

2617

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

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

Release Date JAN 25 2012

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Annual Financial Report
As of and for the Year Ended June 30, 2011

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BEAUREGARD PARISH SCHOOL BOARD
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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2010

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J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634
(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

President and Members of the
Beauregard Parish School Board
DeRidder, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish School Board (the School Board) as of and for the year ended June 30, 2011, 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. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards of the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinions.

The Beauregard Parish School Board has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish School Board as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with generally accepted accounting principles of the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 30, 2011, on my consideration of the Beauregard Parish School Board's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

Beauregard Parish School Board
Page 2

The budgetary comparison information on pages 41-42 is not a required part of the basic financial statements but is supplementary information required by the Governmental Auditing Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplementary information identified as Supplemental Information Schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Beauregard Parish School Board. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of Beauregard Parish School Board. Such supplementary information and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "J. Aaron Cady, CPA, LLC". The signature is written in a cursive style.

Lake Charles, Louisiana
December 30, 2011

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement A

Statement of Net Assets
June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 19,264,995
Investments	1,500,000
Receivables	250,837
Inventory	187,051
Prepaid expenses	266,909
Restricted assets:	
Cash	21,628,141
Investments	300,000
Receivables	2,209,961
Capital assets (net of accumulated depreciation):	
Land	305,618
Buildings	13,742,243
Improvements other than buildings	1,409,230
Furniture and equipment	2,003,279
Construction in progress	16,623,809
	<hr/>
Total assets	79,692,073
LIABILITIES	
Accounts, salaries, and other payables	6,918,249
Accounts payable from restricted assets	3,441,621
Estimated workers' compensation claims	459,610
Unearned revenue	31,444
Interest payable	545,407
Long-term liabilities:	
Due within one year	4,809,909
Due in more than one year	55,893,554
Total liabilities	<hr/> 72,099,794
NET ASSETS	
Invested in capital assets, net of related debt	6,359,596
Restricted for:	
Debt service	4,929,754
Future salaries from sales tax proceeds	979,974
Capital improvements	12,800,417
Maintenance, books, instructional items, etc.	191,044
Federal programs	229,937
Unrestricted	<hr/> (17,898,443)
TOTAL NET ASSETS	<hr/> \$ 7,592,279 <hr/>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2011

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Governmental Activities - Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular programs	\$ 24,370,454	\$ -	\$ 1,907,882	\$ (22,462,572)
Special education programs	6,983,529	-	923,963	(6,059,566)
Vocational programs	1,920,062	-	99,421	(1,820,641)
Other instructional programs	1,350,248	-	240,538	(1,109,710)
Special programs	1,932,245	-	1,449,162	(483,083)
Adult and continuing education programs	85,721	-	32,824	(52,897)
Support services:				
Student services	3,390,281	-	313,339	(3,076,942)
Instructional staff support	3,157,495	-	730,838	(2,426,657)
General administration	1,799,929	-	-	(1,799,929)
School administration	3,549,639	-	-	(3,549,639)
Business services	559,056	-	291,183	(267,873)
Plant services	5,126,352	-	21,376	(5,104,976)
Student transportation services	3,496,392	-	17,758	(3,478,634)
Central services	1,103,596	-	47,260	(1,056,336)
Food services	3,224,213	469,774	1,766,348	(988,091)
Community service programs	16,056	-	-	(16,056)
Interest on long-term debt	1,692,002	-	-	(1,692,002)
Total governmental activities	<u>\$ 63,757,270</u>	<u>\$ 469,774</u>	<u>\$ 7,841,892</u>	<u>(55,445,604)</u>
Taxes:				
Property taxes, levied for general purposes				1,292,399
Property taxes, levied for maintenance				5,216,052
Property taxes, levied for debt services				3,313,555
Sales and use taxes, levied for general purposes				9,663,337
State revenue sharing, unrestricted				316,817
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				35,174,328
Other state funding				841,387
Interest and investment earnings				116,756
Special items:				
Miscellaneous				595,726
Gain on disposal of assets				4,472
Total general revenues and special items				<u>56,534,829</u>
Excess of revenues over expenses				1,089,225
Beginning net assets				<u>6,503,054</u>
Ending net assets				<u>\$ 7,592,279</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2011

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FUND FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Balance Sheet - Governmental Funds
June 30, 2011

	General Fund	Sales Tax Fund	Operations and Maintenance Fund	School Food Service
Assets				
Assets:				
Equity in pooled cash	\$ 18,755,862	\$ 12,317	\$ 191,044	\$ 382,993
Investments	1,500,000	-	-	-
Receivables	250,837	980,816	-	-
Interfund receivable	1,229,154	-	-	-
Inventory	130,881	-	-	56,170
Prepaid items	225,255	-	-	-
Total assets	\$ 22,091,989	\$ 993,133	\$ 191,044	\$ 439,163
Liabilities and fund balances				
Liabilities:				
Accounts, salaries, and other payables	\$ 6,848,368	\$ 13,159	\$ -	\$ 27,467
Interfund payable	-	-	-	-
Deferred revenues	-	-	-	29,473
Total liabilities	6,848,368	13,159	-	56,940
Fund balances:				
Nonspendable items	356,136	-	-	56,170
Restricted for:				
Debt service	-	-	-	-
Capital improvements	-	-	-	-
Federal programs	-	-	-	-
Future salaries from sales tax proceeds	-	979,974	-	-
Maintenance, books, instructional items, etc.	-	-	191,044	-
Committed for:				
Contingencies	2,641,555	-	-	283,326
Assigned for:				
Other	79,190	-	-	-
Unassigned	12,166,740	-	-	42,727
Total fund balances	15,243,621	979,974	191,044	382,223
Total liabilities and fund balances	\$ 22,091,989	\$ 993,133	\$ 191,044	\$ 439,163

The accompanying notes are an integral part of this statement.

Statement C

Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ 16,242,038	\$ 4,929,754	\$ 252,988	\$ 40,766,996
-	-	-	1,500,000
-	-	1,229,145	2,460,798
-	-	-	1,229,154
-	-	-	187,051
-	-	-	225,255
<u>\$ 16,242,038</u>	<u>\$ 4,929,754</u>	<u>\$ 1,482,133</u>	<u>\$ 46,369,254</u>
\$ 3,441,621	\$ -	\$ 21,071	\$ 10,351,686
-	-	1,229,154	1,229,154
-	-	1,971	31,444
<u>3,441,621</u>	<u>-</u>	<u>1,252,196</u>	<u>11,612,284</u>
-	-	-	412,306
-	4,929,754	-	4,929,754
12,800,417	-	-	12,800,417
-	-	229,937	229,937
-	-	-	979,974
-	-	-	191,044
-	-	-	2,924,881
-	-	-	79,190
-	-	-	12,209,467
<u>12,800,417</u>	<u>4,929,754</u>	<u>229,937</u>	<u>34,756,970</u>
<u>\$ 16,242,038</u>	<u>\$ 4,929,754</u>	<u>\$ 1,482,133</u>	<u>\$ 46,369,254</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement D

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2011

Total fund balances at year end - governmental funds		\$ 34,756,970
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets are not financial resources and, therefore, not reported in the funds.		
Cost of capital assets at year end	\$ 79,974,835	
Less - accumulated depreciation at year end	<u>(45,890,656)</u>	34,084,179
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
Long-term liabilities at year end:		
Compensated absences	(1,033,274)	
Bonds payable	(40,525,000)	
Other post-employment benefits liability	(19,145,189)	
Accrued interest payable	<u>(545,407)</u>	(61,248,870)
Net assets of proprietary funds - governmental activities		<u>-</u>
Net assets at year end - governmental activities		<u>\$ 7,592,279</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2010

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2011

	General Fund	Sales Tax Fund	Operations and Maintenance Fund	School Food Service
Revenues:				
Local sources:				
Ad valorem taxes	\$ 1,292,399	\$ -	\$ 5,216,052	\$ -
Sales and use taxes	-	9,663,337	-	-
Interest earnings	40,914	-	-	499
Food services	-	-	-	469,774
Other	321,098	-	-	407
State sources:				
Equalization	35,134,106	-	-	40,222
Other	1,158,204	-	-	-
Federal sources	4,982	-	-	1,766,348
Total revenues	37,951,703	9,663,337	5,216,052	2,277,250
Expenditures:				
Instruction:				
Regular programs	13,647,700	4,108,752	419,481	-
Special education programs	3,814,922	1,144,185	7,851	-
Vocational educational programs	1,295,168	318,800	3,004	-
Other instructional programs	1,039,689	73,621	2,906	-
Special programs	280,011	59,973	-	-
Adult and continuing education programs	29,599	13,465	-	-
Support services:				
Student services	2,071,218	512,609	1,628	-
Instructional staff support	1,627,908	428,870	44,491	-
General administration	1,176,173	270,252	-	-
School administration	2,449,840	690,654	429	-
Business administration	393,730	101,268	-	-
Plant services	-	501,297	4,260,657	-
Student transportation services	2,917,911	578,501	-	-
Central services	616,093	167,250	126,090	-
Food services	-	420,985	-	2,525,953
Community service programs	12,530	-	-	-
Facilities acquisition and construction	33,973	-	158,471	-
Debt service	-	-	-	-
Total expenditures	31,406,465	9,390,482	5,025,008	2,525,953
Excess (deficiency) of revenues over (under) expenditures	6,545,238	272,855	191,044	(248,703)
Other financing sources (uses):				
Proceeds from sale of assets	4,472	-	-	-
Issuance of debt	-	-	-	-
Transfers in	343,856	-	-	258,234
Transfers out	(595,343)	-	-	-
Total other financing sources (uses)	(247,015)	-	-	258,234
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	6,298,223	272,855	191,044	9,531
Beginning fund balances, as previously reported	9,652,517	-	-	372,692
Prior period adjustment	(707,119)	707,119	-	-
Beginning fund balances, as restated	8,945,398	707,119	-	372,692
Ending fund balances	\$ 15,243,621	\$ 979,974	\$ 191,044	\$ 382,223

The accompanying notes are an integral part of this statement.

Statement E

Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,313,555	\$ -	\$ 9,822,006
-	-	-	9,663,337
72,687	300	-	114,400
-	-	-	469,774
-	2,727	252,778	577,010
-	-	-	35,174,328
-	-	-	1,158,204
-	-	6,070,562	7,841,892
<u>72,687</u>	<u>3,316,582</u>	<u>6,323,340</u>	<u>64,820,951</u>
662,241	-	1,907,882	20,746,056
-	-	1,014,832	5,981,790
-	-	99,421	1,716,393
-	-	240,538	1,356,754
-	-	1,444,180	1,784,164
-	-	32,824	75,888
-	-	431,122	3,016,577
-	-	737,370	2,838,639
53,647	120,070	-	1,620,142
-	-	-	3,140,923
-	-	-	494,998
-	-	21,376	4,783,330
-	-	17,758	3,514,170
-	-	47,298	956,731
-	-	-	2,946,938
-	-	3,526	16,056
15,216,974	-	-	15,409,418
-	3,275,490	-	3,275,490
<u>15,932,862</u>	<u>3,395,560</u>	<u>5,998,127</u>	<u>73,674,457</u>
(15,860,175)	(78,978)	325,213	(8,853,506)
-	-	-	4,472
10,000,000	-	-	10,000,000
-	-	3,797	605,887
-	-	(343,856)	(939,199)
<u>10,000,000</u>	<u>-</u>	<u>(340,059)</u>	<u>9,671,160</u>
(5,860,175)	(78,978)	(14,846)	817,654
<u>18,660,592</u>	<u>5,008,732</u>	<u>244,783</u>	<u>33,939,316</u>
-	-	-	-
<u>18,660,592</u>	<u>5,008,732</u>	<u>244,783</u>	<u>33,939,316</u>
<u>\$ 12,800,417</u>	<u>\$ 4,929,754</u>	<u>\$ 229,937</u>	<u>\$ 34,756,970</u>

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2011

Total net change in fund balances - governmental funds \$ 817,654

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

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

Depreciation expense	\$ (1,352,884)	
Capital outlays	<u>15,760,909</u>	14,408,025

Add accumulated depreciation on capital assets retired during the year	287,999	
Less cost basis of capital assets retired during the year	<u>(287,999)</u>	-

Repayment of bond principal and certificates of indebtedness is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Proceeds of bond issues is an other source in the governmental funds but increases long-term liabilities in the Statement of Net Assets

Principal payments		1,680,000
Bond proceeds		<u>(10,000,000)</u>

In the Statement of Activities, certain operating expenses - compensated absences and other post-employment benefits - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This is the amount by which the amounts earned exceeds the amount actually paid:

Change in compensated absences payable		97,731
Change in other post employment benefits		<u>(5,817,673)</u>

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

Change in accrued interest payable		(96,512)
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Change in net assets of proprietary funds		<u>-</u>
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Change in net assets of governmental activities		<u>\$ 1,089,225</u>
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The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement G

Statement of Net Assets - Proprietary Funds
June 30, 2011

	Internal Service Fund - Workers' Compensation Self-Insurance Fund*	Total Governmental Activities
ASSETS		
Current assets:		
Equity in pooled cash	\$ 126,140	\$ 126,140
Restricted investments	300,000	300,000
Prepaid expenses	41,654	41,654
	<u>467,794</u>	<u>467,794</u>
Total assets	<u>\$ 467,794</u>	<u>\$ 467,794</u>
LIABILITIES		
Accounts payable	\$ 8,184	\$ 8,184
Estimated workers' compensation claims	459,610	459,610
	<u>467,794</u>	<u>467,794</u>
Total liabilities	467,794	467,794
NET ASSETS		
Unrestricted	<u>-</u>	<u>-</u>
Total net assets	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 467,794</u>	<u>\$ 467,794</u>

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds
For the Year Ended June 30, 2011

	Internal Service Fund - Workers' Compensation Self-Insurance Fund*	Total - Governmental Activities
Operating revenues:		
Charges for services	\$ 18,713	\$ 18,713
Total operating revenues	<u>18,713</u>	<u>18,713</u>
Operating expenses:		
Workers' compensation claims	260,126	260,126
Contract services	100	100
Stop-loss premiums	94,155	94,155
Total operating expenses	<u>354,381</u>	<u>354,381</u>
Operating loss	(335,668)	(335,668)
Non-operating revenues (expenses)		
Interest income	2,356	2,356
Total non-operating revenues	<u>2,356</u>	<u>2,356</u>
Transfers in	<u>333,312</u>	<u>333,312</u>
Change in net assets	-	-
Net assets - beginning of year	<u>-</u>	<u>-</u>
Net assets - end of year	<u>\$ -</u>	<u>\$ -</u>

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement I

Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2011

	Internal Service Fund - Workers' Compensation Self-Insurance Fund
Cash flows from operating activities:	
Cash received from other funds for services	\$ 18,713
Payments to vendors	(86,442)
Payments made on workers' compensation claims	(422,235)
	<u>(489,964)</u>
Net cash used in operating activities	(489,964)
Cash flows from non-capital financing activities:	
Transfers in	333,312
	<u>333,312</u>
Net cash provided by non-capital financing activities	333,312
Cash flows from investing activities:	
Interest income	2,356
	<u>2,356</u>
Net cash provided by investing activities	2,356
Net change in cash and cash equivalents	(154,296)
Cash and cash equivalents at beginning of year	<u>280,436</u>
Cash and cash equivalents at end of year	<u>\$ 126,140</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operations	
Operating income (loss)	\$ (335,668)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:	
Changes in operating assets and liabilities:	
Prepaid items	(371)
Accounts payable	8,184
Estimated workers' compensation claims	(162,109)
	<u>(162,109)</u>
Net cash used in operating activities	<u>\$ (489,964)</u>

* Non major proprietary fund

Statement of Assets and Liabilities - Agency Fund
June 30, 2011

	<u>School Activity Fund</u>
Assets	
Cash and cash equivalents	\$ 804,891
Total assets	<u>\$ 804,891</u>
Liabilities	
Deposits due others	\$ 804,891
Total liabilities	<u>\$ 804,891</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2011

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

The Beauregard Parish School Board was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within Beauregard Parish. The School Board is authorized by R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 10 members who are elected from 10 districts for terms of four years.

The School Board operates 12 schools within the parish with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Beauregard Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The 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.

B. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the 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 also has no *component units*, defined by GASB No. 14 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

C. FUND ACCOUNTING

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A *fund* is a separate fiscal and accounting entity with a self-balancing set of accounts.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds account for all or most of the School Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include the following:

1. The General Fund is the general operating fund of the School Board and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include the following:

1. The internal service fund accounts for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursement basis.
2. The enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises and for which the intent of the School Board is that the costs (expenses, including depreciation) of providing the services to the general public on a continuing basis be financed or recovered primarily through user charges.

The School Board applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989 (unless those pronouncements conflict with or contradict GASB pronouncements) for its proprietary activities.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. The School Activity Agency Fund accounts for assets held by the School Board as an agent for the individual schools and school organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the school board, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The GWFS were 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Internal Activities - The Workers' Compensation Self-Insurance Internal Service Fund provides services primarily to the governmental funds. Accordingly, this fund's activities were rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. However, the effect of interfund services provided and used between functions are not eliminated in the statement of activities.

Enterprise Activities - The East Beauregard Food Processing Enterprise Fund is accounted for similar to a private enterprise as a proprietary fund. However, due to its purpose as a vocational education program and that it is only partially self-funding, the School Board considers this program a governmental activity.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues.

Allocation of Indirect Expenses - The school board reports all direct expenses by function in the Statement of Activities (Statement B). 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. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The School Board reports the general fund, the School Food Service Fund, the debt service fund, and the 1997 Parishwide Construction capital projects fund as its major governmental funds. The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The School Food Service Fund includes the school meal preparation operations. The debt service fund accounts for the collection of an ad valorem tax millage dedicated to servicing the debt of the District's outstanding general obligation bonds. The 1997 Parishwide Construction fund accounts for bonds issued under authority of a 1997 voter referendum to be used for capital projects and instructional equipment.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The school board generally considers all revenues available if they are collected within 60 days after the fiscal year end. For the year ended June 30, 2011, due to unusual circumstances certain revenues related to reimbursements under federal grant programs were not collected within the 60-day period, however, it has been the policy of the School Board to recognize these revenues when the expenditures are made. Management feels that the financial statements would be misleading if these revenues were not recorded. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December, January, and February of the fiscal year. Sales and use tax revenues are recorded in the month that the original taxable transaction occurred. Substantially all other revenues are recorded when received.

Expenditures

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not effect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Governmental fund expenditures include the following:

Salaries are recorded as earned. All nine-month employees are to be paid pro rata over twelve months. Thus, salaries paid to these employees in July and August are earned (and are accrued) as of fiscal year end. Principal and interest on general long-term obligations are recognized when due. Inventory is expensed when consumed. Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the general long-term obligations account group. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Other Financing Sources (Uses)

Increases (decreases) in net current assets arising from sources other than revenues (expenditures) are accounted for as other financing sources (uses). Such transactions include transfers between funds that are not expected to be repaid, capital lease transactions, sale of fixed assets, and long-term debt proceeds. These other financing sources (uses) are recognized at the time the underlying events occur.

Unearned Revenues

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

Proprietary Funds - Like the government-wide statements, the proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the school board finances and meets the cash flow needs of this internal service fund. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses are items which result directly from the operations of the fund. Items such as interest income and operating transfers do not depend on fund activities and, therefore, are considered non-operating.

Agency Funds – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for on the accrual basis of accounting.

E. BUDGETS

The School Board adopts budgets for all non-fiduciary funds under its control. The School Board uses the following budget practices:

1. The proposed budget for the fiscal year ended June 30, 2011, was published June 17, 2010. The budget was available for viewing from that date until the date of the public hearing July 8, 2010. The budget was formally adopted on July 8, 2010, by the School Board. The budget must be adopted no later than September 15th and submitted to the Louisiana Department of Education no later than September 30th each year for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. The superintendent of the School Board has the authority to transfer amounts between accounts within any fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

F. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances are recorded at the time the purchasing system generates a purchase order and are liquidated at the time the corresponding expenditure is recognized. Outstanding encumbrances lapse at year-end. To the extent the School Board intends to honor the purchase orders and commitments, they are disclosed in the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

G. CASH AND INTEREST-EARNING DEPOSITS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and short-term investments with original maturities of three months or less, including deposits held by the Louisiana Asset Management Pool (LAMP). LAMP is a statewide investment pool in which the School Board participates and operates in accordance with appropriate state laws and regulations. The fair value of the School Board's position in the pool is the same as the value of the pool shares. LAMP is a component unit of the State of Louisiana and its operations are regulated by state law and are overseen by a board consisting of the state treasurer and members elected from the pool participants. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. INVESTMENTS

Investments are limited by R.S. 33:2955 and the School Board's investment policy. These laws and policies are designed to minimize credit risk. The School Board's investments include certificates of deposit with maturities greater than 90 days. These certificates of deposit are recorded at cost, which approximates fair value.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

J. INVENTORIES AND PREPAID ITEMS

Inventory of the General Fund consists of expendable supplies and are recorded on the consumption method. These items are recorded at the lower of cost (first-in, first-out) or market value.

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued); however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. 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. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40 years
Furniture and fixtures	10 years
Vehicles	5 years
Equipment	3-10 years

L. COMPENSATED ABSENCES

The School Board has the following policies relating to compensated absences:

Annual Leave

Annual leave is earned for all twelve-month active employees at the following rates:

<u>Years of service</u>	<u>Rate</u>
0-3	1 day per month (12 days annually)
3-10	1 ¼ days per month (15 days annually)
Over 10	1 ½ days per month (18 days annually)

Accumulated annual leave is capped at 48 days.

Sick Leave

Sick leave is earned for active employees at the following rates:

Nine-month employees	10 days
Ten-month employees	11 days
Eleven- and twelve-month employees:	
0-10 years	12 days
Over 10 years	18 days

If a nine- or ten-month employee works additional time during the summer, the employee will receive one day additional sick leave (or portion thereof) for each additional month worked (or portion thereof). Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days is paid to employees at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service. However, the School Board may pay, on a uniform basis, such unused sick leave beyond twenty-five days, not to exceed 45 days, at its discretion.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Emergency Leave

Emergency leave shall be granted for the following reasons:

1. A maximum of three days continuous leave for illness in the immediate family unless there are extenuating circumstances.
2. A maximum of three days continuous leave for death in the immediate family unless there are extenuating circumstances.
3. A maximum of two days for the purpose of marriage.
4. Circumstances beyond the control of the employee (i.e., fire, flood, tornado, etc.)

The superintendent or his designee may grant emergency leave for reasons other than above. Two days of sick or emergency leave may be allowed for personal reasons.

Excess leave

Excess leave may be granted by the superintendent beyond the sick and emergency leave up to a maximum of five days. Any request beyond five days requires School Board approval.

Sabbatical Leave

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. According to GASB Statement No. 16, sabbatical leave which involves professional and cultural development provides a continuing benefit to the employer and should not be accrued.

The cost of current leave privileges is recognized as an expenditure in the governmental funds (typically the General Fund) when the leave is actually taken or, in the case of amounts due at termination, when payment is due. The expenditure is recorded in the fund from which the employee on leave is generally paid. The cost of leave privileges not requiring current resources is recorded in the government-wide financial statements. For the proprietary funds, the liability for compensated absences is accrued when the leave is earned by the employee.

M. EQUITY CLASSIFICATIONS

For government-wide statement of net assets, equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt. This component consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets. Restricted net assets consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets. Unrestricted net assets consist of all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The School Board uses restricted resources first when expenses are incurred when both restricted and unrestricted net assets are available.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

In the fund statements, governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

- Non-spendable. Relates to fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted. Relates to fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation.
- Committed. Relates to fund balance amounts that are constrained for specific purposes that are internal imposed by the City through formal action of the City and does not lapse at year-end.
- Assigned. Relates to fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted nor committed. Fund balance can be assigned by the City Council.
- Unassigned. Relates to fund balance amounts within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The School Board uses restricted resources first when expenditures are incurred when both restricted and unrestricted fund balances are available. Proprietary fund equity is classified the same as in the government-wide statements.

N. 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.

O. SALES AND USE TAXES

A one-cent sales and use tax was approved by voters at a special election held July 23, 1966. The proceeds of the tax are to be used exclusively to supplement other revenues available to the School Board for the payment of salaries of teachers in the public elementary and secondary schools of the parish and for the expenses of operating said schools, such operating expenses to include payment of salaries of other personnel employed by the School Board in addition to teachers, but to exclude expenditures for capital improvements and purchases of automobiles.

Another one-cent sales and use tax was approved by voters at a special election held May 5, 1990. The proceeds of the tax are to be used for the purpose of supplementing salaries of teachers and other school employees and providing benefits for teachers, other school employees, and retirees.

P. ESTIMATES

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

2. LEVIED TAXES

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

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
Parishwide taxes			
Constitutional	4.50	4.50	N/A
Maintenance and operations	8.28	8.28	2021
District taxes			
Maintenance and operations –			
Instructional	19.74	19.74	2013
Bond and Interest	17.80	17.80	N/A

The two millages for Maintenance and Operations are restricted to facilities maintenance and certain educational items such as books. The Bond and Interest millage is restricted specifically for debt service on the School Board's bond issues.

The only taxpayer with assessed valuation in excess of 5% of total assessments was Boise Cascade Corporation. Boise's total assessed valuation was approximately \$46,100,000 generating approximately \$2,300,000 in ad valorem taxes.

3. DEPOSITS

At June 30, 2011, the School Board has cash and interest-bearing deposits (book balances) as follows:

	Governmental <u>Activities</u>	Fiduciary <u>Funds</u>	<u>Total</u>
Interest-bearing demand deposits	\$ 9,663,201	\$ 537,467	\$ 10,200,668
Deposits with LAMP	31,229,935	267,424	31,497,359
Total	<u>\$ 40,893,136</u>	<u>\$ 804,891</u>	<u>\$ 41,698,027</u>

Additionally, the School Board has certificates of deposit totaling \$1,800,000 on deposit in local banks which are presented as investments in the financial statements. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2011, the School Board has \$12,543,773 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$2,900,807 of federal deposit insurance (GASB Custodial Credit Risk Category 1) and \$9,642,966 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Custodial Credit Risk Category 3).

Even though the pledged securities are not considered collateral (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's policy does not address custodial credit risk for deposits.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

4. INVESTMENTS

Investments at June 30, 2011 consisted of the certificates of deposit. All certificates have maturities of six months from their original purchase dates. Restricted investments consist of a certificate of deposit that is pledged to the state worker's compensation fund and is included in the self-insurance internal service fund.

As discussed in Note 3, certificates of deposit are considered uncollateralized (Category 3) under the provisions of GASB Statement 3. Deposits with LAMP are not categorized as those deposits are not evidenced by securities that exist in physical or book-entry form.

Although the School Board's policy does not formally address credit or interest rate risk, it does emphasize safety and liquidity over investment return. This policy does limit exposure to fluctuations in interest rates due to the short-term nature of securities purchased and the School Board's intent and ability to hold debt securities to maturity. Interest rates on certificates of deposit range from 1.2-2.5% and it is the practice of the School Board to generally purchase certificates with maturities of six months or less and never over one year. LAMP's investment policy also emphasizes safety and liquidity with a substantial portion of the underlying securities pool having maturities of less than 30 days. LAMP is rated AAAM with Standard & Poors.

The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) that grants to OWC a security interest in the School Board's \$300,000 certificate of deposit. The security interest is to secure the prompt payment of all obligations under the provisions of the Louisiana Workers' Compensation Act.

5. RECEIVABLES

The receivables of \$2,460,798 at June 30, 2011, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total</u>
Taxes:				
Sales	\$ -	\$ 980,816	\$ -	\$ 980,816
Intergovernmental - grants:				
Federal	-	1,229,145	-	1,229,145
State	250,837	-	-	250,837
Total	\$ 250,837	\$ 2,209,961	\$ -	\$ 2,460,798

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

6. CAPITAL ASSETS

The changes in capital assets follow:

<u>Governmental Activities</u>	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance, End of Year</u>
Capital assets not being depreciated:					
Land	\$ 305,618	\$ -	\$ -	\$ -	\$ 305,618
Construction in progress	1,258,864	15,364,945	-	-	16,623,809
	<u>1,564,482</u>	<u>15,364,945</u>	<u>-</u>	<u>-</u>	<u>16,929,427</u>
Capital assets being depreciated:					
Buildings and improvements	51,213,719	26,020	-	-	51,239,739
Furniture and equipment	11,723,724	369,944	(287,999)	-	11,805,669
	<u>62,937,443</u>	<u>395,964</u>	<u>(287,999)</u>	<u>-</u>	<u>63,045,408</u>
Less accumulated depreciation:					
Buildings and improvements	(35,291,482)	(796,784)	-	-	(36,088,266)
Furniture and equipment	(9,534,289)	(556,100)	287,999	-	(9,802,390)
	<u>(44,825,771)</u>	<u>(1,352,884)</u>	<u>287,999</u>	<u>-</u>	<u>(45,890,656)</u>
Total capital assets being depreciated, net	<u>18,111,672</u>	<u>(956,920)</u>	<u>-</u>	<u>-</u>	<u>17,154,752</u>
Governmental activities capital assets, net	<u>\$ 19,676,154</u>	<u>\$ 14,408,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,084,179</u>

Depreciation expense of \$1,352,884 for the year ended June 30, 2011, was charged to the following governmental functions:

Instruction:	
Regular Education	\$ 974,948
Special Education	177,001
Support Services:	
Student Services	33,644
Instructional Staff Support	25,301
General Administration	1,774
School Administration	13,979
Business Services	3,944
Plant Services	9,881
Student Transportation Services	21,848
Central Services	468
School Food Services	90,096
Total	<u>\$ 1,352,884</u>

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

Accounts, salaries, and other payables of \$10,359,870 at June 30, 2011, consists of the following:

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>School Food Service</u>	<u>Non-major Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Self-Insurance Fund</u>	<u>Total</u>
Salaries and benefits	\$ 6,621,829	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,621,829
Accounts Retainage	226,539	13,159	27,467	21,071	2,694,255	8,184	2,990,675
					747,366	-	747,366
Total	<u>\$ 6,848,368</u>	<u>\$ 13,159</u>	<u>\$ 27,467</u>	<u>\$ 21,071</u>	<u>\$ 3,441,621</u>	<u>\$ 8,184</u>	<u>\$ 10,359,870</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

8. RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

Plan Description. The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0%, 9.1%, and 5.0% of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially-determined rate. The current rate is 20.2% of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. The School Board's contributions to the TRS for the years ending June 30, 2011, 2010, and 2009, were \$5,540,055, \$4,499,568, and \$4,548,135, respectively, equal to the required contributions for each year.

Trend information. Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended June 30, is presented as follows:

	2011	2010	2009
Actuarial value of assets as percentages of actuarial accrued liability	55.1%	54.4%	59.1%
Unfunded actuarial accrued liability as percentages of covered payroll	277.0%	271.7%	238.7%
Employer contributions as percentages of covered payroll	21.9%	19.0%	19.0%

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Funding Policy. Plan members are required to contribute 7.5% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 24.3% of annual covered payroll. Contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is set by state statute at the greater of 6% or the actuarially determined required rate. Since the statutory rate has been significantly greater than the actuarially required rate in recent years, employers have accumulated a contribution credit. As such, the School Board's contributions to the LSERS for the years ending June 30, 2011, 2010, and 2009, were \$716,027, \$524,305, and \$580,802, respectively, which is equal to the required contributions each year.

Trend information. Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended June 30, is presented as follows:

	2011	2010	2009
Actuarial value of assets as percentages of actuarial accrued liability	59.9%	61.0%	65.5%
Unfunded actuarial accrued liability as percentages of covered payroll	304.9%	281.8%	235.6%
Employer contributions as percentages of covered payroll	24.5%	17.6%	17.8%

C. Louisiana Parochial Employees' Retirement System (LPERS)

Plan Description. Board members can elect to participate in the LPERS, which provides retirement benefits. Ten years of service credit is required to become vested for retirement benefits. Benefits are established and amended by state statute. The LPERS issues a publicly available financial report that includes financial statements and required supplementary information for the LPERS. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Plan members are required to contribute 9.5% of their annual salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 15.75% of covered payroll. The School Board's contributions to the LPERS for the years ending June 30, 2011, 2010, and 2009, were \$756, \$1,271, and \$1,071, respectively, equal to the required contributions each year.

Trend information. Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended December 31, is presented as follows:

	2010	2009	2008
Actuarial value of assets as percentages of actuarial accrued liability	98.0%	97.6%	97.0%
Unfunded actuarial accrued liability as percentages of covered payroll	8.37%	10.0%	11.8%
Employer contributions as percentages of covered payroll	15.6%	15.2%	12.5%

9. INTERFUND ACTIVITIES

The following is a summary of interfund receivables and payables at June 30, 2011:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Non-major special revenue funds	\$ 1,229,154
		<u>\$ 1,229,154</u>

Generally, interfund receivables/payables result from overdrafts of the common cash pool.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

The following is a summary of interfund transfers for the year ended June 30, 2011:

<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
General Fund	Non-major special revenue funds	\$ 343,856
General Fund	School Food Service Fund	258,234
Non-major special revenue funds	General Fund	3,797
Internal Service Fund	General Fund	<u>333,312</u>
		<u>\$ 939,199</u>

Generally, interfund transfers result from the 1) reimbursement of indirect costs from federal programs to the General Fund, or 2) reimbursement to other funds for expenditures paid on behalf of the General Fund. Additionally, a budgeted transfer was made to the Internal Service Fund.

10. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2011:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>OPEB Liability</u>	<u>Total</u>
Long-term obligations at beginning of year	\$ 32,205,000	\$ 1,131,005	\$ 13,327,516	\$ 46,663,521
Additions	10,000,000	618,050	8,146,801	18,764,851
Deductions	<u>(1,680,000)</u>	<u>(715,781)</u>	<u>(2,329,128)</u>	<u>(4,724,909)</u>
Long-term obligations at end of year	<u>\$ 40,525,000</u>	<u>\$ 1,033,274</u>	<u>\$ 19,145,189</u>	<u>\$ 60,703,463</u>
Due within one year	<u>\$ 1,765,000</u>	<u>\$ 715,781</u>	<u>\$ 2,329,128</u>	<u>\$ 4,809,909</u>

General Obligation Bonds

All School Board bonds outstanding at June 30, 2011, are general obligation bonds with maturities from 2010 to 2024 and interest rates from 2.5% to 5.5%. Bond principal and interest payable in the next fiscal year are \$1,765,000 and \$1,636,220, respectively. Proceeds of these bonds are restricted to construction projects as outlined in the related parish-wide elections authorizing the issuance of the bonds. The individual issues are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Series 2001	\$ 2,000,000	4.5-5.5%	2021	\$ 348,750	\$ 1,300,000
Series 2004	5,000,000	3.3-4.3%	2024	1,085,505	3,780,000
Series 2005A	6,450,000	3.8%	2018	753,618	4,735,000
Series 2007	2,000,000	4.1%	2019	288,363	1,620,000
Series 2009	10,000,000	1.0-4.95%	2029	4,763,973	9,420,000
Series 2009A	10,000,000	1.25-4.3%	2029	4,185,738	9,670,000
Series 2010	10,000,000	3.0-4.125%	2030	4,477,738	10,000,000
	<u>\$ 45,450,000</u>			<u>\$ 15,903,685</u>	<u>\$ 40,525,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish (or other as indicated).

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

At June 30, 2011 the School Board has accumulated \$4,929,754 in the debt service fund for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2012	\$ 1,765,000	\$ 1,636,220	\$ 3,401,220
2013	2,230,000	1,560,053	3,790,053
2014	2,340,000	1,474,047	3,814,047
2015	2,450,000	1,385,585	3,835,585
2016	2,575,000	1,292,355	3,867,355
2017-2021	11,465,000	4,976,659	16,441,659
2022-2026	10,260,000	2,863,641	13,123,641
2027-2030	7,440,000	715,125	8,155,125
Total	<u>\$ 40,525,000</u>	<u>\$ 15,903,685</u>	<u>\$ 56,428,685</u>

In accordance with R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2011, the statutory limit is approximately \$122 million.

11. EQUITY RESTRICTIONS

As discussed in Note 1(P), the School Board receives the proceeds of two one-cent sales taxes which are dedicated to employee salaries and benefits. Revenues from these taxes and the related expenditures are recorded in the Sales Tax Fund and the resulting fund balance is considered restricted for future salaries.

As discussed in Note 2, certain property tax millages are restricted as to use. The two Maintenance and Operating millages are restricted for facilities maintenance and certain educational items. Revenues from these millages and the related expenditures are recorded in the Operations and Maintenance Fund and the resulting fund balance is considered restricted for future maintenance. There is also a Bond and Interest millage dedicated to debt service which is recorded in the Debt Service Fund and the resulting fund balance is considered restricted for future debt service.

As discussed in Note 10, proceeds of general obligation bonds authorized in parish-wide elections held in 1997 and 2008 are restricted to certain construction projects as outlined in the tax propositions. The proceeds of the bonds are recorded in the Capital Projects Fund and the resulting fund balance in the Capital Projects Fund is considered restricted for future construction projects.

It is the Board's policy to set aside five percent of revenues for contingencies. This amount was recorded as committed fund balance in the General Fund at June 30, 2011.

12. RISK MANAGEMENT

The School Board maintains insurance coverage through commercial insurance carriers for liability, errors and omissions, employee bonds, and property insurance. The School Board is partially self-insured for workers' compensation claims.

An internal service fund was established to fund workers' compensation claims through interfund premiums, which are based primarily on the individual fund's payroll. Rates are determined by the School Board in consultation with its insurance expert. These premiums are reported as expenditures in the individual funds. No premiums were paid by the various funds during the year as it was determined that the self-insurance fund maintained adequate reserves. An insurance policy covers individual claims in excess of \$175,000. There were no instances during the past three years where settlements exceeded insurance coverage.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate, in consultation with its insurance expert, based on analysis of the known claims and historical loss data.

Changes in the liability for estimated workers' compensation claims for the year ended June 30, 2011 is as follows:

	<u>2011</u>	<u>2010</u>
Liability at beginning of year	\$ 621,719	\$ 346,440
Claims accrued	422,235	653,163
Claims paid	<u>(584,344)</u>	<u>(377,884)</u>
Liability at end of year	<u>\$ 459,610</u>	<u>\$ 621,719</u>

13. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES

The School Board is a defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the School Board and legal counsel, the outcomes of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and, accordingly, no provision for losses has been recorded.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applied funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; however, the School Board expects such amounts, if any, to be immaterial.

Under the Internal Revenue Code, interest earned on debt proceeds in excess of interest expense prior to the disbursement of such proceeds (called "arbitrage") must be rebated to the Internal Revenue Service. Management believes there is no arbitrage rebate liability at year end.

14. COMMITMENTS

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2011, the School Board had outstanding purchase orders in the amount of approximately \$200,000.

The School Board is committed under several construction contracts that is to be paid from the Capital Projects Fund as the construction projects progress. At June 30, 2011, there were remaining commitments of \$11,275,957 related to these contracts. This amount is included in the restricted fund balance in the Capital Projects Fund.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

15. OTHER POST-EMPLOYMENT BENEFITS

Plan Description. In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through Office of Group Benefits, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures

Funding Policy. The contribution requirements of plan members and the School Board are established and may be amended by LA R.S. 42:801-883. Employees do not contribute to their other post employment benefits cost until they become retirees and begin receiving those benefits. The healthcare and life insurance premiums are paid 25% by the retiree and 75% by the employer.

The plan is currently financed on a pay-as-you-go basis, with the School Board contributing \$2,329,128 for 337 retirees and \$2,254,756 for 334 retirees during the years ended June 30, 2011 and 2010, respectively.

Annual Required Cost and Liability. The School Board's Annual Required Contribution ("ARC") is an amount actuarially-determined in accordance with GASB 45, which was implemented prospectively beginning in fiscal 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize the beginning Unfunded Actuarial Liability ("UAL") over a period of 30 years. A 30-year, closed amortization period has been used with a level-dollar amortization factor. The total ARC for the fiscal year 2011 is \$7,613,700 which consists of normal cost of \$3,465,400 and amortization of UAL of \$4,148,300.

The following table presents the School Board's OPEB obligation for the year ended June 30, 2011:

Beginning OPEB obligation at July 1, 2010	\$ 13,327,516
Annual Required Contribution	7,613,700
Interest on prior year obligation	533,101
Annual OPEB cost	8,146,801
Less: current year premiums paid	(2,329,128)
Increase in net OPEB obligation	<u>5,817,673</u>
Ending net OPEB obligation at June 30, 2011	<u>\$ 19,145,189</u>

Utilizing the pay-as-you-go method, the School Board contributed 27.3% of the annual OPEB cost during 2011.

Funded Status and Funding Progress. Since the plan is not funded, the School Board's entire actuarial accrued liability of \$102,262,600 was unfunded. See Exhibit 3 for funding progress of the plan.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (concluded)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses). An annual healthcare cost trend rate was used, using an initial rate of 9.0% for pre-Medicare participants and 10.1% for Medicare-Eligible participants, both reduced by decrements to an ultimate rate of 5.0% after twelve years. The actuarial assumptions used a payroll growth rate of 3.0%. The RP 2000 Mortality Table was used in the actuarial calculation. Disability rates for employees ranged from .03% for employees age 20 to 1.54% for employees over the age of 65. The actuarial assumptions used for withdrawal rates and retirement rates differ by employment group. Withdrawal rates ranged from 10% for teachers age 20 to 2.0% for teachers age 60 and 16.0% other-employees age 20 to 1.6% for other-employees age 60. Retirement rates ranged from 3.0% for teachers age 45 to 100% for teachers aged 75 and 0.0% other-employees age 45 to 100% for other-employees age 75. The remaining amortization period at June 30, 2011 was 27 years.

16. SUBSEQUENT EVENTS

In December 2011, the School Board issued \$9,800,000 in general obligation bonds. The bonds carry rates ranging from 2.0% to 3.625% and maturities range from 2014 to 2031.

The School Board evaluated its June 30, 2011 financial statements for subsequent events through December 30, 2011, the date the financials were available to be issued. The School Board is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

17. PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2011, the School Board implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As part of the implementation of this pronouncement, it was determined that the proceeds and related expenditures of the sales taxes dedicated to salaries and the ad valorem taxes dedicated to maintenance that was previously included in the General Fund should be presented as separate special revenue funds. A prior period adjustment of \$707,119 was recorded to reflect the transfer of the beginning fund balance of the Sales Tax Fund from the General Fund.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 1

Budgetary (GAAP Basis) Comparison Schedule
General, Sales Tax, and Operations and Maintenance Funds (Combined)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Ad valorem taxes	\$ 5,915,000	\$ 6,413,405	\$ 6,508,451	\$ 95,046
Sales and use taxes	8,424,000	8,424,000	9,663,337	1,239,337
Interest earnings	68,000	68,000	40,914	(27,086)
Other	273,600	284,625	321,098	36,473
State sources:				
Equalization	34,709,309	35,152,152	35,134,106	(18,046)
Other	1,382,681	953,533	1,158,204	204,671
Federal sources				
	-	-	4,982	4,982
Total revenues	50,772,590	51,295,715	52,831,092	1,535,377
Expenditures:				
Instruction:				
Regular programs	19,393,638	19,768,809	18,175,933	1,592,876
Special education programs	4,755,821	4,894,888	4,966,958	(72,070)
Vocational educational programs	1,639,257	1,599,031	1,616,972	(17,941)
Other instructional programs	1,125,018	1,095,215	1,116,216	(21,001)
Special programs	402,323	157,029	339,984	(182,955)
Adult and continuing education programs	46,123	27,507	43,064	(15,557)
Support services:				
Student services	2,703,394	2,671,459	2,585,455	86,004
Instructional staff support	2,409,886	2,292,437	2,101,269	191,168
General administration	1,410,708	1,455,558	1,446,425	9,133
School administration	3,120,995	3,022,229	3,140,923	(118,694)
Business administration	518,102	511,213	494,998	16,215
Plant services	5,108,958	5,096,981	4,761,954	335,027
Student transportation services	3,115,851	3,359,912	3,496,412	(136,500)
Central services	916,872	949,435	909,433	40,002
Food services	292,101	350,866	420,985	(70,119)
Community service programs	14,330	12,530	12,530	-
Facilities acquisition and construction	680,300	680,300	192,444	487,856
Debt service	-	-	-	-
Total expenditures	47,653,677	47,945,399	45,821,955	2,123,444
Excess (deficiency) of revenues over (under) expenditures	3,118,913	3,350,316	7,009,137	3,658,821
Other financing sources (uses)				
Proceeds of sale of capital assets	-	-	4,472	4,472
Insurance proceeds	-	-	-	-
Operating transfers in	356,857	328,564	343,856	15,292
Operating transfers out	(955,663)	(1,125,420)	(595,343)	530,077
Total other financing sources (uses)	(598,806)	(796,856)	(247,015)	549,841
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	2,520,107	2,553,460	6,762,122	4,208,662
Fund balances - beginning of year	5,496,632	5,496,632	9,652,517	4,155,885
Fund balances - end of year	\$ 8,016,739	\$ 8,050,092	\$ 16,414,639	\$ 8,364,547

**Budgetary (GAAP Basis) Comparison Schedule
Major Special Revenue Fund - School Food Service
For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Over/ (Under)
	Original	Final		
Revenues:				
Local sources:				
Sales and use taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	400	400	499	99
Food services	495,000	481,500	469,774	(11,726)
Other	-	-	407	407
State sources:				
Equalization	35,000	40,222	40,222	-
Federal sources	1,572,165	1,592,165	1,766,348	174,183
Total revenues	<u>2,102,565</u>	<u>2,114,287</u>	<u>2,277,250</u>	<u>162,963</u>
Expenditures:				
Food services	2,697,839	2,704,339	2,525,953	178,386
Total expenditures	<u>2,697,839</u>	<u>2,704,339</u>	<u>2,525,953</u>	<u>178,386</u>
Excess (deficiency) of revenues over (under) expenditures	(595,274)	(590,052)	(248,703)	341,349
Other financing sources (uses):				
Operating transfers in	595,274	590,052	258,234	(331,818)
Total other financing sources (uses)	<u>595,274</u>	<u>590,052</u>	<u>258,234</u>	<u>(331,818)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	9,531	9,531
Fund balances - beginning of year	<u>236,149</u>	<u>236,149</u>	<u>372,692</u>	<u>136,543</u>
Fund balances - end of year	<u>\$ 236,149</u>	<u>\$ 236,149</u>	<u>\$ 382,223</u>	<u>\$ 146,074</u>

Schedule of Funding Progress
Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)
07/01/08	\$ -	\$ 124,713,400	\$ 124,713,400	0%
07/01/09	-	106,241,300	106,241,300	0%
07/01/10	-	102,262,600	102,262,600	0%

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Notes to the Required Supplementary Information
As of and for the Year Ended June 30, 2011

1. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting.

Budgets are prepared for all governmental funds of the School Board. The budgets are prepared on the modified accrual basis of accounting (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

**SUPPLEMENTAL
INFORMATION
SCHEDULES**

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 1

Combining Balance Sheet - Nonmajor Governmental Funds by Type
June 30, 2011

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
Assets and other debits:		
Assets:		
Equity in pooled cash and investments	\$ 252,988	\$ 252,988
Receivables	1,229,145	1,229,145
	<u> </u>	<u> </u>
Total assets	<u><u>\$ 1,482,133</u></u>	<u><u>\$ 1,482,133</u></u>
Liabilities and fund balances		
Liabilities:		
Accounts, salaries, and other payables	\$ 21,071	\$ 21,071
Deferred revenue	1,971	1,971
Interfund payable	1,229,154	1,229,154
Total liabilities	<u>1,252,196</u>	<u>1,252,196</u>
Fund balances:		
Reserved for:		
Federal programs	229,937	229,937
Total fund balances	<u>229,937</u>	<u>229,937</u>
	<u> </u>	<u> </u>
Total liabilities and fund balances	<u><u>\$ 1,482,133</u></u>	<u><u>\$ 1,482,133</u></u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 2

**Combining Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2011**

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
Revenues:		
Local sources:		
Other	\$ 252,778	\$ 252,778
Federal sources	6,070,562	6,070,562
Total revenues	<u>6,323,340</u>	<u>6,323,340</u>
Expenditures:		
Instruction:		
Regular programs	1,907,882	1,907,882
Special education programs	1,014,832	1,014,832
Vocational educational programs	99,421	99,421
Other instructional programs	240,538	240,538
Special programs	1,444,180	1,444,180
Adult and continuing education programs	32,824	32,824
Support services:		
Student services	431,122	431,122
Instructional staff support	737,370	737,370
Plant services	21,376	21,376
Student transportation services	17,758	17,758
Community services	47,298	47,298
Central services	3,526	3,526
Total expenditures	<u>5,998,127</u>	<u>5,998,127</u>
Excess (deficiency) of revenues over (under) expenditures	325,213	325,213
Other financing sources (uses):		
Transfers in	3,797	3,797
Transfers out	(343,856)	(343,856)
Total other financing sources (uses)	<u>(340,059)</u>	<u>(340,059)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(14,846)	(14,846)
Beginning fund balances	<u>244,783</u>	<u>244,783</u>
Ending fund balances	<u>\$ 229,937</u>	<u>\$ 229,937</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2011

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes. The non-major special revenue funds consist of individual federal grant programs. Following is a description of the significant programs:

Edujobs. One-time Federal program that provides funds to help stabilize state and local education district budgets. It is used for salaries and benefits to help save/create education jobs.

Title I. Federal program that provides funds for instructional activities and services to meet the educational needs of educationally deprived students. School must qualify as economically deprived. A qualified school may offer services to all students kindergarten through fifth grade. Services are offered at the following locations: Carver Elementary, Pinewood Elementary, East Beauregard Elementary, Hyatt High, Merryville High, Singer High, KR Hanchey Elementary, and South Beauregard Elementary.

Title II. Federal program that focuses on reducing class sizes and preparing, training, and recruiting high-quality teachers. Serves all schools and grades.

Title IV. Federal program that provides funds to implement drug abuse education and prevention programs. Serves all grades and all schools.

Individuals with Disabilities Education Act (IDEA). Federal program that provides materials and supplies, equipment and related services. Serves special education population students age 3-22 at all schools.

Preschool. Federal program that provides materials and supplies, equipment and related services. Serves special education population students age 3-5 at all k-12 schools and KR Hanchey Elementary.

Medicaid. Generated by services provided by the school board for families of Medicaid recipients (for example, speech or occupational therapy). Serves Medicaid recipients and special education population in all schools.

Vocational Education Basic (Carl Perkins). Federal program that provides funds to implement a vigorous program to students pursuing a vocation.

Adult Education. To make available to educationally disadvantaged adults, an opportunity to acquire basic literacy skills necessary to function in society and become more employable, productive, and responsible citizens.

JROTC. A high school course given during regular school hours. Covers history, government, technology awareness, and current events. Services provided at DeRidder High School, East Beauregard High School, and South Beauregard High School.

Assistive Technology. Federal program to provide assistive technology for disabled education employees.

Enhancing Education Through Technology. Federal program to improve student achievement through the use of technology.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 3

Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2011

	Edujobs	Title I	Title II	Enhancing Ed J Pro Technology	Title IV	IDEA	Preschool	Hurricane Impact Aid	Adult Education	Title VII
Assets										
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ 1,143	\$ -	\$ (3,455)	\$ -	\$ 2,687	\$ -	\$ 125
Receivables	221,805	504,760	115,124	-	-	296,750	8,846	120	4,291	-
Total assets	\$ 221,805	\$ 504,760	\$ 115,124	\$ 1,143	\$ -	\$ 293,295	\$ 8,846	\$ 2,807	\$ 4,291	\$ 125
Liabilities and fund equity										
Liabilities:										
Accounts, salaries, and other payables	\$ -	\$ 2,865	\$ 5,630	\$ 284	\$ -	\$ 3,713	\$ 6,337	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Due to General Fund	221,805	501,895	109,494	-	-	289,587	2,509	-	2,071	125
Total liabilities	221,805	504,760	115,124	284	-	293,295	8,846	-	2,071	125
Fund equity:										
Fund balances:										
Reserved for federal programs	-	-	-	859	-	-	-	2,807	2,220	-
Total liabilities and fund equity	\$ 221,805	\$ 504,760	\$ 115,124	\$ 1,143	\$ -	\$ 293,295	\$ 8,846	\$ 2,807	\$ 4,291	\$ 125

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 3

Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)
June 30, 2011

	Carl Perkins	Ensuring Literacy For All	Homeless (ARRA)	IROTC	Rural Education Assistance	Medicaid Nurses	Medicaid-Direct Services	Title I Local	Totals
Assets									
Equity in pooled cash and investments	\$ -	\$ 5,696	\$ 1,317	\$ 3,672	\$ -	\$ 214,495	\$ 22,820	\$ 4,488	\$ 252,988
Receivables	28,208	-	654	2,330	-	1,068	45,189	-	1,229,145
Total assets	\$ 28,208	\$ 5,696	\$ 1,971	\$ 6,002	\$ -	\$ 215,563	\$ 68,009	\$ 4,488	\$ 1,482,133
Liabilities and fund equity									
Liabilities:									
Accounts, salaries, and other payables	\$ 546	\$ -	\$ -	\$ -	\$ -	\$ 1,696	\$ -	\$ -	\$ 21,071
Deferred revenue	-	-	1,971	-	-	-	-	-	1,971
Due to General Fund	27,662	-	-	6,002	-	-	68,009	-	1,229,131
Total liabilities	28,208	-	1,971	6,002	-	1,696	68,009	-	1,252,196
Fund equity:									
Fund balances:									
Reserved for federal programs	-	5,696	-	-	-	213,867	-	4,488	729,937
Total liabilities and fund equity	\$ 28,208	\$ 5,696	\$ 1,971	\$ 6,002	\$ -	\$ 215,563	\$ 68,009	\$ 4,488	\$ 1,482,133

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended June 30, 2011

	Edujobs	Title I	Title II	Enhancing Ed Thru Technology	Title IV	IDEA	Assistive Technology	Preschool	Hurricane Impact Aid	Adult Education	Title VII
Revenues:											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	1,593,958	1,934,696	490,228	21,537	336	1,837,676	-	71,032	-	34,030	-
Total revenues	1,593,958	1,934,696	490,228	21,537	336	1,837,676	-	71,032	-	34,030	-
Expenditures:											
Instruction:											
Regular programs	1,357,633	36,342	314,324	-	-	189,083	-	-	-	-	-
Special education programs	81,949	-	-	-	-	818,855	-	3,129	-	-	-
Vocational educational programs	34,711	-	-	-	-	-	-	-	-	-	-
Other instructional programs	40,228	72,222	-	-	-	31,239	-	6,446	-	-	-
Special programs	-	1,444,180	-	-	-	-	-	-	-	-	-
Adult and continuing education programs	-	-	-	-	-	-	-	-	-	32,824	-
Support services:											
Student services	48,061	17,586	-	-	330	232,499	-	7,165	-	-	-
Instructional staff support	-	179,091	61,627	9,894	-	412,037	-	49,668	-	-	-
Plant services	21,376	-	-	-	-	-	-	-	-	-	-
Student transportation services	-	15,473	-	-	-	2,285	-	-	-	-	-
Central services	-	38,261	3,147	-	-	5,852	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,593,958	1,603,855	379,598	9,894	330	1,711,860	-	66,428	-	32,824	-
Excess (deficiency) of revenues over (under) expenditures	-	330,841	110,630	11,643	6	125,816	-	4,604	-	1,206	-
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	-	-	-	125
Transfers out	-	(130,841)	(26,627)	(784)	(6)	(129,271)	-	(4,604)	-	(1,206)	-
Total other financing sources (uses)	-	(130,841)	(26,627)	(784)	(6)	(129,271)	-	(4,604)	-	(1,206)	125
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	859	-	(3,455)	-	-	-	-	125
Beginning fund balances	-	-	-	-	-	3,455	-	2,807	2,220	(125)	-
Ending fund balances	\$ -	\$ -	\$ -	\$ 859	\$ -	\$ -	\$ -	\$ 2,807	\$ 2,220	\$ -	\$ -

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 4

Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Special Revenue Funds (continued)
For the Year Ended June 30, 2011

	Carl Perkins	Emerging Literacy For All	Homeless (ARRA)	HOPE	Rural Education Assistance	Medicaid-Nurses	Medicaid-Direct Services	Title I-Local	Total
Revenues:									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,787	\$ 97,791	\$ 8,200	\$ 252,778
Federal sources	79,664	5,474	6,131	85,803	-	-	-	-	6,070,561
Total revenues	79,664	5,474	6,131	85,803	-	146,787	97,791	8,200	6,070,967
Expenditures:									
Instruction:									
Regular programs	-	-	-	-	-	-	-	-	4,907,882
Special education programs	-	-	-	-	-	-	90,859	-	1,014,832
Vocational educational programs	64,710	-	-	-	-	-	-	-	69,421
Other instructional programs	-	-	-	89,803	-	-	-	-	240,538
Special programs	-	-	-	-	-	-	-	-	1,444,180
Adult and continuing education programs	-	-	-	-	-	-	-	-	32,824
Support services:									
Student services	1,907	-	5,691	-	-	117,783	-	-	431,127
Instructional staff support	13,047	5,474	-	-	-	493	5,053	986	737,370
Plant services	-	-	-	-	-	-	-	-	21,476
Student transportation services	-	-	-	-	-	-	-	-	17,758
Central services	-	-	-	-	-	38	-	-	47,298
Community services	-	-	-	-	-	-	-	3,526	3,526
Total expenditures	79,664	5,474	5,691	89,803	-	118,314	95,927	4,512	5,998,127
Excess (deficiency) of revenues over (under) expenditures	-	-	440	-	-	28,473	1,864	3,688	375,211
Other financing sources (uses):									
Transfers in	-	-	-	3,672	-	-	-	-	3,797
Transfers out	-	-	(440)	-	(945)	(21,431)	(27,791)	-	(343,956)
Total other financing sources (uses)	-	-	(440)	3,672	(945)	(21,431)	(27,791)	-	(340,959)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	3,672	(945)	7,042	(25,812)	3,688	(14,846)
Beginning fund balances	-	5,695	-	(3,672)	945	205,825	25,832	500	264,783
Ending fund balances	\$ -	\$ 5,695	\$ -	\$ -	\$ -	\$ 213,867	\$ -	\$ 4,488	\$ 229,937

Schedule of Changes in Assets and Liabilities - Agency Fund
June 30, 2011

	STUDENT ACTIVITY FUND			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets				
Cash and cash equivalents	\$ 746,719	\$ 2,524,893	\$ (2,466,721)	\$ 804,891
Total assets	<u>\$ 746,719</u>	<u>\$ 2,524,893</u>	<u>\$ (2,466,721)</u>	<u>\$ 804,891</u>
Liabilities				
Deposits due others	\$ 746,719	\$ 2,524,893	\$ (2,466,721)	\$ 804,891
Total liabilities	<u>\$ 746,719</u>	<u>\$ 2,524,893</u>	<u>\$ (2,466,721)</u>	<u>\$ 804,891</u>

Schedule of Changes in Deposits Due Others -
School Activity Agency Fund
For the Year Ended June 30, 2011

School	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Beauregard Alternative School	\$ 19,065	\$ 6,980	\$ (3,382)	\$ 22,663
G.W. Carver Elementary School	23,742	62,233	(58,590)	27,385
DeRidder High School	141,596	776,768	(727,499)	190,865
DeRidder Junior High School	10,036	204,461	(195,490)	19,007
East Beauregard Elementary School	35,975	73,150	(63,364)	45,761
East Beauregard High School	133,153	222,626	(248,529)	107,250
K.R. Hanchey Elementary School	22,020	69,216	(63,981)	27,255
Merryville High School	44,859	218,211	(212,386)	50,684
Pinewood Elementary School	93,838	108,830	(110,659)	92,009
Singer High School	64,061	95,306	(108,174)	51,193
South Beauregard Elementary School	13,061	123,869	(120,565)	16,365
South Beauregard High School	145,313	563,243	(554,102)	154,454
	<u>\$ 746,719</u>	<u>\$ 2,524,893</u>	<u>\$ (2,466,721)</u>	<u>\$ 804,891</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Agency Fund

Agency funds account for assets held in a fiduciary capacity by the School Board.

School Activity Funds

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 7

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2011

<u>MEMBERS</u>	<u>AMOUNT</u>
Jimmy Barrett	\$ 9,000
Randy Brown	4,200
Kathy Brunner	4,200
Anthony Carlson	4,200
Jerry Cooley	9,000
Don Gray	8,400
Russell Havens	8,400
Stuart Hayes	4,200
Charles Hudson	4,200
Gene Maddox	4,200
Darrin Manuel	8,400
Marvin Simmons	4,200
Wesley Taylor	4,200
David Vidrine	8,400
	<u>8,400</u>
	<u>\$ 85,200</u>

**REPORTS AND ADDITIONAL
INFORMATION REQUIRED BY
*GOVERNMENT AUDITING
STANDARDS AND
SINGLE AUDIT ACT
AMENDMENTS OF 1996***



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634
(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the State of Louisiana 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

Beauregard Parish School Board
DeRidder, Louisiana

I have audited the financial statements of governmental activities, the major funds, and the aggregate remaining fund information of the Beauregard Parish School Board as of and for the year ended June 30, 2011, which collectively comprise the Board's basic financial statements and have issued my report thereon dated December 30, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

My consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, I identified certain deficiencies in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs, that I consider to be material weaknesses and another deficiency that I consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. I consider the deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as Findings 2011-1(IC) and 2011-2(IC), to be material weaknesses

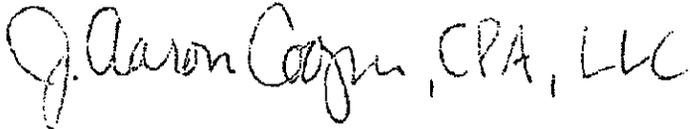
A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider Finding 2011-3(IC) to be a significant deficiency in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

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

This report is intended solely for the information and use of the Beauregard Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, 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.

A handwritten signature in black ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style with a large initial "J".

DeRidder, Louisiana
December 30, 2011



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

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

Beauregard Parish School Board
DeRidder, Louisiana

Compliance

I have audited the compliance of the Beauregard Parish 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 its major federal program for the year ended June 30, 2011. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of the School Board's management. My responsibility is to express an opinion on the School Board's compliance based on my audit.

I conducted my 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 I 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 I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the School Board's compliance with those requirements.

In my opinion the Beauregard Parish School Board complied, in all material respects, with the compliance requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2011. However, the results of my auditing procedures disclosed an instance of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as Item 2011-1(FIC).

Internal Control Over Compliance

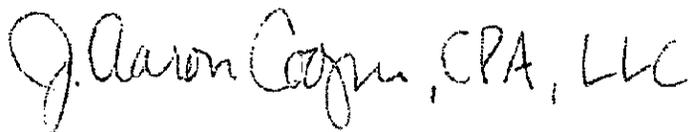
The management of the Beauregard Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the School Board's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

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

This report is intended solely for the information and use of the Beauregard Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, 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.

A handwritten signature in black ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style.

DeRidder, Louisiana
December 30, 2011

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	\$ 1,211,214
School Breakfast Program	10.553	N/A	395,730
Passed through Louisiana Department of Agriculture and Forestry:			
Food Distribution	10.550	N/A	159,404
Total United States Department of Agriculture			<u>1,766,348</u>
United States Department of Education			
Passed through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002	28-10-44-06	34,030
Title I Cluster:*			
Title I Grants to Local Educational Agencies	84.010	10-T1-06	1,503,227
Title I (ARRA)	84.389	N/A	431,469
Special Education Cluster:*			
Individuals with Disabilities Education Act	84.027	10-B1-06	1,275,725
Individuals with Disabilities Education Act (ARRA)	84.391	N/A	561,951
Preschool grants	84.173	10-P1-06	59,129
Preschool grants (ARRA)	84.392	N/A	11,903
Vocational Education - Basic Grants to States	84.048	28-10-02-06	79,664
Education Technology Cluster:			
Enhancing Education Through Technology	84.318	28-10-49-06	6,107
Enhancing Education Through Technology (ARRA)	84.386	28-09-59-06	5,431
Improving Teacher Quality State Grants (Title II)	84.367	10-50-06	406,226
Educational Jobs Fund (ARRA)*	84.394	N/A	1,593,958
Drug Free Schools and Communities - State Grants (Title IV)	84.186	28-10-70-06	336
Education for Homeless Children and Youth (ARRA)	84.387	28-09-H2-06	6,131
Ensuring Literacy for All	84.357	28-09-E0-06	5,474
Total United States Department of Education			<u>5,980,761</u>
United States Department of Defense			
JROTC	12.609	N/A	89,803
Total Expenditures of Federal Awards			<u>\$ 7,836,912</u>

* Denotes major Federal program

The accompanying notes are an integral part of this schedule.

BEAUREGARD PARISH SCHOOL BOARD

DeRidder, Louisiana

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011**

NOTE 1 – GENERAL

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

NOTE 2 – BASIS OF ACCOUNTING

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

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

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

Special Revenue:	
School Food Service	\$ 1,766,348
Non-major funds	<u>6,070,564</u>
Total	<u>\$ 7,836,912</u>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 – MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 – NONCASH PROGRAMS

The commodities received from the food distribution program, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
• Material weaknesses identified?	Yes
• Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over compliance:	
• Material weaknesses identified?	No
• Reportable conditions identified that are not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	No
Identification of major programs:	
• Title I Cluster	
• Special Education Cluster	
• Edujobs	
Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee?	No

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Corrective Action Plan for Current Year Findings
For the Year Ended June 30, 2011

Internal Control:

Finding 2011-1(IC)

Description of Finding. The year-end close process for the accounting records needs to be improved. During the close for this year, there was no systematic approach to making all the year-end adjustments that need to be made for audit purposes. As such, several significant adjustments were missed.

Recommendation. The School Board should develop a formal close process including checklists to ensure that all necessary adjustments are made. Additionally, the School Board should develop appropriate reconciliation/review procedures to ensure the year-end balances are correct.

Management Response. Management concurs with the finding and will implement the recommendation.

Contact Person. Lesia Casanovas, Director of Finance.

Finding 2011-2(IC)

Description of Finding. Bank reconciliations are prepared monthly for all bank accounts. The Jun 30 bank reconciliation for the payroll account properly identified certain items that were dated after year end but were incorrectly recorded in June. Adjustments should have been made to back these transactions out of June and put them in the appropriate month but were not.

Recommendation. The School Board should implement a process whereby the Finance Director reviews and approves the bank reconciliations. The preparer of the bank reconciliations should also receive additional training on how to identify and correct errors.

Management Response. Management concurs with the finding and will implement the recommendation.

Contact Person. Lesia Casanovas, Director of Finance.

Finding 2011-3(IC)

Description of Finding. The process for reconciling reimbursement requests for Federal funds to the accounting records needs to be improved. For several programs, the reimbursement requests exceeded actual expenditures (see Finding (2011-1(FIC)). This is a repeat finding.

Recommendation. The School Board should implement a process whereby the Finance Director reviews and approves the Federal fund reconciliations. The preparer of these reconciliations should also receive additional training on how to identify any differences and correct the reimbursement requests.

Management Response. Management concurs with the finding and will implement the recommendation.

Contact Person. Lesia Casanovas, Director of Finance.

Compliance - N/A

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Corrective Action Plan for Current Year Findings (continued)
For the Year Ended June 30, 2011

Federal Awards – Internal Control over Compliance

Finding 2011-1(FIC)

Description of Finding. Due to the issues described in 2011-3(IC), requests for reimbursement on two of the Federal programs exceeded actual expenditures as follows:

Preschool	\$ 2,567
Enhancing Education Through Technology	859

Additionally, over-requests in the prior year that were not corrected in the current year are as follows:

Rural Education Assistance (REAP)	\$ 945
Enhancing Education Through Technology	284

Compliance Requirement. Allowable costs/cost principles

Corrective Action Taken. The overage in the Preschool Fund has already been corrected. The other corrections should be made in the current year.

Questioned Costs. \$3,426.

Contact Person. Lesia Casanovas, Director of Finance.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Prior Year Findings
For the Year Ended June 30, 2011

Internal Control:

Finding 2010-1(IC)

Description of Finding. Although the School Board reconciled its requests for reimbursements under Federal programs to its accounting records, the reconciliation did not take into account a carryover amount totaling \$21,758 in one of the programs (IDEA) from the prior year. Additionally, the School Board requested reimbursements in excess of actual expenditures on several programs (see 2010-1(FIC) below) that should have been discovered in the reconciliation process.

Corrective Action Taken. Management did not request reimbursement for the IDEA expenditures. The amount was charged to the General Fund. Since excess funds in the IDEA Fund are carried forward to the following year, no Federal funding was lost. However, the reconciliation process failed to identify an instance of reimbursement requests in excess of expenditures. See Finding 2011-3(IC)

Contact Person. Lesia Casanovas, Director of Finance.

Compliance – N/A

Federal Awards – Internal Control over Compliance

Finding 2010-1(FIC)

Description of Finding. Due to the issues described in 2010-1(IC), requests for reimbursement on several of the Federal programs exceeded actual expenditures as follows:

IDEA	\$	3,455
Preschool		3,771
Rural Education Assistance (REAP)		945
Enhancing Education Through Technology		284

Compliance Requirement. Allowable costs/cost principles

Corrective Action Taken. See 2011-1(FIC) above.

Questioned Costs. \$8,455.

Contact Person. Lesia Casanovas, Director of Finance.

BEAUREGARD PARISH SCHOOL BOARD

PERFORMANCE MEASURES SCHEDULES

**For the Year Ended June 30, 2011
With Independent Accountant's Report
on Applying Agreed-Upon Procedures**



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634
(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Beauregard Parish School Board
DeRidder, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the Beauregard Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by Louisiana Revised Statute 24:514. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

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

1. I 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 were noted during the performance of these procedures.

Education Levels of Public School Staff (Schedule 2)

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

No exceptions were noted during the performance of these procedures

3. I 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.

No exceptions were noted during the performance of these procedures.

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

No exceptions were noted during the performance of these procedures.

Number and Type of Public Schools (Schedule 3)

5. I obtained a list of schools by type as reported on the schedule. I 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 were noted during the performance of these procedures.

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

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

No exceptions were noted during the performance of these procedures.

Public Staff Data (Schedule 5)

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

No exceptions were noted during the performance of these procedures.

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

No exceptions were noted during the performance of these procedures.

Class Size Characteristics (Schedule 6)

9. I 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. I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

No exceptions were noted during the performance of these procedures.

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

10. I 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 Beauregard Parish School Board.

No exceptions were noted during the performance of these procedures.

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

11. I 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 Beauregard Parish School Board.

No exceptions were noted during the performance of these procedures.

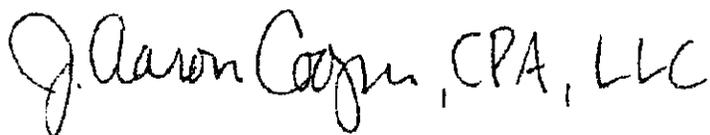
The Iowa and iLEAP Tests (Schedule 9)

12. I 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 Beauregard Parish School Board.

No exceptions were noted during the performance of these procedures.

I was 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, I do not express such an opinion. Had I 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 Beauregard Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



December 30, 2011

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2011

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	13,063,257	
Other Instructional Staff Activities		1,215,680	
Employee Benefits		5,088,209	
Purchased Professional and Technical Services		145,738	
Instructional Materials and Supplies		474,828	
Instructional Equipment		5,427	
Total Teacher and Student Interaction Activities			\$ 19,993,139
Other Instructional Activities		84,351	
Pupil Support Activities		2,071,218	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities			2,155,569
Instructional Staff Services		1,627,908	
Less: Equipment for Instructional Staff Services		-	
			1,627,908

Total General Fund Instructional Expenditures \$ 23,776,616

Total General Fund Equipment Expenditures \$ 5,427

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$	837,696	
Renewable Ad Valorem Taxes		5,555,485	
Debt Service Ad Valorem Taxes		3,313,555	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		115,270	
Sales and Use Taxes		9,663,337	
Total Local Taxation Revenue	\$	19,485,343	

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	-	
Earnings from Other Real Property		-	
Total Local Earnings on Investments in Real Property	\$	-	

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax		60,952	
Revenue Sharing - Other Taxes		255,865	
Revenue Sharing - Excess Portion		-	
Other Revenue in Lieu of Taxes		-	
Total State Revenue in Lieu of Taxes	\$	316,817	

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

BEAUREGARD PARISH SCHOOL BOARD
 De Ridder, Louisiana
 Education Levels of Public School Staff
 As of October 1, 2010

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	0.00%	2	0.00%	0	0.00%	0	0.00%
Bachelor's Degree	318	71.56%	1	100.00%	0	0.00%	0	0.00%
Master's Degree	84	19.50%	0	0.00%	13	45.83%	0	0.00%
Master's Degree + 30	18	6.88%	0	0.00%	5	37.50%	0	0.00%
Specialist in Education	7	1.83%	0	0.00%	2	16.67%	0	0.00%
Ph. D. or Ed. D.	0	0.23%	0	0.00%	0	0.00%	0	0.00%
Total	427	100.00%	3	100.00%	20	100.00%	0	0.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Number and Type of Public Schools
For the Year Ended June 30, 2011

Schedule 3

Type	Number
Elementary	5
Middle/Jr. High	1
Secondary	3
Combination	3
Total	12

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2010

Schedule 4

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	2	1	0	4	7
Principals	0	0	0	0	5	4	4	13
Classroom Teachers	29	38	113	61	57	52	80	430
Total	29	38	113	63	63	56	88	450

BEAUREGARD PARISH SCHOOL BOARD
 DeRidder, Louisiana
 Public School Staff Data
 For the Year Ended June 30, 2011

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 43,158	\$ 43,018
Average Classroom Teacher's Salary Excluding Extra Compensation	\$ 41,781	\$ 41,531
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	420	384

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

BEAUREGARD PARISH SCHOOL BOARD
 DeRidder, Louisiana
 Class Size Characteristics
 As of October 1, 2010

Schedule 6

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	23.29%	401.00	50.11%	474.00	35.35%	111.00	0.00%	-
Elementary Activity Classes	4.41%	76.00	10.89%	103.00	9.24%	29.00	0.00%	-
Middle/Jr. High	7.61%	131.00	6.24%	59.00	8.28%	26.00	0.00%	-
Middle/Jr. High Activity Classes	0.29%	5.00	1.27%	12.00	3.50%	11.00	16.67%	2.00
High	26.89%	463.00	21.78%	206.00	38.54%	121.00	8.33%	1.00
High Activity Classes	8.36%	144.00	2.11%	20.00	1.59%	5.00	66.67%	8.00
Combination	24.74%	426.00	6.87%	65.00	1.91%	6.00	0.00%	-
Combination Activity Classes	3.60%	62.00	0.74%	7.00	1.59%	5.00	8.33%	1.00
Other	0.81%	14.00	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	1,722.00	100.00%	946.00	100.00%	314.00	100.00%	12.00

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

Note 2: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
 De Ridder, Louisiana
 Louisiana Educational Assessment Program (LEAP) for the 21st Century
 For the Years Ended June 30, 2011; 2010; and 2009

Schedule 7

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 4												
Advanced	22	4.2%	30	6.0%	24	5.4%	31	6.0%	27	5.4%	26	5.8%
Mastery	102	19.7%	107	21.3%	130	29.1%	118	22.8%	109	21.7%	94	21.0%
Basic	266	51.4%	241	47.9%	195	43.6%	250	48.4%	246	48.9%	227	50.8%
Approaching Basic	90	17.4%	89	17.7%	57	12.8%	71	13.7%	71	14.1%	65	14.5%
Unsatisfactory	38	7.3%	36	7.2%	41	9.2%	47	9.1%	50	9.9%	35	7.8%
Total	518	100.0%	503	100.0%	447	100.0%	517	100.0%	503	100.0%	447	100.0%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 4												
Advanced	10	1.9%	16	3.2%	45	10.1%	14	2.7%	11	2.2%	11	2.5%
Mastery	94	18.2%	107	21.3%	116	26.0%	69	13.3%	90	17.9%	100	22.4%
Basic	263	50.9%	261	52.0%	194	43.4%	299	57.8%	290	57.8%	222	49.8%
Approaching Basic	121	23.4%	98	19.5%	77	17.2%	83	16.1%	78	15.5%	79	17.7%
Unsatisfactory	29	5.6%	20	4.0%	15	3.4%	52	10.1%	33	6.6%	34	7.6%
Total	517	100.0%	502	100.0%	447	100.0%	517	100.0%	502	100.0%	446	100.0%

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 8												
Advanced	19	4.3%	13	2.6%	4	0.9%	20	4.5%	13	2.6%	18	4.0%
Mastery	102	22.8%	79	15.9%	66	14.8%	22	4.9%	25	5.0%	18	4.0%
Basic	184	41.2%	221	44.5%	216	48.4%	225	50.3%	245	49.3%	239	53.6%
Approaching Basic	118	26.4%	158	31.8%	136	30.5%	119	26.6%	143	28.8%	99	22.2%
Unsatisfactory	24	5.4%	26	5.2%	24	5.4%	61	13.6%	71	14.3%	72	16.1%
Total	447	100.0%	497	100.0%	446	100.0%	447	100.0%	497	100.0%	446	100.0%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 8												
Advanced	14	3.1%	3	0.6%	18	4.0%	7	1.6%	5	1.0%	5	1.1%
Mastery	89	19.9%	71	14.3%	66	14.8%	53	11.9%	64	12.9%	50	11.2%
Basic	189	42.3%	224	45.3%	190	42.6%	218	48.8%	244	49.3%	227	50.9%
Approaching Basic	112	25.1%	142	28.7%	127	28.5%	118	26.4%	101	20.4%	99	22.2%
Unsatisfactory	43	9.6%	55	11.1%	45	10.1%	51	11.4%	81	16.4%	65	14.6%
Total	447	100.0%	495	100.0%	446	100.0%	447	100.0%	495	100.0%	446	100.0%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
 De Ridder, Louisiana
 The Graduate Exit Exam for the 21st Century
 For the Years Ended June 30, 2011; 2010; and 2009

Schedule 8

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	0	0.00%	8	1.94%	7	1.62%	40	10.28%	47	11.35%	40	9.22%
Mastery	47	12.08%	63	15.29%	45	10.42%	78	20.05%	92	22.22%	64	14.75%
Basic	206	52.96%	217	52.67%	225	52.08%	180	46.27%	186	44.93%	207	47.70%
Approaching Basic	87	22.37%	89	21.60%	112	25.93%	54	13.88%	59	14.25%	70	16.13%
Unsatisfactory	49	12.60%	35	8.50%	43	9.95%	37	9.51%	30	7.25%	53	12.21%
Total	389	100.00%	412	100.00%	432	100.00%	389	100.00%	414	100.00%	434	100.00%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	20	5.25%	14	3.78%	14	3.63%	1	0.26%	2	0.54%	2	0.52%
Mastery	86	22.57%	68	18.38%	76	19.69%	26	6.82%	22	5.95%	22	5.70%
Basic	174	45.67%	168	45.41%	178	46.11%	231	60.63%	236	63.78%	215	55.70%
Approaching Basic	62	16.27%	87	23.51%	79	20.47%	72	18.90%	74	20.00%	89	23.06%
Unsatisfactory	39	10.24%	33	8.92%	39	10.10%	51	13.39%	36	9.73%	58	15.03%
Total	381	100.00%	370	100.00%	386	100.00%	381	100.00%	370	100.00%	386	100.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The iLEAP Tests
For the Years Ended June 30, 2011; 2010; and 2009

Schedule 9

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	23	4.8%	54	11.3%	21	4.4%	15	3.1%
Mastery	130	27.2%	124	25.9%	103	21.5%	139	29.1%
Basic	218	45.6%	213	44.6%	220	46.0%	221	46.3%
Approaching Basic	85	17.8%	68	14.2%	118	24.7%	74	15.5%
Unsatisfactory	22	4.6%	19	4.0%	16	3.3%	28	5.9%
Total	478	100.0%	478	100.0%	478	100.0%	477	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	15	3.5%	32	7.5%	21	4.9%	14	3.3%
Mastery	80	18.6%	55	12.8%	84	19.5%	79	18.4%
Basic	226	52.7%	234	54.5%	220	51.3%	238	55.5%
Approaching Basic	80	18.6%	59	13.8%	74	17.2%	72	16.8%
Unsatisfactory	28	6.5%	49	11.4%	30	7.0%	26	6.1%
Total	429	100.0%	429	100.0%	429	100.0%	429	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	9	2.1%	25	5.7%	13	3.0%	38	8.7%
Mastery	71	16.2%	62	14.1%	77	17.5%	63	14.4%
Basic	239	54.4%	215	49.0%	194	44.2%	229	52.2%
Approaching Basic	83	18.9%	79	18.0%	111	25.3%	71	16.2%
Unsatisfactory	37	8.4%	58	13.2%	44	10.0%	38	8.7%
Total	439	100.0%	439	100.0%	439	100.0%	439	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	22	4.6%	21	4.4%	12	2.5%	8	1.7%
Mastery	69	14.6%	53	11.2%	81	17.1%	83	17.5%
Basic	224	47.3%	233	49.2%	220	46.4%	257	54.2%
Approaching Basic	123	25.9%	109	23.0%	114	24.1%	94	19.8%
Unsatisfactory	36	7.6%	58	12.2%	47	9.9%	32	6.8%
Total	474	100.0%	474	100.0%	474	100.0%	474	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
	#	%	#	%
Grade 9				
Advanced	3	0.6%	27	5.8%
Mastery	75	16.2%	70	15.2%
Basic	251	54.3%	234	50.6%
Approaching Basic	108	23.4%	73	15.8%
Unsatisfactory	25	5.4%	58	12.6%
Total	462	100.0%	462	100.0%

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The iLEAP Tests
For the Years Ended June 30, 2011; 2010; and 2009

Schedule 9
(Cont'd)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	29	5.8%	40	8.0%	35	7.0%	11	2.2%
Mastery	122	24.4%	132	26.4%	107	21.4%	109	21.8%
Basic	230	46.0%	209	41.8%	246	49.2%	251	50.2%
Approaching Basic	79	15.8%	81	16.2%	89	17.8%	100	20.0%
Unsatisfactory	40	8.0%	38	7.6%	23	4.6%	29	5.8%
Total	500	100.0%	500	100.0%	500	100.0%	500	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	22	5.4%	42	10.3%	18	4.4%	27	6.6%
Mastery	118	28.9%	83	20.3%	107	26.2%	76	18.6%
Basic	186	45.5%	203	49.6%	191	46.7%	215	52.6%
Approaching Basic	58	14.2%	47	11.5%	71	17.4%	53	13.0%
Unsatisfactory	25	6.1%	34	8.3%	22	5.4%	38	9.3%
Total	409	100.0%	409	100.0%	409	100.0%	409	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	21	4.7%	18	4.1%	10	2.3%	36	8.1%
Mastery	70	15.8%	52	11.7%	83	18.7%	58	13.1%
Basic	222	50.1%	235	53.0%	197	44.5%	205	46.3%
Approaching Basic	92	20.8%	80	18.1%	108	24.4%	96	21.7%
Unsatisfactory	38	8.6%	58	13.1%	45	10.2%	48	10.8%
Total	443	100.0%	443	100.0%	443	100.0%	443	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	31	7.1%	24	5.5%	8	1.8%	8	1.8%
Mastery	68	15.5%	54	12.3%	85	19.4%	59	13.4%
Basic	208	47.4%	210	47.8%	196	44.6%	245	55.8%
Approaching Basic	94	21.4%	94	21.4%	103	23.5%	77	17.5%
Unsatisfactory	38	8.7%	57	13.0%	47	10.7%	50	11.4%
Total	439	100.0%	439	100.0%	439	100.0%	439	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
	#	%	#	%
Grade 9				
Advanced	3	0.7%	20	4.8%
Mastery	60	14.3%	48	11.5%
Basic	229	54.7%	219	52.3%
Approaching Basic	103	24.6%	78	18.6%
Unsatisfactory	24	5.7%	54	12.9%
Total	419	100.0%	419	100.0%

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The ILTAP Tests
For the Years Ended June 30, 2011; 2010; and 2009

Schedule 9
(Cont'd)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	19	4.5%	60	14.4%	34	8.1%	17	4.1%
Mastery	121	28.9%	85	20.3%	83	19.9%	90	21.5%
Basic	179	42.8%	187	44.7%	215	51.4%	198	47.4%
Approaching Basic	66	15.8%	50	12.0%	66	15.8%	76	18.2%
Unsatisfactory	33	7.9%	36	8.6%	20	4.8%	37	8.9%
Total	418	100.0%	418	100.0%	418	100.0%	418	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	18	3.8%	34	7.2%	23	4.9%	28	5.9%
Mastery	97	20.6%	79	16.8%	101	21.4%	85	18.0%
Basic	231	49.0%	229	48.6%	209	44.4%	229	48.6%
Approaching Basic	88	18.7%	71	15.1%	116	24.6%	79	16.8%
Unsatisfactory	37	7.9%	58	12.3%	22	4.7%	50	10.6%
Total	471	100.0%	471	100.0%	471	100.0%	471	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	8	1.9%	30	7.2%	19	4.5%	52	12.4%
Mastery	89	21.2%	59	14.1%	85	20.3%	74	17.7%
Basic	202	48.2%	213	50.8%	194	46.3%	175	41.8%
Approaching Basic	87	20.8%	65	15.5%	95	22.7%	69	16.5%
Unsatisfactory	33	7.9%	52	12.4%	26	6.2%	49	11.7%
Total	419	100.0%	419	100.0%	419	100.0%	419	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	26	5.7%	20	4.4%	8	1.8%	10	2.2%
Mastery	70	15.5%	33	7.3%	67	14.8%	60	13.2%
Basic	212	46.8%	231	51.0%	197	43.5%	207	45.7%
Approaching Basic	105	23.2%	105	23.2%	134	29.6%	100	22.1%
Unsatisfactory	40	8.8%	64	14.1%	47	10.4%	76	16.8%
Total	453	100.0%	453	100.0%	453	100.0%	453	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
	#	%	#	%
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

To the Members of the
Beauregard Parish School Board

I have performed the procedures enumerated below, which were agreed to by the Beauregard Parish School Board, solely to assist the users in evaluating management's assertions about the annual financial report of the Beauregard Parish School Board School Activity Funds for the year ended June 30, 2011. The Beauregard Parish School Board is responsible for the School Activity Funds' accounting records. The agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which engagement has been requested or for any other purpose.

Our procedures and findings are as follows:

1. I tested the accuracy of the cash balances included in the annual financial reports for each school by 1) obtaining the school's bank reconciliation, 2) confirming the balance per bank, and 3) reviewing the subsequent bank statement to determine the validity of reconciling items.

No exceptions were noted.

2. I selected a sample of 25 receipts and 25 disbursements for each school and review supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper accounts/funds in the schools' accounting system.

No significant exceptions noted.

3. I tested to ensure that the proper balances were carried over from the previous year for each school.

No exceptions were noted.

4. I compared the ending balances per the schools' accounting system to the annual financial report.

No exceptions were noted.

I was not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

J. Aaron Cooper, CPA, LLC

DeRidder, Louisiana
December 30, 2011