Long-Term Debt

Year ended June 30, 2000

| | <u>July 1, 1999</u> | <u>Additions</u> | <u>Payments</u> | <u>Debt Service Fund Operations</u> | <u>June 30, 2000</u> |
|--|----------------------|-------------------|------------------|---|----------------------|
| Amount available in Debt Service Fund | \$ 2,295,917 | - | - | (838,765) | 1,457,152 |
| Amount to be provided for retirement of long-term debt | 38,344,083 | 20,000,000 | 3,635,000 | 838,765 | 55,547,848 |
| Amount to be provided for claims and judgments | 80,888 | 26,112 | - | - | 107,000 |
| Amount to be provided for accrued compensated absences | 14,328,509 | 485,213 | - | - | 14,813,722 |
| | <u>\$ 55,049,397</u> | <u>20,511,325</u> | <u>3,635,000</u> | <u>-</u> | <u>71,925,722</u> |
| Long-term obligations payable: | | | | | |
| General obligation bonds payable | \$ 40,640,000 | 20,000,000 | 3,635,000 | - | 57,005,000 |
| Claims and judgments payable | 80,888 | 26,112 | - | - | 107,000 |
| Accrued compensated absences | 14,328,509 | 485,213 | - | - | 14,813,722 |
| | <u>\$ 55,049,397</u> | <u>20,511,325</u> | <u>3,635,000</u> | <u>-</u> | <u>71,925,722</u> |

See accompanying independent auditors' report.

Statistical Section

Table 1

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

General Expenditures by Function - All Governmental Fund Types

Fiscal years ended June 30, 1991 through June 30, 2000

| | 1991 | 1992 | 1993 | 1994 | 1995(1) | 1996 | 1997 | 1998 | 1999 | 2000 |
|-----------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Current expenditures: | | | | | | | | | | |
| Instruction services | \$ 123,140,581 | 128,846,246 | 128,181,369 | 131,995,095 | - | - | - | - | - | - |
| Instruction related services | 6,773,259 | 6,340,174 | 7,025,704 | 7,939,057 | - | - | - | - | - | - |
| General and school administration | 19,397,245 | 20,523,135 | 20,682,235 | 21,694,204 | - | - | - | - | - | - |
| Instruction | - | - | - | - | 152,961,837 | 157,723,662 | 165,679,871 | 184,458,437 | 192,861,570 | 201,556,711 |
| General administration | - | - | - | - | 3,034,528 | 3,167,043 | 3,362,269 | 3,859,541 | 4,243,153 | 4,011,404 |
| School administration | - | - | - | - | 12,732,202 | 13,014,421 | 13,635,540 | 15,582,095 | 16,693,938 | 17,439,706 |
| Business services | - | - | - | - | 2,177,442 | 2,088,666 | 2,313,755 | 2,570,944 | 2,817,135 | 2,861,329 |
| Plant services | 17,774,073 | 18,033,265 | 18,438,803 | 19,262,686 | 20,057,853 | 21,293,871 | 22,212,203 | 24,117,576 | 25,162,656 | 25,477,804 |
| Student transportation services | 9,795,918 | 10,549,288 | 10,257,711 | 10,293,354 | 11,351,140 | 11,832,551 | 11,628,103 | 12,325,973 | 14,323,565 | 15,027,026 |
| Central services | - | - | - | - | 2,458,376 | 2,387,158 | 2,584,174 | 2,825,728 | 3,077,118 | 3,509,363 |
| Food service | 14,866,734 | 15,370,200 | 15,663,191 | 15,788,136 | 16,839,168 | 17,166,085 | 17,242,420 | 17,801,714 | 18,368,550 | 17,559,728 |
| Community services | - | - | - | - | 448,147 | 501,182 | 616,654 | 776,983 | 709,927 | 603,539 |
| Ancillary services | 475,612 | 475,349 | 580,771 | 740,822 | - | - | - | - | - | - |
| Capital outlay | 9,129,419 | 7,352,986 | 7,415,610 | 8,045,001 | 5,981,516 | 6,243,739 | 8,490,168 | 7,261,864 | 15,669,869 | 25,494,276 |
| Debt service: | | | | | | | | | | |
| Principal retired | 1,566,681 | 1,585,137 | 1,498,253 | 1,999,634 | 2,176,118 | 2,364,685 | 2,525,000 | 2,705,000 | 3,445,000 | 3,635,000 |
| Interest and bank charges | 3,089,636 | 2,958,983 | 2,774,910 | 1,804,138 | 1,932,767 | 1,604,838 | 1,471,160 | 1,292,362 | 1,847,018 | 2,020,810 |
| Advance refunding escrow on bond | - | - | 561,189 | - | - | - | - | - | - | - |
| Total expenditures | \$ 206,009,158 | 212,034,763 | 213,079,746 | 219,562,127 | 232,151,094 | 239,387,901 | 251,761,317 | 275,578,217 | 299,219,499 | 319,196,696 |

Notes:

(1) In 1995, the School Board revised the functions presented in its financial statements.

Unaudited - see accompanying independent auditors' report.

Table 2

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

General Revenues by Source - All Governmental Fund Types

Fiscal years ended June 30, 1991 through June 30, 2000

| | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|--|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | \$ 31,489,802 | 32,412,840 | 34,992,940 | 35,666,540 | 36,522,449 | 36,854,624 | 39,270,971 | 63,117,118 | 64,261,146 | 65,310,879 |
| Sales taxes | 33,516,156 | 35,077,090 | 36,618,089 | 38,540,607 | 40,662,972 | 42,744,467 | 42,396,962 | 44,192,340 | 46,208,702 | 49,164,115 |
| Investment earnings | 2,927,844 | 2,063,421 | 2,006,562 | 1,397,450 | 1,953,308 | 2,603,076 | 2,380,121 | 2,971,737 | 3,704,850 | 3,984,398 |
| Food sales | 2,879,308 | 2,766,604 | 2,663,757 | 2,624,549 | 3,237,809 | 2,450,474 | 2,363,957 | 2,319,329 | 2,297,908 | 2,472,001 |
| Rent and royalties | 104,505 | 87,234 | 92,486 | 105,383 | 108,547 | 232,594 | 282,877 | - | - | - |
| Other | 114,128 | 362,415 | 282,716 | 174,384 | 182,851 | 967,465 | 1,306,183 | 1,346,075 | 1,691,855 | 1,239,643 |
| Tuition | 327,956 | 370,686 | 402,155 | 399,984 | 453,775 | 388,575 | 435,805 | - | - | - |
| Total revenues from local sources | 71,359,699 | 73,140,290 | 77,058,705 | 78,908,897 | 83,121,711 | 86,241,275 | 88,436,876 | 113,946,599 | 118,164,461 | 122,171,036 |
| State sources: | | | | | | | | | | |
| Equalization | 99,878,136 | 105,542,411 | 109,837,566 | 110,088,516 | 113,226,930 | 116,820,911 | 122,551,245 | 131,768,333 | 139,545,515 | 146,639,831 |
| Revenue sharing | 2,490,164 | 2,641,122 | 2,601,014 | 2,533,731 | 2,147,076 | 2,117,706 | 2,377,754 | 2,003,929 | 2,347,795 | 1,353,813 |
| Professional improvement program | 3,212,641 | 3,004,847 | 2,793,106 | 2,698,461 | 2,432,434 | 2,301,800 | 2,138,546 | 2,412,335 | 1,811,769 | 1,669,837 |
| Other | 4,310,872 | 3,498,125 | 1,878,481 | 1,553,295 | 5,891,789 | 1,981,476 | 2,292,064 | 4,368,915 | 6,247,895 | 5,245,307 |
| Total from state sources | 109,891,813 | 114,686,505 | 117,110,167 | 116,894,003 | 123,698,229 | 123,221,893 | 129,359,609 | 140,553,512 | 149,952,974 | 154,908,788 |
| Revenues from federal sources | 19,966,176 | 21,785,140 | 22,928,263 | 26,360,735 | 26,643,830 | 27,964,606 | 29,319,793 | 29,918,929 | 29,055,190 | 30,932,088 |
| Total revenues | \$ 201,217,688 | 209,611,935 | 217,097,135 | 222,163,635 | 233,463,770 | 237,427,774 | 247,116,278 | 284,419,040 | 297,172,625 | 308,011,912 |

Unaudited - see accompanying independent auditors' report.

Table 3

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Levies and Collections (1)

Fiscal years ended June 30, 1991 through June 30, 2000

| Fiscal Year | Total School Board Tax Assessment | Current Tax Collections | Percent of Tax Levy Collected | Delinquent Taxes Collected | | Total Taxes, Interest, and Penalty Collected | Total Collections As a Percent of Current Tax Levy |
|-------------|-----------------------------------|-------------------------|-------------------------------|----------------------------|----------------------|--|--|
| | | | | Taxes | Interest and Penalty | | |
| 1990-91 | \$ 32,081,416 | 30,672,625 | 95.61% | \$ 535,510 | 281,667 | 31,489,802 | 98.16% |
| 1991-92 | 32,465,020 | 30,971,991 | 95.40% | 783,311 | 338,431 | 32,093,733 | 98.86% |
| 1992-93 | 35,019,949 | 33,784,409 | 96.47% | 863,788 | 344,743 | 34,992,940 | 99.92% |
| 1993-94 | 36,630,049 | 34,776,000 | 94.94% | 732,425 | 158,115 | 35,666,540 | 97.37% |
| 1994-95 | 37,720,491 | 35,645,788 | 94.50% | 875,581 | 154,935 | 36,676,304 | 97.23% |
| 1995-96 | 37,640,523 | 35,269,842 | 93.70% | 530,401 | 160,469 | 35,960,712 | 95.54% |
| 1996-97 | 38,451,509 | 37,353,822 | 97.15% | 1,397,855 | 178,185 | 38,929,862 | 101.24% |
| 1997-98 | 64,868,735 | 62,493,042 | 96.34% | 490,209 | 133,867 | 63,117,118 | 97.30% |
| 1998-99 | 65,806,520 | 62,736,420 | 95.33% | 1,089,800 | 434,926 | 64,261,146 | 97.65% |
| 1999-00 | 67,072,869 | 63,681,612 | 94.94% | 1,232,901 | 396,366 | 65,310,879 | 97.37% |

Notes:

(1) Caddo Parish Tax Assessor

Unaudited - see accompanying independent auditors' report.

Table 4

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Assessed and Estimated Actual Value of Taxable Property

Last Ten Calendar Years

| Year | Assessed Value | Estimated Actual Value | Ratio of Assessed Value to Estimated Actual Value |
|------|----------------|------------------------|---|
| 1990 | \$ 602,241,720 | 6,757,499,000 | 8.9% |
| 1991 | 612,963,730 | 6,797,690,350 | 9.0% |
| 1992 | 631,907,770 | 6,888,410,900 | 9.2% |
| 1993 | 665,210,220 | 7,135,332,740 | 9.3% |
| 1994 | 686,076,600 | 8,369,991,047 | 8.2% |
| 1995 | 689,261,910 | 7,442,626,700 | 9.3% |
| 1996 | 721,281,360 | 7,737,226,608 | 9.3% |
| 1997 | 762,443,990 | 8,082,437,653 | 9.4% |
| 1998 | 778,959,750 | 8,248,621,700 | 9.4% |
| 1999 | 798,676,700 | 8,426,004,120 | 9.5% |

Notes:

(1) Information provided by Caddo Parish Tax Assessor.

(2) Assessed values are established by the Caddo Parish Tax Assessor on January 1st of each year at approximately 10-25% of actual market value, depending upon the property classification. A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the tax roll of 1996.

Unaudited - see accompanying independent auditors' report.

Table 5

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Rates and Tax Levies - Direct and Overlapping Governments (1)

Last Ten Calendar Years

| Year | Tax Rates Per \$1,000 of Assessed Value (2) | | | | Total | Tax Levies (2) | | | | Total |
|------|---|--------------------|---------|------------------------|-----------|----------------|--------------------|------------|------------------------|-------------|
| | Commission | Parishwide Schools | Sheriff | City of Shreveport (3) | | Commission | Parishwide Schools | Sheriff | City of Shreveport (3) | |
| 1990 | 38.29 | 53.27 | 8.33 | 45.51 | 145.40 \$ | 23,461,932 | 32,081,416 | 5,016,674 | 31,470,400 | 92,030,422 |
| 1991 | 42.46 | 53.17 | 11.33 | 48.51 | 155.47 | 25,925,611 | 32,465,020 | 6,917,974 | 33,672,187 | 98,980,792 |
| 1992 | 41.93 | 56.13 | 11.94 | 51.34 | 161.34 | 26,615,156 | 35,019,949 | 7,449,460 | 35,396,942 | 104,481,507 |
| 1993 | 42.53 | 55.68 | 14.94 | 51.34 | 164.49 | 27,466,995 | 36,630,049 | 9,828,537 | 36,402,501 | 110,328,082 |
| 1994 | 38.72 | 54.98 | 14.94 | 51.34 | 159.98 | 25,711,970 | 37,720,491 | 10,249,984 | 37,825,061 | 111,507,506 |
| 1995 | 38.22 | 54.58 | 14.94 | 51.34 | 159.08 | 26,786,404 | 37,640,523 | 10,303,214 | 39,316,657 | 114,046,798 |
| 1996 | 41.90 | 53.31 | 14.94 | 51.63 | 161.78 | 30,349,226 | 38,451,509 | 10,775,943 | 40,902,242 | 120,478,920 |
| 1997 | 41.87 | 85.08 | 14.94 | 51.63 | 193.52 | 31,501,056 | 64,868,735 | 11,390,913 | 42,905,989 | 150,666,693 |
| 1998 | 41.17 | 84.48 | 14.94 | 51.63 | 192.22 | 32,516,749 | 65,806,520 | 11,637,659 | 44,133,525 | 154,094,453 |
| 1999 | 41.17 | 83.98 | 14.94 | 51.63 | 191.72 | 33,358,712 | 67,072,869 | 11,932,230 | 44,113,404 | 156,477,215 |

Notes:

(1) Includes parishwide overlapping levels and levy of the largest municipality which overlaps approximately 75.5% of the total parish assessment. There are other small municipalities and taxing districts currently levying ad valorem taxes with the parish.

(2) Caddo Parish Tax Assessor

(3) Rates for taxpayers within the City of Shreveport and the Town of Vivian.

Unaudited - see accompanying independent auditors' report.

Table 6

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratio of Net General Bonded Debt
to Assessed Value and Net Bonded Debt Per Capita

Fiscal years ended June 30, 1991 through June 30, 2000

| Assessment Year | Fiscal Year Ended June 30, | Caddo Parish Population (1) | Assessed Value (2) | Gross Bonded Debt | Less Debt Service Fund | Net Bonded Debt | Ratio of Net | |
|--------------------|----------------------------------|--------------------------------|-----------------------|----------------------|------------------------------|--------------------|-------------------------------------|----------------------------------|
| | | | | | | | Bonded Debt To Assessed Value | Net Bonded Debt Per Capita |
| 1990 | 1991 | 248,253 | \$ 861,697,580 | 35,950,000 | 2,416,594 | 33,533,406 | 3.89% | \$ 135 |
| 1991 | 1992 | 249,528 | 871,602,430 | 34,500,000 | 2,025,418 | 32,474,582 | 3.73% | 130 |
| 1992 | 1993 | 247,035 | 885,697,400 | 35,790,000 | 1,575,026 | 34,214,974 | 3.86% | 139 |
| 1993 | 1994 | 246,597 | 920,598,630 | 33,810,000 | 1,974,480 | 31,835,520 | 3.46% | 129 |
| 1994 | 1995 | 246,435 | 942,377,110 | 31,655,000 | 1,770,290 | 29,884,710 | 3.17% | 121 |
| 1995 | 1996 | 246,706 | 948,851,270 | 29,315,000 | 1,340,938 | 27,974,062 | 2.95% | 113 |
| 1996 | 1997 | 246,363 | 988,098,350 | 26,790,000 | 1,098,579 | 25,691,421 | 2.60% | 104 |
| 1997 | 1998 | 244,943 | 1,032,835,570 | 24,085,000 | 2,483,213 | 21,601,787 | 2.09% | 88 |
| 1998 | 1999 | 241,587 | 1,053,910,790 | 40,640,000 | 2,295,917 | 38,344,083 | 3.64% | 159 |
| 1999 | 2000 | 240,846 | 1,077,027,570 | 57,005,000 | 1,457,152 | 55,547,848 | 5.16% | 231 |

Notes:

(1) Amounts provided by the Research Division of Louisiana Tech University, Ruston, Louisiana except 1990 which was obtained from the U.S. Census and 1997 which was obtained from the Louisiana Electronic Assistance Program website.

(2) Assessed value is the total assessed valuation of all property located in Caddo Parish as approved by Caddo Parish Tax Assessor and is presented before deducting the homestead exemption. Revaluations are reflected in years 1992 and 1996.

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Direct and Overlapping Debt (1)

June 30, 2000

| Direct Debt | Gross Debt | Exclusions (2) | Amount Available Debt Service Fund | Net Debt | Percentage of Debt Applicable to the School Board (3) | School Board's Share of Debt (4) |
|-----------------------------------|-----------------------|------------------|------------------------------------|--------------------|---|----------------------------------|
| Caddo Parish School Board | \$ 57,005,000 | - | 1,457,152 | 55,547,848 | 100% | \$ 55,547,848 |
| Overlapping Debt | | | | | | |
| Caddo Parish Commission (5) | 17,005,000 | - | 3,360,843 | 13,644,157 | 100% | 13,644,157 |
| City of Shreveport (5) | 344,153,681 | 6,569,021 | 27,428,681 | 310,155,979 | 75.5% | 234,167,764 |
| Total overlapping debt | <u>361,158,681</u> | <u>6,569,021</u> | <u>30,789,524</u> | <u>323,800,136</u> | | <u>247,811,921</u> |
| Total direct and overlapping debt | \$ <u>418,163,681</u> | <u>6,569,021</u> | <u>32,246,676</u> | <u>379,347,984</u> | | \$ <u>303,359,769</u> |

Notes:

- (1) Various taxing districts exist within Caddo Parish that involve a small percentage of Parish taxpayers. These districts' debt is not included.
- (2) Exclusions represent general obligation bonds and notes issued for enterprise fund purposes which are payable from those funds.
- (3) Based on 1996 assessed valuation.
- (4) This represents the debt of all the constituents who reside within Caddo Parish.
- (5) Financial information extracted from Annual Financial Report of respective governments.

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Computation of Legal Debt Margin for General Obligation Bonds

June 30, 2000

| | |
|---|-------------------------|
| Assessed value (1) | \$ <u>1,077,027,570</u> |
| Debt limit thirty-five (35%) of assessed value* | 376,959,650 |
| Amount of debt applicable to debt limit: | |
| Total general bonded debt | \$ 57,005,000 |
| Less: Assets in debt service funds | <u>1,457,152</u> |
| Total amount of debt applicable to debt limit | <u>55,547,848</u> |
| Legal debt margin | \$ <u>321,411,802</u> |

*This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature R.S.39:562(c).

Notes:
 (1) Caddo Parish Tax Assessor

Unaudited - see accompanying independent auditors' report.

Table 9

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratio of Annual Debt Service Expenditure for
General Bonded Debt to Total General Expenditures

Fiscal years ended June 30, 1991 through June 30, 2000

| <u>Year Ended June 30,</u> | <u>Principal (1)</u> | <u>Interest and Fiscal Charges (1)</u> | <u>Total Debt Service</u> | <u>Total General Expenditures (2)</u> | <u>Ratio of Debt Service to General Expenditures</u> |
|--------------------------------|----------------------|--|-------------------------------|---|--|
| 1991 | \$ 1,220,000 | 2,944,905 | 4,164,905 | 206,009,158 | 2.02% |
| 1992 | 1,450,000 | 2,809,220 | 4,259,220 | 212,034,763 | 2.01% |
| 1993 | 1,480,000 | 2,646,140 | 4,126,140 | 213,079,746 | 1.94% |
| 1994 | 1,980,000 | 1,677,996 | 3,657,996 | 219,562,127 | 1.67% |
| 1995 | 2,155,000 | 1,805,560 | 3,960,560 | 232,441,639 | 1.70% |
| 1996 | 2,340,000 | 1,603,775 | 3,943,775 | 239,387,901 | 1.65% |
| 1997 | 2,525,000 | 1,471,160 | 3,996,160 | 251,761,317 | 1.59% |
| 1998 | 2,705,000 | 1,292,362 | 3,997,362 | 275,578,217 | 1.45% |
| 1999 | 3,445,000 | 1,847,018 | 5,292,018 | 299,219,499 | 1.77% |
| 2000 | 3,635,000 | 2,020,810 | 5,655,810 | 319,196,696 | 1.77% |

Notes:

(1) Includes debt service on general obligation bonds, certificates of indebtedness, and sales tax bonds.

(2) Includes general expenditures for all funds.

Unaudited - see accompanying independent auditors' report.

Table 10

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Demographic Statistics

Last Ten Calendar Years

| <u>Calendar Year</u> | <u>Population (1)</u> | <u>School Enrollment (2)</u> | <u>Average Daily Membership (3)</u> | <u>Unemployment Rate (1)</u> |
|----------------------|-----------------------|------------------------------|-------------------------------------|------------------------------|
| 1990 | 248,253 | 49,615 | 50,006 | 6.7% |
| 1991 | 249,528 | 50,029 | 50,075 | 7.2% |
| 1992 | 247,035 | 48,488 | 48,571 | 7.1% |
| 1993 | 246,597 | 47,988 | 48,589 | 7.1% |
| 1994 | 246,435 | 48,658 | 48,062 | 7.9% |
| 1995 | 246,706 | 49,915 | 49,000 | 7.1% |
| 1996 | 246,363 | 49,603 | 48,742 | 6.0% |
| 1997 | 244,943 | 48,628 | 47,977 | 6.9% |
| 1998 | 241,587 | 47,649 | 46,804 | 6.5% |
| 1999 | 240,846 | 45,524 | 45,992 | 4.6% |

Notes:

(1) Research Division, Louisiana Tech University.

(2) Represents the number of active students at the end of each school year.

(3) Represents the daily average number of active students for the school year.

Unaudited - see accompanying independent auditors' report.

Table 11

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Value, Construction, and Bank Deposits

Last Ten Calendar Years

| Year | Property Value (1) | | | Commercial Construction (2) | | Residential Construction (2) | | Bank Deposits (3) |
|------|--------------------|---------------|-------------|-----------------------------|---------------|------------------------------|--------------|-------------------|
| | Commercial | Residential | Exemptions | Number of Units | Value | Number of Units | Value | |
| | | | Total | | | | | |
| 1990 | \$ 5,697,295,350 | 2,093,822,240 | 259,455,860 | 7,531,661,730 | \$ 26,844,915 | 69 | \$ 9,875,490 | 2,485,842 |
| 1991 | 5,578,561,600 | 2,075,900,600 | 258,638,700 | 7,395,823,500 | 18,329,362 | 96 | 12,203,040 | 2,600,611 |
| 1992 | 5,554,558,100 | 2,148,278,066 | 253,789,640 | 7,449,046,526 | 14,125,672 | 272 | 21,873,965 | 2,337,511 |
| 1993 | 5,689,477,600 | 2,295,386,000 | 255,388,410 | 7,729,475,190 | 24,776,625 | 178 | 23,803,536 | 2,287,927 |
| 1994 | 5,665,316,900 | 2,505,636,061 | 256,300,510 | 7,914,652,451 | 28,406,873 | 233 | 33,893,896 | 2,262,514 |
| 1995 | 3,453,827,400 | 3,988,799,300 | 259,589,360 | 7,183,037,340 | 25,900,000 | 248 | 34,000,000 | 2,332,600 |
| 1996 | 3,624,480,008 | 4,112,746,600 | 266,816,990 | 7,470,409,618 | 42,500,000 | 276 | 37,700,000 | 2,337,091 |
| 1997 | 3,521,617,020 | 4,183,721,600 | 270,391,580 | 7,434,947,040 | 119,400,000 | 236 | 37,800,000 | N/A |
| 1998 | 3,589,643,600 | 4,323,258,400 | 274,951,040 | 7,637,950,960 | 110,100,000 | 258 | 40,200,000 | N/A |
| 1999 | 3,679,948,120 | 4,457,754,800 | 278,350,870 | 7,859,352,050 | 165,382,120 | 357 | 49,790,002 | N/A |

Notes:

- (1) Caddo Parish Tax Assessor
- (2) Shreveport Chamber of Commerce
- (3) Northeast Louisiana University for Business & Economic Research

Unaudited - see accompanying independent auditors' report.

Table 12

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Taxpayers

June 30, 2000

| Name | Industry | Assessed Value | Percentage of Total Assessed Valuation |
|-------------------------------------|--------------------------|------------------|--|
| Southwestern Electric Power Company | Public Utility | \$ 53,949,420 | 5.01% |
| Bell South | Public Utility | 33,769,450 | 3.14% |
| Atlas Processing Company | Refinery | 25,624,970 | 2.38% |
| General Motors | Manufacturing - Vehicles | 18,577,480 | 1.72% |
| Bank One | Financial Institution | 14,699,410 | 1.36% |
| Hibernia Bank | Financial Institution | 12,797,200 | 1.19% |
| Deposit Guaranty (Am South) | Financial Institution | 10,535,150 | 0.98% |
| Lucent Technologies | Manufacturing | 12,090,530 | 1.12% |
| Universal Oil Products | Refinery | 9,269,150 | 0.86% |
| Casino Magic | Gaming | 9,158,320 | 0.85% |
| Total for ten principal taxpayers | | \$ 200,471,080 | 18.61% |
| Total for remaining taxpayers | | 876,556,490 | 81.39% |
| Total for all taxpayers | | \$ 1,077,027,570 | 100.00% |

Notes:

(1) Caddo Parish Tax Assessor

Unaudited - see accompanying independent auditors' report.

Table 13

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Attendance Data

Fiscal Years Ended June 30, 1991 through June 30, 2000

| Fiscal Year | Number of Graduates | Average Daily Membership (1) | Average Daily Attendance | |
|-------------|---------------------|------------------------------|--------------------------|----------------|
| | | | Amount (2) | Percent Change |
| 1991 | 2,292 | 50,006 | 47,086 | -1.38% |
| 1992 | 2,075 | 50,075 | 47,135 | 0.10% |
| 1993 | 2,240 | 48,571 | 44,193 | -6.24% |
| 1994 | 2,204 | 48,589 | 45,079 | 2.00% |
| 1995 | 2,114 | 48,062 | 44,614 | -1.03% |
| 1996 | 2,252 | 49,000 | 45,443 | 1.86% |
| 1997 | 2,294 | 48,742 | 45,486 | 0.09% |
| 1998 | 2,339 | 47,997 | 44,703 | -1.72% |
| 1999 | 2,118 | 46,804 | 43,741 | -2.15% |
| 2000 | 2,152 | 45,992 | 43,057 | -1.56% |
| | | | | 94.16% |
| | | | | 94.13% |
| | | | | 90.99% |
| | | | | 92.78% |
| | | | | 92.83% |
| | | | | 92.74% |
| | | | | 93.32% |
| | | | | 93.14% |
| | | | | 93.46% |
| | | | | 93.62% |

Notes:

(1) Represents the daily average number of active students for the school year.

(2) Represents the daily average number of students in attendance for the school year.

Unaudited - see accompanying independent auditors' report.

Table 14

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Insurance in Force

June 30, 2000

| Type of Coverage/ Name of Company | Policy Number | Policy Period | | Details of Coverage and Coinsurance | Coverage Limits | Premium |
|---|------------------|---------------|----------|--|--------------------|---------|
| | | From | To | | | |
| Property damage general liability and automobile liability Coregis Insurance Co. | 651-006319-9 | 09/01/99 | 09/01/00 | All property, employees & vehicles \$200,000 deductible | \$ 1,000,000 | 429,405 |
| Commercial Umbrella Policy Coregis Insurance Co. | 503-071926-9 | 09/01/99 | 09/01/00 | Umbrella liability | 10,000,000 | 87,161 |
| Property loss and property damage liability Hartford Steam Boiler Insurance Co. | FBPHN0956038 | 07/01/99 | 07/01/00 | Boilers and electric motors \$10,000 deductible | 5,000,000 | 17,859 |
| Superintendent's bond Travelers Casualty & Surety Co. | 395103289164 | 06/30/98 | 01/01/01 | Robert E. Schiller No deductible | 100,000 | 875 |
| Notary bond Travelers Casualty & Surety Co. | 71S1006666947BCA | 10/01/99 | 10/01/00 | Joy Sneed No deductible | 5,000 | 110 |

Notes:

(1) Insurance files maintained by Director of Risk Management of the Caddo Parish School Board.

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Miscellaneous Statistical Data

June 30, 2000

| Form of Government: | Parish School Board | Constructed | Capacity/Sq. Ft. | Acreage |
|--|---------------------|------------------|------------------|---------|
| Geographic Area: | 891 Square Miles | | | |
| Instruction Sites: | | | | |
| High Schools: | | | | |
| C.E. Byrd | 1926 | 235,733 | 20.56 | |
| Caddo Magnet | 1964 | 92,775 | 26.50 | |
| Captain Shreve | 1967 | 230,372 | 58.00 | |
| Fair Park | 1958 | 161,746 | 23.00 | |
| Green Oaks | 1971 | 160,329 | 52.64 | |
| Hamilton Terrace Adult Learning Center | 1925 | 71,000 | 8.00 | |
| Huntington | 1973 | 208,905 | 61.48 | |
| North Caddo | 1954 | 105,694 | 40.00 | |
| Northwood | 1967 | 167,781 | 63.20 | |
| Southwood | 1970 | 139,374 | 60.00 | |
| Booker T. Washington | 1950 | 197,926 | 32.93 | |
| Woodlawn | 1960 | 129,154 | 53.00 | |
| | | <u>1,900,789</u> | <u>499.31</u> | |
| Middle Schools: | | | | |
| Bethune | 1961 | 75,788 | 20.00 | |
| Donnie Bickham | 1988 | 153,949 | 32.38 | |
| Broadmoor Middle Lab | 1949 | 73,688 | 16.00 | |
| Caddo Middle Magnet | 1965 | 111,216 | 20.00 | |
| J.S. Clark | 1958 | 117,044 | 29.76 | |
| Hollywood | 1955 | 83,216 | 10.00 | |
| Linear | 1961 | 96,302 | 25.00 | |
| Linwood | 1949 | 87,296 | 17.62 | |
| Midway | 1931 | 70,524 | 15.09 | |
| Ridgewood | 1965 | 82,307 | 19.98 | |
| Yoree Drive | 1959 | 65,688 | 26.25 | |
| | | <u>1,017,018</u> | <u>232.08</u> | |

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Miscellaneous Statistical Data

June 30, 2000

| | <u>Constructed</u> | <u>Capacity/Sq. Ft.</u> | <u>Acreage</u> |
|------------------------------------|--------------------|-------------------------|----------------|
| Middle Schools (continued): | | | |
| Herndon | 1956 | 91,947 | 80.00 |
| Keithville | 1989 | 158,559 | 32.56 |
| Oil City | 1923 | 54,891 | 4.72 |
| Turner | 1984 | 154,953 | 15.00 |
| Vivian | 1923 | 103,882 | 8.07 |
| Walnut Hill | 1956 | 87,831 | 77.58 |
| | | <u>652,063</u> | <u>217.93</u> |
| Elementary Schools: | | | |
| Arthur Circle | 1955 | 32,272 | 12.77 |
| Atkins | 1935 | 44,771 | 13.00 |
| Barret | 1916 | 46,628 | 4.00 |
| Blanchard | 1948 | 62,490 | 10.00 |
| Caddo Heights | 1949 | 63,865 | 15.00 |
| Central | 1917 | 41,806 | 2.95 |
| Cherokee Park | 1966 | 50,018 | 8.50 |
| Claiborne Fundamental Magnet | 1923 | 51,340 | 5.00 |
| Creswell | 1920 | 43,550 | 4.00 |
| Eden Gardens Fundamental Magnet | 1967 | 42,985 | 6.50 |
| Eighty-First Street ECE | 1954 | 38,068 | 12.60 |
| Fairfield | 1924 | 32,368 | 9.00 |
| Forest Hill | 1964 | 42,279 | 12.40 |
| George P. Hendrix | 1916 | 28,106 | 2.50 |
| Hillsdale | 1960 | 29,789 | 12.00 |
| Hosston | 1931 | 32,750 | 9.02 |
| Ingersoll | 1956 | 67,040 | 11.69 |
| Judson Fundamental Magnet | 1954 | 35,104 | 12.00 |
| Lakeshore | 1949 | 94,070 | 18.00 |
| Laurel Street ECE | 1905 | 33,992 | 3.00 |
| Mooretown ECE | 1954 | 44,010 | 10.00 |
| Mooringsport | 1911 | 37,404 | 4.00 |
| North Highlands | 1957 | 30,144 | 10.00 |
| Northside | 1955 | 36,711 | 12.00 |
| | | <u>1,061,560</u> | <u>219.93</u> |

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Miscellaneous Statistical Data

June 30, 2000

| | <u>Constructed</u> | <u>Capacity/Sq. Ft.</u> | <u>Acreage</u> |
|--|--------------------|-------------------------|----------------|
| Elementary Schools (continued): | | | |
| Oak Park | 1958 | 44,293 | 10.00 |
| Pine Grove | 1963 | 28,358 | 10.00 |
| Pine Valley | 1956 | 30,802 | 13.15 |
| Queensborough | 1924 | 66,056 | 5.00 |
| Riverside | 1957 | 35,436 | 9.44 |
| Rodessa | 1938 | 33,433 | 5.00 |
| Shreve Island | 1955 | 38,424 | 10.45 |
| Newton Smith | 1960 | 31,008 | 12.00 |
| South Highlands Magnet | 1922 | 26,606 | 5.40 |
| Southern Hills | 1959 | 38,082 | 10.00 |
| A.C. Steere | 1929 | 34,716 | 13.00 |
| E.B. Williams Stoner Hill Lab | 1954 | 35,494 | 14.44 |
| Summerfield | 1967 | 41,000 | 15.46 |
| Summer Grove | 1954 | 51,021 | 12.00 |
| Sunset Acres | 1954 | 36,852 | 10.73 |
| Jack P. Timmons | 1956 | 29,992 | 10.00 |
| University | 1969 | 42,119 | 15.34 |
| Werner Park | 1942 | 42,348 | 8.30 |
| West Shreveport | 1926 | 47,552 | 5.00 |
| Westwood | 1960 | 25,688 | 10.00 |
| | | <u>759,280</u> | <u>204.71</u> |
| Other Instruction Sites: | | | |
| Alexander Special Education | 1912 | 30,243 | 4.00 |
| Caddo Career Center | 1956 | 108,801 | 24.15 |
| Caddo School for Exceptional Children | 1956 | 20,068 | 2.10 |
| Oak Terrace Special Education | 1959 | 61,985 | 18.00 |
| School Nurse/Book Processing | 1975 | 7,555 | 3.60 |
| Special Education Center | 1982 | 48,120 | 6.00 |
| | | <u>276,772</u> | <u>57.85</u> |
| Total Overall Instruction Sites | | <u>5,667,482</u> | <u>1431.81</u> |

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Compensation Paid to Board Members

For the year ended June 30, 2000

The schedule of compensation paid to the 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 \$800 per month, the vice-presidents receives \$850 per month, and the president receives \$900 per month for performing the duties of office. The extra \$50 and \$100 per month for the vice-presidents and the president is paid to each only in the event each attends the monthly executive committee meeting.

| | | |
|--|----|-----------------------|
| Mike Powell, President | \$ | 10,500 |
| Jerry Tim Brooks, 1 st Vice-President | | 10,150 |
| Alvin Mims, 2 nd Vice-President | | 9,900 |
| Willie D. Burton | | 10,200 |
| Judy Boykin | | 9,600 |
| Miles Hitchcock | | 9,600 |
| Mark Milam | | 9,600 |
| Mildred B. Pugh | | 9,600 |
| Michael J. Thibodeaux | | 9,600 |
| Johnny Vance, Jr. | | 9,600 |
| Phillip R. Guin | | 9,600 |
| Ginger Armstrong | | <u>9,600</u> |
| Total | \$ | <u><u>117,550</u></u> |



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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Expenditures of Federal Awards
(Single Audit)

Year Ended June 30, 2000

(With Independent Auditors' Report Thereon)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Expenditures of Federal Awards
(Single Audit)

Year ended June 30, 2000

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333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

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

Members of the Caddo Parish School Board
Shreveport, Louisiana:

We have audited the financial statements of the Caddo Parish School Board (School Board) as of and for the year ended June 30, 2000 and have issued our report thereon dated September 15, 2000. 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.

Compliance

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 grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the School Board in a separate letter dated December 13, 2000.

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

KPMG LLP

September 15, 2000





333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

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

Members of the Caddo Parish School Board
Shreveport, Louisiana:

Compliance

We have audited the compliance of the Caddo Parish School Board (School Board) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants



that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses. However, we did note other matters involving the internal control over compliance, which we have reported to management of the School Board in a separate letter dated September 15, 2000.

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the School Board as of and for the year ended June 30, 2000 and have issued our report thereon dated September 15, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

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

KPMG LLP

September 15, 2000

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

| <u>Grant Title</u> | <u>Federal CFDA Number</u> | <u>Grant Number</u> | <u>Expenditures</u> |
|---|------------------------------------|----------------------------|---------------------|
| U.S. Department of Agriculture | | | |
| Passed through Ender York, Inc. of Herdon, Virginia: Food Distribution (Cash in lieu of Commodities) | 10.550 | N/A | \$ 769,696 |
| Passed through Louisiana Department of Education - Child Nutrition Cluster: | | | |
| School Breakfast Program | 10.553 | N/A | 1,925,599 |
| National School Lunch Program | 10.555 | N/A | 7,286,889 |
| Summer Food Program for Children | 10.559 | N/A | 375,236 |
| After School Care | 10.555 | N/A | 22,810 |
| | | | <u>10,380,230</u> |
| U.S. Department of Education | | | |
| Passed through Louisiana Department of Education: | | | |
| Adult Education - State Grant Program | 84.002A | 00-AE-09-GF 00-AE-09-F | 257,413 |
| Title I Grants to Local Educational Agencies Special Education Cluster: | 84.010 | 00-T2-09-1 | 10,662,538 |
| Grants to States (Part B) | 84.027 | 00-81-09-5 | 3,226,600 |
| Preschool Grants | 84.173 | 00-P1-09-S | 232,555 |
| Special Education - Grants to States (Part C) | 84.181 | 00-H3-09-3 | 20,426 |
| Vocational Education: | | | |
| Basic Grants to States | 84.048A | SB09/99-00 | 736,782 |
| Tech-Prep Education | 84.243 | 00-VE-09-3FE | 180,796 |
| Innovative Education Program Strategies - Title VI | 84.298A | 00-00-09-6 | 286,992 |
| Title II (Eisenhower Professional Development) | 84.281 | 99-IASA-09-II | 293,040 |
| Title IV (Safe and Drug-Free Schools - State Grant) | 84.186 | 00-70-09-00 | 287,241 |
| Louisiana Learn: | | | |
| State and Local Education Systematic Improvement Grants and Teacher Subgrants | 84.276 84.276A | 280061-09-L 00-LPD-09-F | 231,468 |
| Even Start - Family Literacy | 84.213 | CFMS:547969 | 137,797 |
| Education for Homeless Children and Youth (McKinney Homeless Assistance) | 84.196A | 00-H1-09-1 | 58,619 |
| Comprehensive School Reform Demonstration Program | 84.332A | 99-T2-09-1C 99-FIE-09-C | 130,654 |
| Class Size Reduction Program - Title VI | 84.340A | 01-01-09 | 1,302,538 |
| Red River Partners at Work | 84.278E | V278E70017-00 | 179,494 |
| Red River Partners - Vocational | 84.278E | V278E70017-00 | 4,574 |
| | | | <u>18,229,527</u> |

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

| <u>Grant Title</u> | <u>Federal CFDA Number</u> | <u>Grant Number</u> | <u>Expenditures</u> |
|--|------------------------------------|-------------------------|----------------------|
| U.S. Department of Health and Human Services | | | |
| Passed Through the Louisiana Department of Education: | | | |
| Child Care and Development Block Grant (Starting Points Preschool) | 93.575 | CFMS-547969 | \$ 196,712 |
| Title XIX | 93.714 | N/A | 236,234 |
| Passed Through the Office of Family Support: | | | |
| Family Support Act - Project Independence | 93.781 | CFMS-548586 | 549,410 |
| | | | <u>982,356</u> |
| U.S. Department of Labor | | | |
| Passed Through the City of Shreveport: | | | |
| Job Training Partnership Act (JTPA) | 17.250 | E9005, B9000 | <u>113,233</u> |
| U.S. Department of Defense Direct Programs | | | |
| Department of the Army: | | | |
| ROTC | N/A | N/A | <u>762,615</u> |
| Other Cash Federal Awards | | | |
| Payment in Lieu of Taxes | N/A | N/A | <u>28,778</u> |
| Noncash Federal Awards - U.S. Department of Agriculture | | | |
| Passed Through Louisiana Department of Agriculture and Forestry - Food Distribution (Commodities) | 10.550 | N/A | <u>3,659</u> |
| Total | | | <u>\$ 30,500,398</u> |

See accompanying notes to schedule of expenditures of federal awards.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

(1) General

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

(2) Noncash Programs

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

Section 1 – Summary of Auditors’ Results

Financial Statements

Type of report issued: unqualified opinion

Internal control over financial reporting:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? None reported

Type of auditor’s report issued on compliance for major program: unqualified opinion

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

Identification of major programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|--|
| 84.010 | Title I Grants to Local Educational Agencies |
| 84.340 | Class Size Reduction Program – Title VI |
| 84.027 and 84.173 | Special Education Cluster: United States Department of Education – Special Education – Grants to States (IDEA, Part B); Preschool Grants (IDEA Preschool) |

Dollar threshold used to distinguish between Type A and Type B programs: \$915,012

Auditee qualified as a low-risk auditee? Yes

Section 2 – Financial Statement Findings

None

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

Section 3 – Federal Award Findings and Questioned Costs

None



333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

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Independent Accountants' Report on Applying Agreed-Upon Procedures

Members of the Caddo Parish School Board
Shreveport, Louisiana:

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board solely to assist the Caddo Parish School Board in evaluating the effectiveness of the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (CEEF) (a nonexpendable trust fund of the Caddo Parish School Board) for the year ended June 30, 2000. 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 Caddo Parish School Board. 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.

Procedures:

1. Obtained the balances and a detail of the activity of the CEEF funds as of and for the year ended June 30, 2000 (Attachment 1).
2. Randomly selected eleven receipts from riverboats covering nine months during the fiscal year ended June 30, 2000 and totaling \$739,303 or 63.5% of total boarding fees collected to determine that (LSA-R.S. 4:552):
 - a. An admission fee of up to three dollars per passenger was levied by the riverboats in Caddo Parish.
 - b. The Caddo Parish School Board received 12.5% of the revenues collected by the riverboats in Caddo Parish for such boarding fee.
3. Tested the CEEF's general ledger and supporting documents to ascertain that (LSA-R.S. 17:408.1A):
 - a. The CEEF was established.
 - b. The CEEF is a permanent trust fund.
 - c. The bank account for the CEEF is in the official repository of the Caddo Parish School Board.
 - d. The monies in the CEEF were held and invested on behalf of the Caddo Parish School Board.
 - e. The investment income from the CEEF account was withdrawn by the Caddo Parish School Board only during January of the calendar year.



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4. Tested the CEEF's records to ascertain that (LSA-R.S. 17:408.1B):
 - a. The monies in the CEEF were invested in the same manner as monies in the state general fund.
 - b. The amount of earnings in the CEEF was kept account of separately from the fund principal.
5. Obtained a detail of the activity of the CEEF funds at each individual school (Attachment 2). From this we randomly selected and tested the disbursements from fifteen schools totaling \$26,640.25 or 46.6% of total CEEF disbursements to determine that CEEF earnings were expended solely for the purposes of instructional enhancement as defined below:

Enhancement may include:

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

Enhancement may not include:

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

6. Recalculated the amount of interest being removed from the CEEF.
7. Agreed the amount of interest removed from the CEEF to the amount deposited into the General Fund for disbursement to the schools.
8. Obtained an understanding of the process for distributing and approving CEEF disbursements.

Findings:

1. No exceptions.
2. Effective July 1, 1997, the method of calculating fees to be assessed from the two riverboats in Caddo Parish was changed under two contractual agreements entered into by the riverboats and the City of Shreveport and the Caddo Parish Commission. Even though the School Board began accepting revenues as calculated under these contractual agreements in April 1998, the School Board chose not to participate as a party in either of the contractual agreements.

School Board personnel have performed an analysis to determine the effects of the changes in the calculation of the fees, specifically, the change in the amount of revenue received by the CEEF fund. According to their analysis, the calculation under the two contractual agreements will equal or exceed the amount of revenue received by the CEEF fund under the calculation specified in the statute. In addition, because the School Board was not a party to the contracts between the

riverboats and the City of Shreveport and the Caddo Parish Commission, it is the opinion of management and legal counsel of the School Board that the School Board will not be prohibited from reverting to the calculation as specified in LSA-R.S. 4:552 in the event that the calculations specified in the contractual agreements cease to be beneficial to the CEEF fund.

3. No exceptions noted.
4. No exceptions noted.
5. During our review of copies of invoices for disbursements, we noted two schools had disbursements that were for meals for students as follows: Judson - \$667.60 and Keithville - \$299.83. While the schools represented these expenditures were for instructional enhancement, the documentation certified to the School Board did not provide any justification for these expenditures. We recommend that the School Board require the schools to document their reasoning for expenditures that are not clearly for instructional enhancement. This information should be attached to the annual certification provided by the schools to Central Office.
6. No exceptions noted.
7. We noted the transfer of interest from the CEEF to the General Fund with no exceptions. However, previous policy has been that annually CEEF funds are transferred to each individual school for disbursement. The Legislative Auditor took exception to this process in its report dated February 18, 2000. As a result, no such transfers were made during the fiscal year ended June 30, 2000. An Attorney General's opinion has been obtained which states the School Board may not transfer CEEF monies to individual schools. We recommend the School Board comply with the opinion and establish a process for approving, recording, and accounting for CEEF expenditures by school.
8. Historically, CEEF funds were transferred to each individual school. Each school determined how the funds were to be spent, approved and made disbursements and maintained continuing balances. As stated in item 7, no transfers were made to the schools in fiscal 2000. Annually, each school certifies the activity of their CEEF funds to Central Office. The certification summarizes the activity of the school's CEEF funds and the principal signs certifying that the funds were spent in accordance with Act 743 of 1995. Attached to each certification is a copy of the invoice. Central Office reviews the certifications and requests any additional information necessary. In several instances we noted that the copies of invoices provided to Central Office did not contain a clear explanation of individual disbursements. This occurred often when only a receipt was submitted with only code references. In conjunction with establishing a method of accounting for the use of the CEEF within the Central Office, we recommend that each school provide a clear explanation of each disbursement as part of the funding request. In addition, the summary of activity of CEEF funds by school (Attachment #2) prepared by Central Office does not provide sufficient detail of the expenditures. For instance, this information should provide a general description of the expenditure and corresponding amount.

* * * * *

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the effectiveness of the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (a nonexpendable trust fund of the Caddo Parish School Board) for the year ended June 30, 2000. 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 information and use of the specified users referred to in the first paragraph of this report and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 13, 2000

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Balance Sheet - Caddo Educational Excellence
Nonexpendable Trust Fund

June 30, 2000

Assets

| | | |
|--|----|------------------|
| Cash held at Bank One | \$ | 423,145 |
| Investments - Federal Home Loan Bank Discount Note | | 4,780,136 |
| Accrued interest on Discount Note | | 87,803 |
| | | <hr/> |
| Total assets | \$ | <u>5,291,084</u> |

**Liabilities
and Fund Balance**

| | | |
|---|----|------------------|
| Liabilities | \$ | - |
| Fund balance - reserved for instructional enhancement | | 5,291,084 |
| | | <hr/> |
| Total liabilities and fund balance | \$ | <u>5,291,084</u> |

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings -
Caddo Educational Excellence - Nonexpendable Trust Fund

For the year ended June 30, 2000

| | |
|---|----------------------------|
| Operating revenue: | |
| Fees: | |
| Harrah's | \$ 879,555 |
| Casino Magic | 285,420 |
| Total operating revenues | <u>1,164,975</u> |
| Operating expenses: | |
| Administration | 166 |
| Total operating expenses | <u>166</u> |
| Operating income | 1,164,809 |
| Nonoperating revenue - investment income | <u>253,161</u> |
| Income before operating transfers | 1,417,970 |
| Operating transfers from/(to) other funds | <u>(207,658)</u> |
| Net income | 1,210,312 |
| Retained earnings at beginning of year | <u>4,080,770</u> |
| Retained earnings at end of year | <u><u>\$ 5,291,082</u></u> |

CEEF 1999 - 2000

Expenditures

| SCHOOL | CEEF Balance | Funds | | | Computers/ | | | Profess. | | Total | CEEF Bal. |
|---------------------|--------------|-----------|----------|------------|------------|--------------|-----------|----------|----------|----------|-----------|
| | 6/30/99 | Available | M&S | Technology | Training | Dev. Of Tea. | Exemplary | 6/30/00 | | | |
| ARTHUR CIRCLE | 1,877.65 | 1,877.65 | 1,877.65 | | | | | | 1,877.65 | 0.00 | |
| ATKINS | 1,861.65 | 1,861.65 | 332.50 | | | | | | 332.50 | 1,529.15 | |
| BARRET | 2,065.06 | 2,065.06 | 0.00 | | | | | | 0.00 | 2,065.06 | |
| BETHUNE | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| BICKHAM | 2,026.40 | 2,026.40 | 423.44 | | | 959.00 | | | 1,382.44 | 643.96 | |
| BLANCHARD | 1,005.65 | 1,005.65 | 846.19 | | | | | | 846.19 | 159.46 | |
| BROADMOOR | 2,378.19 | 2,378.19 | 0.00 | 2,377.65 | | | | | 2,377.65 | 0.54 | |
| BYRD | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| CADDO CAREER CTR. | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| CADDO EXCEPTIONAL | 4,223.67 | 4,223.67 | 1,580.77 | | | | | | 1,580.77 | 2,642.90 | |
| CADDO HEIGHTS | 1,978.05 | 1,978.05 | 1,424.36 | | | 553.00 | | | 1,977.36 | 0.69 | |
| CADDO MAGNET HIGH | 2,377.65 | 2,377.65 | 628.82 | 1,064.90 | | | | | 1,693.72 | 683.93 | |
| CADDO MIDDLE MAGNET | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| CAPTAIN SHREVE | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| CENTRAL | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| CHEROKEE PARK | 1,889.60 | 1,889.60 | 0.00 | | | | | | 0.00 | 1,889.60 | |
| CLAIBORNE | 1,877.65 | 1,877.65 | 0.00 | 1,877.65 | | | | | 1,877.65 | 0.00 | |
| J. S. CLARK | 623.78 | 623.78 | 486.78 | | 137.00 | | | | 623.78 | 0.00 | |
| CRESWELL | 221.65 | 221.65 | 0.00 | | | | | | 0.00 | 221.65 | |
| EDEN GARDENS | 3,851.25 | 3,851.25 | 1,295.00 | | | | | | 1,295.00 | 2,556.25 | |
| EIGHTY-FIRST STREET | 2,256.64 | 2,256.64 | 549.92 | 1,069.00 | | | | | 1,618.92 | 637.72 | |
| FAIRFIELD | 868.00 | 868.00 | 152.38 | | 115.00 | | 484.36 | | 751.74 | 116.26 | |
| FAIR PARK | 1,806.21 | 2,006.05 | 150.00 | | | | 334.20 | | 564.20 | 1,441.85 | |
| FOREST HILL | 2,377.65 | 2,377.65 | 0.00 | | | | | | 0.00 | 2,377.65 | |
| GREEN OAKS | 1,674.84 | 1,674.84 | 1,674.84 | | | | | | 1,674.84 | 0.00 | |
| HAMILTON TERRACE | 2,377.65 | 2,377.65 | 0.00 | | | | | | 0.00 | 2,377.65 | |
| HENDRIX | 1,214.51 | 1,214.51 | 555.76 | | | | | | 555.76 | 658.75 | |
| HERNDON | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 | |
| HILLSDALE | 2,243.75 | 2,243.75 | 0.00 | | | | | | 0.00 | 2,243.75 | |
| HOLLYWOOD | 1,741.22 | 1,991.21 | 0.00 | 1,098.99 | 825.19 | | | | 1,924.18 | 67.03 | |
| HOSSTON | 1,255.98 | 1,255.98 | 1,255.69 | | | | | | 1,255.69 | 0.29 | |
| HUNTINGTON | 1,388.91 | 1,388.91 | 1,388.91 | | | | | | 1,388.91 | 0.00 | |
| INGERSOLL | 2,232.20 | 2,232.20 | 0.00 | | | | | | 282.32 | 1,949.88 | |
| JUDSON | 1,877.65 | 1,877.65 | 11.13 | 1,010.00 | 505.74 | | | | 1,876.87 | 0.78 | |
| KEITHVILLE | 3,588.56 | 3,588.56 | 0.00 | | | | | | 577.83 | 3,010.73 | |
| LAKESHORE | 1,881.75 | 1,881.75 | 368.60 | | | | | | 368.60 | 1,513.15 | |
| LAUREL ST. | 1,877.65 | 1,877.65 | 0.00 | 1,877.65 | | | | | 1,877.65 | 0.00 | |
| LINEAR | 2,018.05 | 2,018.05 | 0.00 | 0.00 | | | | | 0.00 | 2,018.05 | |

CEEFF 1999 - 2000

Expenditures

| SCHOOL | CEEFF Balance | Adjustments | | | Funds | M&S | Computers/ Technology | Training | Profess. Dev. Of Tea. | Exemplary Programs | Total | CEEFF Bal. |
|--------------|--------------------|-----------------|------|---------------------|--------------------|--------------------|--------------------------|-------------------|--------------------------|-----------------------|--------------------|--------------------|
| | 6/30/99 | | | Available | Available | | | | | | | 6/30/00 |
| LINWOOD | 1,556.59 | 0.00 | 0.00 | 1,556.59 | 0.00 | | | | | | 0.00 | 1,556.59 |
| MIDWAY | 2,376.19 | 0.00 | 0.00 | 2,376.19 | 463.32 | 899.95 | | | | | 1,363.27 | 1,012.92 |
| MOORETOWN | 1,877.65 | 0.00 | 0.00 | 1,877.65 | 1,629.55 | 151.57 | | | | | 1,791.12 | 86.53 |
| MOORINGSPO | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| NORTH CADD | 1,898.61 | 0.00 | 0.00 | 1,898.61 | 473.85 | | | | 214.56 | | 688.41 | 1,210.20 |
| NORTH HIGHL | 1,877.65 | 0.00 | 0.00 | 1,877.65 | 1,020.46 | 857.19 | | | | | 1,877.65 | 0.00 |
| NORTHSIDE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| NORTHWOOD | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| OAK PARK | 1.51 | 0.00 | 0.00 | 1.51 | 0.00 | | | | | | 0.00 | 1.51 |
| OIL CITY | 109.19 | 0.00 | 0.00 | 109.19 | 109.19 | | | | | | 109.19 | 0.00 |
| PINE GROVE | 8.28 | 0.00 | 0.00 | 8.28 | 0.00 | | | | | | 0.00 | 8.28 |
| QUEENSBOR | 294.21 | 0.00 | 0.00 | 294.21 | 235.56 | | 18.55 | | | | 254.11 | 40.10 |
| RIDGEWOOD | 2,106.62 | 0.00 | 0.00 | 2,106.62 | 9.00 | 2,072.00 | | | | | 2,081.00 | 25.62 |
| RIVERSIDE | 74.11 | 0.00 | 0.00 | 74.11 | 0.00 | | | | 74.11 | | 74.11 | 0.00 |
| SHREVE ISL | 872.35 | 0.00 | 0.00 | 872.35 | 68.35 | | 804.00 | | | | 872.35 | 0.00 |
| NEWTON SM | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| SOUTH HIGHL | 2,451.25 | 0.00 | 0.00 | 2,451.25 | 24.99 | | | 730.00 | | | 754.99 | 1,696.26 |
| SOUTHERN H | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| SOUTHWOOD | 2,876.40 | 1.36 | 0.00 | 2,877.76 | 0.00 | 2,877.76 | | | | | 2,877.76 | 0.00 |
| A.C. STEERE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| STONER HILL | 1,877.65 | 0.00 | 0.00 | 1,877.65 | 1,695.65 | 182.00 | | | | | 1,877.65 | 0.00 |
| SUMMERFIELD | 2,081.68 | 0.00 | 0.00 | 2,081.68 | 0.00 | | | | | | 0.00 | 2,081.68 |
| SUMMER GRO | 2,302.65 | 0.00 | 0.00 | 2,302.65 | 0.00 | | | | | | 0.00 | 2,302.65 |
| SUNSET AC | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| TIMMONS | 2,362.15 | 0.00 | 0.00 | 2,362.15 | 653.07 | | | | | | 653.07 | 1,709.08 |
| TURNER | 2,877.65 | 0.00 | 0.00 | 2,877.65 | 495.61 | | | | | | 495.61 | 2,382.04 |
| UNIVERSITY | 1,883.25 | 0.00 | 0.00 | 1,883.25 | 1,266.25 | | | 617.00 | | | 1,883.25 | 0.00 |
| VIVIAN | 1,557.74 | 0.00 | 0.00 | 1,557.74 | 442.23 | 249.99 | | | | 53.84 | 746.06 | 811.68 |
| WALNUT HILL | 2,877.65 | 30.00 | 0.00 | 2,907.65 | 0.00 | 2,907.65 | | | | | 2,907.65 | 0.00 |
| B.T. WASHING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 0.00 | 0.00 |
| WERNER PARK | 2,378.97 | 0.00 | 0.00 | 2,378.97 | 1,117.53 | | | | | | 1,117.53 | 1,261.44 |
| WEST SHREVE | 1,502.60 | 0.00 | 0.00 | 1,502.60 | 732.55 | | | | 149.00 | | 881.55 | 621.05 |
| WESTWOOD | 1,889.52 | 0.00 | 0.00 | 1,889.52 | 100.00 | | | | | | 100.00 | 1,789.52 |
| WOODLAWN | 2,401.25 | 0.00 | 0.00 | 2,401.25 | 0.00 | | | | | 799.50 | 799.50 | 1,601.75 |
| YOUREE DRIVE | 4,351.16 | 0.00 | 0.00 | 4,351.16 | 502.13 | | | | | | 502.13 | 3,849.03 |
| HARVILLE/O | 1,889.38 | 0.00 | 0.00 | 1,889.38 | 542.14 | 885.18 | 462.06 | | | | 1,889.38 | 0.00 |
| | <u>\$11,553.03</u> | <u>\$481.19</u> | | <u>\$112,034.22</u> | <u>\$26,584.17</u> | <u>\$21,469.13</u> | <u>\$2,867.54</u> | <u>\$4,286.99</u> | | <u>\$1,971.73</u> | <u>\$57,179.56</u> | <u>\$54,854.66</u> |



RECEIVED
12/25/00

01 JAN 25 AM 8:47

Post Office Box 32000
1961 Midway Street
Robert E. Schiller, Ed. D.
Superintendent

CADDO PARISH SCHOOL BOARD

SHREVEPORT, LOUISIANA 71130 - 2000
January 19, 2001

AREA CODE 318
TELEPHONE 636-0210
FAX 631-5241

JOHNNY VANCE, JR.
President
841 Wilton Place
Shreveport, LA 71107
District 2

MARK MILAM
First Vice President
1525 Cambridge
Shreveport, LA 71105
District 9

PHILLIP R. GUIN
Second Vice President
P.O. Box 1414
Blanchard, LA 71009
District 1

GINGER ARMSTRONG
9800 Chase Way
Shreveport, LA 71118
District 11

JUDY D. BOYKIN
P. O. Box 80156
Shreveport, LA 71148
District 10

JERRY TIM BROOKS
4505 Curtis Lane
Shreveport, LA 71109
District 7

WILLIE D. BURTON
417 Indian Trail
Shreveport, LA 71107
District 3

MILES HITCHCOCK, Sc.D.
3336 Pines Road
Shreveport, LA 71119
District 12

ALVIN MIMS
633 Eden Boulevard
Shreveport, LA 71106
District 6

MIKE POWELL
3320 Youree Drive
Shreveport, LA 71105
District 8

MILDRED B. PUGH
3803 Michigan Boulevard
Shreveport, LA 71109
District 5

MICHAEL J. THIBODEAUX
3620 Madison Park
Shreveport, LA 71104
District 4

Mr. Steven C. Gullatt, CPA
KPMG LLP
333 Texas Street, Suite 1900
Shreveport, Louisiana 71101-3692

Dear Mr. Gullatt:

In response to your December 13, 2000 Report on Agreed Upon Procedures regarding the Caddo Educational Excellence Fund, we are providing responses to your findings:

Finding

- 2. An analysis of fee collections will be performed to determine if the current calculation is still beneficial to the CPSB.
- 5. Since the law contains no clear definition of exemplary programs of instruction, principals had some latitude in their decisions. School directors reviewed expenditures to ensure compliance with legal requirements.
- 7. We will comply with the Attorney General's opinion. Individual school accounts will be established and will be maintained at the central office. Procedures will be developed to require the school director's approval prior to expenditure.
- 8. Since funds will be disbursed from the central office in the future, detailed expenditure records will be available.

Should you have further questions, please contact Ben Wreyford, Director of Finance, at (318) 632-6330.

Sincerely,

Robert E. Schiller, Ed.D.
Superintendent

Ben Wreyford
Director of Finance

BW:mt
12-01
Copy to: Board Members
*Legislative Auditor
Dwight Collier



333 Texas Street, Suite 1900
Shreveport, LA 71101-3692

RECEIVED
LEGISLATIVE AUDITOR
2001 JAN -3 PM 2:53

December 13, 2000

The Members of the Caddo
Parish School Board
Shreveport, Louisiana:

We have audited the financial statements of the Caddo Parish School Board (School Board) for the year ended June 30, 2000 and have issued our report thereon dated September 15, 2000. In planning and performing our audit of the financial statements of Caddo Parish School Board, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

CADDO EDUCATIONAL EXCELLENCE FUND

During the year, the Legislative Auditor performed a limited examination of the Caddo Educational Excellence Fund (CEEF) and issued a report with their findings dated February 18, 2000. In their report, they took exception to three issues as follows (1) the School Board's policy of transferring CEEF earnings to individual schools, (2) use of CEEF monies for copier rental/maintenance, purchase of copiers, overhead projection bulbs and security system equipment and installation, which in their opinion was in violation of state law, and (3) detailed information relating to the collection, investment, and individual schools' specific expenditures not being adequately reported.

It is our understanding that the School Board has obtained an Attorney General's opinion related to the first two findings. In that opinion, the Attorney General has stated that the School Board cannot transfer CEEF monies to individual schools. However, during the year no such transfers were made to individual schools pending a response from the Attorney General. We recommend the School Board no longer transfer monies to individual schools and design a process to account for CEEF monies at Central Office.

In addition, the opinion approved the expenditures noted above. However, as part of our engagement, we performed certain procedures agreed upon by the School Board as it relates to CEEF and issued a separate letter dated December 13, 2000. In this letter, we noted disbursements for lunches for straight A and 4.0 students that were not supported by a justification that explained why these expenditures are for instructional enhancement. In addition, we noted that the controls and record keeping of the CEEF funds could be strengthened.



Our letter dated December 13, 2000, contains two attachments with certain detailed information relating to the collection, investment and individual schools' expenditures requested by the Legislative Auditor. However, the individual schools' expenditures provided is not specific. As recommended in our separate letter, the School Board should consider revising the annual certification required by each school or the approval process to require more detailed information for specific expenditures (i.e. Fair Park High School – three Dell Computers \$3,125, etc.). Using this, the School Board should prepare an annual report with specific expenditures for each school.

Our letter more fully describes the findings and recommendations we noted as it relates to CEEF and should be read in conjunction with this comment. We recommend the School Board address our findings in our separate letter.

Management's Response: A new process will be designed to account for CEEF expenditures at the Central Office. The approval process will be strengthened to ensure that expenditures are in compliance with regulations. Our detailed responses to each of your findings are addressed in a separate letter.

COMPREHENSIVE LISTING OVER FIXED ASSETS

During fixed asset testwork, KPMG agreed 25 newly purchased Special Education assets to the comprehensive fixed asset listing maintained by Central Office. During this testwork, the following instances were noted:

- One item had a tag number different from that noted on the listing
- Several items had no serial numbers noted on the listing

KPMG recognizes the Accounting Department has made significant progress in updating fixed assets records. Yet, in order to have better control over assets owned by the School Board and due to recent findings by the State Department of Education, KPMG continues to encourage the Central Office to work in conjunction with those at the program level over fixed assets to ensure all necessary information is maintained at the Central Office level.

Management's Response: The Accounting Department will continue its efforts to obtain complete and accurate information from schools and departments to ensure that fixed assets are properly recorded.

DOCUMENTATION AND SUPPORT OF PAYROLL RELATED COSTS UNDER OMB CIRCULAR A-87

According to OMB Circular A-87, for employees who work solely on a single Federal award, charges for their salaries and wages must be supported by periodic certifications that the employees worked solely on that program for the period covered by certification. These certifications must be prepared at least semi-annually and signed by an employee or supervisory official having first hand knowledge of the work performed by the employee. Based on our discussion with School Board officials, these certifications are not currently being made.

Also, when employees work on multiple activities, a distribution of their salaries and wages must be supported by personnel activity reports or equivalent documentation which meet certain standards. These standards include personnel activity reports that reflect an after-the-fact distribution of the actual activity of each employee. Based on our discussion with School Board officials, the School Board uses estimates to allocate salaries among different programs, not actual time spent.

In order to address these issues, the School Board should begin requiring the certifications be made on a semi-annual basis for all employees whose salaries are charged to federal programs.

Management's Response: We are in the process of this verification for the first semester and will continue on a semi-annual basis.

CLASS SIZE REDUCTION

During the year, the School Board received federal funding under a new program, "Class Size Reduction". The Class Size Reduction Program is an initiative to help schools improve student learning by hiring additional, highly qualified teachers so that children—especially those in the early elementary grades—can attend smaller classes. During our audit we noted that because this program is new, there exist some opportunities to strengthen internal controls for this grant. Generally, we noted that controls could be strengthened by additional documentation of reviews, compliance and achievement of goals.

Each principal provides information to the director of the program to determine their classroom sizes before and after the award. We recommend that the director initial this information to document his/her review and acceptance of this information. In addition, we also noted that the School Board must use a minimum of 82 percent of their funds to recruit, hire and train certified classroom teachers in order to reduce the class size in the targeted grades or subjects. During fiscal 2000, approximately 97% of the School Board's expenditures were payroll-related and thus in compliance with this requirement. However, we did not observe any documentation of the School Board's monitoring of this compliance with this requirement. We recommend that the School Board periodically review compliance and document its review. Because the purpose of the program is to achieve smaller classes over a period of time, we would also recommend that the School Board document its progress toward achieving this goal by follow-up calculations.

Management's Response: The program director will document review of class sizes before and after the award. Compliance with program regulations will be monitored and progress in achieving program goals will be documented.

TITLE I

During our audit we reviewed the School Board's process for complying with the reporting requirements for the Title I program. The project completion reports are due to the state by December 31st. During our audit we noted that the 1999 project completion reports for one of the Title I programs, Fund 1599, was not submitted until September 2000. Our understanding is that this delay was approved by the state; however, the School Board could not provide any documentation evidencing this approval. We recommend that the School Board obtain documentation in instances such as this where waivers are obtained for requirements of federal programs.

Management's Response: In the future, documentation will be obtained when waivers are granted.

NEW REPORTING MODEL – GASB 34

After years of study and consideration of the needs of users of government financial statements, the Governmental Accounting Standards Board (GASB) issued its revolutionary new reporting model in June 1999. The new model dramatically changes the presentation of governments' external financial statements. In the GASB's view, the objective of the new model is to enhance the clarity and usefulness of government financial statements to the citizenry, oversight bodies, investors and creditors. It will substantially affect the School Board's financial data accumulation and financial statement presentation processes. Some of the key aspects of the changes follow:

Management's Discussion and Analysis (MD&A) – A comprehensive MD&A will now be included as required supplementary information. The MD&A will introduce the financial statements by presenting an analysis of the government's financial performance for the year and its financial position at year end. The MD&A will be *in addition* to the transmittal letter currently required for Government Finance Officers Association (GFOA) award candidates, such as your School Board, but we expect that the GFOA will make changes in their requirements so as to avoid any duplication between the two documents.

Government-Wide Reporting – The School Board will be required to report financial operations and net assets, not only at the fund perspective for governmental activities, but will also have to prepare statements at the government-wide level. This level will distinguish between government and business type activities. *All* information at the government-wide level will be reported using the economic resources measurement focus and accrual basis of accounting, as enterprise funds do under the current model. Fiduciary activities will be excluded from the government-wide level of reporting. General government fixed assets and long-term liabilities of the government will need to be reported with all other governmental assets and liabilities.

Statement of Activities – Governments will now be required to use a "net program cost" format for the government-wide statements instead of a traditional operating statement. This new format groups revenues and expenses by functional categories (such as public safety, public works, etc.). The purpose of the new statement is to inform readers about the cost of specific functions and the extent to which they are financed with program revenues or general revenues of the government. Governments will have the option of reporting both direct and indirect program costs. Depreciation expense will now generally be reflected as a cost in the statement of activities.

Fund Level Reporting – Fund level financial statements will still be required and will provide information about the School Board's fund types, including fiduciary funds and blended component units. General capital assets and general long-term liabilities will only be reported at the government-wide level. Fund level reporting will continue to focus on fiscal accountability and reflect the flows and balances of current financial resources. The modified accrual basis of accounting will continue to be used at the fund level, except for proprietary and fiduciary funds which would continue reporting based on economic resources and the accrual method of accounting. A reconciliation between the fund and the government-wide statements will be required on the face of the fund statements. Finally, proprietary fund cash flows statements must be presented using the direct method.

Presentation of Budgetary Information -- The standard requires budgetary statements for the general fund and certain other governmental funds as required supplementary information. The original adopted budget of the School Board as well as the final revised budget must be presented. Actual results on a budgetary basis will need to be reconciled to the GAAP (generally accepted accounting principles) basis on the face of the statements.

The effective date of the new pronouncement will require implementation by the School Board for its year ending June 30, 2002. The magnitude of these changes and the time required to prepare for implementation should not be underestimated. We recommend that the School Board begin to look at its systems and processes to ensure that the required information will be available to ensure timely implementation. Further, we recommend that the School Board consider the cost of required changes to its systems and processes to ensure availability of necessary funds in its upcoming budget.

Management's Response: We are aware that the new financial reporting model will require changes to our financial reports. We are preparing for the new model by reviewing literature, attending training sessions, and collaborating with other professionals and auditors to ensure compliance for the year to end June 30, 2002.

* * * * *

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the School Board's organization gained during our work to make comments and suggestions that we hope will be useful to you. We would be pleased to discuss these comments and recommendations with you at any time.

This report is intended solely for the information and use of the Members of the School Board, management, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP