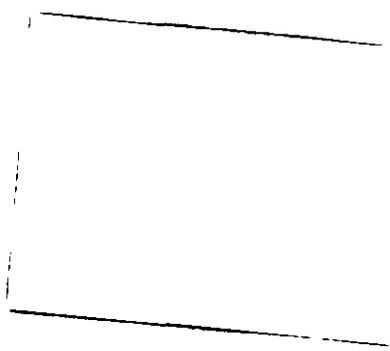


**CADDO PARISH SCHOOL BOARD**  
**Shreveport, Louisiana**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

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

Release Date 1-26-05

**Larry Ramsey**  
**President**

**Ollie S. Tyler**  
**Superintendent**

**Ben Wreyford**  
**Director of Finance**

**Prepared by the Department of Finance**

**Caddo Parish School Board  
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# INTRODUCTORY SECTION



# CADDO PARISH SCHOOL BOARD

POST OFFICE BOX 32000 • 1961 MIDWAY STREET • SHREVEPORT, LOUISIANA 71130-2000  
AREA CODE 318 • TELEPHONE 603-6300 • FAX 631-5241

Ollie S. Tyler  
Superintendent

LARRY RAMSEY  
President  
9006 Marlow Drive  
Shreveport, LA 71118  
District 10

WILLIE HENDERSON  
First Vice President  
3530 Twilight Lane  
Shreveport, LA 71119  
District 12

GINGER ARMSTRONG  
Second Vice President  
9800 Chase Way  
Shreveport, LA 71118  
District 11

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

BONITA CRAWFORD  
295 Patton Avenue  
Shreveport, LA 71105  
District 8

CHARLOTTE CRAWLEY  
4741 Thornhill  
Shreveport, LA 71106  
District 4

PHILLIP R. GUIN  
P.O. Box 1169  
Blanchard, LA 71009  
District 1

EURSLA D. HARDY  
106 Holcomb  
Shreveport, LA 71103  
District 2

LOLA MAY  
2828 Judson  
Shreveport, LA 71109  
District 5

TAMMY T. PHELPS  
622 Hoover Drive  
Shreveport, LA 71106  
District 6

LILLIAN PRIEST  
3734 Claiborne Avenue  
Shreveport, LA 71109  
District 7

BARRY F. RACHAL  
523 Rock Hollow Drive  
Shreveport, LA 71115  
District 9

## Transmittal Letter

December 6, 2004

Mr. Larry Ramsey, President  
Caddo Parish School Board Members  
and Citizens of Caddo Parish  
December 06, 2004

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Caddo Parish School Board for the year ended June 30, 2004.

This report consists of management's representations concerning the finances of the Caddo Parish School Board. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Caddo Parish School Board has established a comprehensive internal control framework that is designed both to protect the School Board's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Caddo Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Caddo Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Allen, Green, & Williamson, LLP, a firm of licensed certified public accountants, has audited the Caddo Parish School Board's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Caddo Parish School Board for the fiscal year ended June 30, 2004 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Caddo Parish School Board's financial statements for the fiscal year ended June 30, 2004 are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The Comprehensive Annual Financial Report consists of three parts – the introductory, financial, and statistical sections. The introductory section includes a transmittal letter, information on financial reporting achievements, organizational structure, recognition of the elected officials, and a list of selected administrative officials. The financial section consists of management's discussion and analysis, basic financial statements, required supplemental information, and combining non-major and individual fund statements and schedules. Included in the statistical section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the School Board for the past 10 years.

Mr. Larry Ramsey, President  
Caddo Parish School Board Members  
and Citizens of Caddo Parish  
December 06, 2004

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

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

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

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 12 members who are elected from 12 districts for concurrent terms of 4 years.

The School Board operates 73 schools within the parish with a total enrollment of approximately 42,700 pupils. 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. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The Superintendent submits an annual operating budget to the School Board at its regular meeting in June of each year. The operating budget serves as the foundation for the School Board's financial planning and control. The proposed budget is made available for public inspection at least 15 days prior to the date of a public hearing and at least one public hearing is held, as required by Louisiana law, prior to its adoption by the School Board. Budget-to-actual comparisons are provided in this report.

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** The Shreveport area is forecast to add 1,100 jobs in 2005 and 1,300 jobs in 2006 according to a new report from Louisiana State University. U. S. Support Company's recently opened call center in west Shreveport and increased employment at Beard Company are two reasons behind the rise in local employment.

Mr. Larry Ramsey, President  
Caddo Parish School Board Members  
and Citizens of Caddo Parish  
December 06, 2004

In addition, General Motors has announced that the new Hummer H3 will be built at its Shreveport plant. Production will begin in the second quarter of 2005, with the first H3's arriving in dealerships in the summer. In anticipation of the new product, GM invested about \$250 million of its recent \$1 billion expansion in tooling and equipment for the H3. It also transferred 300 employees from other plants, bringing its local job count to about 3,200 and raising the annual payroll to approximately \$160 million. Incremental increases in jobs are expected from suppliers as well, similar to the more than 1,000 new jobs created in the last two years by suppliers when production of the Colorado and Canyon began.

Construction is well underway on Shreveport's new \$90 million convention center complex and the city council has recently approved a funding plan for the construction of an adjacent 300 plus room hotel. At the LSU Medical Center, the new \$23 million Ambulatory Care Clinic is nearing completion and ground has been recently broken for a new \$12 million Allied Health Building. The Biomedical Research Center is constructing BioSpace I, Louisiana's first wet lab business incubator facility, to support life science based companies by providing unique wet lab space essential to their product lines. The \$11 million, 60,000 square foot facility should be completed in 2005. Red River Pharma will occupy the lower two floors of the facility. The company's timetable calls for an expansion to a planned new commercial manufacturing plant in 2005, to add up to 180 jobs by 2006.

Southeast Shreveport continues to be the retailing hot spot in the city. Several shopping centers are under construction or being renovated along the Youree Drive corridor, including Eastside Plaza, Kings Crossing, and The Shops at Bellmeade. Among several new retailers are Lowes, Circuit City, Hobby Lobby, Chiccos, Pier I, and numerous restaurants. Also, retailing in Southwest Shreveport appears to be stabilizing, as signaled by the relocation of Stage department store to the vacated Kmart space on Mansfield Road, and ongoing negotiations with other tenants for the remaining space.

Sales tax collections for the first four months of the fiscal year reflect a 7.5% increase over the same period in the previous year.

**Long-term financial planning.** The mission of the School Board is to improve the academic achievement of students and overall district effectiveness. While acknowledging that Caddo has many successful schools, the state's accountability plan is driving fundamental changes in instruction by demanding that schools show annual academic growth. These measures will require that elected officials and administrators provide effective leadership for the wisest use of all available resources. Planning is already underway for continued analysis of critical instructional expenditures, as well as efforts to improve the cost efficiency of support functions during the upcoming budget preparation period.

**Cash management policies and practices.** 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 U.S. 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 \$1,083,177 for the year ended June 30, 2004. This was distributed as follows:*

General Fund	\$	675,526
Special Revenue Fund – Child Nutrition Program		54,836
Parish-Wide Capital Projects Fund		236,468
Debt Service Fund		21,716
Capital Projects Fund – Qualified Zone Academy Bond Fund		1,463
CEEF Permanent Fund		93,168
	\$	<u>1,083,177</u>

Mr. Larry Ramsey, President  
Caddo Parish School Board Members  
and Citizens of Caddo Parish  
December 06, 2004

**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. A list of insurance in force is included in Table 14. The fund balance of the General Fund includes \$5,877,995 designated for contingencies established in anticipation of possible losses from lawsuits.

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

The School Board also provides postretirement healthcare and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were 2,840 retired employees received these benefits, which are financed on a fully insured basis.

Additional information on the School Board's pension arrangements and postemployment benefits can be found in note 8 in the notes to the basic financial statements.

#### **AWARDS**

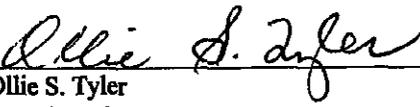
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2003. This was the 16th consecutive year that the School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

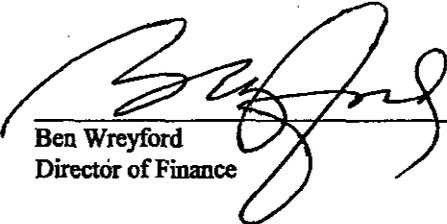
The Association of School Board Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2003. This was the 16th consecutive year that the School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

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

#### **ACKNOWLEDGEMENTS**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. 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.

  
\_\_\_\_\_  
Ollie S. Tyler  
Superintendent

  
\_\_\_\_\_  
Ben Wreyford  
Director of Finance

# 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, 2003

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.



President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

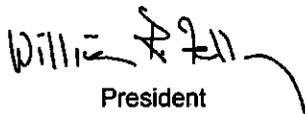


This Certificate of Excellence in Financial Reporting is presented to

**CADDO PARISH SCHOOL BOARD**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2003

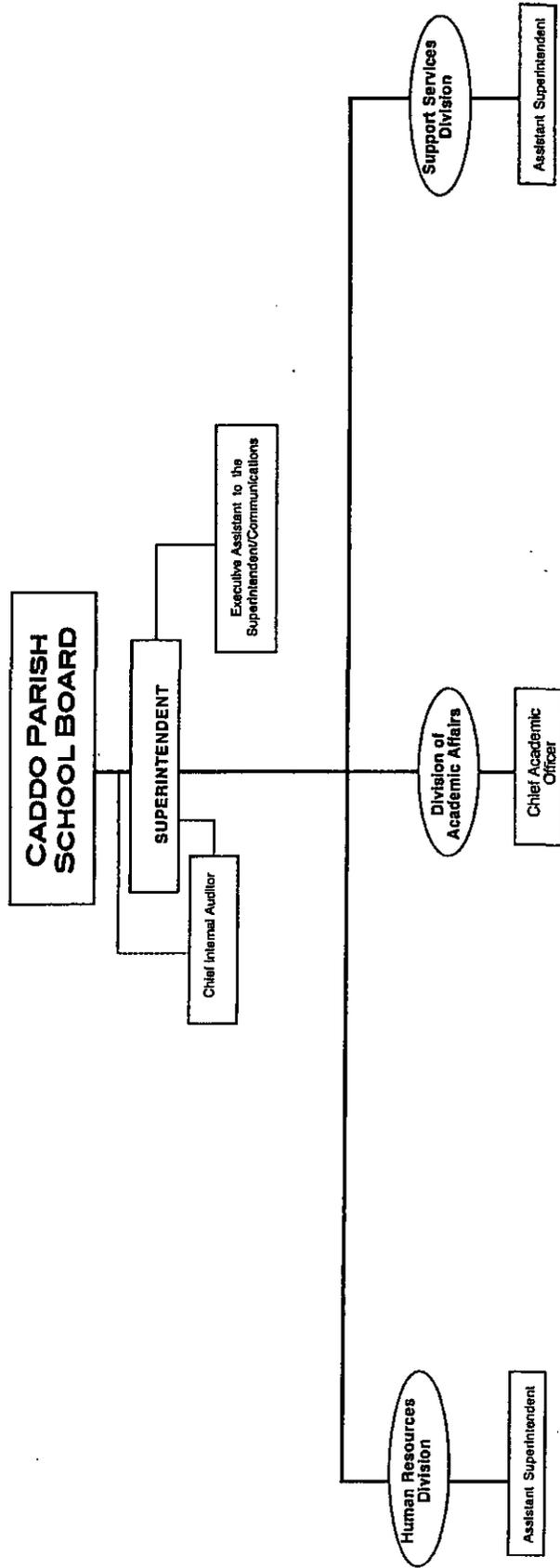
Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

  
President

  
Executive Director

Caddo Parish School Board

Organization Chart  
June 30, 2004



# The Caddo Parish School Board

## EXECUTIVE COMMITTEE



**Larry Ramsey**  
*President*  
District 10



**Willie Henderson**  
*First Vice President*  
District 12



**Ginger Armstrong**  
*Second Vice President*  
District 11



**Phillip R. Guin**  
District 1



**Eursla D. Hardy**  
District 2



**Willie D. Burton**  
District 3



**Charlotte Crawley**  
District 4



**Lola May**  
District 5



**Tammy T. Phelps**  
District 6



**Lillian Priest**  
District 7



**Bonita Crawford**  
District 8



**Barry F. Rachal**  
District 9

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

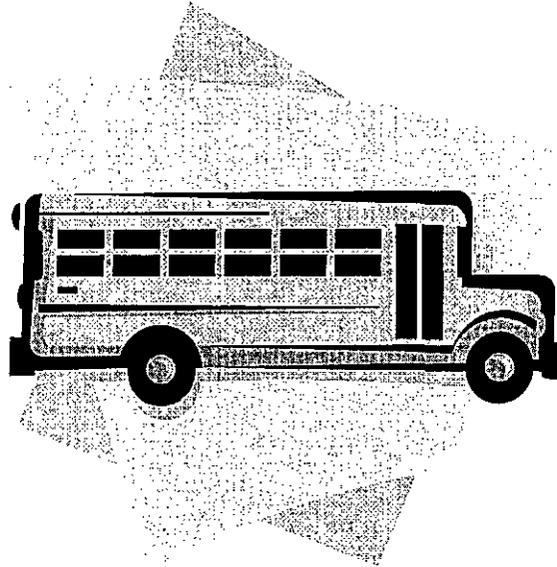
**ELECTED OFFICIALS**

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
Larry Ramsey, President	January 1, 2003	December 31, 2006	January 2003
Willie Henderson, 1 <sup>st</sup> Vice President	January 1, 2003	December 31, 2006	January 2003
Ginger Armstrong, 2 <sup>nd</sup> Vice President	January 1, 2003	December 31, 2006	January 1999
Willie D. Burton	January 1, 2003	December 31, 2006	January 1991
Bonita Crawford	March 25, 2004	December 31, 2006	March 2004
Charlotte Crawley	January 1, 2003	December 31, 2006	January 2003
Phillip R. Guin	January 1, 2003	December 31, 2006	January 1999
Eursla D. Hardy	January 1, 2003	December 31, 2006	August 2001
Lola May	January 1, 2003	December 31, 2006	January 2003
Tammy T. Phelps	January 6, 2004	December 31, 2006	January 2004
Lillian Priest	July 30, 2004	December 31, 2006	July 2004
Barry Rachal	March 25, 2004	December 31, 2006	March 2004

**SELECTED ADMINISTRATIVE OFFICIALS**

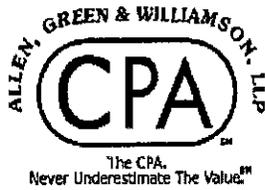
Ollie S. Tyler	Superintendent
James R. Festavan	Assistant Superintendent, Support Services
Mary Nash Robinson	Assistant Superintendent, Human Resources
Wanda Gunn	Chief Academic Officer
Ben Wreyford	Director of Finance
Jeff Howard	Chief Internal Auditor

**Caddo Parish School Board  
Shreveport, Louisiana**



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# FINANCIAL SECTION



## Allen, Green & Williamson, LLP

3100 Knight Street, Suite 9  
Shreveport, LA 71105

Telephone: (318) 741-0205

Facsimile: (318) 213-2201

Toll free: (888) 741-0205

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Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired)  
1963 - 2000

### INDEPENDENT AUDITORS' REPORT

Board Members  
Caddo Parish School Board  
Shreveport, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caddo Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board as of June 30, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated December 6, 2004, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the basic financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP  
Monroe, Louisiana

December 6, 2004

**REQUIRED SUPPLEMENTAL INFORMATION:**

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

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**Caddo Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

---

The discussion and analysis of Caddo Parish School Board's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School Board's financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended June 30, 2004, are as follows:

- **Statement of Net Assets:**  
The assets of the Caddo Parish School Board exceeded its liabilities at the close of the most recent fiscal year by \$116,151,116 (net assets). Of this amount, approximately \$21 million (unrestricted net assets) may be used to meet government's obligations to citizens and creditors.
- **Statement of Activities:**  
The total net assets of the Caddo Parish School Board increased by \$16,950,173 for the year ended June 30, 2004.
- **Governmental Funds Balance Sheet:**  
As of the close of the current fiscal year, the Caddo Parish School Board's governmental funds reported combined ending fund balance of \$66,660,132, an increase of \$7,363,594 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$25.2 million which is available for spending within the General Fund, (2) \$10.4 million which is reserved for purposes of instructional enhancement within the Caddo Educational Excellence (CEEF) Permanent Fund and Operating Special Revenue Fund, and (3) \$16.4 million which is for capital projects within the Capital Projects Funds.
- **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances:**  
Total revenues for the year ended June 30, 2004 for the governmental funds of the Caddo Parish School Board amounted to \$366,981,012. Approximately 82% of this amount is received from three major revenue sources: (1) \$170,316,567 from Louisiana's State Equalization, (2) \$76,906,342 from local ad valorem taxes, and (3) \$52,918,426 from local sales and use taxes.
- **General Fund's Ending Fund Balance:**  
At the end of the current fiscal year, unreserved fund balance for the General Fund, a major fund, was \$25,242,991, or 9% of total General Fund expenditures. Approximately \$6.9 million (designated) is set aside for future claims and contingencies and equipment replacement, while \$18 million (undesignated) is available for spending at the Caddo Parish School Board's discretion.
- **Capital Assets:**  
Total capital assets (net of depreciation) were \$118,821,527 or 53.5% of the total assets. The Caddo Parish School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- **Long-Term Debt**  
The Caddo Parish School Board's total long term debt decreased \$3,865,829 during the current fiscal year. Debt on general obligation bonds decreased by \$5,625,000. Debt on outstanding Qualified Zone Academy Bond Program decreased by \$254,545. Debt on outstanding certificates of indebtedness increased by \$5,545,000.

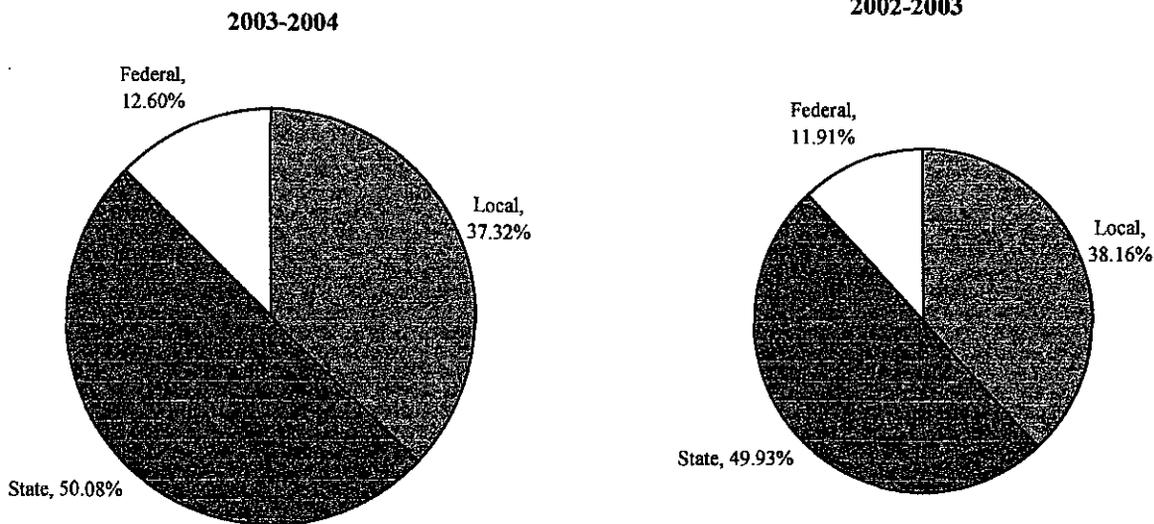
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**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

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This year, primary resources available to the school system are local revenues, primarily tax receipts, which total \$137 million or 37.3% of the total; state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling \$183.8 million or 50.1% of the total; and federal funds, totaling \$46.2 million or 12.6%. Last year, local revenues were \$132.6 million or 38.2%, while state revenues were \$173.5 million or 49.9%, and federal revenues were \$41.4 million or 11.9%.

**TOTAL REVENUES BY SOURCE**



**Overview of the Financial Statements**

This MD&A is intended to serve as an introduction to the Caddo Parish School Board's basic financial statements. The Caddo Parish School Board's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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**Caddo Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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- **Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Caddo Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Caddo Parish School Board can be divided into two categories: governmental funds and fiduciary funds.
- **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Caddo Parish School Board's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Caddo Parish School Board's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Caddo Parish School Board maintains twenty-four individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Title I, Child Nutrition Program, Miscellaneous State/Federal Grants, and Parish-wide Capital Projects, all of which are considered to be major funds. Data for the other nineteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Caddo Parish School Board adopts an annual appropriated budget for its General Fund and certain Special Revenue Funds and the Parish-wide Capital Projects Fund. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Caddo Parish School Board. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Caddo Parish School Board's own programs. The Caddo Parish School Board maintains two fiduciary funds named the School Activity Funds and the Central Office Concession.

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

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

#### **Financial Analysis of Government-wide Activities**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Caddo Parish School Board, assets exceed liabilities by \$116,151,116 at the close of the most recent fiscal year.

The largest portion of the Caddo Parish School Board's net assets totaling more than \$63 million (55%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Caddo Parish School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Caddo Parish School Board's investment in its

**Caddo Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**THE SCHOOL BOARD AS A WHOLE**

The School Board's net assets were \$116,151,116 at June, 30, 2004. Of this amount, \$20,822,964 was unrestricted net assets. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. The analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities.

**TABLE 1**  
**Net Assets (in Millions)**  
**June 30,**

	Governmental Activities		Total Percentage Change 2003-2004
	2004	2003	
Current and other assets	92.9	83.5	11.2%
Restricted assets	10.4	9.5	9.8%
Capital assets	118.8	112.7	5.4%
Total assets	<u>222.1</u>	<u>205.7</u>	8.0%
Current and other liabilities	37.8	34.3	10.1%
Long-term liabilities	68.3	72.2	-5.4%
Total liabilities	<u>106.1</u>	<u>106.5</u>	-0.4%
Net assets			
Invested in capital assets, net of related debt	63.6	58.3	9.2%
Restricted	31.6	10.9	189.1%
Unrestricted	20.8	30.0	-30.5%
Total net assets	<u>116.1</u>	<u>99.2</u>	17.0%

Restricted net assets of \$31,682,315 are reported separately to show legal constraints for the payment of outstanding long-term debt obligations and to limit the Caddo Parish School Board from using these funds for day-to-day operations. The debt service fund accounts for \$1,661,886 and capital project funds account for \$19,375,440. The remaining balance is monies restricted for instructional enhancement. Gaming receipts are collected from area riverboat casinos. State law requires the gaming receipts to be held in perpetuity; however, the investment earnings may be spent for purposes of instructional enhancement. As of June 30, 2004, the permanently restricted portion was \$10,407,616, and investment earnings were \$237,373. The remaining balance of \$20,822,964 is used to meet the Caddo Parish School Board's ongoing obligations to citizens and creditors.

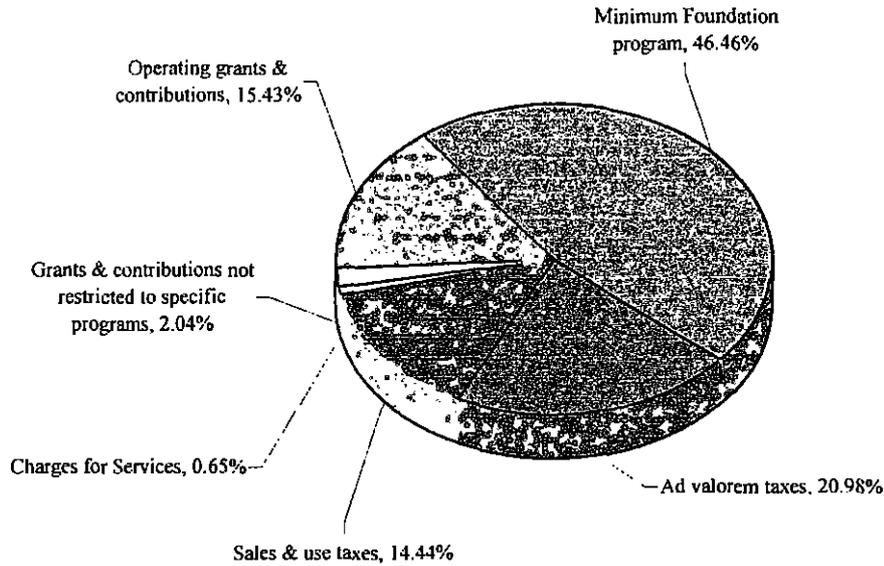
**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

**TABLE 2  
Changes in Net Assets (in millions)  
Fiscal Years Ended June 30,**

	<u>2004</u>	<u>2003</u>	<u>Total Percentage Change 2003-2004</u>
<b>Revenues:</b>			
<i>Program Revenues</i>			
Charges for Services	2.4	2.3	2.2%
Operating Grants and Contributions	56.6	49.5	14.3%
<i>General Revenues</i>			
Ad Valorem Taxes	76.9	72.5	6.1%
Sales Taxes	52.9	53.0	-0.2%
State Equalization	170.3	163.6	4.1%
Other General Revenues	7.4	6.5	13.6%
<b>Total Revenues</b>	<u>366.5</u>	<u>347.4</u>	5.5%
<b>Funtion/Program Expenses:</b>			
<i>Instruction</i>			
Regular Programs	132.6	128.8	2.9%
Special Programs	50.0	46.8	7.0%
Other Instructional Programs	21.9	26.7	-18.1%
<i>Support Services</i>			
Student Services	13.3	13.1	1.6%
Instructional Staff Support	18.0	21.6	-16.8%
General Administration	4.4	4.4	0.2%
School Administration	20.4	19.8	2.8%
Business Services	3.2	3.3	-1.3%
Plant Services	35.6	38.2	-6.8%
Student Transportation Services	23.5	16.6	41.1%
Central Services	4.4	4.2	4.7%
Food Services	19.7	19.1	3.5%
Community Service Programs	0.1	0.7	-88.7%
Interest on Long-Term Debt	2.5	2.9	-16.2%
<b>Total Expenses</b>	<u>349.6</u>	<u>346.3</u>	-84.1%
<b>Increase (Decrease) in Net Assets</b>	<u>16.9</u>	<u>1.1</u>	100.0%
<b>Net Assets - Beginning</b>	<u>99.2</u>	<u>98.1</u>	1.1%
<b>Net Assets - Ending</b>	<u>116.1</u>	<u>99.2</u>	17.0%

**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

**Revenues by Source – Governmental Activities**



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

Fiscal Year	Child Nutrition		Total MFP	Increase	
	General	Program			
2001-2002	151,575,827	4,498,000	156,073,827	5,800,412	3.9%
2002-2003	159,071,443	4,498,000	163,569,443	7,495,616	4.8%
2003-2004	165,562,566	4,754,001	170,316,567	6,747,124	4.1%

In FY 2003-2004, the School Board received \$170,316,567 or 46.4% of its total revenue from the MFP. These revenues are deposited in the General Fund and the School Food Service Fund only. Most of the \$6,747,124 or 4.1% increase was used for employee salaries and benefits.

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

**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

Fiscal Year	General	Parish-Wide		Total		Increase
		Capital Projects	Nonmajor Debt Service	Ad Valorem Taxes		
2001-2002	52,213,946	10,989,957	7,764,989	70,968,892	1,414,228	2.0%
2002-2003	53,402,918	11,169,379	7,915,877	72,488,174	1,519,282	2.1%
2003-2004	56,655,618	11,856,193	8,394,531	76,906,342	4,418,168	6.1%

In FY 2003-2004, the School Board deposited \$76,906,342 of ad valorem tax revenues into the General Fund, the Parish-Wide Capital Projects Fund and the Debt Service Fund. This represents 21% of the total revenues received. Ad valorem tax revenues in FY 2003-2004 increased by 6.1% as a result of increased property assessment values.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Caddo Parish School Board. A 1.5% sales tax rate is levied upon the sale and consumption of goods and services within the parish. The chart below lists the sales and use tax revenues for the past three years.

Fiscal Year	General Fund	Increase (decrease)	
2001-2002	51,154,258	(926,791)	-1.8%
2002-2003	53,014,154	1,859,896	3.6%
2003-2004	52,918,426	(95,728)	-0.2%

All sales and use tax revenues are deposited into the General Fund. This represents 14.4% of the total revenues received. The decrease in FY 2003-2004 resulted from a significant one-time tax settlement which was received in the prior year.

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

Fiscal Year	General	Title I Fund	Child Nutrition Fund	Misc. State/Federal Grants Fund	Nonmajor Special Revenue	Total	Increase (decrease)	
2001-2002	2,580,633	12,773,993	11,189,030	5,203,713	11,308,571	43,055,940	4,536,531	11.8%
2002-2003	4,177,183	15,050,577	11,994,498	5,767,317	12,503,476	49,493,051	6,437,111	15.0%
2003-2004	2,157,851	15,265,314	11,316,837	5,957,098	21,854,910	56,552,010	7,058,959	14.3%

In FY 2003-2004, the School Board received \$56,552,010 in operating grants and contributions. The 14.3% increase in FY 2003-2004 is the result of increased state and federal funding as follows: Title II \$2 million, Tobacco Settlement \$4.8 million, Special Education \$2.5 million, along with the net of numerous functions in other programs.

**Program Expenses and Revenues – Governmental Activities**

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

Instructional services for fiscal year 2004 totaled \$235,789,523, 67.4% of total expenditures, decreased (\$1,185,170) or 1% from fiscal year 2003. This decrease was primarily due to staff reductions in FY 2003-2004.

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**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

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Services that support the instructional services provided, such as administration, transportation, food services, and plant services are support services. Support services for fiscal year 2004 totaling \$111,297,677, 31.8% of total expenditures, increased \$4,908,233 or 5.3% from fiscal year 2003 primarily due to the purchase of 100 new school buses.

The remaining expenditures of \$2,536,789, .7% of total expenditures, consisting of interest expense on long-term obligations decreased \$393,953 or 30.4% from fiscal year 2003 primarily due to lower school interest payments.

The program revenues for fiscal year 2004 directly related to these expenses totaled \$56,552,010, which, along with \$2,396,106 in charges for services, resulted in net program expenses of \$290,675,873. These net program expenses are funded by general revenues of the Caddo Parish School Board. Program revenues increased \$7,058,959 or 14.3% from fiscal year 2003 primarily due to increased Title II, Special Education and Tobacco Settlement Funding.

#### **Financial Analysis of Governmental Funds**

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

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

As the close of the current fiscal year, the Caddo Parish School Board's governmental funds reported a combined ending fund balance of \$66,660,132, an increase of \$7,363,594 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$25.2 million available for spending within the General Fund, (2) \$10.4 million which is reserved for purposes of instructional enhancement within the Caddo Educational Excellence Fund, and (3) \$16.4 million for capital projects within the Capital Projects Funds.

The General Fund is the chief operating fund of the Caddo Parish School Board. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$25,242,991. The Caddo Parish School Board has designated 26.5% for future claims and contingencies and equipment replacement and 3.6% is reserved for encumbrances and inventory. The remaining 69.9% or \$18,298,586 (undesignated) is available for spending at the Caddo Parish School Board's discretion.

The Child Nutrition Fund has a total fund balance of \$4,817,113. A decrease of \$131,971 or 2.7% occurred during the current fiscal year. The Caddo Parish School Board has designated 61.1% for future claims and contingencies and equipment replacement and 38.9% is reserved for encumbrances and inventory.

The Title I Fund and Miscellaneous State/Federal Grants Fund have beginning and ending fund balances of \$0. These are reimbursement-type programs; therefore, revenues equal expenditures as revenues are recognized as soon as all eligibility requirements have been met. In this case, requirements have been met when allowable expenditures are made.

The Debt Service Fund has a total fund balance of \$1,661,886, all of which is reserved for the payment of debt service.

The Capital Projects Fund has a total fund balance of \$19,375,440. A net decrease of \$5,138,659 occurred during the current fiscal year largely due to expenditures of non-recurring bond proceeds.

#### ***Governmental Activities***

As reported in the Statement of Activities, the cost of all governmental activities this year was \$349,623,989.

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**Caddo Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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### **General Fund Budgetary Highlights**

The Caddo Parish School Board recognizes the importance of sound fiscal planning, as well as the technical relationship of the financial structure to the teaching of students. Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Caddo Parish School Board complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original budget for the Caddo Parish School Board was adopted on May 20, 2003, and the final budget amendment was adopted on April 20, 2004. Differences between the original budget and the final amended budget of the General Fund is as follows:

#### **Revenues**

- Ad valorem taxes were estimated at \$53,312,800 when the budget was first submitted to the Board in June 2003. The original budget was increased by \$2,472,700 as a result of an increase in the actual 2003 property assessment.
- State equalization was estimated at \$3,740 per student and an October 1st student count of 43,727. However, when the final appropriation was received from the State Department of Education in March 2004, the amount had risen to \$3,906 per student and the actual October 1st student count was 43,534, a decrease of 193 students. Included in the net increase were permanent state pay raises for support personnel of \$1,539,798 and fifty percent of Level Land 2 growth in MFP dedicated to certified employee pay raises totaling \$2,326,435. Since this is the largest source of revenue, the budget was increased \$6,496,771 only after the final appropriation was received.
- Local sales tax earnings were estimated at \$50.2million. The original budget was increased by \$1 million.

#### **Other Sources of Funds**

- A transfer in from the Technology Reserve Fund in the amount of \$774,527 to complete Phase III of the District Technology Plan increased the original budget
- Certificates of indebtedness loan proceeds totaling \$6,000,000, not originally budgeted were received for the purchase of new school buses, thus increasing the budget

#### **Expenditures**

- The original budget for instruction was increased by \$3,651,657 primarily as a result of the MFP pay raises and equipment for completion of Phase III of the District Technology Plan.
- The original budget for general administration increased by \$241,280 primarily due to the restoration of the Chief Academic Officer position and election expenses for bond approvals and board member elections.
- The budget for school administration was increased \$695,500 due to MFP pay raises and the restoration of clerical positions.
- Plant services increased \$992,298 primarily as a result of restoring maintenance positions and support employees' pay raises.
- Student transportation services were increased \$6,290,000 as a result of the purchase of 100 new buses through the issuance of certificates of indebtedness and the support of employees' pay raises.
- Central services were increased \$318,190 primarily due to the restoration of a Personnel Director position and the recollection of the costs that were approved in the original budget for an in-house substitute teacher staffing system.

**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

- The original budget projected an ending balance of \$5,068,095. The revised ending balance was \$9,204,768.
- Actual revenues were slightly higher than the final budget with a variance of only \$3.16 million from the budget of \$287,450,994.
- Total actual expenditures were under the final budget by \$1.45 million.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

For Year Ended June 30, 2004, the School Board had \$118,821,527 (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$6,127,955, or 5.4%, from last year.

Capital Assets at June30, (in Millions)

	Governmental Activities	
	2004	2003
Land	\$ 4,670,527	\$ 4,670,527
Buildings and improvements	92,699,882	86,767,903
Furniture and equipment	4,541,395	4,827,687
Transportation equipment	12,506,643	8,633,824
Construction in progress - buildings	4,403,080	7,793,631
	<u>\$ 118,821,527</u>	<u>\$ 112,693,572</u>

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

- Roofing at Huntington High, Fair Park High, Central Office, Linwood Middle, Central Elementary, West Shreveport Elementary, Keithville Elementary/Middle, Turner Elementary/Middle, Lakeshore Elementary, Claiborne Fundamental Elementary, Caddo Magnet High, Caddo Middle Magnet, Youree Drive Middle.
- Air conditioning at Vivian Elementary/Middle cafeteria, Woodlawn High gymnasium, and Caddo Career and Technology Center auditorium. Other HVAC improvements at Summerfield Elementary, University Elementary, Green Oaks High, Forest Hill Elementary, Eden Gardens Fundamental Elementary, and Southern Hills Elementary.
- Fire alarms and safety upgrades at Atkins Elementary, Caddo Career and Technology, Hosston Alternative, Keithville Elementary/Middle, North Caddo High, North Highlands Elementary, Shreve Island Elementary, University Elementary, Westwood Elementary, Broadmoor Middle Lab, Central Elementary, Fair Park High, Queensborough Elementary, Stoner Hill Elementary Lab, Walnut Hill Elementary/Middle, Building 6, Mooretown Elementary, and Southwood High.
- Telecommunications wiring at Arthur Circle Elementary, Bickham Middle, Blanchard Elementary, Judson Fundamental, Caddo Career & Technology, Caddo Magnet High, Claiborne Fundamental, Forest Hill Elementary, Green Oaks High, and A. C. Steere Elementary.
- Electrical wiring for technology at Herndon Magnet, Mooretown Elementary, Oak Terrace Alternative, Riverside Elementary, Shreve Island Elementary, Southwood High, Caddo Middle Magnet, B. T. Washington High, and Youree Drive Middle.
- Lighting retrofits at Forest Hill Elementary, Riverside Elementary, and A. C. Steere Elementary.

**Caddo Parish School Board  
Management's Discussion and Analysis (MD&A)**

- Auditorium seating at Fair Park High, J. S. Clark Middle, Youree Drive Middle, and Caddo Career Center and Technology.
- Locker room renovations at Woodlawn High.
- Waterproofing Queensborough Elementary cafeteria.
- Renovation and modifications at Alexander Learning Center.
- Renovation of Transportation Department offices.

**Debt**

**Long-Term Debt:** At end of the current fiscal year, the Caddo Parish School Board had total debt outstanding of \$55,175,690. Of the amount, \$45,250,000 comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2004 and 2003.

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

	2004	2003
General obligation bonds	\$ 45,250,000	\$ 50,875,000
Certificates of indebtedness	6,945,000	1,400,000
Qualified Zone Academy Bond Loan payable	2,927,273	3,181,819
Deferred gain on refunding	53,417	133,541
Total	<u>\$ 55,175,690</u>	<u>\$ 55,590,360</u>

Major changes in long-term debt for FY 2003-2004 fiscal year include the following:

- A decrease of \$5,625,000 in general obligation bonds payable, \$6,000,000 in certificates of indebtedness for the purchase of 100 new school buses was issued in October 2003..

For additional information regarding capital assets and long-term debt, see notes 1, 5, and 9 to the basic financial statements.

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

The following economic factors were considered when the budget for FY 2004-2005 was presented to the Board:

- A modest decline in enrollment was anticipated and state funding through the Minimum Foundation formula was projected at no increase.
- No growth over the 2003 property assessment was projected, resulting in standstill property tax revenues budgeted.
- Due to improving economic conditions, a 2% growth in sales tax revenue was projected.
- Employer's retirement contributions were projected to increase by \$7.5 million.

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**Caddo Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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**Requests for Information**

This financial report is designed to provide a general overview of the Caddo Parish School Board's finances for all those with an interest in the Caddo Parish School Board's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Ben Wreyford, Director of Finance of the Caddo Parish School Board, P.O. Box 32000, Shreveport, LA 71130-2000, or by calling (318) 603-6355.

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**Caddo Parish School Board**

**BASIC FINANCIAL STATEMENTS:**

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

CADDO PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

June 30, 2004

Statement A

GOVERNMENTAL  
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 75,887,810
Receivables (net)	16,198,412
Inventory	612,998
Prepaid items	965
Bond issuance costs, net of accumulated amortization	181,241
Restricted assets:	
Cash and cash equivalents	10,269,769
Receivables	137,847
Capital assets:	
Land and construction in progress	9,073,607
Exhaustible capital assets, net of depreciation	<u>109,747,920</u>

TOTAL ASSETS 222,110,569

LIABILITIES

Accounts payable	6,490,826
Salaries and wages payable	29,689,260
Retainage payable	374,193
Unearned revenue	216,896
Interest payable - bonds	901,941
Long-term liabilities:	
Due within one year	17,379,647
Due in more than one year	<u>50,906,690</u>

TOTAL LIABILITIES 105,959,453

NET ASSETS

Invested in capital assets, net of related debt	63,645,837
Restricted for:	
Debt service	1,661,886
Instructional enhancement:	
Expendable	237,373
Nonexpendable	10,407,616
Capital Projects	19,375,440
Unrestricted	<u>20,822,964</u>

TOTAL NET ASSETS \$ 116,151,116

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

CADDO PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2004

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 132,599,149		\$ 21,969,570	\$ (110,629,579)
Special programs	50,046,748		10,082,530	(39,964,218)
Other instructional programs	21,864,224		1,629,996	(20,234,228)
<i>Support services:</i>				
Student services	13,320,911		2,196,434	(11,124,477)
Instructional staff support	17,958,491		2,956,139	(15,002,352)
General administration	4,404,678		640,732	(3,763,946)
School administration	20,369,469		3,358,813	(17,010,656)
Business services	3,224,330		531,455	(2,692,875)
Plant services, including unallocated depreciation	35,643,466		5,316,264	(30,327,202)
Student transportation services	23,492,329		3,872,371	(19,619,958)
Central services	4,448,155		733,476	(3,714,679)
Food services	19,715,250	\$ 2,396,106	3,250,936	(14,068,208)
Community service programs	80,616		13,294	(67,322)
Interest on long-term debt	2,456,173	0	0	(2,456,173)
<b>Total Governmental Activities</b>	<b>349,623,989</b>	<b>2,396,106</b>	<b>56,552,010</b>	<b>(290,675,873)</b>

General revenues:

Taxes:

Ad valorem taxes levied for general purposes	56,655,618
Ad valorem taxes levied for debt service purposes	8,394,531
Ad valorem taxes levied for capital improvements	11,856,193
Sales taxes levied for salaries, benefits, and general purposes	52,918,426
State revenue sharing	2,317,934
Grants and contributions not restricted to specific programs	
Minimum Foundation Program	170,316,567
Interest and investment earnings	1,083,177
Miscellaneous	4,083,600

Total general revenues 307,626,046

Changes in net assets 16,950,173

Net assets - beginning 99,200,943

Net assets - ending \$ 116,151,116

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

**Caddo Parish School Board**

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

CADDO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2004

	GENERAL	TITLE I	CHILD NUTRITION PROGRAM	MISC STATE/FEDERAL GRANTS
<b>ASSETS</b>				
Cash and cash equivalents	\$ 37,643,376	\$ 1,460,476	\$ 6,121,759	\$ 328,259
Cash and cash equivalents - restricted	0	0	0	0
Receivables	6,001,589	3,014,806	37,800	2,320,481
Interfund receivables	8,510,374	0	100,000	3,405
Inventory	463,979	0	149,019	0
Prepaid items	0	0	0	0
<b>TOTAL ASSETS</b>	<b>52,619,318</b>	<b>4,475,282</b>	<b>6,408,578</b>	<b>2,652,145</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	307,462	262,127	237,069	1,168,851
Salaries and wages payable	26,139,096	1,195,957	1,254,396	169,910
Interfund payables	0	3,017,198	100,000	1,248,994
Unearned revenue	0	0	0	64,390
<b>Total Liabilities</b>	<b>26,446,558</b>	<b>4,475,282</b>	<b>1,591,465</b>	<b>2,652,145</b>
<b>Fund Balances:</b>				
<b>Reserved for:</b>				
Encumbrances	465,790	0	1,723,239	0
Debt service	0	0	0	0
Inventory	463,979	0	149,019	0
Instructional enhancement	0	0	0	0
<b>Unreserved:</b>				
Designated for future claims and contingencies	5,928,682	0	815,327	0
Designated for equipment replacement	1,015,723	0	2,129,528	0
Designated for capital projects, reported in nonmajor capital projects funds	0	0	0	0
Undesignated	18,298,586	0	0	0
Undesignated, reported in nonmajor special revenue funds	0	0	0	0
<b>Total Fund Balances</b>	<b>26,172,760</b>	<b>0</b>	<b>4,817,113</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 52,619,318</b>	<b>\$ 4,475,282</b>	<b>\$ 6,408,578</b>	<b>\$ 2,652,145</b>

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

PARISH-WIDE CAPITAL PROJECTS		Statement C	
FUND	OTHER GOVERNMENTAL	TOTAL	
\$ 23,713,196	\$ 6,620,744	\$	75,887,810
0	10,269,769		10,269,769
88,061	4,873,522		16,336,259
0	0		8,613,779
0	0		612,998
965	0		965
<u>23,802,222</u>	<u>21,764,035</u>		<u>111,721,580</u>
4,281,689	284,315		6,541,513
5,093	924,808		29,689,260
0	4,247,587		8,613,779
140,000	12,506		216,896
<u>4,426,782</u>	<u>5,469,216</u>		<u>45,061,448</u>
2,930,047	484		5,119,560
0	1,661,886		1,661,886
0	0		612,998
0	10,407,616		10,407,616
0	0		6,744,009
0	0		3,145,251
0	92,987		92,987
16,445,393	0		34,743,979
0	4,131,846		4,131,846
<u>19,375,440</u>	<u>16,294,819</u>		<u>66,660,132</u>
<u>\$ 23,802,222</u>	<u>\$ 21,764,035</u>	<u>\$</u>	<u>111,721,580</u>

**Caddo Parish School Board  
Shreveport, Louisiana**



**CADDO PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2004**

Statement D

Total fund balances - governmental funds at June 30, 2004 \$ 66,660,132

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

Costs of capital assets	\$ 239,553,312	
Accumulated depreciation	<u>(120,731,785)</u>	
		118,821,527

Governmental funds report the effects of debt issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of net assets.

Bond issuance costs	351,183	
Amortization	(169,942)	
Gain on refunding	(180,280)	
Accumulated amortization	<u>126,863</u>	
		127,824

Elimination of interfund assets and liabilities:

Interfund assets	8,613,779	
Interfund liabilities	<u>(8,613,779)</u>	
		0

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2004 are:

Long-term liabilities		
Certificates of Indebtedness	(6,945,000)	
Claims and judgments payable	(400,225)	
Compensated absences payable	(12,710,422)	
General obligation bonds payable	(45,250,000)	
Loan payable	(2,927,273)	
Interest payable	(851,254)	
Retainage payable	<u>(374,193)</u>	
		<u>(69,458,367)</u>

**Net Assets at June 30, 2004 \$ 116,151,116**

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

**CADDO PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2004**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>CHILD NUTRITION PROGRAM</u>	<u>MISC STATE/FEDERAL GRANTS</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 56,655,618	\$ 0	\$ 0	\$ 0
Sales and use	52,918,426	0	0	0
Interest earnings	675,526	0	54,836	0
Food services	0	0	2,396,106	0
Other	2,274,569	0	5,424	0
State sources:				
Equalization	165,562,566	0	4,754,001	0
Other	3,152,588	0	0	3,326,368
Federal sources	<u>1,004,633</u>	<u>15,265,314</u>	<u>12,106,722</u>	<u>2,630,730</u>
 Total Revenues	 <u>282,243,926</u>	 <u>15,265,314</u>	 <u>19,317,089</u>	 <u>5,957,098</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	124,083,615	29,657	0	3,407,978
Special programs	46,224,863	0	0	12,998
Other instructional programs	4,811,197	12,182,073	0	1,826,524
Support services:				
Student services	10,826,954	242,343	0	0
Instructional staff support	12,274,176	1,310,603	0	558,898
General administration	2,595,619	761,734	0	65,058
School administration	20,009,113	1,694	0	1,413
Business services	3,106,965	34,440	362	18,456
Plant services	29,765,659	614,969	0	26,806
Student transportation services	21,687,206	7,185	0	38,967
Central services	4,415,559	0	0	0
Food services	0	0	19,448,698	0
Community service programs	0	80,616	0	0
Capital outlay	0	0	0	0
Debt service:				
Principal retirement	455,000	0	0	0
Interest and bank charges	<u>21,873</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>280,277,799</u>	 <u>15,265,314</u>	 <u>19,449,060</u>	 <u>5,957,098</u>
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	 <u>\$ 1,966,127</u>	 <u>\$ 0</u>	 <u>\$ (131,971)</u>	 <u>\$ 0</u>

PARISH-WIDE		Statement E	
CAPITAL			
PROJECTS	OTHER		
FUND	GOVERNMENTAL	TOTAL	
\$ 11,856,193	\$ 8,394,531	\$	76,906,342
0	0		52,918,426
236,468	116,347		1,083,177
0	0		2,396,106
151,519	1,236,416		3,667,928
0	0		170,316,567
351,201	6,600,687		13,430,844
0	15,254,223		46,261,622
<u>12,595,381</u>	<u>31,602,204</u>		<u>366,981,012</u>
0	5,233,522		132,754,772
0	3,804,898		50,042,759
0	2,879,820		21,699,614
0	2,251,614		13,320,911
0	3,311,934		17,455,611
373,884	860,628		4,656,923
0	125,813		20,138,033
233	11,874		3,172,330
3,403,063	59,304		33,869,801
0	52,496		21,785,854
0	32,596		4,448,155
0	0		19,448,698
0	0		80,616
13,702,315	270,634		13,972,949
254,545	5,625,000		6,334,545
0	2,413,974		2,435,847
<u>17,734,040</u>	<u>26,934,107</u>		<u>365,617,418</u>
\$ (5,138,659)	\$ 4,668,097	\$	1,363,594

(CONTINUED)

CADDO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
 Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2004

	GENERAL	TITLE I	CHILD NUTRITION PROGRAM	MISC STATE/FEDERAL GRANTS
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 283,971	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Loan proceeds	6,000,000	0	0	0
Total Other Financing Sources (Uses)	6,283,971	0	0	0
Net Change in Fund Balances	8,250,098	0	(131,971)	0
FUND BALANCES - BEGINNING	17,922,662	0	4,949,084	0
FUND BALANCES - ENDING	\$ 26,172,760	\$ 0	\$ 4,817,113	\$ 0

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

PARISH-WIDE		Statement E	
CAPITAL			
PROJECTS	OTHER		
FUND	GOVERNMENTAL	TOTAL	
\$ 0	\$ 97,676	\$	381,647
0	(381,647)		(381,647)
0	0		6,000,000
0	(283,971)		6,000,000
(5,138,659)	4,384,126		7,363,594
24,514,099	11,910,693		59,296,538
\$ 19,375,440	\$ 16,294,819	\$	66,660,132

(CONCLUDED)

**CADDO PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2004**

**Statement F**

Total net change in fund balances - governmental funds \$ 7,363,594

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets over specific capitalization thresholds is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:

Capital asset disposals, net	(215,291)	
Capital outlay additions	13,972,949	
Depreciation expense	<u>(8,003,896)</u>	5,753,762

The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net assets.

Repayment of bond principal	6,334,545	
Amortization of deferred gain on refunding	80,124	
Receipt of bond proceeds	<u>(6,000,000)</u>	414,669

Governmental funds report the effects of debt issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of bond issuance costs	<u>(12,685)</u>	(12,685)
-------------------------------------	-----------------	----------

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

(20,326)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$ 13,373,059) exceeded the amounts earned \$ 9,922,925 by \$ 3,450,134.

3,450,134

Some expenses reported in the Statement of Activities are not matured and, therefore, are not reported as expenditures in governmental funds - claims and judgments .

1,025

**Change in net assets of governmental activities.**

**\$ 16,950,173**

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

**CADDO PARISH SCHOOL BOARD**  
**FIDUCIARY FUNDS**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**June 30, 2004**

	<b>Statement G</b>
	<b><u>AGENCY FUNDS</u></b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,558,124
Investments	154,649
Receivables	<u>764</u>
<b>TOTAL ASSETS</b>	<b><u>3,713,537</u></b>
<b>LIABILITIES</b>	
Accounts payable	28,598
Deposits due others	<u>3,684,939</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 3,713,537</u></b>

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

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

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**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

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

**A. REPORTING ENTITY** The Caddo Parish 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 terms of four years.

The School Board operates seventy-two schools within the parish with a total enrollment of 42,700 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

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

The funds of the School Board are classified into two categories: governmental and fiduciary.

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

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

**Title I fund** – used to account for the proceeds of federal revenues that are legally restricted to expenditures 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.

**Child Nutrition Program fund** – used to account for the resources received from federal and state funds as well as food services to provide a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**Miscellaneous State/Federal Grants fund** – used to account for the proceeds under various small state and federal funded grants, the expenditures for which are legally restricted to specified purposes.

**Parish-Wide Capital Projects fund** – used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

*Agency funds* are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

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

**Office Concession Agency fund** – accounts for monies collected by school board employees working in the coffee shop for the purpose of replenishing items sold and maintenance of coffee shop equipment.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

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

**Program revenues** Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Allocation of indirect expenses** The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense which can be specifically identified by function is included in the direct expense of each function. Some depreciation remains unallocated and is included in plant services. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Fund Financial Statements (FFS)**

**Governmental Funds** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

**Revenues**

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

**Sales Taxes** are recognized when underlying exchange transaction occurs and the resources are available.

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

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

**Expenditures**

**Salaries** are recorded as paid. Salaries for nine-month employees are accrued at June 30.

**Other Financing Sources (Uses)** Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

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

**Fiduciary Funds** The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

**D. BUDGETS**

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

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

Appropriations (unexpended budget balances) lapse at year end.

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

**Encumbrances** Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are reported as reservations of fund balances in the fund financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. Amendments to the budget during the year were considered to be significant.

**E. CASH, CASH EQUIVALENTS, AND INVESTMENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Investments at June 30, 2004 are limited to certificates of deposit with a maturity of ninety days or more at the time of purchase. Investments are stated at fair value. The School Board maintains investments separately for each fund.

**F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

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

**H. INVENTORY** Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

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

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The School Board maintains a threshold level for capitalization of the following: \$100,000 for buildings and building improvements, \$50,000 for land and land improvements, and \$5,000 for equipment and vehicles. Donated Capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	25 - 40 years
Land Improvements	10 - 25 years
Building Improvements	10 - 30 years
Furniture and equipment	5 - 20 years
Vehicles	5 - 8 years

**J. DEFERRED REVENUES** The School Board reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

**K. COMPENSATED ABSENCES** All 12-month employees earn 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 twelve to sixteen days of sick leave each year depending upon length of service. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement 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.

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

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

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

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

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

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

**L. LONG-TERM LIABILITIES** For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

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

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

**N. FUND BALANCES OF FUND FINANCIAL STATEMENTS** Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. 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.

**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 funds (permanent and special revenue fund).

Designations of fund balance represent tentative management plans that are subject to change. The nature and purpose of these designations are explained as follows:

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

**Equipment replacement** This amount has been accumulated over several years to fund the replacement or updating of data processing equipment and food service related equipment.

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

**P. SALES TAXES** The Caddo Parish School Board has the following three sales tax ordinances:

The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (1/2%) 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.

The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (1/2%) 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.

The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (1/2%) 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.

**Q. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Caddo Parish School Board  
Notes to the Basic Financial Statements**

**NOTE 2 - 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.

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

Millage rates adopted	January 01, 2003
Levy date	January 01, 2003
Tax bills mailed	October 08, 2003
Due date	December 31, 2003
Lien date	January 01, 2004
Tax sale - 2003 delinquent property	May 01, 2004

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 after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2000. Total assessed value was \$1,239,763,640 in calendar year 2003. 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 \$327,812,250 of the assessed value in calendar year 2003.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.00% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, parish-wide capital projects fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2004 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year, therefore, the amount of 2004 property taxes to be collected occurs in December and January and February of the next year.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

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

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional	Statutory	9.41	8.48	n/a
Maintenance and operation	July 20, 2002	18.47	18.47	2013
Operation, Maintenance, and Support	January 16, 1993	12.37	11.14	2004
Employee Salaries & Benefits	October 18, 1997	21.79	19.63	2006
Technology	October 18, 1997	1.5	1.35	2006
Special Building, Repair, & Equipment	July 20, 2002	7.4	7.4	2013
Special Renovations	October 18, 1997	6.17	5.56	2006
Bond and Interest	May 4, 1985, October 18, 1997, and April 17, 2004	Variable	9.7	2029

**NOTE 3 - DEPOSITS AND INVESTMENTS** Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end the School Board's carrying amount of deposits was \$89,870,352, which includes \$3,712,773 in fiduciary funds, (which includes \$225,231 as time deposits) and the bank balance was \$100,362,003. Of the bank balance, \$300,000 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance, \$100,062,003 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3).

**NOTE 4 - RECEIVABLES** The receivables at June 30, 2004 are as follows:

	<u>General</u>	<u>Title I</u>	<u>Child Nutrition Program</u>	<u>Misc. State/Fed Grants</u>	<u>Parish-Wide Capital Projects Fund</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:							
Ad valorem	\$ 230,078	\$ 0	\$ 0	\$ 0	\$ 88,061	\$ 123,003	\$ 441,142
Sales tax	4,698,881	0	0	0	0	0	4,698,881
Intergovernmental - grants:							
Federal	724,681	3,014,806	37,800	864,847	0	3,399,195	8,041,329
State	136,141	0	0	1,455,634	0	1,212,713	2,804,488
Other	211,808	0	0	0	0	138,611	350,419
Total	<u>\$6,001,589</u>	<u>\$3,014,806</u>	<u>\$ 37,800</u>	<u>\$2,320,481</u>	<u>\$ 88,061</u>	<u>\$ 4,873,522</u>	<u>\$16,336,259</u>

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

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 5 - CAPITAL ASSETS** Capital assets balances and activity for the year ended June 30, 2004 are as follows:

	Balance, July 01, 2003	Additions	Retirements	Balance, June 30, 2004
Governmental activities:				
Land	\$ 4,670,527	\$ 0	\$ 0	\$ 4,670,527
Construction in progress	7,793,631	4,028,890	7,419,441	4,403,080
Exhaustible Capital Assets:				
Buildings and improvements	180,260,595	10,644,113	0	190,904,708
Furniture and equipment	11,760,317	1,302,254	1,201,297	11,861,274
Transportation equipment	23,915,516	5,791,326	1,993,119	27,713,723
Total	<u>228,400,586</u>	<u>21,766,583</u>	<u>10,613,857</u>	<u>239,553,312</u>
Less accumulated depreciation				
Buildings and improvements	93,492,692	4,712,134	0	98,204,826
Furniture and equipment	6,932,630	1,588,546	1,201,297	7,319,879
Transportation equipment	15,281,692	1,703,216	1,777,828	15,207,080
Total	<u>115,707,014</u>	<u>8,003,896</u>	<u>2,979,125</u>	<u>120,731,785</u>
Governmental activities				
Capital assets, net	<u>\$ 112,693,572</u>	<u>\$ 13,762,687</u>	<u>\$ 7,634,732</u>	<u>\$ 118,821,527</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 3,295,536
Special programs	3,989
Other instructional programs	164,610
Instructional staff support	502,880
General administration	6,753
School administration	231,436
Business services	52,000
Plant services, including unallocated depreciation	1,773,665
Student transportation services	1,706,475
Food services	266,552
Total depreciation expense	<u>\$ 8,003,896</u>

**NOTE 6 - RETIREMENT SYSTEMS**

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:

**Teacher's Retirement System of Louisiana (TRS):**

*Plan Description*

Participation in the Teachers' Retirement Systems is divided into two plans – the Teacher's 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.

**Caddo Parish School Board  
Notes to the Basic Financial Statements**

*Funding Policy*

Covered employees are required to contribute 8% of their salary to the Teachers' Regular Plan. The School Board was required to contribute 13.8%, 13.1%, and 13.1% of covered employee's salaries for the years ended June 2004, 2003, and 2002, respectively. Covered employees are required to contribute 9.1% of their salary to the Teachers' Plan A.

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, 2004, 2003, and 2002 were \$26,719,628, \$23,634,489, and \$23,200,915, 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 the adoption of GASB Statement No. 27, the School Board did not report a pension liability for the Teachers' Plan.

*Deferred Retirement Option Plan*

Effective July 1, 1992, the Teacher's 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 Employee's 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 Employee's 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 7.5% of their salary to the School employees' Plan for 2004, 2003, and 2002. The School Board was required to contribute 8.5% of covered employees' salaries for 2004, and 6.% for 2003, 2002. However, due to the passage of House Bill 2174, employer contributions for the years ended June 30, 2003 and 2002 were funded from the Employer Credit Account and not by the School Board. The employer and employee contribution requirements are established and may be amended by Louisiana state statute. In accordance with GASB Statement No. 27, the net pension obligation was determined to be zero. Prior to adoption of GASB Statement No. 27, the School Board did not report a pension liability for the School Employees' plan.

**NOTE 7 - OTHER POST EMPLOYMENT BENEFITS** In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was \$10,123,866 for 2,840 retirees.

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 8 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY)** A summary of changes in agency fund deposits due others follows:

	Balance, June 30, 2003	Additions	Deductions	Balance, June 30, 2004
School activities	\$ 3,552,599	\$ 9,143,532	\$ 9,011,192	\$ 3,684,939
Central Office Concession Agency Fund	0	11,348	11,348	0
<b>Total</b>	<b>\$ 3,552,599</b>	<b>\$ 9,154,880</b>	<b>\$ 9,022,540</b>	<b>\$ 3,684,939</b>

**NOTE 9 - LONG-TERM LIABILITIES** The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2004:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within One Year
<b>Bonds payable:</b>					
General obligation debt	\$ 50,875,000	\$ 0	\$ 5,625,000	\$ 45,250,000	\$ 5,880,000
Deferred gain on refunding	133,541	0	80,124	53,417	53,417
Certificate of indebtedness	1,400,000	6,000,000	455,000	6,945,000	985,000
QZAB loan	3,181,818	0	254,545	2,927,273	254,545
<b>Other liabilities:</b>					
Compensated absences	16,160,556	9,922,925	13,373,059	12,710,422	9,922,925
Claims & judgments payable	401,250	1,210,343	1,211,368	400,225	283,760
<b>Governmental Activities</b>					
Long-term Liabilities	<u>\$ 72,152,165</u>	<u>\$ 17,133,268</u>	<u>\$ 20,999,096</u>	<u>\$ 68,286,337</u>	<u>\$ 17,379,647</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service fund. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 92.9% was paid by the general fund, 2.8% by Title I fund, 4.0% by the child nutrition program and the remaining .3% by other governmental funds.

The individual bond issues are as follows:

	Original Amount	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
<b>General Obligation Bonds:</b>					
Series 1998	\$ 20,000,000	5.00 to 5.35%	03/01/2018	\$ 6,573,060	\$ 16,015,000
Series 2000	20,000,000	5.10 to 9.00%	03/01/2020	9,418,548	17,725,000
Series 2001	8,000,000	4.05 to 5.50%	03/01/2021	3,702,105	7,420,000
Refunding Series 2002 Bonds	8,190,000	1.95 to 2.56%	03/01/2005	104,704	4,090,000
<b>Certificate of Indebtedness:</b>					
Series 2003A	6,000,000	3 to 4%	03/01/2013	1,208,111	6,000,000
Series 2003	1,400,000	2 to 3%	03/01/2006	40,260	945,000
QZAB	3,500,000	N/A	11/01/2015	N/A	2,927,273
Deferred Gain	180,280	N/A	06/30/2005	N/A	53,417
				<u>\$ 21,046,788</u>	<u>\$ 55,175,690</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. At June 30, 2004, the School Board had accumulated \$1,661,886 in the debt service funds for future debt requirements. The bonds are due as follows:

**Caddo Parish School Board**  
**Notes to the Basic Financial Statements**

Year Ending June 30,	General Obligation Bonds		Certificate of Indebtedness		QZAB Loan	TOTAL	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments	Principal Payments	Principal Payments	Interest Payments
2005	\$ 5,880,000	\$ 2,203,614	\$ 985,000	\$ 279,333	\$ 254,545	\$ 7,119,545	\$ 2,482,947
2006	1,880,000	2,007,108	1,085,000	199,013	254,545	3,219,545	2,206,121
2007	1,985,000	1,915,645	625,000	168,923	254,545	2,864,545	2,084,568
2008	2,090,000	1,817,790	650,000	155,235	254,545	2,994,545	1,973,025
2009	2,200,000	1,711,665	670,000	137,945	254,545	3,124,545	1,849,610
2010-2014	12,960,000	6,810,640	2,930,000	307,923	1,272,729	17,162,729	7,118,563
2015-2019	15,355,000	3,142,367	0	0	381,819	15,736,819	3,142,367
2020-2024	2,900,000	189,587	0	0	0	2,900,000	189,587
<b>Total</b>	<b>\$45,250,000</b>	<b>\$19,798,416</b>	<b>\$6,945,000</b>	<b>\$1,248,372</b>	<b>\$ 2,927,273</b>	<b>\$55,122,273</b>	<b>\$21,046,788</b>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2004, the statutory limit is \$433,917,274 and outstanding net bonded debt totals \$43,588,114.

**NOTE 10 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)**

**Interfund Receivables/Payables:**

Receivable Fund	Amount	Payable Fund	Amount
General	\$ 8,513,779	Title I	\$ 3,017,198
		Misc State/Federal Grants	1,248,994
		Other governmental	4,247,587
Other governmental	100,000	Other governmental	100,000
<b>Total</b>	<b>\$ 8,613,779</b>		<b>\$ 8,613,779</b>

The purpose of the interfund assets/liabilities were to cover current-year expenditures on cost reimbursement programs until the reimbursement requisitions are deposited.

**NOTE 11 - INTERFUND TRANSFERS (FFS LEVEL ONLY)** Transfers for the year ended June 30, 2004, were as follows:

Fund	Transfers In	Transfers Out
General	\$ 283,971	\$ 0
Other governmental	97,676	381,647
<b>Totals</b>	<b>\$ 381,647</b>	<b>\$ 381,647</b>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

**NOTE 12 - ENCUMBRANCES (FFS LEVEL ONLY)** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2004, the School Board had entered into purchase orders and commitments as follows:

**Caddo Parish School Board  
Notes to the Basic Financial Statements**

	General	Child Nutrition Program	Parish-Wide Capital Projects Fund	Other Governmental	Total
Total	\$ 465,790	\$ 1,723,239	\$ 2,930,047	\$ 484	\$ 5,119,560

**NOTE 13 - RISK MANAGEMENT** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School Board is a defendant in several lawsuits involving civil action. The School Board is self insured for losses up to \$500,000. The School Board currently reports all of its risk management activities in the general fund.

An insurance policy covers individual claims in excess of \$500,000. 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. This liability does not include incremental costs, if any.

Changes in the claims amount in previous fiscal years were as follows:

<u>Year ended June 30.</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>End of Fiscal Year Liability</u>
2001 - 2002	\$ 349,167	\$ 1,682,010	\$ 1,594,730	\$ 436,447
2002 - 2003	436,447	1,396,902	1,432,099	401,250
2003 - 2004	401,250	1,210,343	1,211,368	400,225

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 14- LITIGATION AND CLAIMS**

**Litigation** At June 30, 2004, 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.

**Self-Insurance** The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$500,000 per occurrence for each employee.

**Construction Projects** There are certain major construction projects in progress at June 30, 2004. These include classroom additions of \$2,410,199, renovations of \$1,348,500, new buildings of \$41,231, and other improvements of \$228,959. These projects are funded by bond proceeds which will total approximately \$6,000,000. The expected completion date is before June 30, 2005. The outstanding construction commitment was approximately \$4,028,889.

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

**Caddo Parish School Board**  
**Notes to the Basic 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 (IRS). At June 30, 2004, management has recorded a liability of \$60,116 for the estimated tax arbitrage liability in the Parish-Wide Capital Projects fund.

**NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The Caddo Parish Sheriff made pension contributions directly to Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$1,091,655. Also, the state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$125,043. These amounts were recognized as revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**NOTE 16- SUBSEQUENT EVENTS** The School Board issued general obligation bond series 2004 in the amount of \$14,000,000 on July 29, 2004. This is the first of five issues of a \$88,290,000 bond package approved on April 17, 2004. The projected bond issues not including the issue on July 29, 2004 are as follows: in 2005 \$20,000,000, in 2006 \$20,000,000, in 2007 \$20,000,000, and in 2008 \$14,290,000.

**NOTE 17- ECONOMIC DEPENDENCY** Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$170,316,567 to the School Board, which represents approximately 47% of the School Board's total revenues for the year.

**NOTE 18- STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Excess of Expenditures over appropriations in individual funds. The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2004:

Fund	Budget	Actual	Unfavorable Variance
Title III	34,437	36,225	1,788
8G State Fund	1,092,445	1,118,927	26,482
WIA	68,200	72,512	4,312
CBEF Operating	126,300	158,613	32,313

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**Caddo Parish School Board**

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**Caddo Parish School Board**

**Budgetary Comparison Schedule**

**Funds With a Legally Adopted Annual Budget**

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

**TITLE I** The Title I fund is used to account for the proceeds of federal revenues that are legally restricted to expenditures 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.

**CHILD NUTRITION PROGRAM** The Child Nutrition Program fund is used to account for the resources received from federal and state funds as well as food services to provide a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**MISC STATE/FEDERAL GRANTS** The Miscellaneous State/Federal Grants fund is used to account for the proceeds under various small state and federal funded grants, the expenditures for which are legally restricted to specified purposes.

**CADDO PARISH SCHOOL BOARD**

**GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2004**

Exhibit 1-1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET</u>
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 5,307,924	\$ 5,307,924	\$ 17,922,662	\$ 12,614,738
<i>Resources (inflows)</i>				
Local sources:				
Taxes:				
Ad valorem	53,312,800	55,785,500	56,655,618	870,118
Sales and use	50,200,000	51,200,000	52,918,426	1,718,426
Interest earnings	860,000	860,000	675,526	(184,474)
Other	1,934,600	1,634,600	2,274,569	639,969
State sources:				
Equalization	159,065,796	165,562,567	165,562,566	(1)
Other	3,439,800	3,439,800	3,152,588	(287,212)
Federal sources	1,989,000	939,000	1,004,633	65,633
Transfers from other funds	200,000	979,527	283,971	(695,556)
Loan proceeds	0	6,000,000	6,000,000	0
Amounts available for appropriations	<u>276,309,920</u>	<u>291,708,918</u>	<u>306,450,559</u>	<u>\$ 14,741,641</u>
<i>Charges to appropriations (outflows)</i>				
General government:				
Instruction:				
Regular programs	123,063,375	124,551,540	124,083,615	\$ 467,925
Special programs	46,732,000	47,560,500	46,224,863	1,335,637
Other instructional programs	4,713,960	4,778,125	4,811,197	(33,072)
Support services:				
Student services	11,146,860	11,276,160	10,826,954	449,206
Instructional staff support	11,434,630	12,576,157	12,274,176	301,981
General administration	3,537,300	2,801,280	2,595,619	205,661
School administration	18,965,100	19,660,600	20,009,113	(348,513)
Business services	3,161,700	3,212,400	3,106,965	105,435
Plant services	28,473,000	29,465,298	29,765,659	(300,361)
Student transportation services	15,396,200	21,686,200	21,687,206	(1,006)
Central services	4,140,800	4,458,990	4,415,559	43,431
Debt service:				
Principal retirement	476,900	476,900	455,000	21,900
Interest and bank charges	0	0	21,873	(21,873)
Transfers to other funds	0	0	0	0
Total charges to appropriations	<u>271,241,825</u>	<u>282,504,150</u>	<u>280,277,799</u>	<u>\$ 2,226,351</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>5,068,095</u>	\$ <u>9,204,768</u>	\$ <u>26,172,760</u>	\$ <u>16,967,992</u>

CADDO PARISH SCHOOL BOARD

TITLE I  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2004

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	0
Resources (inflows)				
Local sources:				
Federal sources	16,048,781	16,048,781	15,265,314	(783,467)
Amounts available for appropriations	16,048,781	16,048,781	15,265,314	(783,467)
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	0	0	29,657	(29,657)
Other instructional programs	14,379,976	14,379,976	12,182,073	2,197,903
Support services:				
Student services	0	0	242,343	(242,343)
Instructional staff support	841,737	841,737	1,310,603	(468,866)
General administration	827,068	827,068	761,734	65,334
School administration	0	0	1,694	(1,694)
Business services	0	0	34,440	(34,440)
Plant services	0	0	614,969	(614,969)
Student transportation services	0	0	7,185	(7,185)
Community service programs	0	0	80,616	(80,616)
Total charges to appropriations	16,048,781	16,048,781	15,265,314	783,467
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	0

CADDO PARISH SCHOOL BOARD

CHILD NUTRITION PROGRAM  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2004

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 4,949,084	\$ 4,949,084	\$ 4,949,084	0
Resources (inflows)				
Local sources:				
Interest earnings	30,000	30,000	54,836	24,836
Food services	2,505,000	2,465,000	2,396,106	(68,894)
Other	0	0	5,424	5,424
State sources:				
Equalization	4,310,010	4,310,010	4,754,001	443,991
Federal sources	10,045,000	10,045,000	12,106,722	2,061,722
Transfers from other funds	0	40,000	0	(40,000)
Amounts available for appropriations	<u>21,839,094</u>	<u>21,839,094</u>	<u>24,266,173</u>	<u>2,427,079</u>
Charges to appropriations (outflows)				
Support services:				
Business services	0	0	362	(362)
Food services	17,822,450	19,473,254	19,448,698	24,556
Transfers to other funds	0	0	0	0
Total charges to appropriations	<u>17,822,450</u>	<u>19,473,254</u>	<u>19,449,060</u>	<u>24,194</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 4,016,644</u>	<u>\$ 2,365,840</u>	<u>\$ 4,817,113</u>	<u>2,451,273</u>

CADDO PARISH SCHOOL BOARD

MISC STATE/FEDERAL GRANTS  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2004

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	0
Resources (inflows)				
State sources:				
Other	2,575,590	2,621,868	3,326,368	704,500
Federal sources	6,453,643	6,624,496	2,630,730	(3,993,766)
Amounts available for appropriations	9,029,233	9,246,364	5,957,098	(3,289,266)
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	5,835,513	6,043,082	3,407,978	2,635,104
Special programs	1,366,321	1,412,599	12,998	1,399,601
Other instructional programs	1,472,188	1,444,196	1,826,524	(382,328)
Support services:				
Instructional staff support	100,661	100,661	558,898	(458,237)
General administration	167,389	136,748	65,058	71,690
School administration	306	306	1,413	(1,107)
Business services	40,148	40,148	18,456	21,692
Plant services	26,797	26,797	26,806	(9)
Student transportation services	19,910	41,827	38,967	2,860
Total charges to appropriations	9,029,233	9,246,364	5,957,098	3,289,266
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	0

**Caddo Parish School Board**

**Notes to the Budgetary Comparison Schedules  
For the Year Ended June 30, 2004**

**A. BUDGETS**

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

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

Appropriations (unexpended budget balances) lapse at year end.

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

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The effects of budget revisions passed during the year were to increase the amount available for appropriations by \$15.4 million for \$6 million proceeds from certificates of indebtedness and \$6.5 million increase in MFP. Total charges to appropriations was increased \$11.3 million to include \$6 million for purchase of buses and the rest for increases in salaries, technology upgrades, etc.

**Caddo Parish School Board**

**Notes to the Budgetary Comparison Schedules  
For the Year Ended June 30, 2004**

**B. EXCESS OF EXPENDITURES OVER BUDGET – MAJOR FUNDS**

For those funds for which a budget to actual comparison was made, 2004 actual expenditures exceeded budgeted expenditures at the level of budgetary control as follows:

	Expenditures		Unfavorable Variance
	Budget	Actual	
<b>General fund:</b>			
Other instructional programs	\$ 4,778,125	\$ 4,811,197	\$ 33,072
School administration	19,660,600	20,009,113	348,513
Plant services	29,465,298	29,765,659	300,361
Student transportation services	21,686,200	21,687,206	1,006
Interest and bank charges	0	21,873	21,873
<b>Title I:</b>			
Instructional staff support	841,737	1,552,946	711,209
School administration	0	1,694	1,694
Business services	0	34,440	34,440
Plant services	0	614,969	614,969
Student transportation services	0	7,185	7,185
Community service programs	0	80,616	80,616
<b>Child nutrition program:</b>			
Business services	0	362	362
<b>Misc State/Federal Grants</b>			
Other instructional programs	1,444,196	1,826,524	382,328
Instructional staff support	100,661	558,898	458,237
School administration	306	1,413	1,107
Plant services	\$ 26,797	\$ 26,806	\$ 9

**CADDO PARISH SCHOOL BOARD**

**Notes to the Budgetary Comparison Schedules  
For the Year Ended June 30, 2004**

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

	<u>GENERAL FUND</u>	<u>CHILD NUTRITION</u>
<u>Sources/inflows of resources:</u>		
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 306,450,559	\$ 24,266,173
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(17,922,662)	(4,949,084)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(283,971)	0
Proceeds from capital lease are inflows of budgetary resources but are not revenues for financial reporting purposes	<u>(6,000,000)</u>	<u>0</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 282,243,926</u>	<u>\$ 19,317,089</u>

**Caddo Parish School Board**

**SUPPLEMENTAL INFORMATION**

**CADDO PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2004**

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS - QUALIFIED ZONE ACADEMY BOND	PERMANENT FUND - CEEF	TOTAL
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,900,813	\$ 1,626,944	\$ 92,987	\$ 0	\$ 6,620,744
Cash and cash equivalents - restricted	0	0	0	10,269,769	10,269,769
Receivables	4,700,733	34,942	0	137,847	4,873,522
<b>TOTAL ASSETS</b>	<b>9,601,546</b>	<b>1,661,886</b>	<b>92,987</b>	<b>10,407,616</b>	<b>21,764,035</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	284,315	0	0	0	284,315
Salaries and wages payable	924,808	0	0	0	924,808
Interfund payables	4,247,587	0	0	0	4,247,587
Unearned revenue	12,506	0	0	0	12,506
<b>Total Liabilities</b>	<b>5,469,216</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,469,216</b>
<b>Fund Balances:</b>					
<b>Reserved for:</b>					
Encumbrances	484	0	0	0	484
Debt service	0	1,661,886	0	0	1,661,886
Instructional enhancement	0	0	0	10,407,616	10,407,616
<b>Unreserved, reported in</b>					
Special revenue	4,131,846	0	0	0	4,131,846
Capital projects - designated for specific projects	0	0	92,987	0	92,987
<b>Total Fund Balances</b>	<b>4,132,330</b>	<b>1,661,886</b>	<b>92,987</b>	<b>10,407,616</b>	<b>16,294,819</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 9,601,546</b>	<b>\$ 1,661,886</b>	<b>\$ 92,987</b>	<b>\$ 10,407,616</b>	<b>\$ 21,764,035</b>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances - By Fund Type  
For the Year Ended June 30, 2004**

Exhibit 3

	<u>SPECIAL</u>	<u>DEBT</u>	<u>CAPITAL</u>	<u>PERMANENT</u>	
	<u>REVENUE</u>	<u>SERVICE</u>	<u>PROJECTS</u>	<u>FUND -</u>	
			<u>QUALIFIED ZONE</u>	<u>CEEFF</u>	<u>TOTAL</u>
			<u>ACADEMY BOND</u>		
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 0	\$ 8,394,531	\$ 0	\$ 0	\$ 8,394,531
Interest earnings	0	21,716	1,463	93,168	116,347
Other	13	3,688	0	1,232,715	1,236,416
State sources:					
Other	6,600,687	0	0	0	6,600,687
Federal sources	<u>15,254,223</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,254,223</u>
 Total Revenues	 <u>21,854,923</u>	 <u>8,419,935</u>	 <u>1,463</u>	 <u>1,325,883</u>	 <u>31,602,204</u>
 <b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	5,233,522	0	0	0	5,233,522
Special programs	3,804,898	0	0	0	3,804,898
Other instructional programs	2,879,820	0	0	0	2,879,820
Support services:					
Student services	2,251,614	0	0	0	2,251,614
Instructional staff support	3,311,934	0	0	0	3,311,934
General administration	695,221	165,389	18	0	860,628
School administration	125,813	0	0	0	125,813
Business services	11,680	0	0	194	11,874
Plant services	59,304	0	0	0	59,304
Student transportation services	52,496	0	0	0	52,496
Central services	32,596	0	0	0	32,596
Capital outlay	146,778	0	123,856	0	270,634
Debt service:					
Principal retirement	0	5,625,000	0	0	5,625,000
Interest and bank charges	<u>0</u>	<u>2,413,974</u>	<u>0</u>	<u>0</u>	<u>2,413,974</u>
 Total Expenditures	 <u>18,605,676</u>	 <u>8,204,363</u>	 <u>123,874</u>	 <u>194</u>	 <u>26,934,107</u>
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	 <u>\$ 3,249,247</u>	 <u>\$ 215,572</u>	 <u>\$ (122,411)</u>	 <u>\$ 1,325,689</u>	 <u>\$ 4,668,097</u>

(CONTINUED)

**CADDO PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - By Fund Type**  
**For the Year Ended June 30, 2004**

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS QUALIFIED ZONE ACADEMY BOND	PERMANENT FUND - CEEF	TOTAL
<b>OTHER FINANCING SOURCES</b>					
(USES)					
Transfers in	\$ 97,676	\$ 0	\$ 0	\$ 0	\$ 97,676
Transfers out	(283,971)	0	0	(97,676)	(381,647)
 Total Other Financing Sources (Uses)	 (186,295)	 0	 0	 (97,676)	 (283,971)
 Net Change in Fund Balances	 3,062,952	 215,572	 (122,411)	 1,228,013	 4,384,126
 FUND BALANCES - BEGINNING	 1,069,378	 1,446,314	 215,398	 9,179,603	 11,910,693
 FUND BALANCES - ENDING	 \$ 4,132,330	 \$ 1,661,886	 \$ 92,987	 \$ 10,407,616	 \$ 16,294,819

(CONCLUDED)

## **Caddo Parish School Board**

### **Nonmajor Special Revenue Funds**

**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 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.

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

**Title IV (Drug-Free)** To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

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

**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 needy 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.

**Caddo Parish School Board**

**Nonmajor Special Revenue Funds**

**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.

**WIA** 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.

**Homeless** This fund is designed to ensure that homeless children and youth have access to a free, appropriate public education.

**Tobacco Settlement** This fund was established to account for monies received from the state Education Excellence Fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

**CEEF Operating** This fund was established to account for the expenditures of the earnings from the Caddo Educational Excellence Permanent Fund.

**CADDO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2004**

	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 153,162	\$ 263,474	\$ 710,487
Receivables	<u>0</u>	<u>2,512,605</u>	<u>1,116,925</u>	<u>0</u>
Total Assets	<u>0</u>	<u>2,665,767</u>	<u>1,380,399</u>	<u>710,487</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	0	193,680	58,633	0
Salaries and wages payable	0	230,089	370,663	29,180
Interfund payable	0	2,229,492	951,103	0
Unearned revenue	<u>0</u>	<u>12,506</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>2,665,767</u>	<u>1,380,399</u>	<u>29,180</u>
<b>Fund Balances:</b>				
Reserved for encumbrances	0	0	0	0
Unreserved				
Undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>681,307</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>681,307</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 0</u>	<u>\$ 2,665,767</u>	<u>\$ 1,380,399</u>	<u>\$ 710,487</u>

Exhibit 4

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8G STATE FUND
\$ 0	\$ 15,177	\$ 32,946	\$ 104,824	\$ 36,810
<u>24,602</u>	<u>163,370</u>	<u>176,783</u>	<u>33,628</u>	<u>300,292</u>
<u>24,602</u>	<u>178,547</u>	<u>209,729</u>	<u>138,452</u>	<u>337,102</u>
482	3,358	8,999	17,079	0
0	19,851	50,271	9,083	60,633
24,120	155,338	150,459	0	276,469
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>24,602</u>	<u>178,547</u>	<u>209,729</u>	<u>26,162</u>	<u>337,102</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>112,290</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>112,290</u>	<u>0</u>
\$ 24,602	\$ 178,547	\$ 209,729	\$ 138,452	\$ 337,102

(CONTINUED)

**CADDO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2004**

	<u>ADULT EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 73,955	\$ 71,066	\$ 2,329	\$ 8,413
Receivables	<u>122,282</u>	<u>158,070</u>	<u>33,836</u>	<u>57,751</u>
Total Assets	<u>196,237</u>	<u>229,136</u>	<u>36,165</u>	<u>66,164</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	0	0	43	2,041
Salaries and wages payable	48,872	3,302	2,286	6,372
Interfund payable	143,185	225,834	33,836	57,751
Unearned revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>192,057</u>	<u>229,136</u>	<u>36,165</u>	<u>66,164</u>
<b>Fund Balances:</b>				
Reserved for encumbrances	0	0	0	0
Unreserved				
Undesignated	<u>4,180</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>4,180</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 196,237</u>	<u>\$ 229,136</u>	<u>\$ 36,165</u>	<u>\$ 66,164</u>

Exhibit 4

	TOBACCO SETTLEMENT	CEEF OPERATING	TOTAL
\$	3,190,797	\$ 237,373	\$ 4,900,813
	589	0	4,700,733
	<u>3,191,386</u>	<u>237,373</u>	<u>9,601,546</u>
	0	0	284,315
	94,206	0	924,808
	0	0	4,247,587
	0	0	12,506
	<u>94,206</u>	<u>0</u>	<u>5,469,216</u>
	0	484	484
	<u>3,097,180</u>	<u>236,889</u>	<u>4,131,846</u>
	<u>3,097,180</u>	<u>237,373</u>	<u>4,132,330</u>
\$	<u>3,191,386</u>	\$ <u>237,373</u>	\$ <u>9,601,546</u>

(CONCLUDED)

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2004**

	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
<b>REVENUES</b>				
Local sources:				
Other	\$ 0	\$ 0	\$ 0	\$ 0
State sources:				
Other	0	265,963	0	0
Federal sources	<u>11,600</u>	<u>8,304,896</u>	<u>4,061,150</u>	<u>214,936</u>
 Total Revenues	 <u>11,600</u>	 <u>8,570,859</u>	 <u>4,061,150</u>	 <u>214,936</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	0	301	2,408,583	0
Special Programs	0	2,950,414	854,317	0
Other instructional programs	10,931	422,878	72,511	0
Support services:				
Student services	0	1,708,638	30,563	232,528
Instructional staff support	0	2,504,623	489,314	0
General administration	669	425,298	205,862	9,098
School administration	0	6,818	0	0
Business services	0	9,180	0	0
Plant services	0	55,696	0	0
Student transportation services	0	50,476	0	0
Central services	0	32,174	0	0
Capital outlay	<u>0</u>	<u>146,778</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>11,600</u>	 <u>8,313,274</u>	 <u>4,061,150</u>	 <u>241,626</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 0</u>	 <u>\$ 257,585</u>	 <u>\$ 0</u>	 <u>(26,690)</u>

Exhibit 5

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8G STATE FUND
\$ 0	\$ 0	\$ 0	13	\$ 0
0	0	0	0	1,145,313
<u>36,225</u>	<u>450,249</u>	<u>412,295</u>	<u>339,535</u>	<u>0</u>
<u>36,225</u>	<u>450,249</u>	<u>412,295</u>	<u>339,548</u>	<u>1,145,313</u>
0	0	5,062	1,012	810,519
0	0	0	0	0
35,329	159,577	249,650	248,504	264,476
0	279,885	0	0	0
192	0	110,233	0	41,775
704	8,825	20,986	0	0
0	0	26,364	38,242	0
0	825	0	0	1,675
0	1,037	0	2,571	0
0	100	0	0	60
0	0	0	0	422
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>36,225</u>	<u>450,249</u>	<u>412,295</u>	<u>290,329</u>	<u>1,118,927</u>
\$ 0	\$ 0	\$ 0	49,219	\$ 26,386

(CONTINUED)

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2004**

	<u>TITLE VI</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	<u>0</u>	<u>(257,585)</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(257,585)</u>	<u>0</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	0	0	(26,690)
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>707,997</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 681,307</u>

Exhibit 5

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8G STATE FUND
\$ 0	\$ 0	\$ 0	\$ 0	0
0	0	0	0	(26,386)
0	0	0	0	(26,386)
0	0	0	49,219	0
0	0	0	63,071	0
\$ 0	\$ 0	\$ 0	112,290	\$ 0

(CONTINUED)

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2004**

	<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
<b>REVENUES</b>				
Local sources:				
Other	\$ 0	\$ 0	\$ 0	\$ 0
State sources:				
Other	180,764	0	0	0
Federal sources	<u>329,232</u>	<u>836,232</u>	<u>72,512</u>	<u>185,361</u>
 Total Revenues	 <u>509,996</u>	 <u>836,232</u>	 <u>72,512</u>	 <u>185,361</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	0	0	0	0
Special Programs	0	0	0	0
Other instructional programs	491,099	836,232	60,437	12,029
Support services:				
Student services	0	0	0	0
Instructional staff support	0	0	10,563	155,225
General administration	14,717	0	0	9,062
School administration	0	0	1,512	7,185
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	1,860
Central services	0	0	0	0
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>505,816</u>	 <u>836,232</u>	 <u>72,512</u>	 <u>185,361</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 4,180</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

Exhibit 5

<u>TOBACCO</u>	<u>CEEF</u>	<u>TOTAL</u>
<u>SETTLEMENT</u>	<u>OPERATING</u>	
\$ 0	\$ 0	\$ 13
5,008,647	0	6,600,687
<u>0</u>	<u>0</u>	<u>15,254,223</u>
<u>5,008,647</u>	<u>0</u>	<u>21,854,923</u>
1,849,432	158,613	5,233,522
167	0	3,804,898
16,167	0	2,879,820
0	0	2,251,614
9	0	3,311,934
0	0	695,221
45,692	0	125,813
0	0	11,680
0	0	59,304
0	0	52,496
0	0	32,596
<u>0</u>	<u>0</u>	<u>146,778</u>
<u>1,911,467</u>	<u>158,613</u>	<u>18,605,676</u>
\$ 3,097,180	\$ (158,613)	\$ 3,249,247

(CONTINUED)

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes In Fund Balances  
For the Year Ended June 30, 2004**

	<u>ADULT EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 4,180	 0	 0	 0
 FUND BALANCES - BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCES - END OF YEAR	 <u>\$ 4,180</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

Exhibit 5

<u>TOBACCO</u>	<u>CEEF</u>	<u>TOTAL</u>
<u>SETTLEMENT</u>	<u>OPERATING</u>	
\$ 0	\$ 97,676	\$ 97,676
<u>0</u>	<u>0</u>	<u>(283,971)</u>
<u>0</u>	<u>97,676</u>	<u>(186,295)</u>
3,097,180	(60,937)	3,062,952
<u>0</u>	<u>298,310</u>	<u>1,069,378</u>
<u>\$ 3,097,180</u>	<u>\$ 237,373</u>	<u>\$ 4,132,330</u>

(CONCLUDED)

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004**

Exhibit 6-1

	*****TITLE VI*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 12,461	\$ 11,600	\$ (861)
 Total Revenues	<u>12,461</u>	<u>11,600</u>	<u>(861)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	11,745	10,931	814
General administration	716	669	47
 Total Expenditures	<u>12,461</u>	<u>11,600</u>	<u>861</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2004**

Exhibit 6-2

	<b>*****SPECIAL EDUCATION*****</b>		
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>REVENUES</b>			
State sources:			
Other	\$ 187,161	\$ 265,963	\$ 78,802
Federal sources	<u>9,974,513</u>	<u>8,304,896</u>	<u>(1,669,617)</u>
 Total Revenues	 <u>10,161,674</u>	 <u>8,570,859</u>	 <u>(1,590,815)</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction and support services:			
Instruction	9,194,572	7,586,854	1,607,718
General administration	766,812	425,298	341,514
School administration	6,752	6,818	(66)
Business services	1,298	9,180	(7,882)
Plant services	44,083	55,696	(11,613)
Student transportation services	41,283	50,476	(9,193)
Central services	28,053	32,174	(4,121)
Capital outlay	<u>78,821</u>	<u>146,778</u>	<u>(67,957)</u>
 Total Expenditures	 <u>10,161,674</u>	 <u>8,313,274</u>	 <u>1,848,400</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>0</u>	 <u>257,585</u>	 <u>257,585</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>0</u>	<u>(257,585)</u>	<u>(257,585)</u>
 Total Other Financing Sources (Uses)	 <u>0</u>	 <u>(257,585)</u>	 <u>(257,585)</u>
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 0	 0	 0
 FUND BALANCES - BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCES - END OF YEAR	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004**

Exhibit 6-3

	*****TITLE II*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 6,388,348	\$ 4,061,150	\$ (2,327,198)
 Total Revenues	<u>6,388,348</u>	<u>4,061,150</u>	<u>(2,327,198)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	6,388,348	3,855,288	2,533,060
General administration	<u>0</u>	<u>205,862</u>	<u>(205,862)</u>
 Total Expenditures	<u>6,388,348</u>	<u>4,061,150</u>	<u>2,327,198</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004**

Exhibit 6-4

	*****TITLE XIX*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 696,218	\$ 214,936	\$ (481,282)
 Total Revenues	<u>696,218</u>	<u>214,936</u>	<u>(481,282)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	696,218	232,528	463,690
General administration	<u>0</u>	<u>9,098</u>	<u>(9,098)</u>
 Total Expenditures	<u>696,218</u>	<u>241,626</u>	<u>454,592</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	(26,690)	(26,690)
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>707,997</u>	<u>707,997</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 681,307</u>	<u>\$ 681,307</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-5

	*****TITLE III*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources:	\$ 34,437	\$ 36,225	\$ 1,788
Total Revenues	<u>34,437</u>	<u>36,225</u>	<u>1,788</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	34,437	35,521	(1,084)
General administration	<u>0</u>	<u>704</u>	<u>(704)</u>
Total Expenditures	<u>34,437</u>	<u>36,225</u>	<u>(1,788)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**

*Schedule of Revenues, Expenditures, and Changes In Fund Balances -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004*

Exhibit 6-6

	*****TITLE IV (DRUG-FREE)*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Federal sources	\$ 697,240	\$ 450,249	\$ (246,991)
 Total Revenues	<u>697,240</u>	<u>450,249</u>	<u>(246,991)</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction and support services:			
Instruction	225,007	439,462	(214,455)
General administration	451,386	8,825	442,561
Business services	13,487	825	12,662
Plant services	520	1,037	(517)
Student transportation services	6,340	100	6,240
Central services	500	0	500
 Total Expenditures	<u>697,240</u>	<u>450,249</u>	<u>246,991</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**

**Schedule of Revenues, Expenditures, and Changes In Fund Balances -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004**

Exhibit 6-7

	*****TITLE V*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 681,053	\$ 412,295	\$ (268,758)
 Total Revenues	<u>681,053</u>	<u>412,295</u>	<u>(268,758)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	510,223	364,945	145,278
General administration	144,465	20,986	123,479
School administration	26,365	26,364	1
 Total Expenditures	<u>681,053</u>	<u>412,295</u>	<u>268,758</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-8

	*****FAMILY SUPPORT*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	\$ 0	\$ 13	13
Federal sources	<u>369,637</u>	<u>339,535</u>	<u>(30,102)</u>
Total Revenues	<u>369,637</u>	<u>339,548</u>	<u>(30,089)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	296,762	249,516	47,246
School administration	49,295	38,242	11,053
Plant services	<u>23,580</u>	<u>2,571</u>	<u>21,009</u>
Total Expenditures	<u>369,637</u>	<u>290,329</u>	<u>79,308</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	49,219	49,219
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>63,071</u>	<u>63,071</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 112,290</u>	<u>\$ 112,290</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-9

	*****8G STATE FUND*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 1,118,831	\$ 1,145,313	\$ 26,482
Total Revenues	<u>1,118,831</u>	<u>1,145,313</u>	<u>26,482</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	1,090,348	1,116,770	(26,422)
Business services	1,675	1,675	0
Student transportation services	0	60	(60)
Central services	422	422	0
Total Expenditures	<u>1,092,445</u>	<u>1,118,927</u>	<u>(26,482)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>26,386</u>	<u>26,386</u>	<u>0</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(26,386)</u>	<u>(26,386)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(26,386)</u>	<u>(26,386)</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	0	0
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-10

	*****ADULT EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 180,764	\$ 180,764	\$ 0
Federal sources	329,251	329,232	(19)
Total Revenues	<u>510,015</u>	<u>509,996</u>	<u>(19)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	495,108	491,099	4,009
General administration	14,907	14,717	190
Total Expenditures	<u>510,015</u>	<u>505,816</u>	<u>4,199</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	4,180	4,180
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 4,180</u>	<u>\$ 4,180</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-11

	*****VOCATIONAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 836,297	\$ 836,232	\$ (65)
Total Revenues	836,297	836,232	(65)
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	836,297	836,232	65
Total Expenditures	836,297	836,232	65
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCES - BEGINNING OF YEAR	0	0	0
FUND BALANCES - END OF YEAR	\$ 0	\$ 0	\$ 0

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2004**

Exhibit 6-12

	*****WIA*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 68,200	\$ 72,512	\$ 4,312
 Total Revenues	<u>68,200</u>	<u>72,512</u>	<u>4,312</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	66,680	71,000	(4,320)
School administration	<u>1,520</u>	<u>1,512</u>	<u>8</u>
 Total Expenditures	<u>68,200</u>	<u>72,512</u>	<u>(4,312)</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
 FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2004**

Exhibit 6-13

	*****HOMELESS*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 185,671	\$ 185,361	\$ (310)
Total Revenues	<u>185,671</u>	<u>185,361</u>	<u>(310)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	168,349	167,254	1,095
General administration	9,077	9,062	15
School administration	2,949	7,185	(4,236)
Student transportation services	<u>5,296</u>	<u>1,860</u>	<u>3,436</u>
Total Expenditures	<u>185,671</u>	<u>185,361</u>	<u>310</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CADDO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2004**

Exhibit 6-14

	*****TOBACCO SETTLEMENT*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
State sources:			
Other	\$ 5,008,647	\$ 5,008,647	\$ 0
 Total Revenues	 <u>5,008,647</u>	 <u>5,008,647</u>	 <u>0</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction and support services:			
Instruction	1,865,775	1,865,775	0
School administration	45,692	45,692	0
 Total Expenditures	 <u>1,911,467</u>	 <u>1,911,467</u>	 <u>0</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 3,097,180	 3,097,180	 0
 FUND BALANCES - BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCES - END OF YEAR	 <u>\$ 3,097,180</u>	 <u>\$ 3,097,180</u>	 <u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2004

Exhibit 6-15

	*****CEEFF OPERATING*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Regular programs	\$ 126,300	\$ 158,613	\$ (32,313)
Total Expenditures	<u>126,300</u>	<u>158,613</u>	<u>(32,313)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(126,300)</u>	<u>(158,613)</u>	<u>(32,313)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>126,300</u>	<u>97,676</u>	<u>(28,624)</u>
Total Other Financing Sources (Uses)	<u>126,300</u>	<u>97,676</u>	<u>(28,624)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	(60,937)	(60,937)
FUND BALANCES - BEGINNING OF YEAR	<u>298,310</u>	<u>298,310</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 298,310</u>	<u>\$ 237,373</u>	<u>\$ (60,937)</u>

**Caddo Parish School Board**

**Agency Funds**

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

**CENTRAL OFFICE CONCESSION FUND** This fund accounts for those monies collected by school board employees working in the coffee shop for the purposes of replenishing items sold and maintenance of coffee shop equipment.

**CADDO PARISH SCHOOL BOARD**

**Combining Statement of Changes in Assets and Liabilities - Agency Funds  
For the Year Ended June 30, 2004**

Exhibit 7

	<u>Balance, July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2004</u>
<b>*****SCHOOL ACTIVITY FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,401,537	\$ 9,083,484	\$ 8,928,703	\$ 3,556,318
Investments	<u>200,935</u>	<u>86,076</u>	<u>132,362</u>	<u>154,649</u>
<b>Total assets</b>	<u><b>3,602,472</b></u>	<u><b>9,169,560</b></u>	<u><b>9,061,065</b></u>	<u><b>3,710,967</b></u>
<b>LIABILITIES</b>				
Accounts payable	49,873	26,028	49,873	26,028
Deposits due others	<u>3,552,599</u>	<u>9,143,532</u>	<u>9,011,192</u>	<u>3,684,939</u>
<b>Total liabilities</b>	<u><b>3,602,472</b></u>	<u><b>9,169,560</b></u>	<u><b>9,061,065</b></u>	<u><b>3,710,967</b></u>

**\*\*\*\*\*CENTRAL OFFICE CONCESSION FUND\*\*\*\*\***

<b>ASSETS</b>				
Cash and cash equivalents	526	13,154	11,874	1,806
Receivables	<u>1,223</u>	<u>764</u>	<u>1,223</u>	<u>764</u>
<b>Total assets</b>	<u><b>1,749</b></u>	<u><b>13,918</b></u>	<u><b>13,097</b></u>	<u><b>2,570</b></u>
<b>LIABILITIES</b>				
Accounts payable	1,749	2,570	1,749	2,570
Deposits due others	<u>0</u>	<u>11,348</u>	<u>11,348</u>	<u>0</u>
<b>Total liabilities</b>	<u><b>1,749</b></u>	<u><b>13,918</b></u>	<u><b>13,097</b></u>	<u><b>2,570</b></u>

**\*\*\*\*\*ALL AGENCY FUNDS\*\*\*\*\***

<b>ASSETS</b>				
Cash and cash equivalents	3,402,063	9,096,638	8,940,577	3,558,124
Investments	200,935	86,076	132,362	154,649
Receivables	<u>1,223</u>	<u>764</u>	<u>1,223</u>	<u>764</u>
<b>Total assets</b>	<u><b>3,604,221</b></u>	<u><b>9,183,478</b></u>	<u><b>9,074,162</b></u>	<u><b>3,713,537</b></u>
<b>LIABILITIES</b>				
Accounts payable	51,622	28,598	51,622	28,598
Deposits due others	<u>3,552,599</u>	<u>9,154,880</u>	<u>9,022,540</u>	<u>3,684,939</u>
<b>Total liabilities</b>	<u><b>\$ 3,604,221</b></u>	<u><b>\$ 9,183,478</b></u>	<u><b>\$ 9,074,162</b></u>	<u><b>\$ 3,713,537</b></u>

CADDO PARISH SCHOOL BOARD  
 SCHEDULE OF CAPITAL ASSETS -  
 BY SOURCE  
 June 30, 2004

Exhibit 8

<b>Capital Assets</b>	
Land	\$ 4,670,527
Buildings and improvements	190,904,708
Furniture and equipment	11,861,274
Transportation equipment	27,713,723
Construction in progress	<u>4,403,080</u>
Total capital assets	<u>\$ 239,553,312</u>
<b>Investment in general fixed assets by source:</b>	
Capital Project funds	\$ 178,308,143
General fund	42,241,419
Child Nutrition fund	3,363,795
Federal Aid	8,988,627
Donations	1,101,726
School Activity Agency fund	<u>5,549,602</u>
Total investment in capital assets	<u>\$ 239,553,312</u>

**CADDO PARISH SCHOOL BOARD**  
**SCHEDULE OF CAPITAL ASSETS -**  
**BY FUNCTION AND ACTIVITY**

Exhibit 9

June 30, 2004

<u>Function and Activity</u>	<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>
<b>Instruction:</b>						
High schools	\$ 73,699,254	\$ 1,403,039	\$ 69,325,594	\$ 2,970,621	\$ 0	0
Middle schools	35,093,520	475,909	33,281,567	1,336,044	0	0
Elementary/Middle schools	27,459,665	321,080	27,003,715	134,870	0	0
Elementary schools	<u>62,179,400</u>	<u>1,197,439</u>	<u>57,290,406</u>	<u>3,691,555</u>	<u>0</u>	<u>0</u>
<b>Total instruction</b>	<u>198,431,839</u>	<u>3,397,467</u>	<u>186,901,282</u>	<u>8,133,090</u>	<u>0</u>	<u>0</u>
<b>General and school administration and business services</b>						
	8,646,501	1,206,300	3,389,866	3,238,365	811,970	0
<b>Plant services</b>	4,495,724	66,760	1,539,590	324,762	2,564,612	0
<b>Food services</b>	1,043,120	0	0	965,975	77,145	0
<b>Student transportation services</b>	22,533,048	0	0	50,966	22,482,082	0
<b>Construction in progress</b>	<u>4,403,080</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,403,080</u>
<b>Total capital assets allocated to functions</b>	<u>\$ 239,553,312</u>	<u>\$ 4,670,527</u>	<u>\$ 191,830,738</u>	<u>\$ 12,713,158</u>	<u>\$ 25,935,809</u>	<u>\$ 4,403,080</u>

**CADDO PARISH SCHOOL BOARD**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS -**  
**BY FUNCTION AND ACTIVITY**

Exhibit 10

For the Year Ended June 30, 2004

<u>Function and Activity</u>	<u>July 1, 2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2004</u>
<i>Instruction:</i>				
High schools	\$ 68,480,681	\$ 6,162,702	\$ 944,129	\$ 73,699,254
Middle schools	32,694,174	2,917,568	518,222	35,093,520
Elementary/Middle schools	26,726,183	736,277	2,795	27,459,665
Elementary schools	<u>58,802,164</u>	<u>4,847,803</u>	<u>1,470,567</u>	<u>62,179,400</u>
Total instruction	\$ 186,703,202	\$ 14,664,350	\$ 2,935,713	\$ 198,431,839
General and school administration and business services	7,863,771	846,630	63,900	8,646,501
Plant services	4,495,724	0	0	4,495,724
Food services	943,049	100,071	0	1,043,120
Student transportation services	20,601,209	2,126,642	194,803	22,533,048
Construction in progress	<u>7,793,631</u>	<u>4,028,890</u>	<u>7,419,441</u>	<u>4,403,080</u>
Total	<u>\$ 228,400,586</u>	<u>\$ 21,766,583</u>	<u>\$ 10,613,857</u>	<u>\$ 239,553,312</u>

**Caddo Parish School Board**

**General**

**Exhibit 11**

**Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2004**

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 and represents the amounts paid for the year ended June 30, 2004 and the office held at that time. 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 receive \$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.

<u>Board Member</u>	<u>Amount</u>
Larry Ramsey, President	\$ 10,500
Willie Henderson, First Vice President	9,900
Ginger Armstrong, Second Vice President	9,900
Willie Burton	10,200
Phillip Guin	9,900
Jerry Tim Brooks (deceased May 12, 2004)	8,800
Pam Byrd (resigned August 8, 2003)	1,600
Charlotte Crawley	9,600
Eursla D. Hardy	9,600
Lola May	9,600
Willie Critton (appointed May 20, 2004, deceased July 21, 2004)	1,095
Alvin Mims (deceased December 20, 2003)	4,800
Mike Powell (resigned December 31, 2003)	4,800
Tammy Phelps (began January 6, 2004)	4,800
Bonita Crawford (began March 25, 2004)	2,400
Barry Rachal (began March 25, 2004)	2,400
Richard Seaton (January 6, 2004 – March 24, 2004)	2,400
Gard Wayt (August 15, 2003 through March 24, 2004)	<u>6,000</u>
TOTAL	<u>\$118,295</u>

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# STATISTICAL SECTION

Table 1

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Government-Wide Expenses by Function  
Fiscal Years Ended June 30, 2003 through June 30, 2004

	2003	2004
Governmental activities:		
Instruction:	\$ 236,974,693	\$ -
Regular programs	-	132,599,149
Special programs	-	50,046,748
Other instructional programs	-	21,864,224
Support services:		
Student services	-	13,320,911
Instructional staff support	-	17,958,491
General administration	4,398,064	4,404,678
School administration	19,820,883	20,369,469
Business services	3,266,792	3,224,330
Plant services, including unallocated depreciation	38,249,229	35,643,466
Student transportation services	16,644,066	23,492,329
Central services	4,248,599	4,448,155
Food services	19,050,242	19,715,250
Community service programs	711,569	80,616
Interest on long-term debt	2,930,742	2,456,173
Total governmental activities	\$ 346,294,879	\$ 349,623,989

Note: The above information is available only for the year shown.  
Unaudited - see accompanying independent auditors' report.

Table 2

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Government-Wide Revenues  
Fiscal Years Ended June 30, 2003 through June 30, 2004

	2003	2004
Program revenues:		
Charges for services	\$ 2,344,564	\$ 2,396,106
Operating grants and contributions	49,493,051	56,552,010
General revenues:		
Taxes:		
Ad Valorem	72,488,174	76,906,342
Sales	53,014,154	52,918,426
State revenue sharing	1,769,822	2,317,934
Grants and contributions not restricted to specific programs:		
Minimum Foundation Program	163,569,443	170,316,567
Other	1,339,029	0
Unrestricted investment earnings	1,240,852	1,083,177
Miscellaneous	2,124,490	4,083,600
Total governmental revenues	\$ 347,383,579	\$ 366,574,162

Note: The above information is available only for the year shown.  
Unaudited - see accompanying independent auditors' report.

Table 3

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

General Expenditures by Function - All Governmental Fund Types  
Fiscal Years Ended June 30, 1995 through June 30, 2004

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Current expenditures</b>										
Instruction services	\$ 152,961,837	\$ 157,723,662	\$ 165,679,871	\$ 184,458,437	\$ 192,861,570	\$ 201,556,711	\$ 208,333,980	\$ 227,915,539	\$ 234,828,148	\$ 235,273,667
General administration	3,034,528	3,167,043	3,362,269	3,859,641	4,243,153	4,011,404	3,778,232	3,971,666	4,136,128	4,856,923
School administration	12,732,202	13,014,421	13,635,540	15,582,095	16,693,938	17,438,708	19,239,869	19,205,481	19,591,866	20,138,033
Business services	2,177,442	2,089,666	2,313,755	2,670,944	2,817,135	2,881,329	2,996,671	3,093,165	3,215,763	3,172,330
Plant services	20,057,853	21,293,871	22,212,203	24,117,576	25,162,656	25,477,804	28,425,497	27,515,139	29,708,603	33,869,801
Student transportation services	11,351,140	11,832,551	11,628,103	12,325,973	14,323,565	15,027,026	15,967,050	15,987,783	16,284,677	21,785,854
Central services	2,458,376	2,387,158	2,584,174	2,825,728	3,077,118	3,509,363	3,693,121	3,910,160	4,249,518	4,448,155
Food service	16,839,168	17,166,085	17,242,420	17,801,714	18,369,550	17,559,728	18,074,453	18,421,796	18,622,847	19,448,698
Community services	448,147	501,182	616,554	776,983	709,927	603,539	583,540	647,309	711,806	80,616
Capital outlay	5,981,516	6,243,739	8,490,168	7,261,864	15,669,869	25,494,276	17,998,616	14,510,383	15,465,477	13,972,949
Debt service:										
Principal retired	2,176,116	2,364,685	2,525,000	2,705,000	3,445,000	3,635,000	4,170,000	4,828,636	5,559,545	6,334,545
Interest, fiscal charge, and fees	1,932,767	1,604,838	1,471,160	1,292,362	1,847,018	2,020,810	2,722,016	3,114,765	2,758,542	2,435,847
<b>Total expenditures</b>	<b>\$ 232,151,094</b>	<b>\$ 239,387,901</b>	<b>\$ 251,761,317</b>	<b>\$ 275,578,217</b>	<b>\$ 299,219,499</b>	<b>\$ 319,196,696</b>	<b>\$ 325,982,055</b>	<b>\$ 343,131,722</b>	<b>\$ 355,132,940</b>	<b>\$ 365,617,418</b>

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

General Revenues by Source - All Governmental Fund Types  
Fiscal Years Ended June 30, 1995 through June 30, 2004

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Revenues from local sources:</b>										
Ad valorem taxes	\$ 36,522,449	\$ 36,854,624	\$ 39,270,971	\$ 63,117,118	\$ 64,261,146	\$ 65,310,879	\$ 68,554,664	\$ 70,968,492	\$ 72,488,174	\$ 76,906,342
Sales and use taxes	40,662,972	42,744,467	42,366,962	44,192,340	46,208,702	49,164,115	52,081,049	51,154,258	53,014,154	52,918,426
Investment earnings	1,953,308	2,603,076	2,380,121	2,971,737	3,704,850	3,984,398	4,509,545	2,348,840	1,240,852	1,083,177
Food sales	3,237,809	2,450,474	2,363,957	2,319,329	2,297,908	2,472,001	2,501,320	2,403,192	2,344,564	2,396,106
Rent and royalties	108,547	232,594	282,877	-	-	1,239,643	-	-	-	-
Other	182,851	967,465	1,306,183	1,348,075	1,691,955	-	-	3,289,753	3,463,013	3,687,928
Tuition	453,775	388,575	435,805	-	-	-	2,236,238	-	-	-
<b>Total revenues from local sources</b>	<b>89,121,711</b>	<b>86,241,275</b>	<b>88,436,876</b>	<b>113,948,599</b>	<b>118,164,461</b>	<b>122,171,036</b>	<b>130,882,816</b>	<b>130,164,535</b>	<b>132,550,757</b>	<b>136,971,979</b>
<b>Revenue from state sources:</b>										
Equalization	113,226,830	116,820,911	122,551,245	131,768,333	139,545,515	146,638,631	150,273,415	156,073,827	163,569,443	170,316,567
Revenue sharing	2,147,076	2,117,706	2,377,754	2,003,929	2,347,795	2,308,624	2,290,553	2,309,912	1,769,822	-
Professional improvement program	2,432,434	2,301,800	2,138,546	2,412,335	1,811,769	1,669,837	1,492,775	1,592,215	1,227,628	-
Other	5,891,789	1,981,476	2,292,064	4,368,915	6,247,895	4,290,296	4,875,289	5,290,518	6,889,729	13,430,844
<b>Total revenue from state sources</b>	<b>123,698,229</b>	<b>123,221,893</b>	<b>129,359,609</b>	<b>140,553,512</b>	<b>149,952,974</b>	<b>154,908,788</b>	<b>158,932,042</b>	<b>165,266,472</b>	<b>173,456,622</b>	<b>183,747,411</b>
<b>Revenue from federal sources:</b>										
	26,643,830	27,964,606	29,319,793	29,918,929	29,055,190	30,932,088	32,151,335	36,173,207	41,375,694	46,261,622
<b>Total revenue</b>	<b>\$ 233,463,770</b>	<b>\$ 237,427,774</b>	<b>\$ 247,116,276</b>	<b>\$ 284,419,040</b>	<b>\$ 297,172,625</b>	<b>\$ 308,011,912</b>	<b>\$ 321,966,193</b>	<b>\$ 331,604,214</b>	<b>\$ 347,383,073</b>	<b>\$ 365,981,012</b>

Unaudited - see accompanying independent auditors' report.

Table 5

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Property Tax Levies and Collections (1)  
Fiscal Years Ended June 30, 1995 through June 30, 2004

Fiscal Year	Total School Board Tax Assessment	Current Tax Collections	Percent of Tax Levy Collected	Delinquent Taxes Collected		Total Current and Delinquent Taxes Collected	Total Collections As a Percent of Current Tax Levy
				Taxes	Interest and Penalty		
1995	37,720,491	35,645,788	94.50%	875,581	154,935	36,676,304	97.23%
1996	37,640,523	35,269,842	93.70%	530,401	160,469	35,960,712	95.54%
1997	38,451,509	37,353,822	97.15%	1,397,855	178,185	38,929,862	101.24%
1998 (2)	64,868,735	62,493,042	96.34%	490,209	133,867	63,117,118	97.30%
1999	65,806,520	62,736,420	95.33%	1,089,800	434,926	64,261,146	97.65%
2000	67,072,869	63,681,612	94.94%	1,232,901	396,366	65,310,879	97.37%
2001	71,757,465	66,506,769	92.68%	2,710,151	545,889	69,762,809	97.22%
2002	73,467,609	68,664,028	93.46%	991,203	228,960	69,884,191	95.12%
2003	74,564,825	70,987,096	95.20%	1,579,035	369,589	72,935,720	97.82%
2004	78,038,546	73,259,071	93.88%	1,510,496	755,248	75,524,815	96.78%

(1) Caddo Parish Tax Assessor

(2) Voters of Caddo Parish approved parish wide taxes for technology, employee benefits and construction. Unaudited - see accompanying independent auditors' report.

Table 6

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

**Assessed and Estimated Actual Value of Taxable Property (1)**  
Last Ten Calendar Years

Calendar Year	Total		Ratio of Assessed Value to Estimated Actual Value
	Net Assessed Value	Estimated Actual Value	
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%
2000	837,994,450	8,565,975,470	9.8%
2001	853,976,630	8,996,067,070	9.5%
2002	854,415,330	9,133,518,990	9.4%
2003	911,951,390	10,631,822,267	8.6%

## Note:

Assessed value 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 2000. Assessed values in this table are net of the Homestead Exemption.

(1) Caddo Parish Tax Assessor

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Property Tax Rates and Tax Levies - All Direct and Overlapping Governments (1)  
Last Ten Calendar Years

Calendar Year	Tax Rates Per \$1,000 of Assessed Value (2)				Tax Levies (2)				Total
	Commission	Parishwide Schools	Sheriff	City of Shreveport (3)	Commission	Parishwide Schools	Sheriff	City of Shreveport (3)	
1994	38.72	54.98	14.94	51.34	25,711,970	37,720,491	10,249,984	37,825,061	111,507,506
1995	38.22	54.58	14.94	51.34	26,786,404	37,640,523	10,303,214	39,316,657	114,046,798
1996	41.90	53.31	14.94	51.63	30,349,226	38,451,509	10,775,943	40,902,242	120,478,920
1997	41.87	85.08	14.94	51.63	31,501,056	64,868,735	11,390,913	42,905,989	150,666,693
1998	41.17	84.48	14.94	51.63	32,516,749	65,806,520	11,637,659	44,133,525	154,094,453
1999	41.17	83.98	14.94	51.63	33,358,712	67,072,869	11,932,230	44,113,404	156,477,215
2000	41.17	85.63	14.94	51.30	33,129,471	71,757,465	12,519,637	45,926,818	163,333,392
2001	40.16	86.03	14.94	51.30	34,935,138	73,467,609	12,758,410	48,082,314	169,243,471
2002	40.40	87.27	14.94	51.30	34,518,379	74,564,825	12,764,965	46,941,000	168,789,169
2003	40.40	87.27	14.94	51.30	34,518,379	78,038,546	13,359,641	49,501,452	175,418,018

Notes:

- (1) Includes parish wide 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 within the parish.
- (2) Per Caddo Parish Tax Assessor
- (3) Rates for taxpayers within the City of Shreveport and the Town of Vivian.

Unaudited - see accompanying independent auditors' report.

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

**Ratio of Net General Obligation Bonded Debt  
to Assessed Value and Net General Obligation Bonded Debt Per Capita**  
Fiscal Years Ended June 30, 1995 through June 30, 2004

Assessment Year	Fiscal Year	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
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
2000	2001	252,161	1,131,885,010	60,835,000	2,036,003	58,798,997	5.19%	233
2001	2002	251,957	1,148,501,080	56,070,000	1,818,230	54,251,770	4.72%	215
2002	2003	253,474	1,151,282,410	50,875,000	1,446,314	49,428,686	4.29%	195
2003	2004	250,342	1,239,763,640	45,250,000	1,661,886	43,588,114	3.52%	174

## Notes:

(1) United States Census Bureau

(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 1996 and 2000.

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Statement of Direct and Overlapping Debt (1)  
June 30, 2004

Name of Governmental Unit	Gross Debt	Exclusions (2)	Amount Available Debt Service Fund	Net Debt Outstanding	Percentage of debt Applicable to This Unit (3)	School Board's Share of Debt (4)
<b>Direct</b>						
Caddo Parish School Board	\$ 45,250,000	\$ -	1,661,886	\$ 43,588,114	100%	\$ 43,588,114
<b>Overlapping</b>						
Caddo Parish Commission (5)	13,035,000	-	2,151,551	10,883,449	100%	10,883,449
City of Shreveport (5)	356,897,889	4,813,369	37,297,993	314,786,527	75.5%	237,663,828
Total overlapping debt	369,932,889	4,813,369	39,449,544	\$ 325,669,976		\$ 248,547,277
Total direct and overlapping debt	415,182,889	4,813,369	41,111,430	\$ 369,258,090		\$ 292,135,391

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 2000 assessed valuation.
- (4) This represents the debt of all constituents who reside within Caddo Parish.
- (5) Financial information extracted from Annual Financial Report of respective governments.

Unaudited - see accompanying independent auditors' report.

Table 10

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Computation of Legal Debt Margin  
June 30, 2004

Assessed Value (1)	\$ 1,239,763,640
Debt limit thirty-five (35%) of assessed value (2)	433,917,274
Amount of debt applicable to debt limit:	
Total general bonded debt	\$ 45,250,000
Less: Assets in debt service funds	<u>1,661,886</u>
Total amount of debt applicable to debt limit	<u>43,588,114</u>
Legal debt margin	<u>\$ 390,329,160</u>

Notes:

- (1) Caddo Parish Tax Assessor
- (2) This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562(C).

Unaudited - see accompanying independent auditors' report.

Table 11

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, 1995 through June 30, 2004

Fiscal Year	Debt Service Expenditures (1)			Total	Total General Expenditures (2)	Ratio of Debt Service to General Expenditures (Percent)
	Principal	Interest and Fiscal Charges	Total			
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%	
2001	4,170,000	2,722,016	6,892,016	325,982,055	2.11%	
2002	4,828,636	3,114,765	7,943,401	343,131,722	2.31%	
2003	5,405,000	2,758,542	8,163,542	355,432,940	2.30%	
2004	5,625,000	2,413,974	8,038,974	365,617,418	2.20%	

## Notes:

(1) Includes debt service on general obligation bonds, only.

(2) Includes general expenditures for all funds.

Unaudited - see accompanying independent auditors' report.

Table 12

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Demographic Statistics  
Last Ten Calendar Years

Calendar Year	Population (1)	School Enrollment (2)	Average Daily Membership (3)	Unemployment Rate (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%
2000	252,161	44,603	44,885	4.7%
2001	251,957	41,781	42,168	6.4%
2002	253,474	44,316	44,414	7.3%
2003	250,342	43,499	43,857	7.4%

## 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.

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Property Value, Construction, and Bank Deposits

Last Ten Calendar Years

Calendar Year	Property Value (1)			Total	Commercial Construction (2)		Residential Construction (2)		Bank Deposits (3)
	Commercial	Residential	Exemptions		Number of Units	Value	Number of Units	Value	
1994	\$ 5,665,316,900	\$ 2,505,636,061	\$ 256,300,510	\$ 7,914,652,451	\$ 64	\$ 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	78	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	72	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	114	119,400,000	236	37,800,000	2,526,100
1998	3,589,643,600	4,323,238,400	274,951,040	7,637,950,960	130	110,100,000	258	40,200,000	2,432,800
1999	3,679,948,120	4,457,754,800	278,350,870	7,859,352,050	121	165,382,120	357	49,790,002	2,252,071
2000	3,903,654,870	4,662,330,600	292,114,080	8,273,871,390	102	64,600,000	330	55,400,002	2,578,951
2001	3,907,612,270	4,733,930,360	294,524,450	8,347,018,180	93	42,421,144	367	58,101,656	2,594,915
2002	3,806,879,990	5,031,804,940	294,834,060	8,543,850,870	83	72,230,508	428	78,536,515	2,515,698
2003	3,874,591,667	6,757,230,600	327,812,250	10,304,010,017	78	116,145,793	555	108,170,390	2,652,099

Notes:

- (1) Per Caddo Parish Tax Assessor.
- (2) Shreveport Chamber of Commerce
- (3) Federal Deposit Insurance Corporation

Unaudited - see accompanying independent auditors' report.

Table 14

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Principal Taxpayers  
June 30, 2004

Name	Type of Business	Assessed Value	Percentage of Total Assessed Valuation
Swepeco/Aep	Electric	\$ 56,941,930	4.59%
Bell South	Telecommunications	28,607,200	2.31%
General Motors	Manufacturing	19,017,550	1.53%
Harrahs	Casino/Gambling	18,942,930	1.53%
Hibernia National Bank	Financial Institution	13,846,300	1.12%
AmSouth Bank	Financial Institution	12,278,460	0.99%
Bank One	Financial Institution	11,369,430	0.92%
Universal Oil Products	Oil and Gas	10,842,360	0.87%
Boomtown Casino	Casino/Gambling	10,064,900	0.81%
Wal-Mart	Retail	8,459,260	0.68%
Total for ten principal taxpayers		190,370,320	15.36%
Total for remaining taxpayers		1,049,393,320	84.64%
Total for all taxpayers		\$ 1,239,763,640	100.00%

Source: Caddo Parish Tax Assessor

Unaudited - see accompanying independent auditors' report.

Table 15

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Attendance Data

Fiscal Years Ended June 30, 1995 through June 30, 2004

Fiscal Year	Number of Graduates	Average Daily Membership (1)	Average Daily Attendance (2)		
			Amount	Percent of Change	
1995	2,114	48,062	44,614	-1.03%	92.83%
1996	2,252	49,000	45,443	1.86%	92.74%
1997	2,294	48,742	45,486	0.09%	93.32%
1998	2,339	47,997	44,703	-1.72%	93.14%
1999	2,118	46,804	43,741	-2.15%	93.46%
2000	2,152	45,992	43,057	-1.56%	93.62%
2001	2,103	44,885	42,026	-2.39%	93.63%
2002	2,068	42,168	39,429	-6.18%	93.50%
2003	1,919	44,414	41,387	4.97%	93.18%
2004	1,989	43,857	41,002	-0.93%	93.49%

(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 16

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Principal Employers  
June 30, 2004

Name of Business	Type of Business	Number of Employees
Barksdale Air Force Base	Military	8,700
State of Louisiana	Government	8,695
Caddo Parish School Board	Public Education	6,900
LSU Health Sciences Center	Health Care	5,657
Willis-Knighon Health System	Health Care	4,156
City of Shreveport	City Administration	3,012
Christus Schumpert Health System	Health Care	3,000
General Motors Truck Group	Assembled Trucks	2,592
Horseshoe Casino & Hotel	Gaming Casino & Hotel	2,586
Bossier Parish School Board	Public Education	2,500

Source: Louisiana Department of Labor

Unaudited - see accompanying independent auditors' report.

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Schedule of Insurance in Force  
June 30, 2004

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 American Alternative	01A2RL000001500	09/01/2003	09/01/2004	Premises/ vehicle Liability \$500,000 deductible	2,000,000 \$	\$ 429,995
Property loss and property damage liability Axis Specialty	RAF702039	09/01/2003	09/01/2004	Buildings/ Contents \$500,000 deductible	19,500,000	378,171
Equipment Breakdown Hartford Steam Boiler	FBPHN0956038	07/01/2003	07/01/2004	Boiler explosion, equipment breakdown \$25,000 deductible	25,750,000	26,200
Public Official Bond Travelers	104177258	07/01/2003	07/01/2004	Dishonesty	100,000	1,050
Public Employees Bond Travelers	104160122	09/01/2003	09/01/2004	Dishonesty	500,000	4,814
Exterminator License Bond Travelers	100952946	05/03/2003	05/03/2004	Guarantees the exterminator will conduct his business properly, pay all items due, and not defraud the public.	2,000	100
Notary Bond Travelers	39S103382567BCM	10/01/2000	10/01/2005		10,000	110

Notes:

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

Unaudited - see accompanying independent auditors' report.

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CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Miscellaneous Statistical Data  
June 30, 2004

Form of Government:	Parish School Board	Capacity/Sq. Ft.	Acreage
Geographic Area:	891 Square Miles		
Population:	250,342		
Public School Membership:	43,857		
Instruction Sites	Constructed	Capacity/Sq. Ft.	Acreage
<b>High Schools:</b>			
C.E. Byrd	1926	246,347	20.56
Caddo Magnet	1964	111,618	26.50
Captain Shreve	1967	193,488	58.00
Fair Park	1928	158,575	23.00
Green Oaks	1971	157,000	52.64
Hamilton Terrace Adult Learning Center	1925	71,000	8.00
Huntington	1973	227,301	43.00
North Caddo	1954	81,794	40.00
Northwood	1970	147,486	63.20
Southwood	1970	195,503	60.00
Booker T. Washington	1950	145,366	33.00
Woodlawn	1960	176,858	53.00
		<u>1,912,336</u>	<u>480.90</u>
<b>Middle Schools:</b>			
Bethune	1961	107,252	20.00
Donnie Bickham	1989	152,284	32.38
Broadmoor Middle Lab	1949	88,586	16.00
Caddo Middle Magnet	1965	106,880	20.00
J.S. Clark	1958	104,080	30.00
Hollywood	1955	66,103	10.00
Linear	1961	79,263	25.00
Linwood	1949	85,912	17.62
Ridgewood	1965	83,415	19.98
Yourcee Drive	1959	97,304	26.25
		<u>971,079</u>	<u>217.23</u>

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Miscellaneous Statistical Data  
June 30, 2004

Instruction Sites:	Constructed	Capacity/Sq. Ft.	Acreage
<b>Middle Schools (continued):</b>			
Herridon	1956	74,106	80.00
Keithville	1989	161,630	32.50
Oil City	1923	33,071	4.72
Turner	1984	160,000	17.00
Vivian	1923	93,334	9.00
Walnut Hill	1956	118,555	77.58
		<u>640,696</u>	<u>220.80</u>
<b>Elementary Schools:</b>			
Arthur Circle	1955	30,802	12.77
Atkins	1935	52,572	13.00
Barret	1916	33,500	4.00
Blanchard	1948	62,460	10.00
Caddo Heights	1949	73,475	15.00
Central	1917	51,136	2.95
Cherokee Park	1966	44,142	8.50
Claiborne Fundamental Magnet	1923	45,192	5.00
Creswell	1920	50,328	4.00
Eden Gardens Fundamental Magnet	1967	44,496	6.50
Eighty-First Street ECE	1954	35,452	12.60
Fairfield	1924	43,600	9.00
Forest Hill	1964	59,770	12.40
Hillsdale	1960	43,850	12.00
Hosston	1931	29,623	9.02
Ingersoll	1956	57,100	11.69
Judson Fundamental Magnet	1954	32,284	12.00
Lakeshore	1949	94,561	18.00
Midway	1931	63,028	15.09
Mooretown ECE	1954	54,000	10.00
Mooringsport	1911	43,868	4.00
North Highlands	1957	42,802	10.00
		<u>1,088,041</u>	<u>217.52</u>

(Continued)

CADDO PARISH SCHOOL BOARD  
Shreveport, Louisiana

Miscellaneous Statistical Data  
June 30, 2004

<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
<b>Elementary Schools (continued):</b>			
Northside	1955	38,193	12.00
Oak Park	1958	40,000	10.00
Pine Grove	1963	49,840	10.00
Queensborough	1924	56,000	5.00
Riverside	1957	35,223	9.44
Shreve Island	1955	40,100	10.45
Newton Smith	1960	32,295	12.00
South Highlands Magnet	1922	48,352	5.40
Southern Hills	1959	65,014	10.00
A.C. Steere	1929	22,592	13.00
E.B. Williams Stoner Hill Lab	1954	34,587	14.44
Summerfield	1967	51,850	15.46
Summer Grove	1954	39,535	12.00
Sunset Acres	1954	40,969	10.73
Jack P. Timmons	1956	33,795	10.08
University	1969	62,769	15.34
Werner Park	1942	64,723	8.30
West Shreveport	1926	63,943	5.00
Westwood	1960	25,295	10.00
		<u>845,075</u>	<u>198.64</u>
<b>Other Instruction Sites:</b>			
Alexander Learning Center	1912	30,000	3.73
Caddo Career Center	1956	103,868	18.15
School Nurse/Book Processing	1975	11,338	3.60
Special Education Center	1982	48,120	6.00
Oak Terrace Special Education	1959	66,200	18.00
		<u>259,526</u>	<u>49.48</u>
Total Overall Instruction Sites		<u>5,716,753</u>	<u>1384.57</u>

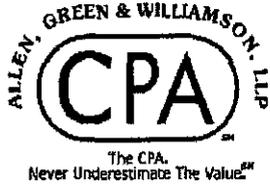
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**Caddo Parish School Board  
Shreveport, Louisiana**

**Compliance with Single Audit Act Amendment of 1996  
And Other Information  
For the Year Ended June 30, 2004**

**Caddo Parish School Board  
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### **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

#### **Board Members**

Caddo Parish School Board  
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 6, 2004. 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 of America.

#### **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 opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as 04-F1.

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 caused by error or fraud 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

#### **Management Letter Items**

We noted a matter that we reported to management in a separate letter dated December 6, 2004.

#### **Compliance and Other Matters**

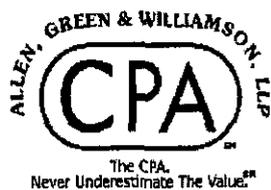
As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs as item 04-F1.

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

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 6, 2004



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### Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members  
Caddo Parish School Board  
Shreveport, Louisiana

#### Compliance

We have audited the compliance of Caddo Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB Circular No. A-133) Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. 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 of America; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed instances of non compliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 04-F2, 04-F3, and 04-F4.

#### 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 internal control over compliance in accordance with OMB Circular No. A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the School Board's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 04-F2, 04-F3, and 04-F4.

A material weakness is a reportable 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 caused by error or fraud 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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2004, and have issued our report thereon dated December 6, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 6, 2004

**Caddo Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Ender York, Inc. of Herndon, Virginia:			
Food Distribution (Cash in lieu of commodities)	10.550	N/A	789,885
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	2,573,638
National School Lunch Program	10.555	N/A	8,241,721
Summer Food Program for Children	10.559	N/A	<u>472,836</u>
Total United States Department of Agriculture			<u>12,078,080</u>
United States Department of Education			
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program		0444-09, 0444-09-F, 0344-09-C, 04344-09-C, 04313-09	329,232
84.002			
Title I Grants to Local Educational Agencies			
Basic Grant Program		04-T1-09, 2803-T1-09 C/O	15,265,314
84.010			
Special Education:			
State Grants - Part B		28-04-81-09 & 03-B1-09 C/O	7,957,683
84.027			
Preschool Grants	84.173	04-P1-09	347,213
Improving Literacy Through School Libraries	84.364	N/A	219,240
Vocational Education:			
Basic Grants to States		0402-09, 0302-09-C, SB09/03-04 TPCO,	
84.048		SB09/03-04 TP	679,984
Tech-Prep Education	84.243	SB09/03-04 TP	156,248
Innovative Education Program			
Strategies - Title V	84.298	048009	423,895
Education For Homeless Children and Youth			
McKinney Homeless Assistance	84.196	044109	96,124
Improving Teacher Quality (Title II)			
	84.367	04-50-09 & 03-50-09 CO	4,061,150
English Language Acquisition Grant (Title III)	84.365	046009	36,225
Technology Literacy Challenge	84.318	0449-09	299,575
School Comprehensive Reform	84.332	03-T4-09-C	404,580

**Caddo Parish School Board**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2004**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	CFDA <u>Grantor No.</u>	<u>Pass-Through Expenditures</u>
Title IV (Safe and Drug-Free Schools)	84.186	04-70-09 & 03-70-09C0	450,249
Reading First State Grants	84.357	N/A	488,454
Title IV-B 21 <sup>st</sup> Century Grant	84.287	04CC09	<u>110,285</u>
Total United States Department of Education			<u>31,325,451</u>
United States Department of Health and Human Services			
Passed Through the Louisiana Department of Education:			
Title XIX	93.778	N/A	239,149
Temporary Assistance for Needy Families (TANF)		280436-09, 601847, 604107, 59-05-01, 603885	
	93.558		1,052,508
Passed through Office of Family Support			
Family Support Act-Project Independence	93.781	CFMS #583887	<u>339,535</u>
Total United States Department of Health and Human Services			<u>1,631,192</u>
United States Department of Labor			
Passed Through the City of Shreveport			
Workforce Investment Act	17.255	N/A	72,512
Corporation for National and Community Service			
Passed Through the Louisiana Department of Education			
Learn and Serve America	94.004	LSPLA-201	31,875
Department of Housing and Urban Development			
Continuum of Care – Homeless Education			
Enhancement Program	14.235	LA48B902008	89,237
United States Department of Defense			
Direct Programs:			
Department of The Army			
ROTC	N/A	N/A	971,996
Other Cash Federal Awards			
Payments in Lieu of Taxes	N/A	N/A	<u>32,637</u>
TOTAL CASH FEDERAL AWARDS			<u>\$46,232,980</u>
<b>NONCASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	<u>\$ 28,642</u>
TOTAL NONCASH FEDERAL AWARDS			<u>\$ 28,642</u>
TOTAL FEDERAL AWARDS			<u>\$46,261,622</u>

**Caddo Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2004**

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

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

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

<u>Federal Sources</u>	
General	\$ 1,004,633
Title I	15,265,314
Child Nutrition Fund	12,106,722
Misc. State/Federal Grants	2,630,730
Other Governmental:	
Title VI	11,600
Special Education	8,304,896
Title II	4,061,150
Title XIX	214,936
Title III	36,225
Title IV (Drug Free)	450,249
Title V	412,295
Family Support	339,535
Adult Education	329,232
Vocational Education	836,232
WIA	72,512
Homeless	185,361
Total	<u>\$ 46,261,622</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

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

**Caddo Parish School Board**  
**Schedule of Findings and Questioned Costs**  
**As of and For the Year Ended June 30, 2004**

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

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There was a reportable condition required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.

The reportable condition was not considered to be a material weakness.

- iii. There was an instance of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

**Audit of Federal Awards**

- iv. There were reportable conditions required to be disclosed by OMB Circular No. A-133.  
The reportable conditions were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).

- vii. The major federal awards are:

CFDA #84.002	Adult Education – Basic Grant
CFDA #84.010	Title I
CFDA #93.558	Temporary Assistance to Needy Families
CFDA #84.048	Vocational Education – Basic Grant

**Child Nutrition Cluster**

CFDA #10.553	School Breakfast Program
CFDA #10.555	National School Lunch Program
CFDA #10.559	Summer Food Program for Children

- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular No. A-133, Section .520(b) was \$1,387,849.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Caddo Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2004**

**Part II – Findings related to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:**

**Reference # and title:**                    **04-F1**                    **Advertising for Bids**

**Criteria or specific requirement:** Louisiana Revised Statute 38:2212.1 requires all purchases of any materials or supplies exceeding the sum of \$20,000 to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder who has bid according to the specifications advertised. The advertisement shall be published two times in a newspaper in the locality, the first advertisement to appear at least fifteen days before the opening of bids.

**Condition:** The School Board purchased 100 buses during the year. The School Board could not provide a copy of the advertisement for bid. The bid specifications were sent by the School Board to the three vendors who supply buses meeting the specifications.

**Possible asserted effect (cause and effect):**

**Cause:** According to the Purchasing Department, the ad was e-mailed from the Purchasing Department to the newspaper but was apparently not run in the paper.

**Effect:** The purchase of the buses was not advertised in the paper but the bid specifications were sent to the three vendors who supply buses meeting the specifications.

**Recommendations to prevent future occurrences:** The Purchasing Department should implement procedures to ensure that advertisements e-mailed to the newspaper are actually placed in the paper.

**Caddo Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2004**

**Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):**

**Reference # and title:**                    **04-F2**                    **Highly Qualified Teachers**

**Federal program and specific federal award identifications:** Title I, CFDA #84.010, Passed through the Louisiana Department of Education

**Criteria or specific requirement:** The School Board must ensure that any teacher who is hired after the first day of the 2002-2003 school year to teach a core academic subject and who works in a program supported with Title I funds is highly qualified as defined in 34 CFR section 200.56. This requirement applies to teachers in Title I targeted assistance programs who teach a core academic subject and are paid with Title I funds and to all teachers who teach a core academic subject in a Title I school wide program school. Core academic subjects are English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography.

**Condition:** On October 21 – 23, 2003 the Louisiana Department of Education staff conducted a consolidated review of various federal programs including Title I. The School Board was found to be non-compliant with requirements specified in the No Child Left Behind Act of 2001, Section 1119(a) Teacher Qualifications. The monitoring team noted 22 teachers hired after the first day of the 2002-2003 school year that were not highly qualified to work in Title I school wide programs. The School Board researched the employment records and teaching credentials of these 22 teachers and determined for the 2003-2004 school year nine of these teachers were not highly qualified to work in Title I school wide programs.

**Identification of questioned costs and how the questioned costs were computed:** None

**Possible asserted effect (cause and effect):**

**Cause:** One teacher was employed at a non-Title I school and later transferred, 3 teachers were employed as highly qualified based on the fact they hold a valid teaching certificate, two were certified in elementary grades teaching special ed, one of the nine was previously employed, terminated, re-employed and lost “grandfather” status due to break in service, two of the nine are non-certified and were hired prior to the receipt of the highly qualified definition.

**Effect:** These nine teachers did not meet the highly qualified definition.

**Recommendations to prevent future occurrences:** Teachers working in programs supported by Title I should meet the definition of highly qualified.

**Reference # and title:**                    **04-F3**                    **Title I Comparability Report**

**Federal program and specific federal award identifications:** Title I, CFDA #84.010, Passed through the Louisiana Department of Education

**Criteria or specific requirement:** The School Board may receive funds under Title I only if state and local funds will be used in participating schools to provide services that, taken as a whole, are at least comparable to services that the School Board is providing in school not receiving Title I funds. The School Board determines comparability by completing a report which compares the average number of students per instructional staff or the average staff salary per student in each school receiving Title I funds with those in schools that do not receive Title I funds.

**Caddo Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2004**

**Condition:** The comparability report prepared in October 2003 reflected that all schools were comparable. In testing the report, AG&W determined that two schools were not comparable.

**Identification of questioned costs and how the questioned costs were computed:** None

**Possible asserted effect (cause and effect):**

**Cause:** At the time the comparability report was completed these two schools had unfilled positions.

**Effect:** Two Title I schools were not comparable according to the report completed October 2003.

**Recommendations to prevent future occurrences:** Any problems with the comparability report should be investigated immediately to determine the cause for the school not being comparable. Steps should be taken to ensure the schools meet the comparability requirements. The report should be reviewed by someone other than the preparer to determine the accuracy of the report.

**Reference # and title:**                    **04-F4**                    **Late Filing of Project Completion Report**

**Federal program and specific federal award identifications:** Title I, CFDA #84.010, Passed through the Louisiana Department of Education

**Criteria or specific requirement:** The School Board is required to report financial information to the Louisiana Department of Education through a project completion report. This report compares the final approved budget amounts by object category to the actual disbursements for the year by object category. This report is required to be submitted in December following the end of the grant period in September.

**Condition:** The project completion report for Title I program fiscal year 2001-2002 carryover to 2003 which was due in December 2003 had not been submitted at the time of the audit fieldwork in July 2004. The report was then completed and submitted.

**Identification of questioned costs and how the questioned costs were computed:** None

**Possible asserted effect (cause and effect):**

**Cause:** There was a change in bookkeepers for this program and the new bookkeeper thought the report had been submitted by the previous bookkeeper.

**Effect:** The project completion report was not filed timely.

**Recommendations to prevent future occurrences:** The School Board should have a procedure in place to ensure that required reports are submitted to the proper agencies on or before the due date.

**Caddo Parish School Board  
Summary Schedule of Prior Audit Findings  
June 30, 2004**

**Reference # and title:                    03-01                    Budget Adoption**

**Condition:** Louisiana R.S. 39:1305 states that each political subdivision shall cause to be prepared a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and for each special revenue fund. As part of the comprehensive budget, the chief executive or administrative officer shall include a budget document setting forth the proposed financial plan for the general fund and each special revenue fund. This should include a statement for the general fund and each special revenue fund showing the estimated fund balances at the beginning of the year, estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures by agency, department, function, and character; or other financing sources and uses; and the estimated fund balance at the end of the fiscal year.

Also, Louisiana R.S. 39:1307 requires that political subdivisions with total proposed expenditures of \$250,000 or more from the general fund and any special revenue funds shall afford the public an opportunity to participate in the budgetary process prior to adoption of the budget. The political subdivision must publish a notice stating the proposed budget is available for public inspection and this must be published at least ten days prior to the date of the first hearing. Publication shall be in the official journal of the political subdivision.

The School Board did not, for the 2002-2003 fiscal year, include all special revenue funds in its comprehensive budget. Also, the School board did not, for the 2002-2003 fiscal year, adopt a budget for the CEEF special revenue fund. As a result, the school board did not publish a notice for the proposed budgets for the special revenue funds in the official journal of the School Board. The School Board has implemented a policy of placing special revenue funds in its comprehensive budget for the 2003-2004 school year and, as a result, will publish a notice for the proposed budgets for the special revenue funds in the official journal of the School Board.

**Corrective action taken:** The School Board adopted a comprehensive budget for 2003-04 including all special revenue funds and CEEF on May 20, 2003.

**Reference # and title:                    03-02                    Title I Special Tests and Provisions - Comparability**

**Condition:** The School Board may receive funds under Title I only if state and local funds will be used in participating schools to provide services that, taken as a whole, are at least comparable to services that the Local Educational Agency (LEA) is providing in schools not receiving Title I funds. In order to determine comparability among schools, the secretary of the Title I Department prepares a schedule that compares the average number of students per instructional staff or the average staff salary per student in each school receiving Title I with those schools that do not receive Title I.

Three schools on the analysis were determined to be "not comparable" and there were no follow up procedures performed by Title I Department personnel to resolve the issue. The report was not reviewed by someone other than the preparer.

**Corrective action planned:** See current finding 04-F3 on the Schedule of Findings and Questioned Costs.

**Reference # and title:                    03-03                    Title I Allowable Costs and Cost Principles**

**Condition:** According to OMB Circular A-87 – Cost Principles for State, Local and Indian Tribal Governments, where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications are to be prepared at least semi-annually and should be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

**Caddo Parish School Board**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2004**

Also, where employees work on more than one federal award or a federal award and a nonfederal award, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation. Personnel activity reports or equivalent documentation must reflect an after-the-fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensated, must be prepared at least monthly and must coincide with one or more pay periods, and must be signed by the employee. Such documentation would not be required if the School Board had a statistical sampling system or other substitute system approved by the cognizant federal agency; yet, the School Board was not aware of any such substitute system.

During test work one employee was noted as being paid from different programs. Personnel activity reports to support an after-the-fact distribution of the actual activity of the employee were only prepared for the months of January to June. None were prepared for the months of July through December.

**Corrective action taken:** Personnel activity reports were implemented in January 2003 to verify activity of employees whose salaries are paid from grant funds. These reports document activity in accordance with OMB Circular A-87.

**Reference # and title:**                    **03-04**                    **TANF - Reporting**

**Condition:** LEA's are required to report financial information to the pass-through entity through a project completion report. The project completion report compares the final approved budget amounts for each expenditure category to the amounts actually disbursed for the year for each expenditure category. The total disbursement amount agrees to the sum of all reimbursement requests for the year. The School Board did not submit a project completion report for the Pre-GED program for the September 30, 2002 grant year.

**Corrective action taken:** Project reports were filed on all TANF programs for the current year.

**Caddo Parish School Board  
Corrective Action Plan for Current-Year Audit Findings  
As of and For the Year Ended June 30, 2004**

**Reference # and title:**                      **04-F1**                      **Advertising for Bids**

**Condition:** Louisiana Revised Statute 38:2212.1 requires all purchases of any materials or supplies exceeding the sum of \$20,000 to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder who has bid according to the specifications advertised. The advertisement shall be published two times in a newspaper in the locality, the first advertisement to appear at least fifteen days before the opening of bids.

The School Board purchased 100 buses during the year. The School Board could not provide a copy of the advertisement for bid. The bid specifications were sent by the School Board to the three vendors who supply buses meeting the specifications.

**Correction Action Plan:** Prior to opening any formal bid, an affidavit from the official journal must be provided as evidence that the bid was advertised properly.

**Contact person responsible for corrective action:**

Jeff Hudson                      Telephone (318) 603-6300  
Caddo Parish School Board      Fax: (318) 631-5241  
P. O. Box 32000  
Shreveport, LA 71130-2000

**Anticipated completion date:** July 2004

**Reference # and title:**                      **04-F2**                      **Highly Qualified Teachers**

**Condition:** The School Board must ensure that any teacher who is hired after the first day of the 2002-2003 school year to teach a core academic subject and who works in a program supported with Title I funds is highly qualified as defined in 34 CFR section 200.56. This requirement applies to teachers in Title I targeted assistance programs who teach a core academic subject and are paid with Title I funds and to all teachers who teach a core academic subject in a Title I school wide program school. Core academic subjects are English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography.

On October 21 – 23, 2003 the Louisiana Department of Education staff conducted a consolidated review of various federal programs including Title I. The School Board was found to be non-compliant with requirements specified in the No Child Left Behind Act of 2001, Section 1119(a) Teacher Qualifications. The monitoring team noted 22 teachers hired after the first day of the 2002-2003 school year that were not highly qualified to work in Title I school wide programs. The School Board researched the employment records and teaching credentials of these 22 teachers and determined for the 2003-2004 school year nine of these teachers were not highly qualified to work in Title I school wide programs.

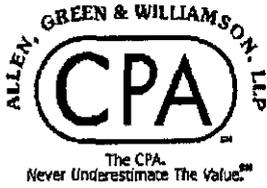
**Correction Action Plan:** The nine teaching positions staffed by teachers who did not meet the definition of highly qualified in 2003-04 have now been staffed for the 2004-2005 school year with teachers who do meet the definition of highly qualified as approved by SBESE. All applicants are now required to complete an Administrative Evaluation Form for Determination of NCLB Status at time of application. All applicant credentials along with the NCLB status form are checked for NCLB compliance prior to employment in programs supported by Title I funds.

**Contact person responsible for corrective action:**

Jan Holliday                      Telephone (318) 603-6300  
Caddo Parish School Board      Fax: (318) 631-5241  
P. O. Box 32000  
Shreveport, LA 71130-2000

**Anticipated completion date:** August 2004





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### Management Letter

Board Members  
Caddo Parish School Board  
Shreveport, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board, as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted a certain matter involving another operational matter that is presented for your consideration. This letter does not affect our report dated December 6, 2004, on the basic financial statements of the School Board. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, is intended to result in other operating efficiency. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment is summarized as follows:

#### **04-M1      Equipment inventory**

**Comment:** The School Board maintains an inventory listing for items that do not meet the capitalization threshold. Items exceeding the capitalization threshold for equipment (\$5,000) are depreciated. Seven schools were selected to test the listing of all items on the inventory list for each school. Ten items at each school were selected from the inventory listing to trace to the asset and ten items were selected at the school to trace back to the inventory listing. In tracing from the listing to the asset 60% of the items were located. In tracing from the asset to the listing 40% of the items were found. Several items exceeding the capitalization threshold of \$5,000 were selected to trace from the listing to the asset and all of these items were located at the schools.

**Recommendation:** The Accounting Department should continue to train and communicate with school personnel the procedures for updating the inventory listing.

**Management's response:** Maintenance of fixed asset records is a responsibility of personnel at all schools. In the upcoming months the accounting department will conduct training sessions for school personnel on the use of our new fixed asset inventory management software. This software is projected to meet the need for accurate and timely updating of the system's fixed assets and inventory items.

\* \* \* \* \*

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 6, 2004

**Caddo Parish School Board  
Status of Prior-Year Management Letter Items  
As of and for the Year Ended June 30, 2004**

**Fixed Assets and Equipment Inventory**

**Condition:** During a review of internal audit reports, certain exceptions were noted regarding records as it relates to the comprehensive fixed asset listing. In some instances at certain schools, newly purchased fixed asset items had not been added to the fixed asset listing; items on the fixed asset listing could not be located at certain schools; and items tested at certain schools could not be located on the fixed asset listing. Also, the fixed asset records were not fully updated until year end for purchases and disposals that occurred during the year.

**Management action planned:** See current year management letter item 04-M1.

**Year End Accruals**

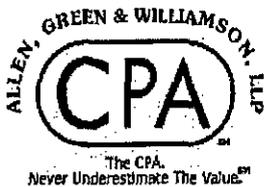
**Condition:** In testing for unrecorded liabilities, the auditors noted several amounts paid subsequent to year end that should have been accrued by the School Board but were not. Adjusting entries were made to properly state the liability at year end.

**Corrective action taken:** The Accounting Department reviewed payments made in the month following the close of the fiscal year to ensure that expenses were accrued as necessary.

**Old Outstanding Checks**

**Condition:** Certain checks outstanding for six months to ten years were noted in reviewing the School Board's payroll bank account reconciliation. At year end, cash and related liabilities could be understated as these checks may never clear.

**Corrective action taken:** The outstanding checks noted on the payroll bank account reconciliation totaling \$46,000 were forwarded to the State of Louisiana on June 21, 2004 as an amendment to the Unclaimed Property Report.



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

Board Members  
Caddo Parish School Board  
Shreveport, Louisiana

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

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

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

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

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

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

Education Levels of Public School Staff (Schedule 2)

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

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

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

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

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

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

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555)

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

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

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

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

Public Staff Data (Schedule 5)

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

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

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

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

Class Size Characteristics Schedule 6)

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

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

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

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

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

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

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

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

The Iowa Tests(Schedule 9)

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

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

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

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

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 15, 2004

Caddo Parish School Board  
Schedules for Annual Financial Statements

Schedule 1

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources  
As of and for the year ended June 30, 2004

	<u>Amount</u>
<i>General Fund instructional and equipment expenditures:</i>	
General Fund instructional expenditures:	
Teacher and student interaction activities:	
Classroom teacher salaries	\$ 113,651,850
Other instructional staff salaries	15,849,786
Instructional staff employee benefits	40,294,745
Purchased professional and technical services	267,742
Instructional materials and supplies	3,913,080
Instructional equipment	<u>260,825</u>
Total teacher and student interaction activities	\$ 174,238,028
Other instructional activities	\$ 182,363
Pupil support activities	\$ 10,821,464
Less: equipment for pupil support activities	<u>(49,666)</u>
Net pupil support activities	\$ 10,771,798
Instructional staff services	\$ 13,556,312
Less: equipment for instructional staff services	<u>(302,921)</u>
Net instructional staff activities	\$ 13,253,391
Total General Fund instructional expenditures	\$ 198,445,580
Total General Fund Equipment Expenditures	\$ 613,415
Certain local revenue sources:	
Local taxation revenue:	
Constitutional ad valorem tax	\$ 8,143,184
Renewable ad valorem tax	58,983,968
Debt service ad valorem tax	8,394,518
Up to 1% collections by the Sheriff on taxes other than school taxes	1,384,672
Sales and use taxes	<u>52,918,426</u>
Total Local Taxation Revenue	\$ 129,824,768
Local earnings on investment in real property	
Earnings from 16th section property	\$ -
Earnings from other real property	<u>-</u>
	\$ -
State Revenue in Lieu of Taxes	
Revenue sharing - constitutional tax	\$ 438,884
Revenue sharing - other taxes	1,804,977
Revenue sharing - excess portion	74,076

Other revenue in lieu of taxes	-
Total state revenue in lieu of taxes	\$ 2,317,937

State revenue for nonpublic education:	
Nonpublic textbook revenue	\$ 93,393
Nonpublic transportation revenue	-
Total state revenue for nonpublic education	\$ 93,393

Note:

This schedule includes local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used in the Minimum Foundation Program (MFP) Formula.

Schedule 2

**CADDO PARISH SCHOOL BOARD**  
**Shreveport, Louisiana**

**Education Levels of Public School Staff**  
**As of October 1, 2003**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	18	0.00%	33	9.65%	0	0.00%	0	0.00%
Bachelor's Degree	1672	64.28%	248	72.51%	0	0.00%	0	0.00%
Master's Degree	558	21.45%	55	16.08%	46	29.87%	0	0.00%
Master's Degree + 30	326	12.53%	3	0.00%	94	61.04%	0	0.00%
Specialist In Education	21	0.81%	2	0.00%	5	3.25%	0	0.00%
Ph. D. or Ed. D.	6	0.23%	1	0.00%	9	0.00%	0	0.00%
<b>Total</b>	<b>2601</b>	<b>99.31%</b>	<b>342</b>	<b>98.25%</b>	<b>154</b>	<b>94.16%</b>	<b>0</b>	<b>0.00%</b>

Schedule 3

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

**Number and Type of Public Schools**  
**For the Year Ended June 30, 2004**

<b>Type</b>	<b>Number</b>
Elementary	46
Middle/Jr. High	11
Secondary	13
Combination	4
<b>Total</b>	<b>74</b>

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

Schedule 4

**CADDO PARISH SCHOOL BOARD**  
**Shreveport, Louisiana**

**Experience of Public Principals and Full-time Classroom Teachers**  
**As of October 1, 2003**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	8	10	12	10	39	79
Principals	0	0	0	7	6	13	49	75
Classroom Teachers	206	265	838	346	352	303	633	2943
<b>Total</b>	206	265	846	363	370	326	721	3097

**CADDO PARISH SCHOOL BOARD**  
**Shreveport, Louisiana**

**Public School Staff Data**  
**For the Year Ended June 30, 2004**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$40,538.91	\$40,131.88
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$40,538.91	\$40,131.88
<b>Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries</b>	2929.05	2825.90

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

**CADDO PARISH SCHOOL BOARD**  
**Shreveport, Louisiana**

**Class Size Characteristics**  
**As of October 1, 2003**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	41.6	1281	47	1447	11.5	354	0	0
Elementary Activity Classes	35.4	235	46.2	307	11.8	78	6.6	44
Middle/Jr. High	36.8	732	35.5	707	27.7	552	0.1	1
Middle/Jr. High Activity Classes	21.7	72	19.6	65	30.4	101	28.3	94
High	43.1	1180	19	520	38	1040	0	0
High Activity Classes	35.8	91	18.5	47	19.7	50	26	66
Combination	71	262	17.9	66	11.1	41	0	0
Combination Activity Classes	46.7	21	22.2	10	15.6	7	15.6	7

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

Caddo Parish School Board  
Schedules for Annual Financial Statements

Schedule 7a

Louisiana Educational Assessment Program (LEAP 21) for the 21st Century  
As of and for the year ended June 30, 2004

4th Grade Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	131	3.7%	41	1.1%	122	3.1%	72	2.0%	106	2.9%	111	2.8%
Mastery	659	18.6%	518	14.3%	599	15.1%	500	14.1%	486	13.4%	386	9.7%
Basic	1,313	37.0%	1,563	43.1%	1,453	36.7%	1,262	35.6%	1,467	40.4%	1,438	36.3%
Approaching Basic	825	23.3%	1,010	27.8%	1,202	30.3%	824	23.2%	843	23.2%	952	24.0%
Unsatisfactory	619	17.5%	498	13.7%	585	14.8%	887	25.0%	726	20.0%	1,073	27.1%
Total	3,547	100.0%	3,630	100.0%	3,961	100.0%	3,545	100.0%	3,628	100.0%	3,960	100.0%

4th Grade Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	79	2.2%	111	3.1%	179	4.5%	77	2.2%	94	2.6%	70	1.8%
Mastery	532	15.0%	553	15.3%	476	12.0%	574	16.2%	467	12.9%	367	9.3%
Basic	1,390	39.2%	1,239	34.2%	1,544	39.0%	1,423	40.1%	1,506	41.6%	1,659	41.9%
Approaching Basic	1,023	28.9%	1,282	35.4%	1,191	30.1%	775	21.9%	951	26.2%	1,013	25.6%
Unsatisfactory	521	14.7%	438	12.1%	571	14.4%	696	19.6%	605	16.7%	847	21.4%
Total	3,545	100.0%	3,623	100.0%	3,961	100.0%	3,545	100.0%	3,623	100.0%	3,956	100.0%

Note:

This schedule represents student performance testing data and district summary scores for grade 4 in English Language Arts, Mathematics, Science, and Social Studies.

Caddo Parish School Board  
Schedules for Annual Financial Statements

Schedule 7b

Louisiana Educational Assessment Program (LEAP 21) for the 21st Century  
As of and for the year ended June 30, 2004

8th Grade Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	17	0.6%	27	0.9%	33	1.1%	69	2.1%	99	3.0%	42	1.2%
Mastery	288	10.0%	456	15.7%	507	16.3%	148	4.6%	176	5.3%	95	2.7%
Basic	1,002	34.7%	963	33.2%	869	28.0%	1,324	41.0%	1,086	32.8%	1,052	29.5%
Approaching Basic	1,060	36.7%	962	33.2%	1,254	40.4%	796	24.7%	770	23.3%	1,026	28.7%
Unsatisfactory	521	18.0%	491	16.9%	440	14.2%	890	27.6%	1,178	35.6%	1,357	38.0%
Total	2,888	100.0%	2,899	100.0%	3,103	100.0%	3,227	100.0%	3,309	100.0%	3,572	100.0%

8th Grade Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	45	1.6%	33	1.2%	44	1.5%	31	1.1%	9	0.3%	35	1.2%
Mastery	449	15.9%	387	13.8%	441	14.8%	327	11.6%	289	10.3%	322	10.9%
Basic	830	29.4%	896	31.9%	863	29.0%	1,044	37.2%	1,108	39.6%	1,102	37.2%
Approaching Basic	772	27.4%	846	30.1%	861	28.9%	797	28.4%	720	25.7%	748	25.2%
Unsatisfactory	726	25.7%	644	23.0%	769	25.8%	609	21.7%	674	24.1%	758	25.6%
Total	2,822	100.0%	2,806	100.0%	2,978	100.0%	2,808	100.0%	2,800	100.0%	2,965	100.0%

Note:

This schedule represents student performance testing data and district summary scores for grade 8 in English Language Arts, Mathematics, Science, and Social Studies.

Caddo Parish School Board  
Schedules for Annual Financial Statements

Schedule 8

The Graduation Exit Examination for the 21st Century (GEE 21)  
As of and for the year ended June 30, 2004

10th Grade Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	71	2.7%	22	0.7%	67	2.0%	233	8.7%	217	5.8%	223	6.0%
Mastery	459	17.4%	306	9.5%	483	14.4%	335	12.5%	382	10.2%	315	8.4%
Basic	943	35.7%	1,047	32.5%	1,042	31.0%	833	31.0%	863	23.1%	845	22.6%
Approaching Basic	587	22.2%	734	22.8%	744	22.1%	447	16.6%	621	16.6%	532	14.2%
Unsatisfactory	583	22.1%	1,111	34.5%	1,028	30.6%	841	31.3%	1,647	44.2%	1,826	48.8%
Total	2,643	100.0%	3,220	100.0%	3,364	100.0%	2,689	100.0%	3,730	100.0%	3,741	100.0%

11th Grade Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	90	3.7%	67	2.5%	90	3.5%	33	1.3%	61	2.3%	40	1.5%
Mastery	398	16.1%	344	12.7%	320	12.4%	332	13.4%	347	12.8%	311	12.0%
Basic	827	33.5%	878	32.5%	763	29.5%	1,086	44.0%	959	35.4%	937	36.2%
Approaching Basic	648	26.3%	587	21.7%	577	22.3%	551	22.3%	630	23.3%	569	22.0%
Unsatisfactory	502	20.4%	824	30.5%	838	32.4%	467	18.9%	711	26.3%	733	28.3%
Total	2,465	100.0%	2,700	100.0%	2,588	100.0%	2,469	100.0%	2,708	100.0%	2,590	100.0%

Note:

This schedule represents student performance testing data and district summary scores for grades 10 and 11 in English Language Arts, Mathematics, Science, and Social Studies. Testing for English Language Arts and Mathematics did not begin until 2001, and Testing for Science and Social Studies did not begin until 2002.

Caddo Parish School Board  
Schedules for Annual Financial Statements

Schedule 9

The Iowa Tests

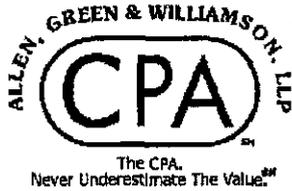
As of and for the year ended June 30, 2004

	Composite					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Test of Basic Skills (ITBS)						
Grade 3	3,267	56%	3,306	55%	2,918	50%
Grade 5	3,250	57%	3,377	57%	2,815	52%
Grade 6	3,700	43%	3,680	41%	2,498	53%
Grade 7	3,586	48%	2,895	51%	2,780	47%
Tests of Educational Development (ITED)						
Grade 9	2,701	52%	2,669	50%	2,544	50%

NOTE:

The Iowa Tests used in Louisiana are norm-referenced achievement tests that are standardized nationally, allowing the comparison of performance between students test within the national sample. (Students included in the norm-referenced reports are those that take The Iowa Tests without most accommodations / modifications such as extended time allowances, etc., to the testing conditions.)

The summary score reported is the National Percentile Rank, showing relative position or rank as compared to a large representative sample of students in the same grade from the entire nation.



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1963 - 2000

## Independent Auditors' 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 permanent fund of the Caddo Parish School Board) for the year ended June 30, 2004. Management is responsible for the Caddo Parish School Board's compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with attestation 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 summary of the activity of the CEEF funds from the School Board as of and for the year ended June 30, 2004 (Attachment I).
2. Judgmentally selected twelve receipts from the riverboats from the CEEF general ledger covering eleven different months during the fiscal year ended June 30, 2004, totaling \$620,572 or 50% of total fees collected, and compared these to a validated deposit slip and supporting letter received from the riverboats. LSA-R.S. 27:93 requires that:
  - 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.

Members of the Caddo Parish School Board  
Page 2

Sample selected:

	<u>Date</u>	<u>Amount Deposited</u>
Harrah's:	July 8, 2003	\$ 88,636.25
	September 5, 2003	95,099.87
	November 3, 2003	77,359.94
	January 6, 2004	85,466.39
	March 8, 2004	89,399.82
	May 7, 2004	85,064.15
Casino Magic:	August 22, 2003	16,421.37
	October 15, 2003	15,201.26
	December 24, 2003	14,946.44
	February 25, 2004	18,045.80
	April 20, 2004	18,276.56
	May 21, 2004	<u>16,654.09</u>
		<u>\$ 620,574.94</u>

3. Agreed the amount of interest removed from the CEEF general ledger and the School Board's CEEF bank account to the amount deposited into the CEEF Operating Special Revenue Fund general ledger and the School Board's sweep bank account in January 2004 from which disbursements are made. LSA-R.S. 17:408.1(A) requires that:
  - 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 accounts was withdrawn by the Caddo Parish School Board only during January of the calendar year.
4. Compared the investments of the monies held in the CEEF bank account to the types of investments allowed by the State of Louisiana. LSA-R.S. 17:408.1B requires that:
  - 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 list of the activity of the CEEF funds at each individual school. From this, we judgmentally selected 25 expenditures totaling \$115,865 or 73% of total CEEF disbursements, and agreed the expenditure amount to the invoice and its classification on the schedule, considering that CEEF earnings are to be 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 as recorded in the CEEF general ledger
  7. Compared approval of expenditures tested in step 5 to the School Board's required policy

**Findings:**

1. No exceptions noted.
2. No exceptions were noted when comparing twelve receipts from the riverboats selected from the CEEF general ledger to a validated deposit slip and supporting letter from the riverboats.

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 this 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. The school purchased two handheld radios at a price of \$211.90. The radios were delivered to Timmons Elementary School. After a discussion with School personnel, it appears that the radios may not be being used for educational enhancement, as the statute specifies. The radios were being used for communication between locations on the school grounds, with one radio issued to a coordinator and one radio issued to a counselor employed by the school.
6. No exceptions noted.
7. No exceptions noted.

\*\*\*\*\*

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2004. 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 use of the specified users listed above and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 30, 2004

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

## Balance Sheets

June 30, 2004

(Unaudited)

	<b>Caddo Educational Excellence Permanent <u>Fund</u></b>	<b>Caddo Educational Excellence Special <u>Revenue Fund</u></b>
<b>Assets</b>		
Cash held at Bank One	\$ 10,269,769	\$ 237,373
Accounts receivable	<u>137,847</u>	<u>0</u>
Total assets	<u>\$ 10,407,616</u>	<u>\$ 237,373</u>
<b>Liabilities and Fund Balance</b>		
Fund balance – reserved for instructional enhancement	\$ <u>10,407,616</u>	\$ <u>237,373</u>
Total liabilities and fund balance	<u>\$ 10,407,616</u>	<u>\$ 237,373</u>

(Continued)  
**Attachment I**

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
CEEF Operating Special Revenue Fund

Year Ended June 30, 2004

(Unaudited)

Expenditures – current- instruction and Support services - instruction	\$ 158,613
Operating transfers in	<u>97,676</u>
Excess of expenditures over revenues and operating transfers	(60,937)
Fund balance, beginning of year	<u>298,310</u>
Fund balance, end of year	<u>\$ 237,373</u>

**CADDO PARISH SCHOOL BOARD**  
Shreveport, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
CEEF Educational Excellence – Permanent Fund

Year Ended June 30, 2004

(Unaudited)

Revenues:	
Fees:	
Harrah's	\$ 1,033,308
Casino Magic	199,407
Interest earnings	<u>93,168</u>
Total operating revenues	1,325,883
Expenditures – administration	<u>194</u>
Excess of revenues over expenditures	1,325,689
Operating transfers to other funds	<u>97,676</u>
Net change in fund balance	1,228,013
Fund balance, beginning of year	<u>9,179,603</u>
Fund balance, end of year	<u>\$ 10,407,616</u>

See accompanying independent accountants' report on applying agreed-upon procedures.