

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

Financial Statements and Schedules

June 30, 2009

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 1/27/10

## Contents

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### Introductory Section

Principal Officials	i
Superintendent's Letter of Transmittal	ii - iv
Chief Financial Officer's Letter of Transmittal	v - vi

---

<b>Independent Auditor's Report</b>	<b>1 - 2</b>
-------------------------------------	--------------

---

### Required Supplementary Information - (Part I)

Management's Discussion and Analysis	3 - 12
--------------------------------------	--------

---

### Basic Financial Statements

Government-Wide Financial Statements	
Statement of Net Assets	14 - 15
Statement of Activities	16 - 17

#### Fund Financial Statements

Governmental Funds	
Balance Sheet	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	20
Statement of Revenues, Expenditures and Changes in Fund Balances	21 - 22
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	23
Proprietary Funds - Internal Service	
Statement of Net Assets	24
Statement of Revenues, Expenses and Changes in Net Assets	25
Statement of Cash Flows	26
Fiduciary Funds	
Statement of Fiduciary Net Assets	27
Statement of Changes in Fiduciary Net Assets	28

---

<b>Notes to Financial Statements</b>	<b>30 - 65</b>
--------------------------------------	----------------

---

### Required Supplementary Information - (Part II)

Budgetary Comparison Schedule - General Fund	67 - 68
Budgetary Comparison Schedule - Pass Through Fund	69 - 70
Budgetary Comparison Schedule - Federal Grant Fund	71 - 72

## Contents

---

### Other Supplementary Information

Combining and Individual Fund Statements and Schedules	
Non-Major Governmental Funds - By Fund	
Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	75 - 76
Non-Major Special Revenue Funds	
Combining Balance Sheet	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	78
Non-Major Debt Service Funds	
Combining Balance Sheet	79
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	80
Non-Major Capital Projects Funds	
Combining Balance Sheet	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Proprietary Fund Type - Internal Service Funds	
Combining Statement of Net Assets	83
Combining Statement of Revenues, Expenses and Changes in Net Assets	84
Combining Statement of Cash Flows	85
Fiduciary Fund Type - Agency Funds	
Combining Statement of Assets and Liabilities	86
Combining Statement of Changes in Assets and Liabilities	87
Statistical Schedules	
Government-Wide Expenses by Function	88
Government-Wide Revenues	89
General Fund Expenditures by Function	90 - 91

---

<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	92 - 93
--	---------

---

<b>Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133</b>	94 - 95
---	---------

---

<b>Schedule of Expenditures of Federal Awards</b>	96
---	----

---

<b>Notes to Schedule of Expenditures of Federal Awards</b>	97
--	----

---

<b>Schedule of Findings and Questioned Costs</b>	98 - 100
--	----------

## Contents

---

<b>Summary Schedule of Prior Year Audit Findings and Questioned Costs</b>	101
---	-----

---

<b>Independent Accountant's Report on Applying Agreed-Upon Procedures</b>	102 - 105
---	-----------

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### **Schedules Required by Louisiana State Law (R.S. 24:514 Performance and Statistical Data)**

	Schedule	
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	1	107
Education Levels of Public School Staff	2	108
Number and Type of Public Schools	3	109
Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers	4	110
Public School Staff Data	5	111
Class Size Characteristics	6	112
Louisiana Educational Assessment Program (LEAP)	7	113
Graduation Exit Exam	8	114
iLEAP Test Results	9	115 - 117

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Principal Officials  
June 30, 2009**

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**School Board Members**

Ira H. Thomas, Sr.	District 1	
Cynthia Cade	District 2	
Brent Bonin	District 3	
Lourdes Moran	District 4	Vice-President
Seth Bloom	District 5	
Woody Koppel	District 6	President
Thomas Robichaux	District 7	

Officers are elected for a term of one calendar year by Board Member. The 2009 officers are shown above.

**Executive Director of Board Operations**

Thelma French

**Administrative Officials**

Darryl Kilbert	Superintendent
Stan Smith	Chief Financial Officer

**Departmental Executive Directors**

Rosalynne Dennis, Ph.D.	Exceptional Children's Services
Armand Devezin, Ph.D.	Human Resources
Herman Taitt, Jr.	Operations
Leslie Ray	Purchasing/Ancillary Services
Tim Russell	Controller
Ed Morris	General Counsel



# Orleans Parish School Board

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

*Darryl C. Kilbert, Superintendent*

January 11, 2010

**RE: CAFR 2009**

The President and Members  
Orleans Parish School Board

The Orleans Parish School Board is aggressively planning our school system's financial future. With a population that continues to be drenched in higher living cost, higher taxes, and lower future expectations, we recognize that a quality education system is a key to recovery.

Most importantly, the Board has overseen the activities of the Superintendent and administration in rebuilding the academic standing and achievement of our students. Since the storm, our district schools have achieved upwards of 96 percent in student attendance and a 97 percent senior graduation rate. We extended our school day and invested funds to provide a significant increase in staff professional development.

The following is an update of services and activities the Orleans Parish Schools have performed:

## Academic Update

- ❖ Students have access to instructional technology (web-based programs) 24 hours a day, 7 days a week.
- ❖ Parents have online access to their child's grades, assignments and can track progress.
- ❖ Students reading abilities are assessed and remediated through the Adolescent Literacy Initiative grades 4 – 10.
- ❖ Student Academic Reviews are held where teachers and administrators and instructional staff meet to discuss and review the individual needs of all students.
- ❖ Robotics programs are in elementary and high schools.
- ❖ Performance Series is a computer assessment program, which allows pinpointing of student understanding across a range of core subjects; prescribes specific lessons for student achievement based upon test data; and supports Response to Intervention (RTI).

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

- ❖ Achievement Series is a powerful web-based district-wide assessment solution that allows K – 12 educators to develop and administer tests, capture immediate results, and produce standards-based reports.
- ❖ Teachers and administrators have access to a longitudinal data system to plan instruction based on student data.
- ❖ Teachers have access to curriculum pacing guides and alignment based on the Louisiana Comprehensive Curriculum.
- ❖ Teachers have common assessments for core subjects in grades 2 – 12.
- ❖ Science students compile academic portfolios that highlight study skills and document instructional components.
- ❖ District recognized for 100% compliance in IDEA Special Education Services for students.
- ❖ District provides Child Search evaluation services to all pre-school children ages 3-5 who reside in Orleans Parish.

#### **Accountability Update**

- ❖ Completed the second evaluation of OPSB charter schools utilizing the NACSA Charter School Framework adopted by BESE and OPSB.
- ❖ Completed the second evaluation of NOPS schools utilizing a modified version of charter school framework.
- ❖ Developed and implemented *ExCELSS Protocol-Examining Curriculum Enhanced Learning for Students* – a uniform process for monitoring and learning.

#### **Safety and Security Update**

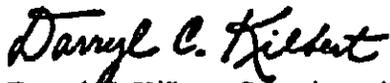
- ❖ Initiated the implementation of the revised State Safety and Security Plan at all OPSB schools.
- ❖ Deployed “Visitor Management” software and hardware in NOPS schools to create a data base of visitors that tracks visitors and checks against a national crime registry through the use of a driver’s license swipe before the visitor is given an access pass.
- ❖ Secured, boarded and monitor OPSB vacant properties.
- ❖ Training and Professional Development Activities:
  - Training provided to school personnel on Emergency Management, Crisis Communications and Bomb Threats, basic personnel qualifications

*“Success is the **ONLY OPTION!**”*

- All security officers are CPR Certified and trained in First Aid
- Collaborating with IT and Facilities Departments for implementation IP controlled access to each OPSB school.
- Security Camera System in several schools

The Orleans Parish School board is committed to creating a world-class public education system that is child centered and supports the rebuilding of the city of New Orleans.

Respectfully,



Darryl C. Kilbert, Superintendent  
Orleans Parish Public Schools

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



# Orleans Parish Public Schools

3520 General deGaulle Drive \* New Orleans, Louisiana \* 70114  
(504) 304-5680 office (504) 309-2865 fax

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*Stan Smith, Chief Financial Officer*

January 7, 2010

The President and Members  
Orleans Parish School Board

We are pleased to present the Annual Financial Report of the Orleans Parish School Board (OPSB) for the fiscal year ended June 30, 2009. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rest with the OPSB.

To the best of our knowledge and belief, the data included in the financial report is accurate in all material respects and is reported in a manner designed to present fairly the Statement of Net Assets and Statement of Activities of the OPSB. All disclosures necessary to enable the reader to gain an understanding of the OPSB financial activities have been included. This report also includes all funds and account groups of the School Board.

The Annual Financial Report is presented in two sections: Introductory and Financial. The Introduction Section includes this Transmittal Letter and a list of principal officials. The Financial Section includes required supplemental information (Management Discussion and Analysis), basic financial statements, and other supplemental information, as well as the independent auditors' report on the basic financial statements.

The OPSB is a political subdivision created under Louisiana State Statutes and has the power to sue and be sued, to make rules and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the State Board of Elementary and Secondary Education. The School Board operates within Orleans Parish providing a full range of regular education and related services as required by the Louisiana State Statutes. It is authorized to establish public schools (including the authorization of Charter schools) it deems necessary to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine local supplement to their salaries. Accordingly, the OPSB is not included in any other governmental reporting entity since its members are elected by the public for a term of four years and have decision-making authority, the power to designate management, the ability to significantly influence operations and have primary accountability for fiscal matters for the Orleans Parish School System.

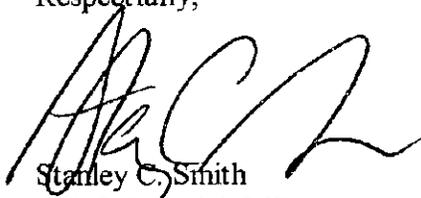
The boundaries of the OPSB area of responsibility and the City of New Orleans are coterminous and located near the mouth of the Mississippi River in Southeast Louisiana. The leading industries of the local economy are petroleum, port, tourism, and construction.

All funds and entities controlled by or dependent on the OPSB are included in the report. These financial statements present the School Board as the primary government. OPSB had twelve active Charter Schools. These Charter Schools and their enrollment as of February 1, 2009 are as follows:

<u>Charter School</u>	<u>Number of Students</u>
Audubon Charter School	624
Benjamin Franklin High School	558
Einstein Charter School	493
Edward Hynes Charter School	464
Lake Forest Elementary Charter School	436
Lusher Charter School	1,456
New Orleans Science and Math High School	337
Robert Russa Moton Elementary	185
Priestley School Of Architecture and Construction	307
Warren Easton Senior High School	859
Algiers Charter Schools:	
Alice M. Harte Elementary	623
Edna Karr High School	815
Total Enrollment	<u>7,156</u>

The charter schools' financial statements are presented in the report as discrete component units of the reporting entity because they are fiscally dependent on the OPSB.

Respectfully,



Stanley C. Smith  
Chief Financial Officer  
Orleans Parish Public Schools



## Independent Auditor's Report

To the Orleans Parish School Board  
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Orleans Parish School Board (School Board) as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following discretely presented component units which represent 91%, 92% and 79%, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units: Hynes Charter School, Lusher Charter School, New Orleans Charter Science and Math School, Warren Easton Senior High School, Lake Forest Elementary Charter School, Robert Russa Moton Charter School, Priestley School of Architecture and Construction, Ben Franklin High School and Algiers Charter Schools – Alice M. Harte Elementary and Edna Karr High School. These financial statements were audited by other auditors whose reports thereon were furnished to us and our opinion herein on the financial statements, in so far as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2009, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



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

**Management's Discussion and Analysis**

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**Overview and Analysis of Financial Activities**

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

Our discussion and analysis of the School Board's financial performance includes a section entitled *Financial Highlights* which provides an overview of its financial activities for the fiscal years ended June 30, 2009 and 2008. This discussion and analysis should be read in conjunction with the Annual Financial Report's Letter of Transmittal in the Introductory Section, the School System's Financial Statements (Financial Section), and the Notes to the Financial Statements.

**Financial Highlights**

- As of June 30, 2009 the School Board reported a consolidated net assets total of \$3.6 million. This consolidated total represents a decrease of approximately \$500,000 over the June 30, 2008 balance of \$4.1 million at June 30, 2008. The June 30, 2009 balance represents an increase of approximately \$104.5 million over the June 30, 2006 deficit of \$100.9 million.
- As of June 30, 2009 the School Board reported General Fund fund balance of \$54.2 million. This represents a decrease of \$19.8 million from the June 30, 2008 balance of \$74.0 million. The components of this decrease are as follows: (1) Recalculation of the Recovery School District's share of FY 2006-07 and FY 2007-08 local revenues totaled \$5.9 million; (2) Payment to OPSB charter schools for Minimum Foundation Payments (MFP) and local share revenues in excess of the actual amounts received by \$6.2 million; (3) FY 2008-09 General Fund operations loss of \$7.7 million. The operating loss, which was anticipated, is related to legacy costs, such as retiree health insurance and workers compensation claims run out.
- Ad valorem tax revenues totaled \$79.9 million, which represents a decrease of \$9.6 million, or 10.8%, from the previous fiscal year. The FY 2008-09 ad valorem tax revenues represent 72.1% of the Pre-Hurricane Katrina or FY 2004-05 levels.
- Sales tax revenues totaled \$79.4 million, which represents a decrease of \$8.1 million, or 9.3%, from the previous year. The FY 2008-09 sales tax revenues represents 88% of the Pre-Hurricane Katrina or FY 2004-05 levels.
- The Minimum Foundation Program (MFP) distribution from the State of Louisiana totaled \$36.1 million for FY 2008-09. Louisiana funds public education through a block grant known as the Minimum Foundation Program, or MFP. The MFP formula is developed and approved annually by The Louisiana State Board of Elementary and Secondary Education.
- Since August 2005 the School Board has received \$59.4 million in Hurricane Katrina insurance proceeds. The entire amount has been recorded as deferred income pending the results of legal actions. See Note 20 for a complete explanation.

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

**Management's Discussion and Analysis**

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- During FY 2008-09 expenditures on Federal awards totaled \$65.2 million. The three largest grants were as follows: (1) U.S. Department of Homeland Security, FEMA Disaster Relief Program, = \$7.3 million; (2) U.S. Department of Education, No Child Left Behind, Title I = \$29.8 million; (3) U.S. Department of Education, No Child Left Behind, Title II = \$4.8 million; (4) U.S. Department of Education, Innovative Education Program Strategies, Title V = \$5.3 million; and (5) U.S. Department of Education, Restart, = \$8.4 million. These expenditures benefit OPSB students, OPSB Charter School students and non-public students.
- During FY 2008-09 the School Board borrowed an additional \$14.5 million under the Debt Service Assistance Program. The Gulf Opportunity Zone Act allowed for the issuance of Gulf Tax Credit Bonds to assist local governments to pay bonded indebtedness. The School Board borrowed \$61.7 million under this program in prior fiscal years, which makes the total amount borrowed \$76.2 million. Principal and interest payments for these bonds are deferred until July 15, 2012.
- Principal payments on bonds and notes payable, along with lease obligations totaled \$27.4 million.
- As of June 30, 2009 the School Board had total long-term obligations of \$434.5 million. This is comprised of the following: (1) Bonds, Notes and Capitalized Lease Obligations of \$309.6 million; (2) Accrued interest payable of \$43.6 million; (3) Compensated absences of \$17.4 million; and (4) Claims payable of \$63.9 million.
- As of June 30, 2009 the School Board had net assets in its Debt Service funds of \$145.5 million. The components of this are as follows: (1) General Obligation Bonds = \$29.9 million; (2) 1991 Refunding Bonds, Accrued Interest = \$38.5 million; (3) Gulf Opportunity Bonds = \$77.1 million. These funds are dedicated by Board action to the repayment of the related outstanding debt.
- As of June 30, 2009 the School Board had a net investment in capital assets, book value less accumulated depreciation, of approximately \$215.5 million, which includes the long-term receivable due from the RSD of \$134.6 million. The long-term debt plus accrued interest on these capital assets totaled \$215.2 million. The difference between the net investment in capital assets, net of related debt represents a small surplus of approximately \$0.3 million. This small surplus is an accumulation of years of investment in capital projects less the related debt. Hurricane Katrina and the related destruction of the physical facilities obviously contributed to this deficiency.
- Capital project expenditures during FY 2008-09 for both major construction and repair and maintenance projects totaled \$15.6 million. Capital project expenditures are projected to substantially increase as Phase One of the Master Plan is implemented.
- At June 30, 2009 the component units (i.e., the twelve charter schools) had net assets of \$43.2 million. Additionally, revenue for the current fiscal year totaled \$83.8 million.

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

**Management's Discussion and Analysis**

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**Using this Annual Financial Report**

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

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

The Fund financial statements (pages 19 through 28) represent information for three fund categories - governmental, proprietary and fiduciary. Financial statements for governmental funds tell how we financed our services in the short-term as well as what remains for future spending. These fund statements provide the reader with some insights into the School Board's overall financial health. In short, the fund-level financial statements show the results of operations and financial position using the current financial resources measurement focus and the modified accrual basis of accounting, emphasizing the change in fund balances as a result of the current year's operations, as well as the amount of resources available to spend.

Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, which consists of the General Fund, Pass Through Fund, General Obligation Bond Fund, Refunding Bond Fund, Gulf Opportunity Bond Fund, Hurricane Katrina Restoration Fund, and the Federal Grant Fund. The Governmental Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances include the major funds as well as an aggregate of the remaining funds that report general government operations. Proprietary Funds – Internal Service are an accounting device used to accumulate and allocate costs internally among the School Board's major functions/funds. The School Board uses internal service funds for its employee health insurance, retiree health insurance and workers compensation. Because these services predominantly benefit the governmental rather than business-type functions they are included within governmental activities in the government-wide financial statements.

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

Other sections include Notes to the Financial Statements (Pages 30 through 65) and certain Required Supplementary Information (Pages 67 through 72). Included in the Required Supplementary Information is a comparison of the General Fund budget with actual results on pages 67 and 68. Over the course of the year, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures.

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

**Management's Discussion and Analysis**

**Reporting on School Board as a Whole**

**Government-Wide Financial Analysis**

The following analysis focuses on the Statement of Net Assets (Deficit) (Table 1) and Statement of Activities (Table 2) of the School Board's governmental activities:

<b>Governmental Activities</b>	<b>2009</b>	<b>2008</b>	<b>Increase (Decrease) Amount</b>	<b>Increase (Decrease) Percent</b>
Current and Other Assets	\$ 330,278,808	\$ 299,212,512	\$ 31,066,296	10.38 %
Capital Assets, Net	80,860,012	78,766,173	2,093,839	2.66 %
Long-Term Receivable RSD	134,614,743	134,614,743	-	0.00 %
<b>Total Assets</b>	<b>545,753,563</b>	<b>512,593,428</b>	<b>33,160,135</b>	<b>6.47 %</b>
Current and Other Liabilities	107,647,249	59,966,328	47,680,921	79.51 %
Long-Term Liabilities	434,534,732	448,499,253	(13,964,521)	(3.11) %
<b>Total Liabilities</b>	<b>542,181,981</b>	<b>508,465,581</b>	<b>33,716,400</b>	<b>6.63 %</b>
<b>Net Assets (Deficit):</b>				
Invested in Capital Assets, Net of Debt	252,407	(26,070,758)	26,323,165	100.97 %
Restricted	159,545,670	153,528,143	6,017,527	3.92 %
Unrestricted	(156,226,495)	(123,329,538)	(32,896,957)	(26.67) %
<b>Total Net Assets (Deficit)</b>	<b>\$ 3,571,582</b>	<b>\$ 4,127,847</b>	<b>\$ (556,265)</b>	<b>(13.48) %</b>

The School Board's net assets were \$3,571,582 at June 30, 2009 and \$4,127,847 at 2008, which represents the accumulated results of all governmental operations. Of which, \$(156,226,495) and \$(123,329,538) were unrestricted at June 30, 2009 and 2008, respectively. Restricted net assets are reported separately to show legal constraints from debt covenants, capital projects and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. As of June 30, 2009 and June 30, 2008, the restricted net assets amounted to \$159,545,670 and \$153,528,143 respectively.

Current and other assets increased from June 30, 2008 to June 30, 2009 by \$31,066,296. The primary reasons for this net change are as follows: (a) Grants receivables increased \$6,828,689; (b) Debt service cash and investments increased by \$10,718,474; (c) The Hurricane Katrina Restoration Fund cash increased by \$24,797,552 due to an insurance settlement. (d) The Hurricane Katrina Fund also reflects an increased receivable in the amount of \$18,394,798; (e) The General Fund cash decreased by \$33,936,201 due an operational deficit and increased interfund receivables.

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

**Management's Discussion and Analysis**

Net capital assets increased from June 30, 2008 to June 30, 2009 by a net amount of \$2,093,839 due primarily to building improvements in excess of building and equipment depreciation. (See Notes 2 and 5 in the accompanying financial statements for additional discussion regarding depreciation methods and related accumulated depreciation). Both the June 30, 2009 and June 30, 2008 financial statements reflect \$134,614,742 of net capital assets transferred to the RSD as a long-term receivable since ACT 35 provides for these capital assets to be returned to the School Board at the end of five years.

Current and other liabilities increased \$47,680,921 due to deferring the \$24,797,522 of insurance proceeds received during FY 2008-09 and reclassifying the \$9,986,825 of insurance proceeds previously recognized as income to deferred income.

Long-term liabilities decreased by \$13,964,521. The primary composition of this net change is as follows: (a) an increase in Debt Service Assistance Loan proceeds of \$14,480,519; (b) principal payments of \$27,435,853; (c) a decrease in compensated absences of \$3,646,168; and (d) a decrease in the liability for claims payable of \$2,834,577 (see Note 14, Litigation and Contingencies in the accompanying financial statements for additional discussion regarding litigation).

**Table 2  
Condensed Comparative Statement of Activities (in Thousands)  
For the Years Ended June 30, 2009 and 2008**

<b>Governmental Activities</b>	<b>2009</b>	<b>2008</b>	<b>Variance Increase (Decrease) Amount</b>	<b>Variance Increase (Decrease) Percent</b>
<b>Revenues</b>				
<b>Program Revenues</b>				
Charges for Services	\$ 6,528	\$ 14,259	\$ (7,731)	(54.22) %
Operating Grants	60,829	50,170	10,659	21.25 %
Capital Grants	7,273	2,651	4,622	174.35 %
<b>Total Program Revenues</b>	<b>74,630</b>	<b>67,080</b>	<b>7,550</b>	<b>11.26 %</b>
<b>General Revenues</b>				
Ad Valorem	79,898	89,528	(9,630)	(10.76) %
Sales Taxes	79,355	87,496	(8,141)	(9.30) %
Investment Earnings	4,900	9,532	(4,632)	(48.59) %
Debt Forgiveness	-	34,413	(34,413)	(100.00) %
Minimum Foundation Program	36,090	32,998	3,092	9.37 %
Other General Revenues	8,232	2,479	5,753	232.07 %
<b>Total General Revenues</b>	<b>208,475</b>	<b>256,446</b>	<b>(47,971)</b>	<b>(18.71) %</b>
<b>Total Revenues</b>	<b>283,105</b>	<b>323,526</b>	<b>(40,421)</b>	<b>(12.49) %</b>

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

**Management's Discussion and Analysis**

**Table 2 (Continued)  
Condensed Comparative Statement of Activities (in Thousands)  
For the Years Ended June 30, 2009 and 2008**

<b>Governmental Activities</b>	<b>2009</b>	<b>2008</b>	<b>Variance Increase (Decrease) Amount</b>	<b>Variance Increase (Decrease) Percent</b>
<b>Functions/Program Revenues</b>				
<b>Instruction</b>				
Regular Programs	\$ 15,340	\$ 15,014	\$ 326	2.17 %
Special Education Programs	4,780	12,906	(8,126)	(62.96) %
Other Instructional Programs	32,285	23,234	9,051	38.96 %
<b>Support Services</b>				
Student Services	4,669	4,270	399	9.34 %
Instructional Staff Support	9,719	8,315	1,404	16.89 %
General Administration	4,374	12,005	(7,631)	(63.57) %
School Administration	1,605	1,818	(213)	(11.72) %
Business Services	4,847	6,790	(1,943)	(28.62) %
Plant Services	6,528	2,604	3,924	150.69 %
Student Transportation Services	6,248	10,303	(4,055)	(39.36) %
Central Services	1,769	9,395	(7,626)	(81.17) %
Other	15,019	1,146	13,873	1,210.56 %
Food Services	2,684	2,467	217	8.80 %
Transfer to RSD Schools	87,693	88,917	(1,224)	(1.38) %
Transfer to Charter Schools	58,128	51,544	6,584	12.77 %
Interest on Long-Term Debt	14,472	15,857	(1,385)	(8.73) %
<b>Total Expenses</b>	<b>270,160</b>	<b>266,585</b>	<b>3,575</b>	<b>1.34 %</b>
<b>Changes in Net Assets</b>	<b>12,945</b>	<b>56,941</b>	<b>(43,996)</b>	<b>(77.27) %</b>
Beginning Net Assets (Deficit)	4,128	(52,813)		
Prior Period Adjustments	(13,501)	-		
Beginning Net Assets (Deficit), As Restated	(9,373)	(52,813)		
Ending Net Assets (Deficit)	\$ 3,572	\$ 4,128		

Total revenues for all governmental activities for the fiscal years ended June 30, 2009 and June 30, 2008 were \$283,105,000 and \$323,526,000, respectively. The decrease in total revenue in 2009 compared to 2008 in the amount of \$40,421,000 is due to the 2008 forgiveness of the unemployment compensation liability of \$34,413,000, a decrease in ad valorem and sales taxes of \$9,630,000 and \$8,141,000, respectively as the general economic conditions declined, and a decline in investment earnings as a result of lower interest rates and lower cash balances. This decline was offset by a \$3,092,000 increase in Minimum Foundation Program (MFP) funding.

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

**Management's Discussion and Analysis**

As reported in the Statement of Activities (Table 2) the total cost of all governmental activities for the two fiscal years ended June 30, 2009 and June 30 2008 were \$270,160,000 and \$266,586,000, respectively (Table 2). While the overall increase of \$3,574,000 is quite small, some individual categories had substantial changes. The individual line totals were impacted substantially by operating grants. The transfer to the RSD represents their share of local revenues for the fiscal year based on the ratio of students serviced by each entity. The transfer to the Charters represents their share of state MFP and local revenue share based on their student population. The School Board continues to focus on the provisions of instructional and related support services aimed at academic excellence of its student population.

Some of the costs were funded by those who benefited from the programs or by other governments and organizations who subsidized certain programs as reflected in operating grants revenues in the amount of \$60,829,000 for 2009 and \$50,170,000 for 2008. The School Board funded the remaining "public benefit" portion of our governmental costs with revenues from sales and ad valorem taxes of \$159,253,000 for 2009 and \$177,024,000 for 2008. Additionally, \$36,090,000 for 2009 and \$32,998,000 for 2008 was provided from MFP funds. Other revenues, including interest and state revenue sharing, funded the remaining "public benefit" governmental costs.

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

**Table 3  
Comparable Governmental Activities (in Thousands)**

Description	For the Years Ended June 30,			
	2009		2008	
	Gross Cost of Services	Net Cost of Services	Gross Cost of Services	Net Cost of Services
Regular Instruction Programs	\$ 15,340	\$ 6,445	\$ 15,014	\$ 9,538
Special Instruction Programs	4,780	1,516	12,906	1,711
Other Education Programs	32,285	(4,030)	23,234	(1,222)
Student Services	4,669	135	4,270	2,359
Instructional Staff Support	9,719	527	8,315	2,496
General Administration	4,374	3,872	12,005	11,507
School Administration Services	1,605	1,393	1,818	1,748
Business Services	4,847	1,516	6,790	2,452
Student Transportation Services	6,248	1,773	2,604	1,892
Central Services	1,769	1,239	10,303	3,130
Plant Services	6,528	5,666	9,395	6,241
Other	15,019	15,019	1,146	1,146
Food Services	2,884	166	2,467	190
Transfer to the RSD	87,693	87,693	88,917	88,917
Transfer to the Charters	58,128	58,128	51,544	51,544
Interest on Long-Term Debt	14,472	14,472	15,857	15,857
	<b>\$ 270,160</b>	<b>\$ 195,530</b>	<b>\$ 266,585</b>	<b>\$ 199,506</b>

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

**Management's Discussion and Analysis**

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Overall, the net cost of services in fiscal 2009 decreased by approximately \$3,976,000. Most of the individual categories declined in FY 2008-09 as the District endeavored to control its costs. The category entitled General Administration decreased \$7,635,000. During FY 2007-08 this category included a one-time legal settlement with the United Teachers of New Orleans. The category entitled Transfer to the RSD decreased by \$1,224,000 as ad valorem and sales taxes decreased. The category entitled Transfer to the Charters increased by \$6,584,000. Payments to Charters are based upon state law.

**Reporting on the Individual Funds**

**Fund Financial Analysis**

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

**Governmental Funds** - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets (Deficit) and the Statement of Activities) and governmental funds through reconciliation to the basic financial statements are described on pages 20 and 23, respectively, of the financial statements.

**Proprietary Funds** - Proprietary funds for the School Board use the accrual basis of accounting, the same as on the government-wide statements. These funds are used to account for the financing services provided by the School Board's departments, (such as employee health, retiree health and workers' compensation). The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Assets and Statement of Cash Flows reports are presented on pages 83 through 85 of the basic financial statements.

**Fiduciary Funds** - The School Board is the trustee, or fiduciary, for its student activities funds. All of the School Board's fiduciary activities are reported in the separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 86 and 87 of the basic financial statements, respectively. We exclude these activities from the School Board's other financial statements because the assets cannot be utilized by the School Board to finance its operations.

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

**Management's Discussion and Analysis**

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**Capital Asset and Debt Administration**

**Capital Assets**

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

A comparative analysis of capital assets as of June 30, 2009 and 2008 is as follows:

	<b>Governmental Activities</b>	
	<b>June 30,</b>	
	<b>2009</b>	<b>2008</b>
Land	\$ 7,917,434	\$ 7,917,434
Buildings and Improvements	123,238,881	93,844,279
Furniture and Equipment	15,442,975	14,375,976
Construction in Progress	7,281,310	31,566,901
	153,880,600	147,704,590
Accumulated Depreciation	(73,020,588)	(68,938,417)
	<u>\$ 80,860,012</u>	<u>\$ 78,766,173</u>

Overall net capital assets increased from June 30, 2008 to June 30, 2009 by a net amount of \$2,093,839. This increase reflects the continued investment by the School Board in Property, Plant and Equipment. Additional information on Capital Assets can be found in Notes 2, Summary of Significant Accounting Policies, and Note 5, Capital Assets.

On November 6, 2008 the School Board approved a Master Plan for Orleans Parish School facilities. The Master Plan provides a blueprint for determining which school facilities will be rebuilt and which sites will be renovated. A complete copy of the Master Plan is available on the School Board's web site: [www: nops.k12.la.us](http://www.nops.k12.la.us)

**Long-Term Debt**

Obligations include bonds, notes payable, capitalized leases and other long-term obligations including accrued vacation and sick leave pay. More detailed information about our long-term liabilities is presented in Note 8 in the notes to the accompanying financial statements and in earlier sections of this MD&A.

Pursuant to the requirements of LSA-R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of the taxable property (including homestead exempt and non-exempt property) within the Parish of Orleans. At June 30, 2009 the statutory debt limit for general obligation bonds is \$909,813,241 with a net legal debt margin of \$808,176,800.

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

**Management's Discussion and Analysis**

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

The economic viability of the School Board is related primarily to the MFP and the ad valorem and sales taxes. As previously mentioned, ad valorem and sales taxes are at 72.1% and 88.1% of Pre-Hurricane Katrina levels, respectively. Both ad valorem and sales taxes are projected to increase during FY 2009-10 as New Orleans rebuilds and tourism returns to Pre-Hurricane Katrina levels. Finally, MFP payments per student are projected to increase from \$3,509 to \$3,669 per student.

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

Our financial report is designed to provide the citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mr. Stan Smith, Chief Financial Officer, telephone number (504) 304-5680, at Orleans Parish School Board, 3520 General De Gaulle Drive, New Orleans, Louisiana 70114.

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Net Assets (Deficit)**  
**June 30, 2009**

	<b>Primary Government</b>	<b>Component Units</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 177,454,556	\$ 24,181,569
Investments	52,266,768	94,999
Taxes Receivable		
Sales Tax	15,200,240	-
Ad Valorem Taxes	957,630	-
Due from Other Governments	80,020,052	16,498,500
Prepaid Items	1,737,705	226,124
Inventory	70,521	29,268
Other Receivables	2,571,336	199,758
Other	-	564,127
Long-Term Accounts Receivable - RSD	134,614,743	-
Capital Assets		
Land	7,917,434	-
Construction in Progress	7,281,310	-
Capital Assets, Net of Accumulated Depreciation	65,661,268	6,643,479
<b>Total Assets</b>	<b>545,753,563</b>	<b>48,437,824</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable	21,450,687	1,810,710
Payroll Withholdings	967,991	200,035
Salaries Payable	633,918	2,500,144
Other Payables	6,061,634	262,148
Accrued Interest Payable	2,767,856	-
Due to Fiduciary Funds	338,277	-
Due to Other Governments	10,480,223	51,026
Deferred Revenues	64,946,663	37,262
Long-Term Liabilities		
Bonds, Notes, Loans and Capitalized Leases Due Within One Year	16,848,347	-
Bonds, Notes, Loans and Capitalized Leases Due in More Than One Year	292,769,689	-
Interest Payable	43,556,469	-
Compensated Absences Due Within One Year	3,646,168	-
Compensated Absences Due in More Than One Year	13,766,974	338,327
Claims Payable Due Within One Year	-	-
Claims Payable Due in More Than One Year	63,947,085	-
<b>Total Liabilities</b>	<b>542,181,981</b>	<b>5,199,652</b>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Net Assets (Deficit) (Continued)**  
**June 30, 2009**

	Primary Government	Component Units
<b>Liabilities and Net Assets (Deficit) (Continued)</b>		
<b>Net Assets (Deficit)</b>		
Invested in Capital Assets, Net of Related Debt	\$ 252,407	\$ 6,643,479
Restricted for:		
School Food Service	70,522	-
Debt Service	145,511,814	-
Encumbrances	919,229	-
Capital Projects	12,181,432	1,598,153
Instructional Services	-	990,767
Workers' Compensation Claims	862,673	-
Unrestricted	<u>(156,226,495)</u>	<u>34,005,773</u>
<b>Total Net Assets</b>	<b><u>\$ 3,571,582</u></b>	<b><u>\$ 43,238,172</u></b>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Activities**  
**Fiscal Year Ended June 30, 2009**

Functions/Programs	Expenses		Charges for Services		Program Revenues		Capital Grants and Contributions		Net (Expense) Revenue and Changes in Net Assets	
					Operating Grants and Contributions	Primary Government	Component Units			
<b>Primary Government</b>										
Instruction										
Regular Education Programs	\$ 15,339,820	\$ 4,976,681	\$ 2,707,617	\$ 1,210,480	\$ (6,444,842)	\$ -				
Special Education Programs	4,780,036	-	2,886,499	377,202	(1,516,335)	-				
Other Education Programs	32,285,405	-	33,768,150	2,547,704	4,030,449	-				
Support Services										
Student Services	4,669,404	1,120,328	3,044,979	368,472	(135,825)	-				
Instructional Staff Support	9,719,499	-	8,425,438	766,984	(527,077)	-				
General Administration Services	4,373,740	-	156,782	345,140	(3,871,918)	-				
School Administration Services	1,805,464	-	86,019	126,690	(1,392,755)	-				
Business Services	4,846,829	-	2,948,562	382,457	(1,515,610)	-				
Student Transportation Services	6,248,030	-	3,981,719	493,044	(1,773,287)	-				
Central Services	1,768,824	254,754	134,807	139,565	(1,239,498)	-				
Plant Services	6,527,991	-	347,183	515,136	(5,665,672)	-				
Other	15,018,956	-	-	-	(15,018,956)	-				
Food Services	2,663,713	176,274	2,340,920	-	(166,519)	-				
Transfer to RSD Schools - Local MFP	87,692,712	-	-	-	(87,692,712)	-				
Transfer to Charter Schools - Local and State MFP	58,128,553	-	-	-	(58,128,553)	-				
Interest on Long-Term Debt	14,471,655	-	-	-	(14,471,655)	-				
<b>Total Primary Government</b>	<b>270,160,031</b>	<b>6,528,037</b>	<b>80,828,675</b>	<b>7,272,874</b>	<b>(195,530,445)</b>	<b>-</b>				
<b>Component Units</b>										
Audubon Charter School	7,141,401	-	-	-	-	(7,141,401)				
Hynes Charter School Corporation	4,757,580	-	-	-	-	(4,757,580)				
Lake Forest Elementary Charter School	3,950,876	-	-	-	-	(3,950,876)				
Lusher Charter School	12,869,918	-	-	-	-	(12,869,918)				
Einstein Charter School	4,759,512	-	-	-	-	(4,759,512)				
Robert Russa Moton Charter School	2,035,359	-	-	-	-	(2,035,359)				
Warren Easton Senior High School	9,086,131	-	-	-	-	(9,086,131)				
Algiers Charter Schools	16,202,988	-	-	-	-	(16,202,988)				
Ben Franklin High School	6,722,775	-	-	-	-	(6,722,775)				
The New Orleans Charter Science and Mathematics High School	5,578,645	-	-	-	-	(5,578,645)				
The Priestly School of Architecture and Construction	2,825,401	-	-	-	-	(2,825,401)				
<b>Total Component Units</b>	<b>75,930,586</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75,930,586)</b>				

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Activities (Continued)  
Fiscal Year Ended June 30, 2009**

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Primary Government	Component Units
<b>Net Expenses from Previous Page</b>			(195,530,446)	(75,930,566)
<b>General Revenues</b>				
Taxes				
Ad Valorem (Property) Taxes			79,898,445	-
Sales and Use Taxes			79,354,939	-
State Revenue Sharing			1,213,677	-
Grants and Contributions Not Restricted to Specific Purposes				
Minimum Foundation Program (MFP)			36,090,262	58,659,645
Orleans Parish School Board			-	17,923,067
Interest and Investment Earnings			4,900,223	158,325
Internal Service Funds Net Operating Profit			5,272	-
Miscellaneous			7,012,612	7,013,695
<b>Total General Revenues</b>			<b>208,475,430</b>	<b>83,754,722</b>
<b>Change in Net Assets</b>			<b>12,944,985</b>	<b>7,824,136</b>
<b>Net Assets - June 30, 2008, as Previously Reported</b>			<b>4,127,847</b>	<b>16,101,247</b>
<b>Net Assets - June 30, 2008 of Charter Schools not Included in Prior Year Financial Statements</b>			<b>-</b>	<b>20,306,776</b>
<b>Prior Period Adjustment</b>			<b>(13,501,250)</b>	<b>(993,987)</b>
<b>Net Assets - June 30, 2008, as Restated</b>			<b>(9,373,403)</b>	<b>35,414,036</b>
<b>Net Assets - June 30, 2009</b>			<b>\$ 3,571,582</b>	<b>\$ 43,238,172</b>

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

**BASIC FINANCIAL STATEMENTS**

**FUND FINANCIAL STATEMENTS**

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	General Fund	Pass Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Assets</b>									
Cash and Cash Equivalents	\$ 33,795,022	\$ -	\$ 25,591,072	\$ 35,460,454	\$ 48,180,517	\$ 19,162,917	\$ -	\$ 5,879,241	\$ 172,069,223
Investments	-	-	-	-	-	52,266,768	-	-	52,266,768
Taxes Receivable									
Sales Tax	-	15,200,240	-	-	-	-	-	-	15,200,240
Ad Valorem Taxes	-	957,630	-	-	-	-	-	-	957,630
Due from Other Funds	79,872,403	580,094	332,491	3,012,992	-	5,251,207	241,485	21,684,200	110,974,872
Due from Other Governments	3,903,508	13,340,783	-	-	29,303,073	-	32,481,588	991,100	80,020,052
Prepaid Items	1,737,705	-	-	-	-	-	-	-	1,737,705
Inventory	-	-	-	-	-	-	-	70,522	70,522
Other Receivables	648,322	-	-	-	-	439,531	-	40,000	1,128,853
<b>Total Assets</b>	<b>\$ 119,957,960</b>	<b>\$ 30,078,747</b>	<b>\$ 29,923,563</b>	<b>\$ 38,473,446</b>	<b>\$ 77,483,590</b>	<b>\$ 77,120,423</b>	<b>\$ 32,723,073</b>	<b>\$ 28,665,063</b>	<b>\$ 434,425,865</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts Payable	\$ 13,289,303	\$ 106,631	\$ -	\$ -	\$ 148,036	\$ -	\$ 5,110,330	\$ 2,456,195	\$ 21,110,495
Payroll Withholdings	967,991	-	-	-	-	-	-	-	967,991
Salaries Payable	633,918	-	-	-	-	-	-	-	633,918
Due to Other Funds	45,766,743	29,972,116	-	-	6,140,448	-	26,472,108	7,170,788	115,522,203
Due to Other Governments	5,065,317	-	-	-	3,783,188	-	27,727	1,623,991	10,480,223
Deferred Revenues	-	-	-	-	59,448,658	-	1,112,908	612,726	61,174,292
<b>Total Liabilities</b>	<b>65,723,272</b>	<b>30,078,747</b>	<b>-</b>	<b>-</b>	<b>69,500,330</b>	<b>-</b>	<b>32,723,073</b>	<b>11,663,700</b>	<b>209,889,122</b>
<b>Fund Balances</b>									
<b>Reserved for:</b>									
Inventory	-	-	-	-	-	-	-	70,522	70,522
Encumbrances	89,001	-	3,456	2,162	612,539	-	-	212,071	919,229
Debt Service	-	-	29,920,107	38,471,284	-	77,120,423	-	-	145,511,814
Prepaid Items	1,737,705	-	-	-	-	-	-	-	1,737,705
Capital Items	-	-	-	-	-	-	-	12,181,432	12,181,432
<b>Unreserved, Reported in</b>									
General Fund - Undesignated	52,407,982	-	-	-	-	-	-	-	52,407,982
Capital Projects Fund	-	-	-	-	7,370,721	-	-	-	7,370,721
Special Revenue Fund	-	-	-	-	-	-	-	4,337,338	4,337,338
<b>Total Fund Balances</b>	<b>54,234,688</b>	<b>-</b>	<b>29,923,563</b>	<b>38,473,446</b>	<b>7,983,260</b>	<b>77,120,423</b>	<b>-</b>	<b>16,801,363</b>	<b>224,536,743</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 119,957,960</b>	<b>\$ 30,078,747</b>	<b>\$ 29,923,563</b>	<b>\$ 38,473,446</b>	<b>\$ 77,483,590</b>	<b>\$ 77,120,423</b>	<b>\$ 32,723,073</b>	<b>\$ 28,665,063</b>	<b>\$ 434,425,865</b>

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

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 June 30, 2009**

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<b>Total Fund Balances at June 30, 2009 - Governmental Funds</b>		<b>\$ 224,536,743</b>
Cost of Capital Assets at June 30, 2009	153,880,600	
Less: Accumulated Depreciation as of June 30, 2009		
Buildings	(64,568,304)	
Movable Property	<u>(8,452,284)</u>	80,860,012
Accounts Receivable - RSD		134,614,742
Consolidation of Internal Service Funds		862,673
Long-Term Liabilities at June 30, 2009		
Bonds Payable	(170,898,730)	
Capital Leases	(2,610,630)	
Notes Payable	(471,686)	
Loans Payable	(135,636,990)	
Interest Payable	(46,324,325)	
Claims Payable	(63,947,085)	
Compensated Absences Payable	<u>(17,413,142)</u>	<u>(437,302,588)</u>
<b>Total Net Assets at June 30, 2009 - Governmental Activities</b>		<b><u>\$ 3,571,582</u></b>

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
Fiscal Year Ended June 30, 2009**

	General Fund	Pass Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Revenues</b>									
<b>Local Sources</b>									
Ad Valorem Taxes	\$ -	\$ 68,113,424	\$ 11,785,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,898,445
Sales and Use Tax	-	52,119,182	-	25,033,807	-	-	-	2,201,950	79,354,939
Earnings on Investments	3,313,828	-	389,528	-	237,360	959,487	-	-	4,900,223
Food Services	-	-	-	-	-	-	-	176,274	176,274
Donations	70,700	-	-	-	-	-	-	52,000	122,700
Other	6,351,763	-	-	-	-	-	-	7,012,611	13,364,374
<b>State and Federal Sources</b>									
Minimum Foundation Program	-	35,503,554	-	-	-	-	-	566,708	36,080,262
State Revenue Sharing	-	1,213,877	-	-	-	-	-	-	1,213,877
Other	-	431,170	-	-	-	-	326,660	1,988,581	2,745,411
Federal Sources	94,479	-	-	-	4,806,875	-	55,524,187	5,008,919	65,232,440
<b>Total Revenues</b>	<b>9,830,770</b>	<b>157,381,007</b>	<b>12,174,549</b>	<b>25,033,807</b>	<b>4,844,255</b>	<b>959,487</b>	<b>55,850,827</b>	<b>17,025,043</b>	<b>283,099,745</b>
<b>Expenditures</b>									
<b>Current</b>									
<b>Instruction</b>									
Regular Programs	12,293,081	-	-	-	576,124	-	2,073,664	616,547	15,559,416
Special Programs	2,297,469	-	-	-	-	-	2,528,427	22,632	4,848,528
Other Programs	1,682,444	-	-	-	-	-	30,228,126	837,442	32,748,012
<b>Support</b>									
Student Services	1,937,578	-	-	-	-	-	2,677,490	121,243	4,736,311
Instructional Staff Support	1,929,356	-	-	-	-	-	7,496,482	432,928	9,858,766
General Administration	3,249,389	762,109	-	400,541	-	-	24,371	-	4,436,410
School Administration	1,593,290	-	-	-	-	-	35,178	-	1,628,468
Business Services	2,181,043	-	-	-	-	-	2,583,784	151,247	4,916,074
Student Transportation Services	2,837,647	-	-	-	-	-	3,497,276	2,634	6,337,556
Central Services	1,718,313	-	-	-	-	-	75,652	-	1,793,965
Plant Services	5,869,546	-	-	-	611,323	-	140,659	-	6,621,528
Food Services	-	-	-	-	-	-	-	2,883,713	2,883,713
Capital Outlay	-	-	-	-	1,652,287	-	820,586	8,295,543	10,768,416
Other	5,911,773	-	-	-	7,912,999	-	-	1,194,184	15,018,956
<b>Debt Service</b>									
Principal Retirement	-	-	6,870,000	18,565,000	-	-	-	2,000,855	27,435,855
Interest and Bank Charges	-	-	6,986,304	2,337,216	-	-	-	201,095	9,524,615
<b>Total Expenditures</b>	<b>43,500,929</b>	<b>762,109</b>	<b>13,856,304</b>	<b>21,302,757</b>	<b>10,752,733</b>	<b>-</b>	<b>52,181,696</b>	<b>18,560,063</b>	<b>158,916,591</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(33,670,159)</b>	<b>156,618,898</b>	<b>(1,681,755)</b>	<b>3,731,050</b>	<b>(5,908,478)</b>	<b>959,487</b>	<b>3,669,131</b>	<b>464,980</b>	<b>124,183,154</b>

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Revenues, Expenditures and  
Changes in Fund Balances (Continued)  
Governmental Funds  
Fiscal Year Ended June 30, 2009**

	General Fund	Pass Through Fund	General Obligation Bond Fund	Refunding Bond Fund	Hurricane Katrina Restoration Fund	Gulf Opportunity Bond Fund	Federal Grant Fund	Other Governmental Funds	Total
<b>Other Financing Sources (Uses)</b>									
Proceeds from Debt Service									
Gulf Opportunity Bonds	14,480,519	-	-	-	-	-	-	-	14,480,519
Transfers In	24,525,013	5,013,098	11,322,570	3,119,913	-	14,480,519	1,755,003	6,449,112	66,665,228
Transfers Out	(25,058,236)	(19,102,000)	(11,322,570)	(3,119,913)	-	-	(5,424,134)	(2,638,375)	(66,665,228)
Transfers Out - Charter Schools	-	(58,128,553)	-	-	-	-	-	-	(58,128,553)
Transfers Out - Recovery School District	-	(84,401,443)	-	-	-	-	-	(3,291,269)	(87,692,712)
<b>Total Other Financing Sources (Uses)</b>	<b>13,947,296</b>	<b>(156,618,898)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,480,519</b>	<b>(3,669,131)</b>	<b>519,468</b>	<b>(131,340,746)</b>
<b>Net Change in Fund Balances</b>	<b>(19,722,863)</b>	<b>-</b>	<b>(1,681,755)</b>	<b>3,731,050</b>	<b>(5,908,476)</b>	<b>15,440,006</b>	<b>-</b>	<b>984,448</b>	<b>(7,157,592)</b>
<b>Fund Balances, June 30, 2008, as Previously Reported</b>	<b>73,957,551</b>	<b>-</b>	<b>31,605,318</b>	<b>34,742,396</b>	<b>23,878,563</b>	<b>61,680,417</b>	<b>-</b>	<b>15,816,915</b>	<b>241,681,160</b>
Prior Period Adjustment	-	-	-	-	(9,986,825)	-	-	-	(9,986,825)
<b>Fund Balances, June 30, 2008, as Restated</b>	<b>73,957,551</b>	<b>-</b>	<b>31,605,318</b>	<b>34,742,396</b>	<b>13,891,738</b>	<b>61,680,417</b>	<b>-</b>	<b>15,816,915</b>	<b>231,694,335</b>
<b>Fund Balances, June 30, 2009</b>	<b>\$ 54,234,688</b>	<b>\$ -</b>	<b>\$ 29,923,563</b>	<b>\$ 38,473,446</b>	<b>\$ 7,983,260</b>	<b>\$ 77,120,423</b>	<b>\$ -</b>	<b>\$ 16,801,363</b>	<b>\$ 224,536,743</b>

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Reconciliation of the Governmental Funds - Statement of  
Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
Fiscal Year Ended June 30, 2009**

<hr/>		
Excess of Revenues and Other Financing Sources		
Over Expenditures and Other Uses - Total Governmental Funds		\$ (7,157,592)
 Capital Assets		
Capital Outlay and Other Expenditures Capitalized	10,373,485	
Depreciation Expense for Year Ended June 30, 2009	(4,333,862)	
Assets Disposed	<u>(431,359)</u>	5,608,264
 Change in Net Assets of Internal Service Funds		5,272
 Long-Term Debt		
Proceeds from Debt Service Assistance Loan	(14,480,519)	
Principal Portion of Debt Service Payments	27,435,855	
Excess of Interest Paid Over Interest Accrued	(4,947,040)	
Decrease in Estimate of Long-Term Claims Payable	2,834,577	
Excess of Compensated Absences Used Over Amounts Earned	<u>3,646,168</u>	<u>14,489,041</u>
 <b>Change in Net Assets - Governmental Activities</b>		<b><u>\$ 12,944,985</u></b>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Net Assets**  
**Proprietary Funds - Internal Service**  
**June 30, 2009**

<b>Assets</b>	
Current	
Cash and Cash Equivalents	\$ 5,385,333
Other Receivables	1,442,483
Due from Other Funds	<u>14,325,998</u>
<b>Total Assets</b>	<u><u>21,153,814</u></u>
<b>Liabilities and Net Assets</b>	
<b>Liabilities</b>	
Current	
Accounts Payable	340,192
Due to Other Funds	10,116,944
Noncurrent	
Claims Payable	6,061,634
Deferred Revenue	<u>3,772,371</u>
<b>Total Liabilities</b>	<u><u>20,291,141</u></u>
<b>Net Assets</b>	
Restricted	<u><u>\$ 862,673</u></u>

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

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Statement of Revenues, Expenses  
and Changes in Net Assets  
Proprietary Funds - Internal Service  
Fiscal Year Ended June 30, 2009**

<b>Operating Revenues</b>	
Employer Contributions	\$ 8,485,922
Employee Contributions	61,615
Retiree Contributions	2,281,139
COBRA Contributions	10,910
Retiree State Contributions	<u>2,688,323</u>
<b>Total Operating Revenues</b>	<u>13,527,909</u>
<b>Operating Expenses</b>	
Premium Payments	<u>13,522,637</u>
<b>Total Operating Expenses</b>	<u>13,522,637</u>
<b>Operating Income</b>	5,272
<b>Nonoperating Revenues</b>	
Transfers in	<u>-</u>
<b>Change in Net Assets</b>	5,272
<b>Net Assets, June 30, 2008</b>	<u>857,401</u>
<b>Net Assets, June 30, 2009</b>	<u>\$ 862,673</u>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Cash Flows**  
**Proprietary Funds - Internal Service**  
**Fiscal Year Ended June 30, 2009**

<b>Cash Flows from Operating Activities</b>	
Cash Premiums Received	\$ 6,871,595
Cash Paid in Claims and Benefits	<u>(9,051,734)</u>
<b>Net Cash Used in Operating Activities</b>	<u>(2,180,139)</u>
<b>Net Decrease in Cash</b>	(2,180,139)
<b>Cash at Beginning of Year</b>	<u>7,565,472</u>
<b>Cash at End of Year</b>	<u>\$ 5,385,333</u>
<b>Reconciliation of Operating Income to Net Cash Used in Operating Activities</b>	
Operating Income	\$ 5,272
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:	
Changes in	
Other Receivables	(695,744)
Due from Other Funds	(2,924,630)
Accounts Payable	(932,873)
Deferred Revenue	(3,035,940)
Due to Other Funds	7,122,869
Claims Payable/Self-Insured Losses Payable	<u>(1,719,093)</u>
<b>Net Cash Used in Operating Activities</b>	<u>\$ (2,180,139)</u>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2009**

	<b>Trust Funds</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ -	\$ 362,651
Investments	232,231	-
Due from Other Funds	338,277	-
	<u>570,508</u>	<u>362,651</u>
<b>Total Assets</b>	<b>570,508</b>	<b>362,651</b>
<b>Liabilities</b>		
Accounts Payable	3,787	19,127
Due to Student Groups	-	343,524
	<u>3,787</u>	<u>362,651</u>
<b>Total Liabilities</b>	<b>3,787</b>	<b>362,651</b>
<b>Net Assets</b>		
Held in Trust for Various Purposes	<u>\$ 566,721</u>	<u>\$ -</u>

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

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2009**

	<b>Trust Funds</b>
<b>Additions</b>	
Contributions	\$ 27,500
Interest and Investment Loss	<u>(53,360)</u>
<b>Total Additions</b>	(25,860)
<b>Deductions</b>	
Administrative Expenses	<u>68,559</u>
<b>Changes in Net Assets</b>	(94,419)
<b>Net Assets - Beginning</b>	<u>661,140</u>
<b>Net Assets - Ending</b>	<u><u>\$ 566,721</u></u>

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

**NOTES TO FINANCIAL STATEMENTS**

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

**Notes to the Financial Statements**

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**Note 1. General Information**

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

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

As of August 29, 2005, the majority of the employees of the School Board were put on Disaster Leave and on March 24, 2006, approximately 8,000 of the School Board's employees were terminated. As of the report date, the School Board has approximately 405 full time or part-time employees of which approximately 260 are involved in the instructional process.

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

As of the report date, the School Board is operating four schools and two programs with approximately 2,700 students. The School Board also has twelve charter schools opened and operating that have approximately 7,100 students. The School Board is working collaboratively with the RSD to ensure that a sufficient number of additional schools are opened to provide educational services to the New Orleans student population.

The regular school term begins in mid-August and runs through early June.

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

The School Board complies with accounting principles generally accepted in the United States of America (GAAP). The School Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

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

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

**Notes to the Financial Statements**

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

**Financial Reporting Entity**

GASB Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the School Board to impose its will on that organization.
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the School Board.
2. Organizations for which the School Board does not appoint a voting majority but are fiscally dependent on the School Board.
3. Organizations for which the reporting entity's financial statements would be incomplete or misleading if data of the organization is not included due to the nature and significance of the relationship.

Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, 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 has eleven component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected School Board members are financially accountable. Copies of submitted audited financial statements are available on the legislative auditor's web site at [www.la.state.la.us](http://www.la.state.la.us). There are no other primary governments with which the School Board has a significant relationship. Certain units of local government over which the School Board exercises no authority, such as the City-Parish government and other independently elected officials, are excluded from the accompanying financial statements. These units of government are considered separate from those of the School Board. The School Board is not a component unit of any other entity.

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

**Notes to the Financial Statements**

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

Component units which require inclusion in the basic financial statements are as follows:

**Financial Reporting Entity (Continued)**

<b>Component Units</b>	<b>Number of Students</b>
<b>Charter Schools</b>	
* Audubon Charter School	623
* Ben Franklin High School	558
* Warren Easton Senior High School	859
* Einstein Charter School	493
* Hynes Charter School	464
* Lake Forest Elementary Charter School	436
* Lusher Charter School	1,456
* New Orleans Charter Science and Math High School	337
* Priestley School of Architecture and Construction	307
* Robert Russa Moton Charter School	185
* Algiers Charter Schools	
Alice M. Harte Elementary	623
Edna Karr High School	815
	<hr/>
<b>Total Charter Student Enrollment</b>	<b>7,156</b>
	<hr/> <hr/>

\* Submitted 6/30/09 audited financial statements.

<b>Primary Government</b>	<b>Number of Students</b>
<b>Orleans Parish School Board Schools</b>	
Schools:	
Bethune Elementary School	298
McDonogh No. 35 High School	963
McMain High School	685
Benjamin Franklin Elementary	506
PM School at McMain	103
Programs:	
Alternative Learning Center	89
Youth Study Center	27
	<hr/>
<b>Total OPSB Student Enrollment</b>	<b>2,671</b>
	<hr/> <hr/>

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

**Notes to the Financial Statements**

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

**Basis of Presentation**

The School Board's *Basic Financial Statements* consist of the government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major funds and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their proprietary funds, subject to the same limitation. The School Board has elected not to follow subsequent private-sector guidance.

**Government-Wide Financial Statements**

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

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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

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

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

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

**Notes to the Financial Statements**

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

***Fund Financial Statements***

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

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

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

***Governmental Fund Types***

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

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

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

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

*Hurricane Katrina Restoration Fund* - Capital projects fund established to account for receipts and expenditures for projects funded with insurance proceeds received following Hurricane Katrina and FEMA grant monies for reimbursement of allowable expenditures not covered by insurance. Fund expenditures are used for mold remediation inside flooded schools, repairs and major construction to hurricane damaged schools, school facilities and administrative facilities. The Hurricane Katrina Restoration Capital Projects Fund is reported as a major fund.

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

**Notes to the Financial Statements**

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

***Governmental Fund Types (Continued)***

*Gulf Opportunity Bond Fund* - Debt service fund established for funds received which were authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006. These funds are utilized to assist in payment of debt service requirements from 2006 through 2008 due to disruption of revenue streams caused by Hurricanes Katrina and Rita.

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

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

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

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

***Proprietary Fund Type***

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

***Fiduciary Fund Types***

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

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

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

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

**Notes to the Financial Statements**

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

**Basis of Accounting/Measurement Focus**

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

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

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

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

The Proprietary Fund and Fiduciary Fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Proprietary Fund type's operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. In the Proprietary Fund, current premium and claims expenses or increases in claims estimates occurring in the current period are considered operating expenses. Contributions received which are related to these operating expenses are considered operating revenues. Interest earned on bank accounts or monies received from other funds which exceed their allocated share of the current operating expenses of the Proprietary Fund are considered non-operating revenues or transfers-in to the fund.

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

***Revenues***

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

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

**Notes to the Financial Statements**

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

***Revenues (Continued)***

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

***Expenditures***

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

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

**Budget and Budgetary Accounting**

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

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

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

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

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

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

**Notes to the Financial Statements**

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

**Budget and Budgetary Accounting (Continued)**

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

**Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services; they are reported as reservations of fund balance. Outstanding encumbrances are added to the budget in the subsequent year and are reported as expenditures when incurred. Encumbrances as of June 30, 2009 amounted to \$919,229.

**Cash, Cash Equivalents and Investments**

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

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

Investments for the School Board are reported at fair value which exceeded book value by \$177,193.

**Accounts Receivable**

Management has recorded a \$982,176 allowance for the General Fund receivables from the charter schools and a \$80,000 allowance for the E-Rate Fund receivable. Management considers all other receivables outstanding at June 30, 2009 to be fully collectible and as such, has no provision for uncollectible receivables recorded related to these receivables.

**Inventory**

***Government-Wide Level***

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

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

**Notes to the Financial Statements**

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

**Inventory (Continued)**

***Fund Level***

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

**Capital Assets**

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

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

**Reserves and Designations**

Portions of fund balances are reserved for future use and, therefore, are not available for appropriation or expenditure. Designations of unreserved fund balances in Governmental Fund types indicate the School Board's plans for the use of financial resources in a future period.

**Interfund Transactions**

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

**Compensated Absences**

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

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

**Notes to the Financial Statements**

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

**Compensated Absences (Continued)**

Full-time employees who work year-round are granted vacation in varying amounts (maximum of 22 days per year) as established by School Board policy. The School Board's practice is to pay all accumulated unused vacation days.

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

**Deferred Revenues**

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

**Long-Term Obligations**

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

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

**Restricted Net Assets**

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

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

**Estimates**

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

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

**Notes to the Financial Statements**

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**Note 3. Deposits and Investments**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Under state law, all deposits are secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the School Board's name. At June 30, 2009, the carrying amount of the School Board's deposits (demand deposits) was \$177,454,556 and the related bank balances were \$179,563,612. During 2009, the banking institution utilized by the School Board, and indirectly the School Board, participated in the Transaction Account Guarantee (TAG) program which provides for unlimited FDIC guarantee for deposits in qualifying accounts. However, such unlimited guarantee expires on December 31, 2009 and the banking institution utilized by the School Board will not participate in any form of the TAG program after December 31, 2009. In addition to the unlimited guarantee, the entire bank balance of \$179,563,612 was covered by collateral held by the pledging banks' trust department or agent in the School Board's name at June 30, 2009.

In addition, four schools maintained Student Activity Funds with book and bank balances of \$362,651 and \$361,824, respectively. The bank balances of these accounts were secured by federal depository insurance and the pledge of securities held by the pledging banks agent in the School Board's name. These funds are not assets of the School Board, but rather assets held for the benefit of the students attending those schools and are reported as Agency Funds in Required Supplementary Section and not included in the government-wide financial statements.

**Investments**

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

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

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

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

Included in investments as of June 30, 2009, are marketable securities, which are uninsured investments for which the securities are held in a fiduciary trust fund, of \$52,266,768.

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

**Notes to the Financial Statements**

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

As of June 30, 2009, the School Board had the following investments:

<u>Investment</u>	<u>Maturity Date</u>	<u>Book Value</u>	<u>Market Value</u>
U.S. Treasury Notes	11/15/09 - 6/15/12	\$ 26,967,218	\$ 26,956,308
Federal Home Loan Bank Note	12/11/2009	1,026,480	1,020,883
Federal Home Loan Mortgage Corp Note	3/15/2010	2,143,270	2,092,500
Federal National Mortgage Assoc. Note	4/10/2010	101,991	103,500
Federal Farm Credit Note	5/11/2010	102,886	104,125
Federal National Mortgage Assoc. Bond	6/15/2010	2,719,160	2,658,680
Federal Home Loan Mortgage Corp Note	8/23/2010	1,549,746	1,576,875
Federal Home Loan Bank Note	9/29/2010	480,949	489,705
Federal National Mortgage Assoc. Bond	11/15/2010	2,270,033	2,293,668
Federal Home Loan Mortgage Corp Note	12/8/2010	357,790	369,470
Federal National Mortgage Assoc. Note	12/15/2010	1,387,240	1,428,043
Federal National Mortgage Assoc. Note	4/15/2011	3,743,428	3,748,290
Federal National Mortgage Assoc. Note	5/15/2011	3,327,050	3,407,328
Federal Home Loan Bank Note	11/18/2011	3,101,577	3,209,730
Federal National Mortgage Assoc. Note	4/20/2012	2,114,786	2,108,538
Federal Home Loan Bank Note	6/20/2012	695,971	699,125
		<u>\$ 52,089,575</u>	<u>\$ 52,266,768</u>

*Concentration of Credit Risk* - The School Board's investment in the Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association are 10%, 4% and 30%, respectively.

The investments in the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Federal Home Loan Bank all have a credit rating of AAA from Standard & Poor's and Aaa from Moody's Investors Service.

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

Ad valorem taxes were levied by the School Board on October 28, 2008 for the calendar year 2009, based on the assessed valuation of property as of October 2008. Values are established by the Orleans Parish Assessors' Offices each year based on 10% of the assessed market value of residential property and commercial land and on 15% of the assessed market value of commercial buildings, public utilities and personal property. The taxes become due on January 1 of each year, and become delinquent on February 1. Before the taxes can be collected, the assessment list (tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed in the Board of Tax Commission, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the year for the payment of the tax due on it. Ad valorem taxes are collected by the City of New Orleans and remitted to the School Board on a periodic basis. The taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the City of New Orleans. If taxes are not paid within the period stipulated in the public notice, the property is sold for taxes due at a tax sale held by the City of New Orleans. The tax sale is usually held prior to the end of the School Board's fiscal year.



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

**Notes to the Financial Statements**

**Note 5. Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2009, are as follows:

	Land*	Buildings and Improvements	Furniture and Equipment	Construction in Process*	Total
<b>Assets at Cost</b>					
Balance at June 30, 2008	\$ 7,917,434	\$ 93,844,279	\$ 14,375,976	\$ 31,566,901	\$ 147,704,590
Additions	-	2,093,083	1,166,600	7,113,802	10,373,485
Deletions	-	(519,715)	(197,521)	-	(717,236)
Transfers	-	27,821,234	-	(27,821,234)	-
Prior Period Adjustments	-	-	97,920	(3,578,159)	(3,480,239)
Balance at June 30, 2009	<u>7,917,434</u>	<u>123,238,881</u>	<u>15,442,975</u>	<u>7,281,310</u>	<u>153,880,600</u>
<b>Accumulated Depreciation</b>					
Balance at June 30, 2008	-	62,037,266	6,901,151	-	68,938,417
Additions	-	2,630,945	1,702,917	-	4,333,862
Deletions	-	(99,908)	(185,969)	-	(285,877)
Prior Period Adjustments	-	-	34,186	-	34,186
Balance at June 30, 2009	-	<u>64,568,303</u>	<u>8,452,285</u>	-	<u>73,020,588</u>
<b>Capital Assets, Net of Accumulated Depreciation at June 30, 2009</b>					
	<u>\$ 7,917,434</u>	<u>\$ 58,670,578</u>	<u>\$ 6,990,690</u>	<u>\$ 7,281,310</u>	<u>\$ 80,860,012</u>

\* Not being depreciated

Depreciation expense and loss on disposals for the year ended June 30, 2009, was charged to the following governmental functions:

	Depreciation	Loss on Disposals
<b>Instruction</b>		
Regular Education Programs	\$ 721,318	\$ 71,794
Special Education Programs	224,772	22,372
Other Education Programs	1,518,161	151,107
<b>Support</b>		
Student Services	219,570	21,854
Instructional Staff Services	457,041	45,490
General Administration	205,667	20,470
School Administration	75,494	7,514
Business and Central Services	227,904	22,684
Transportation Services	293,802	29,243
Central Services	83,166	8,278
Plant Services	306,967	30,553
<b>Total</b>	<u>\$ 4,333,862</u>	<u>\$ 431,359</u>

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

**Notes to the Financial Statements**

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**Note 6. Defined Benefit Pension Plans**

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

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

Teachers' Retirement System of Louisiana	8401 United Plaza Blvd., 3 <sup>rd</sup> Floor P.O. Box 94123 Baton Rouge, Louisiana 70804-9123 (225) 925-6446 <a href="http://www.trsl.org">www.trsl.org</a>
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Louisiana School Employees' Retirement System	8660 United Plaza Blvd., 1 <sup>st</sup> Floor P.O. Box 44516 Baton Rouge, LA 70804 (225) 925-6484 <a href="http://www.lasers.state.la.us">www.lasers.state.la.us</a>
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*Funding Policy* - Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2009, for the School Board and covered employees were as follows:

	School Board	Employees
Teachers' Retirement System of Louisiana		
Regular Plan	15.5%	8.0%
Plan B	15.5%	5.0%
Louisiana School Employees' Retirement System	17.8%	7.5%

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

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

**Notes to the Financial Statements**

**Note 6. Defined Benefit Pension Plans (Continued)**

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

	2009	2008	2007
Teachers' Retirement System of Louisiana	\$ 3,200,986	\$ 3,349,471	\$ 2,726,789
Louisiana School Employees' Retirement System	\$ 138,907	\$ 148,617	\$ 114,314

**Note 7. Other Post Employment Benefits (OPEB)**

In accordance with state statutes, the School Board provides certain post employment health care to its retired employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching retirement age, if they are currently participating in the active health plan. Starting on February 1, 2006, the School Board paid approximately 25% of the health insurance costs for retired employees and their covered dependents. Retirees contribute 75% of the retiree and dependent coverage premiums. Retirees who are eligible for Parts A and B of Medicare pay a reduced premium for health coverage. Prior to February 1, 2006, the School Board had a traditional fully-insured Health Insurance Plan and recorded expenditures as premiums were paid. On February 1, 2006, the School Board changed to a self insured Health Insurance Plan and records expenditures as amounts are remitted to Coventry Healthcare of Louisiana Insurance Company, a third party administrator that reimbursed medical providers for participant claims. For the year ended June 30, 2009, the School Board's cost for providing all health care benefits to the 906 retired employees and their dependents amounted to \$1,718,792.

Effective with the fiscal year beginning July 1, 2007, the School Board implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45)*.

**Annual OPEB Cost**

The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period not to exceed thirty years. A level dollar, closed amortization period has been used. The total ARC for the fiscal year beginning July 1, 2008 is \$737,671 as set forth below.

Normal Cost	\$ 42,750
30-Year UAL Amortization Amount	694,921
	<hr/>
Annual Required Contribution (ARC)	<u>\$ 737,671</u>

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

**Notes to the Financial Statements**

**Note 7. Other Post Employment Benefits (OPEB) (Continued)**

The following table shows the School Board's OPEB Obligation for the fiscal year 2009:

Beginning Net OPEB Obligation, July 1, 2008	\$	(678,613)
Annual Required Contribution	737,671	
Interest on Net OPEB Obligation	(27,145)	
ARC Adjustment	39,245	
	<u>749,771</u>	
OPEB Cost	749,771	
Contributions Made	-	
Current Year Retiree Premium	1,687,298	
	<u>1,687,298</u>	
Change in Net OPEB Obligation		<u>(937,527)</u>
Ending Net OPEB Obligation, June 30, 2009	\$	<u>(1,616,140)</u>

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
June 30, 2009	\$ 749,771	225.40%	\$ (1,616,140)

**Funded Status and Funding Progress**

In the fiscal year ended June 30, 2008, the School Board made no contributions to its post employment benefits plan trust since such a trust had not been established. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2008, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$12,015,955, which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2008-2009, the entire actuarial liability of \$12,015,955 was unfunded.

Below is the schedule of funding progress for the year ended June 30, 2009:

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
7/1/2008	\$ -	\$ 12,015,955	\$ 12,015,955	0%	\$ 20,381,926	59%

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

**Notes to the Financial Statements**

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**Note 7. Other Post Employment Benefits (OPEB) (Continued)**

**Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

**Actuarial Cost Method**

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

**Actuarial Value of Plan Assets**

Since the ARC has not yet been funded, there are not any assets. It is anticipated that, if funding should take place in the future, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6) would be used, as provided in paragraph number 125 of GASB Statement 45.

**Turnover Rate**

An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 17%. The age related turnover scale is provided below. It has also been assumed that 75% of retirees decline coverage because of the high retiree contribution required, and that an additional 30% decline coverage upon Medicare eligibility for the same reason.

<b>Age</b>	<b>Percent Turnover</b>
18 - 25	40%
26 - 40	25%
41 - 54	17%
55+	12%

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

**Notes to the Financial Statements**

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**Note 7. Other Post Employment Benefits (OPEB) (Continued)**

**Expected Time of Commencement of Benefits and Eligibility**

Medical benefits are provided to employees upon retirement according to the retirement eligibility (D.R.O.P. entry) provisions of Teachers' Retirement System of Louisiana (TRSL) as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 5 years of service. Some employees are covered by other plans and are also eligible to retire at age 65 and 6 years of service. It is assumed that entitlement to benefits will commence five years after earliest eligibility to retire or enter D.R.O.P.

**Investment Return Assumption (Discount Rate)**

GASB Statement No. 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Based on the assumption that the ARC will be funded, a 7% annual investment return has been used in this valuation. This is a conservative investment portfolio under professional management.

**Future Cost Increase (Trend) Rate**

The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare and Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later, as set forth below:

2009	8.0%
2010	8.0%
2011	8.0%
2012	7.9%
2013	7.8%
2014	7.7%
2015	7.6%
2016	6.7%
2017	6.0%
2018 and later	5.0%

**Mortality Rate**

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

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

**Notes to the Financial Statements**

**Note 7. Other Post Employment Benefits (OPEB) (Continued)**

**Method of Determining the Value of Benefits**

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of the OPEB benefits to be paid. The rates provided by administrative staff were "unblended" rates for active and retired as required by GASB Statement No. 43/45, and thus, no adjustment was necessary.

**Note 8. Long-Term Obligations**

<b>Bonds Payable</b>	<b>Range of Interest in Remaining Years</b>	<b>Final Maturity</b>	<b>Balance as of June 30, 2009</b>
<b>General Obligation Bonds</b>			
Series 1995 - Issued 10/01/1995	5.3 - 5.375%	9/1/2018	\$ 24,585,000
Series 1996 - Issued 03/01/96	4.9 - 5.0%	9/1/2020	23,425,000
Series 1997 - Issued 03/01/1997	5.125 - 5.375%	9/1/2021	24,780,000
Series 1997A - Issued 12/01/1997	5.125 - 5.375%	9/1/2021	24,780,000
Series 1998A - Issued 03/01/1998	4.85 - 5.125%	9/1/2022	26,185,000
Series 1998B - Issued 03/01/1998	4.7 - 5.5%	9/1/2020	7,805,000
<b>Refunding Bonds</b>			
Series 1991 - Issued 12/01/1991	7.15 - 7.85%	2/1/2015	16,523,730
Series 1995 A&B - Issued 12/01/1995	5.2 - 6.65%	2/1/2014	22,815,000
<b>Debt Service Assistance Program Loan</b>	4.64%	7/15/2026	76,160,936
<b>Community Disaster Loan</b>	2.93 - 2.94%	8/27/2011	59,476,054
<b>EPA Loans</b>	7.641 - 8.681%	5/31/2011	471,686
<b>Total</b>			<u>\$ 307,007,406</u>

All of the bonds and notes payable of the School Board are reported in the government-wide financial statements and are serviced by the debt service funds with revenues as described below.

**General Obligation Bonds**

General Obligation Bonds are backed by the full faith, credit and taxing power of the School Board. Five series of General Obligation Bonds for \$35 million each have been issued: Series 1995, dated October 1, 1995, Series 1996, dated March 1, 1996, Series 1997, dated March 1, 1997, Series 1997A dated December 1, 1997, and Series 1998A dated March 1, 1998. In 1998 \$8,155,000 of General Obligation School Refunding Bonds, Series 1998B, dated March 9, 1998 were issued and used to advance refund \$7,140,000 of General Obligation Series 1995 bonds dated October 1, 1995 maturing in September 2020. These general obligation bonds are insured and are payable from: (1) the annual levy and collection of an unlimited ad valorem tax on all taxable properties; (2) interest earned on net bond proceeds and debt service assets; and (3) revenues collected by the Educational Trust Fund District, as described below.

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

**Notes to the Financial Statements**

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**Note 8. Long-Term Obligations (Continued)**

**General Obligation Bonds (Continued)**

The purpose of the General Obligation Bonds is to provide monies: to improve land for building sites and playgrounds, including construction of necessary sidewalks and streets; to improve school buildings and other related facilities by acquiring necessary equipment and furnishings therefore; and to complete those projects set forth in Capital Improvements Program III.

The Educational Trust Fund District (Trust Fund) is governed by the Board members of the School Board and serves as a conduit for the collection of specific revenues supporting the debt service requirements of the General Obligation Bonds. The Trust Fund is to collect any and all ad valorem property taxes levied and collected on property used for any permanent or temporary land-based casino gaming establishment or on any riverboat and its licensed berth (except for specific taxes levied by the City of New Orleans or Downtown Development District) for the purpose of repairing, upgrading, improving and acquiring property and the construction of school buildings and related structures, improvements, and constructions owned and operated by the School Board.

On February 17, 1996, the School Board entered into a Cooperative Endeavor Agreement with the Educational Facilities Trust Fund District making available revenues generated from 1.56 mills, representing the 1995 roll forward of the School Board's Constitutional Millage and Proposition Millage, to be pledged and dedicated to the \$175,000,000 General Obligation Bonds (herein referred to as "Roll Forward"). Because the Trust Fund (1) has no assets, (2) is governed by the Board of the School Board, and (3) all its activities are included in the financial statements of the School Board, the separate presentation of the Trust Fund as a component unit or separate entity is not considered necessary.

**Refunding Bonds**

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

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

\$27,920,006 Public School Capital Refunding Bonds, Series 1995, dated October 1, 1995 - The purpose of these bonds was to advance refund \$27,150,000 of Public School Capital Funding Bonds, Series 1989A, dated June 1, 1989, which were subsequently called and are no longer outstanding. The bonds are insured and are payable from the Purpose D Millage tax approved in 1980. These bonds were paid off as of June 30, 2009.

\$98,970,000 (1995A-Taxable) and \$22,815,000 (1995B-Tax Exempt) Public School Refunding Bonds, dated December 1, 1995 - The purpose of these bonds was to redeem \$105,038,118 principal plus interest of \$8,866,381 on the Capital Appreciation Bonds of the Public School Refunding Bonds, Series 1991, which were subsequently called and are no longer outstanding. The bonds are insured and are payable from: (1) one-half percent Dedicated Sales Tax and (2) Constitutional Millage, subject to a prior and superior pledge of the tax in favor of the owners of the School Board's outstanding Refunding bonds, Series 1995. These bonds partially refunded the Capital Appreciation Bonds.

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

**Notes to the Financial Statements**

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**Note 8. Long-Term Obligations (Continued)**

**Debt Service Assistance Program Loan**

In July 2006, the School Board and the State of Louisiana (the State) entered into a Cooperative Endeavor Agreement whereby the State agreed to lend up to \$76,152,754 from State funds on deposit in the Debt Service Assistance Fund, authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006, to assist in payment of debt service requirements from 2006 through 2008 due to disruption of revenue streams caused by Hurricanes Katrina and Rita. Draw downs on the loan will be made as debt service payments become due. No principal or interest shall be payable during the initial five year period of the loan. After the expiration of the initial five year period, the loan shall bear interest at a fixed rate of 4.64%. Principal payments on the bonds begin in July 2012 and the loan will mature in July 2026. Interest is payable semi-annually on January 15 and July 15 beginning January 2012. The loan may be prepaid without penalty or premium. The School Board has the right to request one extension of its obligation to begin payments under the loan not to exceed five years. As of June 30, 2009, the School Board has drawn down \$76,160,936 on this agreement.

**Community Disaster Loan**

On August 27, 2006, the Federal Emergency Management Agency (FEMA), under the provisions of the Community Disaster Loan Act of 2005, approved the School Board's second application for a disaster loan in the amount of \$33,045,240. On April 18, 2006, the School Board first application was approved in the amount of \$26,430,814, of which \$25,001,093 was drawn down during fiscal year 2006. The School Board drew down the remaining \$1,429,721 and the entire \$33,045,240 related to the amounts approved during the fiscal years ended June 30, 2006 and 2007, respectively. The purposes of these loans are to allow the School Board to carry on existing governmental functions and to expand such functions to meet disaster-related needs. The term of these loan are for five years with an interest rate that is based on the five year Treasury rate on the date the Promissory Note is signed by FEMA, plus 1% rounded to the nearest 1/8%, and reducing this total by one half. The interest rates are 2.94% and 2.93% for the loans approved during the fiscal years ended June 30, 2006 and 2007, respectively.

The terms of these loans provide for no principal or interest payments for five years from the date the loan proceeds were received, with a balloon payment due at the end of this period. At this time the School Board may pay off the balance in one full payment or extend the repayment over a five year period. It is management's intention to extend the loan and, as such, the Debt Service Requirements schedule below reflects the principal and interest payments over the five year extended period. Interest accrues on a simple interest basis from date of receipt of loan proceeds. The loans are collateralized with the School Board's future revenue after provision has been made for payments required in connection with any outstanding bond indebtedness in existence at the time of these CDL loans. As of June 30, 2009, the outstanding principal and accrued interest payable on these loans were \$59,476,054 and \$5,083,023 respectively.

**Defeased Bonds**

In August 1985, the School Board entered into an advance refunding transaction to effect retirement of the School Board's obligations with respect to the 1952 through 1968 bonds outstanding, at June 30, 1985. At June 30, 2009, the remaining bonds outstanding consisted of the 1961 through 1968 bond issues, which are not included in the School Board's statement of net assets, as they are considered defeased through the establishment of a fully funded escrow to pay debt service on such bonds until maturity. At June 30, 2009, the outstanding principal balance of these 1961 through 1968 bonds totaled \$-0-, as the bonds matured during the year. The 1985 bonds were subsequently refunded and called with the proceeds of the Series 1987 bonds.

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

**Notes to the Financial Statements**

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**Note 8. Long-Term Obligations (Continued)**

**Defeased Bonds (Continued)**

In December 1987, the School Board entered into a \$127,695,000 (par) advance refunding transaction (Series 1987) for all of its outstanding bonds which consisted of \$40,021,335 Public School Refunding Bonds, Series 1985, and \$75,000,000 Public School Sales and Use Tax Bonds, Series 1985, for a total of \$115,021,335. At June 30, 2009, the outstanding principal balance of these 1985 Bonds, which are not included in the School Board's statement of net assets as they are considered defeased, totaled \$-0- as the bonds matured during the year.

In October 1990, the School Board entered into a \$104,510,380 advance refunding transaction (Series 1990) for a portion of the School Board's Series 1987 Bonds. These securities were deposited in a trust with an escrow agent to provide for all the future debt services payments. Accordingly, the escrow account and the liability for the bonds are not included in the School Board's statement of net assets. As of June 30, 2009, the outstanding principal balance of the Series 1987 Bonds totaled \$26,285,000.

In March 1998, the School Board entered into an \$8,155,000 refunding transaction (Series 1998B) for a portion of the School Board's Series 1995 General Obligations maturing September 2020. At June 30, 2009, the outstanding principal balance of the 1995 bonds, which are not included in the School Board's balance sheet, as they are considered defeased, totaled \$7,140,000.

**Certificates of Indebtedness**

In March 1999, the School Board issued a \$14,000,000 Certificate of Indebtedness, Series 1999. These funds are used to purchase computer hardware and software. These Certificates are secured by and payable from excess of annual revenues of the School Board. The Certificate of Indebtedness Series 1996 is subordinated to the lien of the Certificate of Indebtedness Series 1999. The loan is for a period of ten (10) years with interest rates ranging from 4.0% to 6.625%. At June 30, 2009, the loan was paid off and the remaining balance was \$-0-.

**EPA Loans**

Approval was obtained from the State Bond Commission to issue promissory notes on an interest-free basis, repayable over a twenty year period. Proceeds from the notes finance the removal of asbestos from certain school buildings. The notes, issued to the U.S. Environmental Protection Agency (EPA), have no stated interest rate. Generally accepted accounting principles require that interest be imputed on loans with no stated rate. There are five EPA loans, two of which have been paid off. The three remaining notes from 1990 to 1992 have interest imputed at the rate of 7.641%. Of the \$5,555,600 of authorized notes that were advanced to the School Board, a remaining balance of \$471,686 is still outstanding and owed at year-end. Semi-annual principal payments are made on the loans which have terms expiring in 2010 through 2011.

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

**Notes to the Financial Statements**

**Note 8. Long-Term Obligations (Continued)**

**Debt Service Requirements**

The annual requirements to amortize all long-term debt outstanding at June 30, 2009, excluding capital leases, accrued compensated absences and claims payable is as follows:

Year Ending June 30,	General Obligation Bonds		Refunding Bonds	
	Principal	Interest	Principal	Interest
2010	\$ 7,265,000	\$ 6,631,285	\$ 8,221,876	\$ 10,149,736
2011	7,695,000	6,256,204	7,991,087	10,382,823
2012	8,140,000	5,853,826	7,759,240	10,614,200
2013	8,610,000	5,424,843	7,522,321	10,846,644
2014	9,115,000	4,968,173	7,290,329	11,080,756
2015-2019	54,195,000	16,939,761	553,877	2,256,121
2020-2024	36,540,000	2,859,234	-	-
<b>Total</b>	<b>\$ 131,560,000</b>	<b>\$ 48,933,326</b>	<b>\$ 39,338,730</b>	<b>\$ 55,330,280</b>

Year Ending June 30,	GO Zone Bonds		Community Disaster Loan	
	Principal	Interest	Principal	Interest
2010	\$ -	\$ -	\$ -	\$ -
2011	-	-	-	-
2012	-	1,766,934	11,900,000	3,100,000
2013	3,626,190	3,449,740	11,900,000	3,100,000
2014	3,794,445	3,277,581	11,900,000	3,100,000
2015-2019	21,782,336	13,512,599	23,776,054	6,263,408
2020-2024	27,327,073	7,839,225	-	-
2025-2029	19,630,892	1,393,843	-	-
<b>Total</b>	<b>\$ 76,160,936</b>	<b>\$ 31,239,922</b>	<b>\$ 59,476,054</b>	<b>\$ 15,563,408</b>

Year Ending June 30,	EPA Loans		Total - All Debt	
	Principal	Interest	Principal	Interest
2010	\$ 275,395	\$ 36,696	\$ 15,762,271	\$ 16,817,717
2011	196,291	14,149	15,882,378	16,653,176
2012	-	-	27,799,240	21,334,960
2013	-	-	31,658,511	22,821,227
2014	-	-	32,099,774	22,426,510
2015-2019	-	-	100,307,267	38,971,889
2020-2024	-	-	63,867,073	10,698,459
2025-2029	-	-	19,630,892	1,393,843
<b>Total</b>	<b>\$ 471,686</b>	<b>\$ 50,845</b>	<b>\$ 307,007,406</b>	<b>\$ 151,117,781</b>

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

**Notes to the Financial Statements**

**Note 8. Long-Term Obligations (Continued)**

Long-Term Obligations	Beginning Balance	Additions/ Change in Estimates	Retirements	Ending Balance	Balance Due Within One Year
<b>General Obligation Bonds</b>					
Series 1995	\$ 26,275,000	\$ -	\$ 1,690,000	\$ 24,585,000	\$ 1,805,000
Series 1996	24,780,000	-	1,355,000	23,425,000	1,430,000
Series 1997	26,065,000	-	1,285,000	24,780,000	1,355,000
Series 1997A	26,065,000	-	1,285,000	24,780,000	1,355,000
Series 1998A	27,395,000	-	1,210,000	26,185,000	1,275,000
Series 1998B	7,850,000	-	45,000	7,805,000	45,000
<b>Refunding Bonds</b>					
* Series 1991	16,523,730	-	-	16,523,730	3,486,876
Series 1995	4,495,000	-	4,495,000	-	-
Series 1995 A&B	35,915,000	-	13,100,000	22,815,000	4,735,000
<b>Loans</b>					
Debt Service Assistance Program Loan	61,680,417	14,480,519	-	76,160,936	-
Community Disaster Loan (CDL)	59,476,054	-	-	59,476,054	-
<b>EPA Loans</b>	591,206	-	119,520	471,686	275,395
<b>Certificate of Indebtedness</b>					
Series 1999	1,790,000	-	1,790,000	-	-
<b>Capital Leases</b>					
Energy Retrofit Lease 06/26/03	2,924,000	-	970,000	1,954,000	990,000
Motorola Equipment	747,964	-	91,334	656,630	96,076
<b>Interest Payable on Refunding Series 1991</b>	34,742,397	3,731,049	-	38,473,446	-
<b>Interest Payable on CDL</b>	3,342,513	1,740,510	-	5,083,023	-
<b>Accrued Compensated Absences</b>	21,059,310	-	3,646,168	17,413,142	3,646,168
<b>Liability for Claims Payable</b>	66,781,862	(2,738,167)	96,410	63,947,085	-
<b>Total Long-Term Obligations</b>	<b>\$ 448,499,253</b>	<b>\$ 17,213,911</b>	<b>\$ 31,178,432</b>	<b>\$ 434,534,732</b>	<b>\$ 20,494,515</b>

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

**Bond Indentures**

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

**Statutory Debt Limit**

As of June 30, 2009, the statutory debt limit for general obligation bonds was \$909,813,241 and the net legal debt margin was \$808,176,80. There was \$29,923,563 available in the Debt Service Fund to pay debt service requirements on the general obligation bonds outstanding at June 30, 2009.

**Note 9. Leases**

**Operating Leases**

The School Board has a number of operating leases for land, buildings and equipment used for schools and administrative centers.

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

**Notes to the Financial Statements**

**Note 9. Leases (Continued)**

**Operating Leases (Continued)**

For these leases, the School Board has, as of June 30, 2009, contractual agreements requiring the following annual rental payments:

Fiscal Year Ending June 30,	Amount
2010	\$ 117,762
2011	44,777

Rental expenditures under operating leases for facilities for the year ended June 30, 2009, amounted to \$321,437.

**Capital Leases**

The School Board records items *under* capital leases as an asset and an obligation in the accompanying financial statements. Energy retrofit improvements for 1996 -1997 were expensed or are considered fully depreciated.

Assets acquired through other capital leases are as follows:

Asset	Cost	Impairment and Depreciation	Net Asset
Communications Equipment	\$ 1,628,011	\$ 1,628,011	\$ -

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2009:

Fiscal Year	Communications Equipment	Energy Retrofit	Total
2010	\$ 130,155	\$ 1,058,300	\$ 1,188,455
2011	130,155	1,002,600	1,132,755
2012	130,155	-	130,155
2013	130,155	-	130,155
2014	130,155	-	130,155
2015	130,155	-	130,155
Total	780,930	2,060,900	2,841,830
Less: Amounts Representing Interest	(124,300)	(106,900)	(231,200)
<b>Present Valued of Net Minimum Lease Payment</b>	<b>\$ 656,630</b>	<b>\$ 1,954,000</b>	<b>\$ 2,610,630</b>

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

**Notes to the Financial Statements**

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**Note 9. Leases (Continued)**

**Capital Leases (Continued)**

On April 1, 1996, the Louisiana Public Facilities Authority (LPFA) issued \$11,175,000 Lease Revenue Bonds (Orleans Parish School Board Energy Retrofit Project), Series 1996. The bonds were limited and special obligations of the LPFA and were secured by a Trust Indenture, dated April 1, 1996.

The LPFA used the proceeds from the sale of the bonds to: (1) purchase from the School Board certain energy retrofit improvements and equipment for all public school buildings of the School Board (hereinafter referred to as the "Project"); (2) fund a Reserve Fund; and (3) pay the cost of issuance of the bonds, including bond insurance premium. As the improvements and equipment were acquired and installed, the School Board sold the Project to the LPFA and the LPFA concurrently leased the Project to the School Board through a Lease Agreement, dated April 1, 1996, under which the School Board is obligated to annually appropriate funds in an amount sufficient to pay the principal of and interest on the Bonds, as well as other payment obligations, including the Reserve Fund Requirement (as defined in the Indenture), as payments become due.

The Project used the bonds proceeds and the Lease Agreement to implement certain replacement, retrofit and/or upgrade improvements to 121 public school buildings of the School Board designed to reduce operating and maintenance expenses. The improvements to the School Board's existing facilities fall into four major categories, as follows: (1) Energy Management; (2) Heating, Ventilation and Air Conditioning Systems; (3) Lighting Systems; and (4) Water Conservation Measures.

In the event the School Board fails to make any rental payment under the Lease Agreement, pursuant to a Withholding Agreement, the Trustee is authorized to notify the State Treasurer, who will then withhold the School Board's allocation of State Revenue Sharing Funds in the amount equal to any deficiency not paid as required under the Lease Agreement.

As of June 30, 2009, the principal balance remaining on the Energy Retrofit capital lease totaled \$1,954,000.

On January 1, 2005, Orleans Parish School Board entered into a capital lease agreement to upgrade communication equipment. The terms of the capital lease require ten annual payments of \$130,155 through January 1, 2015 at an annual interest rate of 5.19%. The equipment has a capitalized cost of \$995,810.

As of June 30, 2009, the principal balances remaining on the 2005 communications equipment capital leases totaled \$656,630.

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

**Notes to the Financial Statements**

**Note 10. Due To/From Other Funds**

Individual balances due to/from other funds at June 30, 2009, are as follows:

	Due To Other Funds	Due From Other Funds
<b>Governmental Funds</b>		
General Fund	\$ 45,766,743	\$ 79,872,403
Pass Through Fund	29,972,116	580,094
General Obligation Bonds - Debt Service Fund	-	332,491
Refunding Bonds - Debt Service Fund	-	3,012,992
Hurricane Katrina Restoration - Capital Projects Fund	6,140,448	-
Gulf Opportunity Bonds - Debt Service Fund	-	5,251,207
Federal Grant Fund - Special Revenue Fund	26,472,108	241,485
<b>Other Non-major Governmental Funds</b>		
Non-major Special Revenue Funds	907,638	5,304,871
Nonmajor Debt Service Funds	-	-
Non-major Capital Project Funds	6,263,150	16,379,329
Expendable Trust	-	338,277
<b>Proprietary Funds</b>	<u>10,116,944</u>	<u>14,325,998</u>
<b>Total</b>	<u>\$ 125,639,147</u>	<u>\$ 125,639,147</u>

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

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

Agency Fund	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009
Student Activity	\$ 378,441	\$ 861,984	\$ 896,901	\$ 343,524
<b>Total</b>	<u>\$ 378,441</u>	<u>\$ 861,984</u>	<u>\$ 896,901</u>	<u>\$ 343,524</u>

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

**Notes to the Financial Statements**

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**Note 12. On-Behalf Payments for Fringe Benefits And Salaries**

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$22,730. On-behalf revenues and related expense is recorded in the General Fund.

**Note 13. Litigation and Contingencies**

**Claims**

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

**Madeline Edwards, Individually and o/b/o Her Minor Son, Derrick Edwards vs. Orleans Parish School Board, et al. Our File No.: 63062 (1989 football injury; student now quadriplegic)**

The case involves a student athlete who was paralyzed in a football game. The only parties remaining in the litigation are the Orleans Parish School Board and the excess insurance carrier for St. Augustine High School (the opposing football team). All of the other defendants have either settled their claims with the plaintiff and/or have been dismissed from the suit (settlements total \$1.05 million).

The case was settled with the plaintiff in November 2007 for \$1 million. In addition, the excess insurance carrier was awarded \$550,000 for reimbursement from the School Board for its settlement with another party involved in this case. The School Board appealed this judgment and the Fourth Circuit, Court of Appeal affirmed the trial court's summary judgment in favor of the insurance carrier.

**United Teachers of New Orleans (UTNO) v. OPSB ("Paycheck Stub" Grievances)**

UTNO alleges violations of the collective bargaining agreements regarding the School Board's failure to provide an itemized accounting for the payroll processed in September 2005. Specifically, UTNO claims the collective bargaining agreements were violated since employees have not received payroll check stubs/check slips. The School Board is in the process of setting up a system to combine the payroll data of several of its previous systems that were used to make the September 2005 payroll. Once this is done, the employee pay check stubs will be prepared and distributed to the affected employees. A settlement agreement of this arbitration was approved August 1, 2007, required the Board to generate and mail pay advice forms to the last known address of affected employees. No payments were required by the settlement agreement.

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

**Notes to the Financial Statements**

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**Note 13. Litigation and Contingencies (Continued)**

**Claims (Continued)**

**UTNO v. OPSB ("Health and Welfare Trust Fund" lawsuit)**

In these lawsuits currently pending in Civil District Court for Orleans Parish, the Health and Welfare Trust Fund is seeking \$457,410 and \$4,998,400, respectively, it contends it is owed for the 2004 - 2005 school year in unpaid employee-trust fund contributions.

The School Board filed an Answer and Reconventional Demand (ARD) asking for dissolution of the trust fund in light of the expiration of the collective bargaining agreements between the School Board and the Union. During fiscal year ended June 30, 2009 the Reconventional Demand was dismissed. Depositions and discovery is ongoing.

**UTNO vs. Orleans Parish School Board; three (3) UTNO grievances:**

UTNO filed a grievance on the School Board's decision not to make contributions to the Health and Welfare Trust Fund for the 2005 - 2006 school year. The arbitrator ordered the School Board to make payments to the fund for a nine-month period during the 2005 - 2006 school year. The School Board's General Counsel estimated the exposure associated with this payment at \$3.75 million. However, the arbitrator also provided the Board with a damages offset of \$1.9 million per month for 2 and ½ months. The offset is greater than the damages award; consequently, it is the School Board's general counsel's opinion is that the School Board owes nothing stemming from this arbitration.

UTNO filed a grievance on the School Board's decision to change and cancel health insurance benefits without negotiation. The arbitrator determined that the Board did violate the collective bargaining agreements, however, the arbitrator decided against ordering any monetary relief.

UTNO filed a grievance on the School Board's decision to charter schools with the Algiers Charter School Association while not applying the collective bargaining agreements to the workers employed by the charter school association. The arbitrator determined that the Board did violate the collective bargaining agreements, however, he decided against ordering any monetary relief.

UTNO challenged the arbitrator's rulings for the three grievances by filing a lawsuit.

**UTNO v. OPSB ("Emergency Leave" Grievances)**

UTNO claimed the collective bargaining agreements were violated since employees who had accumulated accrued sick leave days were not compensated for those sick leave days. The School Board has taken the position that the grievances are untimely and are based on an incorrect interpretation of the contract.

**UTNO v. OPSB ("System-wide Closure of Schools" Grievances)**

UTNO contended that the collective bargaining agreements were violated when Orleans Parish Public schools were closed following Hurricane Katrina and employees were not paid during the time of closure.

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

**Notes to the Financial Statements**

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**Note 13. Litigation and Contingencies (Continued)**

**Claims (Continued)**

**UTNO v. OPSB ("State Board of Elementary and Secondary Education (BESE)" lawsuit)**

UTNO challenged the State (BESE) takeover of Orleans Parish schools. As remedial relief, UTNO asked the district court to compel the Board to enter into new collective bargaining agreements as well as provide its members with damages equal to the contract benefits they would have received had they remained employed by the School Board and covered by the existing collective bargaining agreements.

Effective September 18, 2007, a settlement agreement was entered into with UTNO to bring to conclusion the above litigation, grievances, and arbitrations pending between the Board and UTNO. The Board agreed to pay UTNO \$7 million in annual installments of \$3.5 million. The first payment was made on October 31, 2007, and the remaining payment was paid on October 31, 2008.

\$200,000 of the total settlement amount represents the School Board's contribution to the cost of administering settlement disbursements to the members of the UTNO bargaining unit. Also as part of the settlement, the School Board is to direct the Superintendent of Schools to appoint a bargaining team which shall enter into good faith negotiations with UTNO towards the goal of entering into collective bargaining agreements providing for wages, hours and working conditions for members of the bargaining unit(s) as agreed upon.

**Federal and State Grants**

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds.

The School Board's Title I Program has undergone an audit by the U.S. Department of Education. The U.S. Department of Education requested documentation to support approximately \$71,800,000 of questioned costs. A substantial portion of this documentation has been provided to the U.S. Department of Education. The State of Louisiana's Department of Education has also audited IASA, Special Education, and Vocational Educational Programs and questioned costs of approximately \$14,800,000. The possible outcome of these audits cannot be determined as of the report date and, therefore, the School Board is unable to estimate the liability, if any, that may result from these audits.

**Other**

A disagreement exists among Orleans Parish School Board, the RSD, and the State of Louisiana, Department of Education concerning the 2006 property taxes. During the fiscal year ended June 30, 2007 the School Board received \$13,332,957 in ad valorem taxes related to payment of 2006 taxes from the City of New Orleans. The receipt of these taxes occurred more than 60 days after year-end, and was recorded as a prior period adjustment in the Government Wide financial statements. The RSD contends that they are entitled to a share of these receipts based upon the fiscal year 2006-07 student count. The School Board, on the other hand, contends that the RSD is entitled to a share based upon the student count in fiscal year 2005-06. Since the RSD did not have any students in fiscal year 2005-06, the School Board believes that the RSD is not entitled to any of these monies. No provision for paying any portion of the disputed ad valorem taxes has been made in the accompanying financial statements.

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

**Notes to the Financial Statements**

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**Note 14. Commitments**

At June 30, 2009, the School Board had construction commitments of approximately \$4,462,601. These commitments will be paid out of the Capital Projects Funds.

**Note 15. Interfund Operating Transfers**

Interfund operating transfers for the year ended June 30, 2009, were as follows:

	Transfers In	Transfers Out
Governmental Funds		
General Fund	\$ 24,525,013	\$ 25,058,236
Pass Through Fund	5,013,098	19,102,000
General Obligation Bonds - Debt Service	11,322,570	11,322,570
Refunding Bonds - Debt Service	3,119,913	3,119,913
Hurricane Katrina Restoration Fund	-	-
Gulf Opportunity Bonds	14,480,519	-
Federal Grant Fund	1,755,003	5,424,134
Non-major Governmental Funds		
Non-major Special Revenue Funds	4,245,205	434,468
Non-major Debt Service Funds	2,203,907	2,203,907
Proprietary Funds	-	-
<b>Total</b>	<b>\$ 66,665,228</b>	<b>\$ 66,665,228</b>

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

**Note 16. Risk Management**

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

**Health Insurance/Retiree Insurance**

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

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

**Notes to the Financial Statements**

**Note 16. Risk Management (Continued)**

**Workers' Compensation**

This fund is used to account for claims arising from employment related injuries. The School Board maintains a self-insurance plan, which includes the purchase of insurance for claims in excess of \$500,000 per occurrence. The workers' compensation limit for each accident is the statutory amount.

**Other Insurance**

This fund is used to account for retiree paid life insurance premiums and expenditures.

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

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

	Workers' Compensation Fund	Employee Health Insurance Fund	Retiree Health Insurance Fund	Litigated Claims	Total
Unpaid Claims, as Previously Reported June 30, 2008	\$ 7,780,727	\$ 163,782	\$ 891,658	\$ 66,781,662	\$ 75,617,829
Current Year Claims Incurred and Changes in Estimates	532,817	2,395,183	7,520,816	(2,738,167)	7,710,649
Claims Paid	(3,611,910)	(2,246,706)	(7,364,733)	(96,410)	(13,319,759)
Unpaid Claims as of Year Ended June 30, 2009	<u>\$ 4,701,634</u>	<u>\$ 312,259</u>	<u>\$ 1,047,741</u>	<u>\$ 63,947,085</u>	<u>\$ 70,008,719</u>

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

**Note 17. Deficits in Fund Equity**

The CDBG Capital Projects Fund has a fund deficit of \$7,040,447 at June 30, 2009. This fund deficit is expected to be funded by making a draw down from the funds set aside for the School Board by the Community Development Block Grant. Any remaining deficit will be funded by transfers from the General Fund, if necessary.

**Note 18. Contingency for Unbilled Federal Revenue**

Included in due from other governments are \$22,590,692 of amounts that are unbilled. At this time, it is uncertain whether all of these amounts will be recovered under the federal programs as they are recorded. Once the School Board has billed these amounts and received the reimbursements, adjustments will be recorded as required.

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

**Notes to the Financial Statements**

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**Note 19. Reserves and Designations**

Reserved for Encumbrances - This reserve was established for outstanding purchase orders that the School Board intends to honor.

Reserved for Debt Service - This reserve represents the amounts reserved for payment of principal and interest maturing in future years on bonded debt.

Reserved for Inventory - This reserve was established for food inventories in the Child Nutrition Fund which will be used in the future fiscal period.

Reserved for Prepaid Items - This reserve was established for property insurance which will be used in the future fiscal period.

Reserved for Capital Items - This reserve was established for capital purchases which will be used in future fiscal periods.

Designated for Capital Projects Fund - This represents unreserved funds in the Capital Projects Funds that are designated for construction and renovation projects.

Designated for Special Revenue Fund - This represents the unexpended portion of unrestricted monies received by the School Board and designated for special programs.

**Note 20. Hurricane Katrina Insurance Proceeds**

The School Board had insurance policies in effect at the time of Hurricane Katrina for comprehensive property damage (including flood), casualty, business interruption and other coverage's in the aggregate amount of \$200,000,000 and additional insurance policies covering flood damage for a total of \$17,800,000. During the fiscal year ended June 30, 2008, the insurers remitted \$25,000,000 for property damage and \$9,214,219 for flood damage for a total of \$34,214,219. During the fiscal year ended June 30, 2009, two additional insurance settlements were received which totaled \$24,560,172.

The School Board has filed lawsuits against its insurers to collect its remaining claims for additional aggregate damage of approximately \$175,000,000, (the "Insurance Litigation"). The Louisiana State Board of Elementary and Secondary Education, the Louisiana Department of Education, and the Recovery School District, intervened, asserting their entitlement to a portion of the insurance proceeds. On November 30, 2009, OPSB filed a Second Amended and Supplemental Petition in the insurance lawsuit in order to institute a concursus proceeding or in the alternative, obtain a declaratory judgment seeking a judgment to the effect that it, and it alone, is entitled to all amounts paid by insurers. OPSB maintains that as a matter of contract it, as sole named insured to said insurance policies, is the sole beneficiary to the proceeds payable for the losses associated with Hurricane Katrina on August 29, 2005. While OPSB is confident of its position, it anticipates that it will be challenged by other interested parties. Accordingly, at this time it is not possible to determine whether all or some lesser portions will ultimately be received by OPSB.

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

**Notes to the Financial Statements**

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**Note 20. Hurricane Katrina Insurance Proceeds (Continued)**

For the year ended June 30, 2008, OPSB had recognized insurance proceeds totaling \$9,986,825 as income. As disclosed in Note 21, due to the uncertainty of collection, OPSB has recorded a prior period adjustment in its Hurricane Katrina restoration Fund to reclassify these monies as deferred revenue. As of June 30, 2009, insurance proceeds totaling \$59,388,406 have been recorded as deferred revenue.

**Note 21. Prior Period Adjustments**

**Capital Assets**

This prior period adjustment is related to the overstatement of capital assets in prior years wherein capital assets totaling \$3,514,425 were capitalized on the GWFS of the School Board which they did not hold title. The effect of this prior period adjustment to the financial statements is as follows:

Net Capital Assets at June 30, 2008, as previously reported	\$ 78,766,173
Decrease in Capital Assets	<u>(3,514,425)</u>
Government-wide net assets at June 30, 2008, as restated	<u>\$ 75,251,748</u>

**Katrina Insurance Proceeds**

Insurance proceeds related to Hurricane Katrina recognized as revenue in prior years were reclassified to deferred revenue in the current year until a settlement can be reached as to how, if any, of the proceeds are to be shared with the RSD. The effect of this prior period adjustment to the financial statements is as follows:

Hurricane Katrina Restoration Fund fund balance at June 30, 2008, as previously reported	\$ 23,878,563
Decrease in Insurance Proceeds	<u>(9,986,825)</u>
Hurricane Katrina Restoration Fund fund balance at June 30, 2008, as restated	<u>\$ 13,891,738</u>

**Impact to Government-Wide Financial Statements**

These two prior period adjustments had the following impact to the Government-Wide Financial Statements:

Government-wide net assets at June 30, 2008, as previously reported	\$ 4,127,847
Total effect of prior period adjustments	<u>(13,501,250)</u>
Government-wide net assets at June 30, 2008, as restated	<u>\$ (9,373,403)</u>

**REQUIRED SUPPLEMENTARY INFORMATION - (PART II)  
BUDGETARY COMPARISON SCHEDULE**

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Budgetary Comparison Schedule  
General Fund  
Fiscal Year Ended June 30, 2009**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local Sources				
Ad Valorem Taxes	\$ 6,385,882	\$ 5,341,953	\$ -	\$ (5,341,953)
Sales and Use Tax (Including Vehicle)	4,979,371	3,828,331	-	(3,828,331)
Earnings on Investments	4,350,000	3,500,000	3,313,828	(186,172)
Other	3,748,120	7,448,120	6,422,463	(1,025,657)
State and Federal Sources				
Minimum Foundation Program	9,205,140	9,390,583	-	(9,390,583)
State Revenue Sharing	88,667	74,172	-	(74,172)
Other	555,096	1,096,229	-	(1,096,229)
Federal Sources	140,000	140,000	94,479	(45,521)
E-Rate Matching	-	-	-	-
<b>Total Revenues</b>	<b>29,452,276</b>	<b>30,819,388</b>	<b>9,830,770</b>	<b>(20,988,618)</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Programs	11,503,720	15,524,641	12,293,081	3,231,560
Special Programs	1,978,458	1,975,458	2,297,469	(322,011)
Other Programs	1,353,762	1,353,762	1,682,444	(328,682)
Support				
Student Services	1,620,867	1,922,663	1,937,578	(14,915)
Instructional Staff Support	1,691,585	1,751,460	1,929,356	(177,896)
General Administration	2,877,816	3,311,106	3,249,389	61,717
School Administration	1,374,660	1,406,684	1,593,290	(186,606)
Business Services	1,655,465	2,057,554	2,181,043	(123,489)
Student Transportation Services	2,512,000	2,859,912	2,837,647	22,265
Central Services	4,624,277	3,873,170	1,718,313	2,154,857
Plant Services	5,942,445	6,375,896	5,869,546	506,350
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	1,000,000	139,858	5,911,773	(5,771,915)
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>38,135,055</b>	<b>42,552,164</b>	<b>43,500,929</b>	<b>(948,765)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(8,682,779)</b>	<b>(11,732,776)</b>	<b>(33,670,159)</b>	<b>(21,937,383)</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule (Continued)  
 General Fund  
 Fiscal Year Ended June 30, 2009**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>				
Proceeds from GO Zone	-	14,480,519	14,480,519	-
Proceeds from Community Disaster Loan	-	-	-	-
Transfers In	3,000,000	3,000,000	24,525,013	21,525,013
Transfers Out	-	(18,180,519)	(25,058,236)	(6,877,717)
Transfers Out - Charters and RSD	-	-	-	-
Other	6,060,252	(14,260,252)	-	14,260,252
<b>Total Other Financing Sources (Uses)</b>	<b>9,060,252</b>	<b>(14,960,252)</b>	<b>13,947,296</b>	<b>28,907,548</b>
<b>Net Change in Fund Balance</b>	<b>377,473</b>	<b>(26,693,028)</b>	<b>(19,722,863)</b>	<b>6,970,165</b>
<b>Fund Balance, June 30, 2008</b>	<b>73,957,551</b>	<b>73,957,551</b>	<b>73,957,551</b>	<b>-</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ 74,335,024</b>	<b>\$ 47,264,523</b>	<b>\$ 54,234,688</b>	<b>\$ 6,970,165</b>

During the fiscal year ended June 30, 2009, the School Board established the Pass Through Fund. This fund was established to account for all pass-through funding received by the School Board. This funding includes ad valorem taxes, sales and use taxes, funding provided by the Minimum Foundation Program, and State Revenue Sharing. Those revenue items which were initially budgeted in the General Fund have been recognized as transfers-in from the Pass Through Fund.

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule  
 Pass Through Fund  
 Fiscal Year Ended June 30, 2009**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local Sources				
Ad Valorem Taxes	\$ 68,113,424	\$ 68,113,424	\$ 68,113,424	\$ -
Sales and Use Tax (Including Vehicle)	52,119,182	52,119,182	52,119,182	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
State and Federal Sources				
Minimum Foundation Program	35,503,554	35,503,554	35,503,554	-
State Revenue Sharing	1,213,677	1,213,677	1,213,677	-
Other	431,170	431,170	431,170	-
Federal Sources	-	-	-	-
E-Rate Matching	-	-	-	-
<b>Total Revenues</b>	<b>157,381,007</b>	<b>157,381,007</b>	<b>157,381,007</b>	<b>-</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Programs	-	-	-	-
Special Programs	-	-	-	-
Other Programs	-	-	-	-
Support				
Student Services	-	-	-	-
Instructional Staff Support	-	-	-	-
General Administration	762,109	762,109	762,109	-
School Administration	-	-	-	-
Business Services	-	-	-	-
Student Transportation Services	-	-	-	-
Central Services	-	-	-	-
Plant Services	-	-	-	-
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>762,109</b>	<b>762,109</b>	<b>762,109</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>156,618,898</b>	<b>156,618,898</b>	<b>156,618,898</b>	<b>-</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule (Continued)  
 Pass Through Fund  
 Fiscal Year Ended June 30, 2009**

	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Other Financing Sources</b>				
Proceeds from GO Zone	-	-	-	-
Proceeds from Community Disaster Loan	5,013,098	5,013,098	5,013,098	-
Transfers In	(19,102,000)	(19,102,000)	(19,102,000)	-
Transfers Out	(58,128,553)	(58,128,553)	(58,128,553)	-
Transfers Out - Charters and RSD	-	-	-	-
Other	(84,401,443)	(84,401,443)	(84,401,443)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(156,618,898)</b>	<b>(156,618,898)</b>	<b>(156,618,898)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule  
 Federal Grant Fund  
 Fiscal Year Ended June 30, 2009**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local Sources				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Tax (Including Vehicle)	-	-	-	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
State and Federal Sources				
Minimum Foundation Program	-	-	-	-
State Revenue Sharing	-	-	-	-
Other	326,660	326,660	326,660	-
Federal Sources	55,524,167	55,524,167	55,524,167	-
E-Rate Matching	-	-	-	-
<b>Total Revenues</b>	<b>55,850,827</b>	<b>55,850,827</b>	<b>55,850,827</b>	<b>-</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Programs	2,073,664	2,073,664	2,073,664	-
Special Programs	2,528,427	2,528,427	2,528,427	-
Other Programs	30,228,126	30,228,126	30,228,126	-
Support				
Student Services	2,677,490	2,677,490	2,677,490	-
Instructional Staff Support	7,496,482	7,496,482	7,496,482	-
General Administration	24,371	24,371	24,371	-
School Administration	35,178	35,178	35,178	-
Business Services	2,583,784	2,583,784	2,583,784	-
Student Transportation Services	3,497,275	3,497,275	3,497,275	-
Central Services	75,652	75,652	75,652	-
Plant Services	140,659	140,659	140,659	-
Other	-	-	-	-
Food Services	820,588	820,588	820,588	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
<b>Total Expenditures</b>	<b>52,181,696</b>	<b>52,181,696</b>	<b>52,181,696</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>3,669,131</b>	<b>3,669,131</b>	<b>3,669,131</b>	<b>-</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Budgetary Comparison Schedule (Continued)  
 Federal Grant Fund  
 Fiscal Year Ended June 30, 2009**

	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Other Financing Sources</b>				
Proceeds from GO Zone	-	-	-	-
Proceeds from Community Disaster Loan	-	-	-	-
Transfers In	1,755,003	1,755,003	1,755,003	-
Transfers Out	(5,424,134)	(5,424,134)	(5,424,134)	-
Transfers Out - Charters and RSD	-	-	-	-
Other	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(3,669,131)</b>	<b>(3,669,131)</b>	<b>(3,669,131)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

**OTHER SUPPLEMENTARY INFORMATION**

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Balance Sheet - By Fund Type**  
**Non-Major Governmental Funds**  
**June 30, 2009**

	Special Revenue	Debt Service	Capital Project	Total
<b>Assets</b>				
Cash	\$ -	\$ -	\$ 5,879,241	\$ 5,879,241
Investments	-	-	-	-
Due from Other Funds	5,304,871	-	16,379,329	21,684,200
Due from Other Governments	991,100	-	-	991,100
Inventory	70,522	-	-	70,522
Other Receivables	-	-	40,000	40,000
<b>Total Assets</b>	<b>\$ 6,366,493</b>	<b>\$ -</b>	<b>\$ 22,298,570</b>	<b>\$ 28,665,063</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 226,155	\$ -	\$ 2,230,040	\$ 2,456,195
Retainage Payable	-	-	-	-
Salaries Payable	-	-	-	-
Due to Other Funds	907,638	-	6,263,150	7,170,788
Due to Other Governments	43	-	1,623,948	1,623,991
Deferred Revenues	612,726	-	-	612,726
<b>Total Liabilities</b>	<b>1,746,562</b>	<b>-</b>	<b>10,117,138</b>	<b>11,863,700</b>
<b>Fund Balances</b>				
<i>Reserved for</i>				
Inventory	70,522	-	-	70,522
Encumbrances	212,071	-	-	212,071
Debt Service	-	-	-	-
Capital Projects	-	-	12,181,432	12,181,432
<i>Unreserved, Reported in</i>				
Special Revenue	4,337,338	-	-	4,337,338
Capital Projects	-	-	-	-
<b>Total Fund Balances</b>	<b>4,619,931</b>	<b>-</b>	<b>12,181,432</b>	<b>16,801,363</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,366,493</b>	<b>\$ -</b>	<b>\$ 22,298,570</b>	<b>\$ 28,665,063</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance - By Fund Type  
Non-Major Governmental Funds  
Fiscal Year Ended June 30, 2009**

	Special Revenue	Debt Service	Capital Project	Total
<b>Revenues</b>				
Local Sources				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	2,201,950	-	2,201,950
GO Zone Bond Proceeds	-	-	-	-
Investment Earnings	-	-	-	-
Food Services	176,274	-	-	176,274
Donations	52,000	-	-	52,000
Other	386	-	7,012,225	7,012,611
State and Federal				
Minimum Foundation Program	586,708	-	-	586,708
Other	1,988,581	-	-	1,988,581
Federal Funds	2,340,920	-	2,665,999	5,006,919
<b>Total Revenues</b>	<b>5,144,869</b>	<b>2,201,950</b>	<b>9,678,224</b>	<b>17,025,043</b>
<b>Expenditures</b>				
Instruction				
Regular Education Programs	616,547	-	-	616,547
Special Education Programs	22,632	-	-	22,632
Other Education Programs	837,442	-	-	837,442
Support				
Student Services	121,243	-	-	121,243
Instructional Staff Services	432,928	-	-	432,928
General Administration	-	-	-	-
School Administration	-	-	-	-
Business Services	151,247	-	-	151,247
Student Transportation Services	2,634	-	-	2,634
Central Services	-	-	-	-
Plant Services	-	-	-	-
Food Services	2,683,713	-	-	2,683,713
Capital Outlay	-	-	8,295,543	8,295,543
Other	-	-	1,194,184	1,194,184
Debt Service				
Principal Retirement	-	2,000,855	-	2,000,855
Interest and Bank Charges	-	201,095	-	201,095
Payments to Escrow Agent	-	-	-	-
Bond Issuance Cost	-	-	-	-
<b>Total Expenditures</b>	<b>4,868,386</b>	<b>2,201,950</b>	<b>9,489,727</b>	<b>16,560,063</b>
<b>Excess of Revenues Over Expenditures</b>	<b>276,483</b>	<b>-</b>	<b>188,497</b>	<b>464,980</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance - By Fund Type (Continued)  
Non-Major Governmental Funds  
Fiscal Year Ended June 30, 2009**

	Special Revenue	Debt Service	Capital Project	Total
<b>Other Financing Sources and Uses</b>				
Transfers In	4,245,205	2,203,907	-	6,449,112
Transfers Out	(434,468)	(2,203,907)	-	(2,638,375)
Transfers Out - RSD	-	-	(3,291,269)	(3,291,269)
Proceeds from Refunding Bonds	-	-	-	-
Payments to Refunding Bond Escrow	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>3,810,737</b>	<b>-</b>	<b>(3,291,269)</b>	<b>519,468</b>
<b>Net Change in Fund Balance</b>	<b>4,087,220</b>	<b>-</b>	<b>(3,102,772)</b>	<b>984,448</b>
<b>Fund Balance, June 30, 2008</b>	<b>532,711</b>	<b>-</b>	<b>15,284,204</b>	<b>15,816,915</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ 4,619,931</b>	<b>\$ -</b>	<b>\$ 12,181,432</b>	<b>\$ 16,801,363</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2009**

	State and Local	Child Nutrition	Non-Recurring Operational	Total
<b>Assets</b>				
Due from Other Funds	\$ 639,171	\$ 439,476	\$ 4,226,224	\$ 5,304,871
Due from Other Governments	989,858	1,242	-	991,100
Inventory	-	70,522	-	70,522
Other Receivables	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,629,029</b>	<b>\$ 511,240</b>	<b>\$ 4,226,224</b>	<b>\$ 6,366,493</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 30,673	\$ 45,482	\$ 150,000	\$ 226,155
Due to Other Funds	907,638	-	-	907,638
Due to Other Governments	43	-	-	43
Deferred Revenues	612,726	-	-	612,726
<b>Total Liabilities</b>	<b>1,551,080</b>	<b>45,482</b>	<b>150,000</b>	<b>1,746,562</b>
<b>Fund Balances</b>				
Reserved for Inventory	-	70,522	-	70,522
Reserved for Encumbrances	-	212,071	-	212,071
Unreserved - Undesignated	77,949	183,165	4,076,224	4,337,338
<b>Total Fund Balances</b>	<b>77,949</b>	<b>465,758</b>	<b>4,076,224</b>	<b>4,619,931</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,629,029</b>	<b>\$ 511,240</b>	<b>\$ 4,226,224</b>	<b>\$ 6,366,493</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Special Revenue Funds  
Fiscal Year Ended June 30, 2009**

	State and Local	Child Nutrition	Non-Recurring Operational	Total
<b>Revenues</b>				
Local Sources				
Food Services	\$ -	\$ 176,274	\$ -	\$ 176,274
Donations	50,500	1,500	-	52,000
Other	386	-	-	386
State and Federal				
Minimum Foundation Program	-	586,708	-	586,708
Other	1,988,581	-	-	1,988,581
Federal Funds	-	2,340,920	-	2,340,920
<b>Total Revenues</b>	<b>2,039,467</b>	<b>3,105,402</b>	<b>-</b>	<b>5,144,869</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Education Programs	616,547	-	-	616,547
Special Education Programs	22,632	-	-	22,632
Other Education Programs	837,442	-	-	837,442
Support				
Student Services	121,243	-	-	121,243
Instructional Staff Services	432,928	-	-	432,928
Business Services	1,247	-	150,000	151,247
Student Transportation Services	2,634	-	-	2,634
Food Services	-	2,683,713	-	2,683,713
<b>Total Expenditures</b>	<b>2,034,673</b>	<b>2,683,713</b>	<b>150,000</b>	<b>4,868,386</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>4,794</b>	<b>421,689</b>	<b>(150,000)</b>	<b>276,483</b>
<b>Other Financing Sources and Uses</b>				
Transfers In	18,981	-	4,226,224	4,245,205
Transfers Out	-	(434,468)	-	(434,468)
<b>Total Other Financing Sources (Uses)</b>	<b>18,981</b>	<b>(434,468)</b>	<b>4,226,224</b>	<b>3,810,737</b>
<b>Net Change in Fund Balance</b>	<b>23,775</b>	<b>(12,779)</b>	<b>4,076,224</b>	<b>4,087,220</b>
<b>Fund Balance, June 30, 2008</b>	<b>54,174</b>	<b>478,537</b>	<b>-</b>	<b>532,711</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ 77,949</b>	<b>\$ 465,758</b>	<b>\$ 4,076,224</b>	<b>\$ 4,619,931</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Non-Major Debt Service Funds**  
**June 30, 2009**

	Motorola Capital Lease	EPA Loan	MIS Project Funding	I Can Learn Project	Short-Term Financing	Total
<b>Assets</b>						
Due from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
<b>Fund Balances</b>						
Reserved for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Non-Major Debt Service Funds  
 June 30, 2009**

	Motorola Capital Lease	EPA Loan	MIS Project Funding	I Can Learn Project	Short-Term Financing	Total
<b>Revenues</b>						
Local Sources						
Sales and Use Tax	\$ -	\$ -	\$ -	\$ -	\$ 2,201,950	\$ 2,201,950
<b>Total Revenues</b>	-	-	-	-	2,201,950	2,201,950
<b>Expenditures</b>						
Debt Service						
Principal Retirement	91,335	119,520	1,790,000	-	-	2,000,855
Interest and Bank Charges	38,820	49,619	76,575	-	36,081	201,095
<b>Total Expenditures</b>	130,155	169,139	1,866,575	-	36,081	2,201,950
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(130,155)	(169,139)	(1,866,575)	-	2,165,869	-
<b>Other Financing Uses and Sources</b>						
Transfer In	130,155	169,139	1,866,575	-	38,038	2,203,907
Transfers Out	-	-	-	-	(2,203,907)	(2,203,907)
<b>Total Other Financing Sources (Uses)</b>	130,155	169,139	1,866,575	-	(2,165,869)	-
<b>Net Change in Fund Balance</b>	-	-	-	-	-	-
<b>Fund Balance, June 30, 2008</b>	-	-	-	-	-	-
<b>Fund Balance, June 30, 2009</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Balance Sheet  
 Non-Major Capital Projects Funds  
 June 30, 2009**

	<b>GO Bonds Funded Capital Projects</b>	<b>Proposition D Funded Capital Projects</b>	<b>Harrah's Casino Capital Projects</b>	<b>CDBG Capital Projects</b>	<b>Total</b>
<b>Assets</b>					
Cash	\$ 5,879,241	\$ -	\$ -	\$ -	\$ 5,879,241
Due from Other Funds	2,537,939	5,257,558	8,579,355	4,477	16,379,329
Other Receivables	-	40,000	-	-	40,000
<b>Total Assets</b>	<b>\$ 8,417,180</b>	<b>\$ 5,297,558</b>	<b>\$ 8,579,355</b>	<b>\$ 4,477</b>	<b>\$ 22,298,570</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 36,705	\$ 6,485	\$ 6,240	\$ 2,180,610	\$ 2,230,040
Due to Other Funds	1,368,836	-	-	4,894,314	6,263,150
Due to Other Governments	-	-	1,623,948	-	1,623,948
<b>Total Liabilities</b>	<b>1,405,541</b>	<b>6,485</b>	<b>1,630,188</b>	<b>7,074,924</b>	<b>10,117,138</b>
<b>Fund Balances</b>					
Reserved for Capital Projects	7,011,639	5,291,073	6,949,167	(7,070,447)	12,181,432
<b>Total Fund Balances</b>	<b>7,011,639</b>	<b>5,291,073</b>	<b>6,949,167</b>	<b>(7,070,447)</b>	<b>12,181,432</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,417,180</b>	<b>\$ 5,297,558</b>	<b>\$ 8,579,355</b>	<b>\$ 4,477</b>	<b>\$ 22,298,570</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Capital Projects Funds  
Fiscal Year Ended June 30, 2009**

	<b>GO Bonds Funded Capital Projects</b>	<b>Proposition D Funded Capital Projects</b>	<b>Harrah's Casino Capital Projects</b>	<b>CDBG Capital Projects</b>	<b>Total</b>
<b>Revenues</b>					
<b>Local Sources</b>					
Earnings on Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Ad Valorem Taxes	-	-	-	-	-
Other Revenues	-	2,124,386	4,887,839	-	7,012,225
<b>State and Federal</b>					
Federal Funds	-	2,665,999	-	-	2,665,999
<b>Total Revenues</b>	-	4,790,385	4,887,839	-	9,678,224
<b>Expenditures</b>					
Capital Outlay	1,311,017	844,644	998,553	5,141,129	8,295,543
Other Expenditures	-	989,468	204,716	-	1,194,184
<b>Total Expenditures</b>	1,311,017	1,834,312	1,203,269	5,141,129	9,489,727
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,311,017)	2,956,073	3,684,570	(5,141,129)	188,497
<b>Other Financing Sources and Uses</b>					
Transfers In	-	-	-	-	-
Transfer Out	-	-	-	-	-
Transfer Out - RSD	-	-	(3,291,269)	-	(3,291,269)
<b>Total Other Financing Sources (Uses)</b>	-	-	(3,291,269)	-	(3,291,269)
<b>Net Change in Fund Balance</b>	(1,311,017)	2,956,073	393,301	(5,141,129)	(3,102,772)
<b>Fund Balance, June 30, 2008</b>	8,322,656	2,335,000	6,555,866	(1,929,318)	15,284,204
<b>Fund Balance, June 30, 2009</b>	\$ 7,011,639	\$ 5,291,073	\$ 6,949,167	\$ (7,070,447)	\$ 12,181,432

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Net Assets**  
**Proprietary Fund Type - Internal Service Funds**  
**June 30, 2009**

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ -	\$ 5,385,333	\$ -	\$ -	\$ 5,385,333
Other Receivables	-	-	-	1,442,483	1,442,483
Due From Other Funds	4,981,933	-	9,344,065	-	14,325,998
<b>Total Assets</b>	<b>4,981,933</b>	<b>5,385,333</b>	<b>9,344,065</b>	<b>1,442,483</b>	<b>21,153,814</b>
<b>Liabilities and Net Assets</b>					
<b>Liabilities</b>					
Accounts Payable	512	16,132	323,548	-	340,192
Due to Other Funds	2,411,117	2,807,134	3,456,210	1,442,483	10,116,944
Liability Claims Payable/ Self-Insured Losses	312,259	1,047,741	4,701,634	-	6,061,634
Deferred Revenue	2,258,045	1,514,326	-	-	3,772,371
<b>Total Liabilities</b>	<b>4,981,933</b>	<b>5,385,333</b>	<b>8,481,392</b>	<b>1,442,483</b>	<b>20,291,141</b>
<b>Net Assets</b>					
Restricted	\$ -	\$ -	\$ 862,673	\$ -	\$ 862,673

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Combining Statement of Revenues, Expenses  
 and Changes in Net Assets  
 Proprietary Fund Type - Internal Service Funds  
 Fiscal Year Ended June 30, 2009**

	<b>Employee Health Insurance</b>	<b>Retiree Health Insurance</b>	<b>Workers' Compensation Insurance</b>	<b>E-Rate</b>	<b>Internal Service Funds</b>
<b>Operating Revenues</b>					
Employer Contributions	\$ 2,322,658	\$ 2,551,354	\$ 3,611,910	\$ -	\$ 8,485,922
Employee Contributions	61,615	-	-	-	61,615
Retiree Contributions	-	2,281,139	-	-	2,281,139
COBRA Contributions	10,910	-	-	-	10,910
Retiree State Contributions	-	2,688,323	-	-	2,688,323
Interest Income	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>2,395,183</b>	<b>7,520,816</b>	<b>3,611,910</b>	<b>-</b>	<b>13,527,909</b>
<b>Operating Expenses</b>					
Central Services	2,395,183	7,520,816	3,606,638	-	13,522,637
<b>Total Operating Expenses</b>	<b>2,395,183</b>	<b>7,520,816</b>	<b>3,606,638</b>	<b>-</b>	<b>13,522,637</b>
<b>Operating Income</b>	<b>-</b>	<b>-</b>	<b>5,272</b>	<b>-</b>	<b>5,272</b>
<b>Nonoperating Revenues</b>					
Transfers Out	-	-	-	-	-
Transfers In	-	-	-	-	-
<b>Change in Net Assets</b>	<b>-</b>	<b>-</b>	<b>5,272</b>	<b>-</b>	<b>5,272</b>
<b>Net Assets at June 30, 2008</b>	<b>-</b>	<b>-</b>	<b>857,401</b>	<b>-</b>	<b>857,401</b>
<b>Net Assets at June 30, 2009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 862,673</b>	<b>\$ -</b>	<b>\$ 862,673</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Combining Statement of Cash Flows  
Proprietary Fund Type - Internal Service Funds  
Fiscal Year Ended June 30, 2009**

	<b>Employee Health Insurance</b>	<b>Retiree Health Insurance</b>	<b>Workers' Compensation Insurance</b>	<b>E-Rate</b>	<b>Total Internal Service Funds</b>
<b>Cash Flows from Operating Activities</b>					
Cash Premiums Received	\$ (164,923)	\$ 4,956,760	\$ 3,123,598	\$ (1,043,840)	\$ 6,871,595
Cash Paid in Claims and Benefits	164,923	(7,136,899)	(3,123,598)	1,043,840	(9,051,734)
<b>Net Cash Used in Operating Activities</b>	-	(2,180,139)	-	-	(2,180,139)
<b>Net Decrease in Cash</b>	-	(2,180,139)	-	-	(2,180,139)
<b>Cash, Beginning of Year</b>	-	7,565,472	-	-	7,565,472
<b>Cash, End of Year</b>	\$ -	\$ 5,385,333	\$ -	\$ -	\$ 5,385,333
<b>Reconciliation of Operating Income to Net Cash Used In Operating Activities</b>					
Operating Income	\$ -	\$ -	\$ 5,272	\$ -	\$ 5,272
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:					
Transfers In	-	-	-	-	-
Changes in:					
Other Receivables	1,313	303,668	43,115	(1,043,840)	(695,744)
Due from Other Funds	(2,393,203)	-	(531,427)	-	(2,924,630)
Accounts Payable	(163,270)	(875,526)	105,923	-	(932,873)
Deferred Revenue	(168,216)	(2,867,724)	-	-	(3,035,940)
Due to Other Funds	2,411,117	211,702	3,456,210	1,043,840	7,122,869
Claims Payable/Self-Insured	312,259	1,047,741	(3,079,093)	-	(1,719,093)
<b>Net Cash Used in Operating Activities</b>	\$ -	\$ (2,180,139)	\$ -	\$ -	\$ (2,180,139)

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Assets and Liabilities**  
**Fiduciary Fund Type - Agency Funds**  
**June 30, 2009**

	<b>Student Activity</b>	<b>Agency Total</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 362,651	\$ 362,651
<b>Total Assets</b>	<b>\$ 362,651</b>	<b>\$ 362,651</b>
<b>Liabilities</b>		
Accounts Payable	\$ 19,127	\$ 19,127
Due to Student Groups	343,524	343,524
<b>Total Liabilities</b>	<b>\$ 362,651</b>	<b>\$ 362,651</b>

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Combining Statement of Changes in Assets and Liabilities**  
**Fiduciary Fund Type - Agency Funds**  
**Fiscal Year Ended June 30, 2009**

	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009
<b>Student Activity</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 398,395	\$ 861,157	\$ 896,901	\$ 362,651
<b>Total Assets</b>	<b>\$ 398,395</b>	<b>\$ 861,157</b>	<b>\$ 896,901</b>	<b>\$ 362,651</b>
<b>Liabilities</b>				
Accounts Payable	\$ 19,954	\$ -	\$ 827	\$ 19,127
Due to Student Groups	378,441	861,984	896,901	343,524
<b>Total Liabilities</b>	<b>\$ 398,395</b>	<b>\$ 861,984</b>	<b>\$ 897,728</b>	<b>\$ 362,651</b>
<b>Total Agency Funds</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 398,395	\$ 861,157	\$ 896,901	\$ 362,651
<b>Total Assets</b>	<b>\$ 398,395</b>	<b>\$ 861,157</b>	<b>\$ 896,901</b>	<b>\$ 362,651</b>
<b>Liabilities</b>				
Accounts Payable	\$ 19,954	\$ -	\$ 827	\$ 19,127
Due to Student Groups	378,441	861,984	896,901	343,524
<b>Total Liabilities</b>	<b>\$ 398,395</b>	<b>\$ 861,984</b>	<b>\$ 897,728</b>	<b>\$ 362,651</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Government-Wide Expenses by Function  
For the Three Years Ended June 30, 2009**

(Unaudited)

<b>Governmental Activities</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Instruction			
Regular Programs	\$ 15,339,620	\$ 15,013,887	\$ 22,992,213
Special Programs	4,780,036	12,906,348	8,556,312
Other Instructional Programs	32,285,405	23,233,762	16,202,368
Support Services			
Student Services	4,669,404	4,270,128	3,250,262
Instructional Staff Support	9,719,499	8,315,198	3,794,717
General Administration	4,373,740	12,005,137	7,939,091
School Administration Services	1,605,464	1,818,377	1,596,729
Business Services	4,846,629	6,789,536	10,149,082
Student Transportation Services	6,248,030	2,604,126	5,543,442
Central Services	1,768,624	10,302,868	9,272,858
Plant Services	6,527,991	9,394,957	16,111,135
Other	15,018,956	1,145,612	2,630,253
Food Services	2,683,713	2,467,019	2,112,865
Transfer to Charter Schools and RSD	145,821,265	140,461,840	127,241,911
Repairs on Behalf RSD Schools	-	-	12,914,453
Interest on Long-Term Debt	14,471,655	15,856,876	16,614,260
<b>Total Governmental Activities</b>	<b>\$ 270,160,031</b>	<b>\$ 266,585,671</b>	<b>\$ 266,921,951</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Government-Wide Revenues  
For the Three Years Ended June 30, 2009**

(Unaudited)

<b>Governmental Activities</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Program Revenues</b>			
Charges for Services	\$ 6,528,037	\$ 14,258,886	\$ 25,410,114
Operating Grants and Contributions	60,828,675	50,169,814	33,549,099
Capital Grants and Contributions	7,272,874	2,651,390	4,033,894
<b>General Revenues</b>			
Taxes	159,253,384	177,023,453	172,132,377
State Revenue Sharing	1,213,677	2,585,155	2,420,236
Grants and Contributions Not Restricted to Specific Programs	36,090,262	32,998,333	33,378,463
Interest and Investment Earnings	4,900,223	9,532,467	9,325,178
Miscellaneous	7,017,884	34,307,049	16,002,189
<b>Total Governmental Activities</b>	<b>\$ 283,105,016</b>	<b>\$ 323,526,547</b>	<b>\$ 296,251,550</b>

Statistical Schedule III

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Governmental Fund Expenditures by Function  
Last Ten Fiscal Years  
June 30, 2009**

(Unaudited)

<b>Governmental Activities</b>	<b>2008 - 2009</b>	<b>2007 - 2008</b>	<b>2006 - 2007</b>	<b>2005 - 2006</b>	<b>2004 - 2005</b>
<b>Instructional</b>					
Regular	\$ 12,293,081	\$ 13,135,211	\$ 14,704,750	\$ 37,609,376	\$ 165,776,902
Special	2,297,469	2,248,217	1,644,518	8,751,997	53,973,784
Other Instructional Programs	1,682,444	1,896,083	953,387	4,031,308	7,104,077
<b>Support Services</b>					
Pupil	1,937,578	2,441,699	1,701,780	4,756,256	31,991,866
Instructional Staff	1,929,356	2,230,574	1,057,502	1,503,732	12,493,798
General Administration	3,249,389	12,816,283	7,130,149	5,193,536	11,867,615
School Administration	1,593,290	1,794,791	1,434,032	4,320,659	22,885,725
Business Administration					
Business Services	2,181,043	2,706,386	8,120,944	17,073,174	9,401,343
Maintenance of Plant	5,869,546	8,917,945	13,317,687	17,602,740	46,288,702
Pupil Transportation	2,837,647	2,567,773	4,908,926	1,842,567	17,033,284
Central Services	1,718,313	10,136,366	8,265,779	2,189,754	19,227,657
Food Services	-	-	-	-	130,967
Capital Outlay	-	61	41,782	-	630,225
Other	5,911,773	-	7,619	771,580	39,660
Debt Service	-	-	-	3,624,851	1,070,912
<b>Total</b>	<b>\$ 43,500,929</b>	<b>\$ 60,891,389</b>	<b>\$ 63,288,855</b>	<b>\$ 109,271,530</b>	<b>\$ 399,916,517</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Governmental Fund Expenditures by Function (Continued)  
Last Ten Fiscal Years  
June 30, 2009**

(Unaudited)

<b>Governmental Activities</b>	<b>2003 - 2004</b>	<b>2002 - 2003</b>	<b>2001 - 2002</b>	<b>2000 - 2001</b>	<b>1999 - 2000</b>
<b>Instructional</b>					
Regular	\$ 164,822,376	\$ 166,360,842	\$ 180,145,279	\$ 183,466,272	\$ 181,033,851
Special	53,460,499	52,522,261	53,170,305	54,123,729	52,036,348
Other Instructional Programs	5,085,898	4,884,913	3,187,129	1,756,491	3,791,572
<b>Support Services</b>					
Pupil	32,144,739	25,462,287	23,080,876	19,103,994	19,822,572
Instructional Staff	12,742,945	12,297,344	12,781,215	11,091,657	9,310,240
General Administration	9,909,996	6,734,137	2,411,736	4,911,423	5,291,808
School Administration	22,700,785	21,886,416	24,304,930	20,668,888	20,724,547
Business Administration					
Business Services	13,372,082	5,144,277	6,971,371	4,299,055	4,758,515
Maintenance of Plant	47,811,446	54,593,365	50,189,705	42,615,493	39,582,554
Pupil Transportation	17,927,731	17,544,713	17,740,299	18,512,315	16,803,935
Central Services	16,778,330	15,021,260	24,944,125	23,447,465	24,172,164
Food Services	150,104	68,324	45,181	6,014	3,667
Capital Outlay	515,854	588,018	558,059	658,350	539,191
Other	14,180	272,177	-	-	-
Debt Service	716,876	930,883	-	-	-
<b>Total</b>	<b>\$ 398,153,841</b>	<b>\$ 384,311,217</b>	<b>\$ 399,530,210</b>	<b>\$ 384,661,146</b>	<b>\$ 377,868,964</b>



LAPORTE SEHRT  
ROMIG HAND  
CERTIFIED PUBLIC ACCOUNTANTS

**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**

To the Orleans Parish School Board  
New Orleans, Louisiana

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Orleans Parish School Board (School Board) as of and for the year ended June 30, 2009, which collectively comprise the Orleans Parish School Board's basic financial statements and have issued our report thereon dated January 5, 2010. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies listed as 2008-1 and 2008-2 described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.

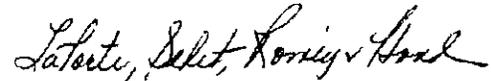
**Compliance and Other Matters**

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

\*\*\*\*\*

The School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the School Board's response and, accordingly, we express no opinion on it.

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



A Professional Accounting Corporation

January 5, 2010



**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Orleans Parish School Board  
New Orleans, Louisiana

**Compliance**

We have audited the compliance of Orleans Parish School Board (School Board) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

**Internal Control Over Compliance**

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

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

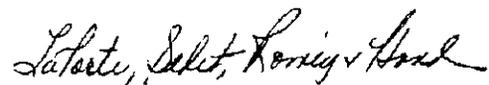
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

\*\*\*\*\*

The School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the School Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

January 5, 2010

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2009**

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Pass-Through Grantor No.	OPSB Expenditures	Charter Pass-Through Expenditures
United States Department of Homeland Security (FEMA) Passed through the Louisiana Department of Education FEMA Disaster Relief Program	97.036	-	\$ 7,272,874	\$ -
Total United States Department of Homeland Security			<u>7,272,874</u>	<u>-</u>
United States Department of Agriculture Passed Through Louisiana Department of Agriculture Food Distribution Program	10 550	-	142,842	-
Passed Through Louisiana Department of Education National School Lunch Program	10.555	-	<u>2,198,078</u>	<u>-</u>
Total United States Department of Agriculture			<u>2,340,920</u>	<u>-</u>
United States Department of Defense ROTC	12.998	-	<u>94,479</u>	<u>-</u>
Total United States Department of Defense			<u>94,479</u>	<u>-</u>
United States Department of Education Passed Through Department of Education Improving America's Schools Act (IASA)/No Child Left Behind Act (NCLB) Title I Grants to Local Education Agencies	84 010A	28-05-T1-36 C, 28-08-T1-36	22,914,338	6,858,405
Reading First	84 357A	28-06-RS-36, 28-07-RF-36	255,968	-
Title III English Language Acquisition	84.365A	28-05-60-36 C, 28-06-49-36 C	222,058	-
Balancing Education Through Technology	84.318X	28-05-49-36 C, 28-06-49-36 C	123,429	-
Title II, Part A, Teacher and Principal Training & Recruiting	84.367A	28-05-50-36 C, 28-08-50-36	4,013,805	827,873
Title IV (Safe and Drug-Free Schools - State Grant)	84 186A	28-05-70-36 C, 28-08-70-36	122,916	74,064
Innovative Education Program Strategies - Title V	84.298A	28-05-80-36 C, 28-08-80-36	4,237,111	1,050,780
Education for Homeless Children and Youth - Title X	84.196A	08-06-H1-36, 28-07-H1-36, 28-08-H1-36	70,700	-
Twenty-First Century Community Learning Centers	84.287C	28-08-CC-36	677,575	-
Individuals with Disabilities and Exceptionalities Act (IDEA) IDEA Part B	84 027A	28-06-B1-36 C, 28-08-B1-36	4,393,496	58,075
Preschool	84.173A	28-06-P1-36 C, 28-08-P1-36	147,255	-
Vocational Education Basic Grants to States - Carl Perkins Grant	84.048	28-08-02-36	48,461	-
Restart	94.938A	28-06-IR-36	5,492,394	2,910,036
Hurricane Katrina Foreign Contributions	94.940C	28-07-FC-36	<u>483,714</u>	<u>541,714</u>
Total United States Department of Education			<u>43,203,220</u>	<u>12,320,947</u>
Total Expenditures of Federal Awards			<u>52,911,493</u>	<u>12,320,947</u>
				<u>\$ 65,232,440</u>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Notes to Schedule of Expenditures of Federal Awards (Continued)  
 For the Year Ended June 30, 2009**

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**Note 1. Basis of Presentation**

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

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

The expenditures listed in the accompanying schedule are reported in the following funds in either the governmental funds statement of revenues, expenditures and changes in fund balances (basic statement) or the non-major special revenue funds combining statement of revenues, expenditures and changes in fund balance, (supplementary information) of the Orleans Parish School Board's June 30, 2009, financial statements.

General Fund	\$ 94,479
Hurricane Katrina Restoration Fund	4,606,875
Federal Grant Fund	55,524,167
Child Nutrition Fund	5,006,919
Financial Statement Total	<u>\$ 65,232,440</u>
<b>Schedule of Expenditures of Federal Awards Total</b>	<b><u>\$ 65,232,440</u></b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009**

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**Section 1**

Financial Statements

- |    |   |             |
|----|---|-------------|
| 1. | Type of auditors' report  | Unqualified |
| 2. | Internal control over financial reporting                                       |             |
|    | a. Material weaknesses identified   | None        |
|    | b. Significant deficiencies identified not considered to be material weaknesses | Yes         |
|    | c. Noncompliance material to the financial statements noted                     | None        |

Federal Awards

- |    |   |   |
|----|---|---|
| 1. | Internal control over major programs  |   |
|    | a. Material weaknesses identified   | None  |
|    | b. Significant deficiencies identified not considered to be material weaknesses         | None  |
| 2. | Type of auditors' report issued on compliance for each major program                    | Unqualified                                     |
| 3. | Audit findings disclosed that are required in accordance with OMB A-133, Section 510(a) | No  |
| 4. | Identification of major programs  |   |
|    | 84.010  | Title I Grant to Local Education Agencies       |
|    | 84.357A   | Reading First                                   |
|    | 84.287  | Twenty-First Century Community Learning Centers |
|    | 97.036  | Public Assistance Grant                         |
| 5. | Dollar threshold used to distinguish between Type A and B programs                      | \$1,587,344                                     |
| 6. | Auditee qualified as a low - risk auditee under OMB A-133 Section 530                   | No  |

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2009**

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**Section 2**

Financial Statement Findings

**2009-1 Adding New Vendors and Review of Vendor Listing**

Issue: Currently, either the Director of Purchasing or the Senior Buyer can add a new vendor to the purchasing system without secondary approval.

Criteria: There should be approval of new vendors prior to entering into the system which includes a process to check for related parties.

Effect: The risk exists that vendors may be added without verification that sufficient background checks have been performed or whether there may be a potential conflict of interest if the OPSB were to utilize the vendor.

Cause: There are currently no processes to address the approval of new vendors and potential related parties.

Recommendation: Prior to any vendor being added to the School Board's purchasing system, the appropriate level of management should review and approve the potential vendor to ensure that the vendor is reputable and in good standing with any federal and/or state oversight agencies, and determine whether the School Board would have any conflicts of interest in using the vendor.

Management's Response: New vendor creation in the purchasing system will be limited to the Senior Buyer with secondary approval being provided by the Director of Purchasing. In addition, the Director of Purchasing will perform all required reviews to determine whether the new vendor is in good standing with any federal and/or state oversight agencies.

**2009-2 Personnel and Payroll Transactions**

Issue: Exceptions were noted during testing of payroll transactions wherein documentation supporting the employee's rate of pay was not in the employee's personnel file, college transcripts for two teachers could not be located and documentation pertaining to three other employees had been misplaced in another employee's personnel file.

Criteria: Proper documentation should be maintained in personnel files and a review should be performed periodically to ensure that the information is maintained in the appropriate file.

Effect: Documentation for personnel is not complete and may be mislocated.

Cause: A regular review of personnel files was not performed periodically.

Recommendation: Management should perform a review of all personnel files to ensure that all required documentation is properly maintained in each employee's personnel file.

Management's Response: A comprehensive review of personnel files is being performed currently.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2009**

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**2009-3 Construction in Progress**

Issue: During the audit, an adjustment was made to reclassify items which were recorded as Construction in Progress in prior years but were subsequently determined not to be the School Board's assets.

Criteria: There should be an employee designated to review purchases and the fixed asset schedule on a regular basis to ensure that only School Board assets are recorded.

Effect: Material misstatements of the fixed assets balances could occur.

Cause: Employees were laid off at the end of the audit year who perform this task.

Recommendation: The School Board should assign the function of periodically reviewing the items included in Construction in Progress and listed in the fixed asset subledger to ensure that these items are truly assets of the School Board. In addition, this individual should review expenditures made by the School Board on a monthly basis to ensure completeness of the fixed asset listing.

Management's Response: School Board management is aware of the accounting requirements for fixed assets and plans to obtain incremental staffing, if necessary, in order to ensure that the subsidiary ledger is properly stated at June 30, 2010.

**Section 3**

Federal Awards Findings and Questioned Costs

None

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Summary Schedule of Prior Year Findings and Questioned Costs  
For the Year Ended June 30, 2009**

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**2008-1 Payroll Segregation of Duties**

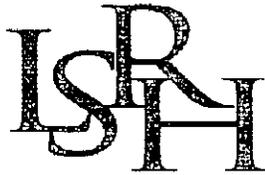
Condition and Recommendation: The IT system does not restrict personnel within the Payroll Department from making changes to employee rates of pay. The IT system should be configured to limit or prohibit personnel within the Payroll Department from having the ability to change rates of pay for employees.

Current Status: The IT system has been configured to prohibit personnel within the Payroll Department from having the ability to change rates of pay for employees.

**2008-2 Fixed Asset Reconciliation**

Condition and Recommendation: Monitoring of the fixed asset subledger is not sufficient. We noted that were items included in the fixed asset subledger that did not meet the School Board's capitalization policy. Also, several items were recorded in the fixed asset subledger at the invoice list price, rather than at the discounted price actually paid by the School Board. On a periodic basis, the fixed asset subledger should be reviewed by someone independent of the fixed asset function to assess whether fixed assets have been recorded at their proper cost and that the items meet the capitalization threshold established by the School Board.

Current Status: Due to reduced assistance in the accounting department, the School Board was not able to provide for a review of the fixed asset subledger by someone independent of the fixed asset function during the entire fiscal year. However, we noted no exceptions during the current year pertaining to the fixed asset register.



LAPORTE SEHRT  
ROMIG HAND  
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Orleans Parish School Board  
New Orleans, Louisiana

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

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

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

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

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

**No exceptions noted.**

### **Schedule 2 - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D. or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1, 2008.
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.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2008 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

**No exceptions noted.**

### **Schedule 3 - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

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

**No exceptions noted.**

### **Schedule 4 - Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers**

This schedule includes the number of years of experience in teaching for principals, assistant principals and full time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2008 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.

**No exceptions noted.**

### **Schedule 5 - Public School Staff Data**

This schedule includes average classroom teachers' salary using full time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

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

**No exceptions noted.**

**Schedule 6 - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1, 2008 roll books for those classes and determined if the class was properly classified on the schedule.

**In one instance, the class size total per the schedule was one student less than the class size total per the roll books. The difference did not result in a change to the schedule in this report as the correction did not change the class size category in which it was originally recorded.**

**Schedule 7 - Louisiana Educational Assessment Program (LEAP)**

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory.

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

**No exceptions noted.**

**Schedule 8 - Graduation Exit Exam**

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic and Unsatisfactory. This schedule includes one year of data.

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 Orleans Parish School Board.

**No exceptions noted.**

**Schedule 9 - iLEAP Test Results**

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, and 7 for each district. The summary score reported is the Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the state. This schedule includes one year of data.

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

**No exceptions noted.**

\*\*\*\*\*

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

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



A Professional Accounting Corporation

January 5, 2010

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

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 General Fund Instructional and Support Expenditures  
 And Certain Local Revenue Sources  
 For the Year Ended June 30, 2009**

**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures**

Teacher and Student Interaction Activities			
Classroom Teacher Salaries	\$	8,768,042	
Other Instructional Staff Activities		1,104,613	
Employee Benefits		3,759,067	
Purchased Professional and Technical Services		-	
Instructional Materials and Supplies		12,347	
Instructional Equipment		20,176	
		<u>20,176</u>	
<b>Total Teacher and Student Interaction Activities</b>	\$		<b>13,664,245</b>
Other Instructional Activities			1,562,858
Pupil Support Activities		1,937,578	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities		<u>1,937,578</u>	1,937,578
Instructional Staff Services		1,929,357	
Less: Equipment for Instructional Staff Services		-	
Net Instructional Staff Services		<u>1,929,357</u>	1,929,357
School Administration		1,593,590	
Less: Equipment for School Administration		-	
Net School Administration		<u>1,593,590</u>	1,593,590
<b>Total General Fund Instructional Expenditures</b>	\$		<b><u>20,687,628</u></b>
<b>Total General Fund Equipment Expenditures</b>	\$		<b><u>20,176</u></b>

**Certain Local Revenue Sources**

**Local Taxation Revenue**

Constitutional Ad Valorem Taxes	\$	41,792,917	
Renewable Ad Valorem Tax		26,350,507	
Debt Service Ad Valorem Tax		11,785,021	
Up to 1% of Collections by the Sheriff on Taxes			
Other than School Taxes		(1,197,879)	
Sales and Use Taxes		<u>79,354,939</u>	
<b>Total Local Taxation Revenue</b>	\$		<b><u>158,085,505</u></b>

**State Revenue Sharing**

Nonpublic Textbook Revenue	\$	390,324	
Nonpublic Transportation Revenue	\$	-	

ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Education Levels of Public School Staff  
 As of October 1, 2008

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	118	54%	4	100%	0	0%	0	0%
Master's Degree	76	35%	0	0%	6	67%	0	0%
Master's Degree + 30	25	11%	0	0%	3	33%	0	0%
Specialist in Education	1	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>220</b>	<b>100%</b>	<b>4</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Number and Type of Public Schools  
For the Year Ended June 30, 2009**

**Schedule 3**

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

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Experience of Public Principals, Assistant  
 Principals and Full Time Classroom Teachers  
 As of October 1, 2008**

**Schedule 4**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	1	2	0	0	0	0	3
Principals	0	0	2	4	0	0	0	6
Classroom Teachers	7	9	26	17	24	29	112	224
<b>Total</b>	<b>7</b>	<b>10</b>	<b>30</b>	<b>21</b>	<b>24</b>	<b>29</b>	<b>112</b>	<b>233</b>

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Public School Staff Data  
 For the Year Ended June 30, 2009**

**Schedule 5**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teachers Salary Including Extra Compensation</b>	\$53,173	\$52,561
<b>Average Classroom Teachers Salary Excluding Extra Compensation</b>	\$52,835	\$52,512
<b>Number of Teacher Full-Time Equivalents (FTEs) Used in Computation of Average Salaries</b>	224	206

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

**ORLEANS PARISH SCHOOL BOARD  
 NEW ORLEANS, LOUISIANA  
 Class Size Characteristics  
 As of October 1, 2008**

**Schedule 6**

SCHOOL TYPE	CLASS SIZE RANGE									
	TYPE TOTAL	%	1 THRU 20	%	21 THRU 26	%	27 THRU 33	%	34+	%
ELEMENTARY										
ELEMENTARY ACTIVITY CLASSES										
MIDDLE										
MIDDLE/JR HIGH ACTIVITY CLASSES										
HIGH										
HIGH ACTIVITY CLASSES										
COMBINATION	1,001	80.60%	484	85.20%	245	89.60%	175	88.40%	7	0.00%
COMBINATION ACTIVITY CLASSES	241	19.40%	164	14.80%	20	10.40%	12	11.60%	13	100.00%
<b>TOTAL</b>	<b>1,242</b>	<b>100.00%</b>	<b>648</b>	<b>100.00%</b>	<b>265</b>	<b>100.00%</b>	<b>187</b>	<b>100.00%</b>	<b>20</b>	<b>100.00%</b>

Note: The numbers above only include class size range for the OPSB.

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**Louisiana Educational Assessment Program (LEAP)**  
**For the Year Ended June 30, 2009**

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2009		2008		2007		2009		2008		2007		2009		2008		2007		2009		2008		2007	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Students	9	8%	6	7%	3	3%	12	11%	4	5%	5	5%	8	7%	5	6%	1	1%	6	6%	1	1%	1	1%
Advanced	56	52%	27	31%	36	38%	24	22%	29	33%	9	9%	23	21%	16	18%	14	15%	38	36%	13	15%	28	27%
Mastery	36	34%	46	53%	38	39%	60	57%	39	45%	59	62%	60	57%	52	60%	57	59%	50	46%	58	67%	56	53%
Basic	6	6%	5	6%	13	14%	9	8%	10	11%	12	13%	13	12%	11	13%	18	19%	9	8%	9	10%	9	9%
Approaching Basic	0	0%	3	3%	6	6%	2	2%	5	6%	11	11%	3	3%	3	3%	6	6%	4	4%	6	7%	4	4%
Unsatisfactory																								
Total	107	100%	87	100%	96	100%	107	100%	87	100%	96	100%	107	100%	87	100%	96	100%	107	100%	87	100%	96	100%

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2009		2008		2007		2009		2008		2007		2009		2008		2007		2009		2008		2007	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Students	1	0%	0	0%	0	0%	6	3%	0	0%	4	2%	1	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Grade 8	27	12%	11	5%	19	7%	8	4%	2	1%	5	2%	21	10%	13	6%	15	6%	12	6%	2	1%	6	2%
Advanced	125	58%	84	38%	130	51%	127	57%	86	39%	103	39%	78	36%	56	25%	94	36%	113	52%	86	39%	120	47%
Mastery	81	28%	98	44%	83	32%	54	25%	74	33%	76	30%	91	42%	77	35%	87	34%	65	30%	88	40%	65	26%
Basic	4	2%	29	13%	25	10%	23	11%	61	27%	69	27%	26	12%	76	34%	61	24%	26	12%	44	20%	63	25%
Approaching Basic																								
Unsatisfactory																								
Total	218	100%	222	100%	257	100%	218	100%	223	100%	257	100%	217	100%	222	100%	257	100%	216	100%	220	100%	254	100%

Note: The numbers above only include results for OPSB.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
Graduation Exit Exam  
For the Year Ended June 30, 2009**

**Schedule 8**

District Achievement Level Results	English Language Arts						Mathematics					
	2009		2008		2007		2009		2008		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
<b>Grade 10</b>												
Advanced	0	0%	0	0%	0	0%	13	3%	9	3%	4	1%
Proficient	13	3%	14	5%	16	5%	36	9%	24	8%	26	8%
Basic	217	54%	136	44%	142	42%	199	48%	122	40%	146	43%
Approaching Basic	114	28%	97	32%	109	33%	89	21%	59	19%	62	19%
Unsatisfactory	59	15%	59	19%	67	20%	77	19%	93	30%	96	29%
Total	403	100%	306	100%	334	100%	414	100%	307	100%	334	100%

District Achievement Level Results	Science						Social Studies					
	2009		2008		2007		2009		2008		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
<b>Grade 11</b>												
Advanced	1	0%	0	0%	4	1%	0	0%	0	0%	2	1%
Proficient	16	5%	32	9%	22	6%	19	6%	13	4%	26	8%
Basic	141	44%	144	42%	125	37%	195	61%	203	59%	194	55%
Approaching Basic	103	32%	110	32%	111	32%	64	20%	64	24%	75	22%
Unsatisfactory	60	19%	57	17%	85	24%	43	13%	44	13%	49	14%
Total	321	100%	343	100%	347	100%	321	100%	344	100%	346	100%

Note: The numbers above only include results for OPSB.

**ORLEANS PARISH SCHOOL BOARD**  
**NEW ORLEANS, LOUISIANA**  
**iLEAP Test Results**  
**For the Year Ended June 30, 2009**

**Schedule 9**

**iLEAP Tests - 2009**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	6	6%	4	4%	2	2%	1	1%
Mastery	31	29%	24	22%	17	16%	24	22%
Basic	48	43%	56	51%	64	59%	63	58%
Approaching Basic	20	19%	18	17%	22	20%	18	17%
Unsatisfactory	3	3%	6	6%	3	3%	2	2%
<b>Total</b>	<b>108</b>	<b>100%</b>	<b>108</b>	<b>100%</b>	<b>108</b>	<b>100%</b>	<b>108</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	23	28%	13	16%	4	5%	2	2%
Mastery	19	23%	21	25%	23	28%	27	33%
Basic	35	42%	40	49%	43	51%	36	44%
Approaching Basic	4	5%	7	8%	13	16%	16	19%
Unsatisfactory	2	2%	2	2%	0	0%	2	2%
<b>Total</b>	<b>83</b>	<b>100%</b>	<b>83</b>	<b>100%</b>	<b>83</b>	<b>100%</b>	<b>83</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	6	8%	7	9%	3	4%	9	12%
Mastery	20	26%	16	21%	11	14%	24	32%
Basic	44	58%	50	66%	51	68%	35	45%
Approaching Basic	5	7%	1	1%	11	14%	6	8%
Unsatisfactory	1	1%	2	3%	0	0%	2	3%
<b>Total</b>	<b>76</b>	<b>100%</b>	<b>76</b>	<b>100%</b>	<b>76</b>	<b>100%</b>	<b>76</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	5	4%	7	6%	1	1%	0	0%
Mastery	14	11%	11	9%	20	16%	13	10%
Basic	62	49%	54	43%	56	44%	64	51%
Approaching Basic	30	24%	37	29%	30	24%	35	28%
Unsatisfactory	15	12%	17	13%	19	15%	14	11%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>	<b>126</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0%	2	1%
Mastery	9	3%	18	6%
Basic	177	56%	157	50%
Approaching Basic	108	35%	76	24%
Unsatisfactory	18	6%	59	19%
<b>Total</b>	<b>312</b>	<b>100%</b>	<b>312</b>	<b>100%</b>

Note: The numbers above only include results for OPSB.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
iLEAP Test Results (Continued)  
For the Year Ended June 30, 2009**

**Schedule 9**

**/LEAP Tests - 2008**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	0	0%	1	1%	0	0%	0	0%
Mastery	10	9%	3	3%	4	4%	4	4%
Basic	28	26%	28	26%	21	19%	44	40%
Approaching Basic	29	27%	39	35%	47	43%	33	30%
Unsatisfactory	42	38%	38	35%	37	34%	28	26%
<b>Total</b>	<b>109</b>	<b>100%</b>	<b>109</b>	<b>100%</b>	<b>109</b>	<b>100%</b>	<b>109</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	1	1%	0	0%	0	0%	1	1%
Mastery	5	4%	4	3%	2	2%	1	1%
Basic	40	31%	38	30%	22	17%	33	26%
Approaching Basic	31	24%	30	24%	52	41%	41	32%
Unsatisfactory	50	40%	54	43%	51	40%	51	40%
<b>Total</b>	<b>127</b>	<b>100%</b>	<b>126</b>	<b>100%</b>	<b>127</b>	<b>100%</b>	<b>127</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	7	9%	1	1%	5	6%	2	3%
Basic	31	40%	34	43%	23	29%	36	46%
Approaching Basic	22	28%	12	15%	30	39%	22	28%
Unsatisfactory	18	23%	32	41%	20	26%	18	23%
<b>Total</b>	<b>78</b>	<b>100%</b>	<b>79</b>	<b>100%</b>	<b>78</b>	<b>100%</b>	<b>78</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	1	1%	2	1%	0	0%	0	0%
Mastery	10	7%	4	3%	3	2%	1	1%
Basic	43	32%	33	25%	26	20%	39	31%
Approaching Basic	50	37%	43	32%	54	41%	45	35%
Unsatisfactory	32	23%	52	39%	49	37%	42	33%
<b>Total</b>	<b>136</b>	<b>100%</b>	<b>134</b>	<b>100%</b>	<b>132</b>	<b>100%</b>	<b>127</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	0	0%	0	0%
Mastery	8	2%	6	2%
Basic	83	26%	93	29%
Approaching Basic	125	38%	71	22%
Unsatisfactory	111	34%	152	47%
<b>Total</b>	<b>327</b>	<b>100%</b>	<b>322</b>	<b>100%</b>

Note: The numbers above only include results for OPSB.

**ORLEANS PARISH SCHOOL BOARD  
NEW ORLEANS, LOUISIANA  
iLEAP Test Results (Continued)  
For the Year Ended June 30, 2009**

**Schedule 9**

<b>iLEAP Tests - 2007</b>								
<b>District Achievement</b>	<b>English Language Arts</b>		<b>Mathematics</b>		<b>Science</b>		<b>Social Studies</b>	
<b>Level Results</b>	2007		2007		2007		2007	
<b>Students</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Grade 3</b>								
Advanced	2	2%	4	4%	1	1%	0	0%
Mastery	14	15%	9	10%	8	9%	15	17%
Basic	45	50%	39	43%	39	43%	43	47%
Approaching Basic	17	19%	30	33%	34	37%	22	24%
Unsatisfactory	13	14%	9	10%	9	10%	11	12%
<b>Total</b>	<b>91</b>	<b>100%</b>	<b>91</b>	<b>100%</b>	<b>91</b>	<b>100%</b>	<b>91</b>	<b>100%</b>
<b>District Achievement</b>	<b>English Language Arts</b>		<b>Mathematics</b>		<b>Science</b>		<b>Social Studies</b>	
<b>Level Results</b>	2007		2007		2007		2007	
<b>Students</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Grade 5</b>								
Advanced	8	10%	2	3%	1	1%	0	0%
Mastery	14	17%	14	17%	2	3%	4	5%
Basic	33	40%	26	32%	30	38%	32	40%
Approaching Basic	12	15%	11	13%	31	38%	21	25%
Unsatisfactory	15	18%	29	35%	16	20%	24	30%
<b>Total</b>	<b>82</b>	<b>100%</b>	<b>82</b>	<b>100%</b>	<b>80</b>	<b>100%</b>	<b>81</b>	<b>100%</b>
<b>District Achievement</b>	<b>English Language Arts</b>		<b>Mathematics</b>		<b>Science</b>		<b>Social Studies</b>	
<b>Level Results</b>	2007		2007		2007		2007	
<b>Students</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Grade 6</b>								
Advanced	4	5%	6	7%	1	1%	2	2%
Mastery	12	15%	8	10%	16	20%	7	9%
Basic	42	51%	46	57%	43	52%	41	50%
Approaching Basic	18	22%	11	13%	14	17%	22	27%
Unsatisfactory	6	7%	11	13%	8	10%	10	12%
<b>Total</b>	<b>82</b>	<b>100%</b>	<b>82</b>	<b>100%</b>	<b>82</b>	<b>100%</b>	<b>82</b>	<b>100%</b>
<b>District Achievement</b>	<b>English Language Arts</b>		<b>Mathematics</b>		<b>Science</b>		<b>Social Studies</b>	
<b>Level Results</b>	2007		2007		2007		2007	
<b>Students</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Grade 7</b>								
Advanced	0	0%	1	1%	0	0%	1	1%
Mastery	11	9%	2	2%	9	8%	3	3%
Basic	42	36%	47	39%	41	35%	56	48%
Approaching Basic	45	39%	34	29%	42	36%	31	26%
Unsatisfactory	19	16%	34	29%	25	21%	26	22%
<b>Total</b>	<b>117</b>	<b>100%</b>	<b>118</b>	<b>100%</b>	<b>117</b>	<b>100%</b>	<b>117</b>	<b>100%</b>
<b>District Achievement</b>	<b>English Language Arts</b>		<b>Mathematics</b>		<b>Science</b>		<b>Social Studies</b>	
<b>Level Results</b>	2007		2007		2007		2007	
<b>Students</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>				
<b>Grade 9</b>								
Advanced	0	0%	6	2%				
Mastery	13	5%	17	6%				
Basic	130	45%	106	37%				
Approaching Basic	99	35%	62	22%				
Unsatisfactory	42	15%	92	33%				
<b>Total</b>	<b>284</b>	<b>100%</b>	<b>283</b>	<b>100%</b>				

Note: The numbers above only include results for OPSB.