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**IBERIA PARISH SCHOOL BOARD**

New Iberia, Louisiana

Financial Report

Year Ended June 30, 2005

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 2-1-2006

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# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

WEB SITE:  
WWW.KCSRCPAS.COM

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Al Leger, CPA  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

MEMBER OF:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

Mr. Eugene N. Baudry, Jr., Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish School Board (the School Board), as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2005, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 20, 2005 on our consideration of the School Board's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts grant agreements, and other matters. That report is an integral part of an audit performed in accordance with Government Auditing Standards, and should be evaluated in conjunction with this report in considering the results of our audit.

183 South Beadle  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

The required supplementary information on page 42 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We 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, we did not audit the information and express no opinion on it.

The 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplementary information on pages 44 through 48 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards on pages 54 through 55 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is also not a required part of the basic financial statements of the School Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
October 20, 2005

**BASIC FINANCIAL STATEMENTS**

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Statement of Net Assets  
June 30, 2005

	Governmental Activities
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 17,327,731
Investments	29,541,399
Accrued interest receivable	271,124
Receivables, net	902,374
Due from other governmental agencies	3,470,899
Notes receivable	85,000
Prepaid items	397,934
Inventories	409,537
Deferred bond issuance cost	281,153
Capital assets:	
Land and construction in progress	7,834,597
Capital assets, net	37,628,420
<b>TOTAL ASSETS</b>	<b>98,150,168</b>
<b>LIABILITIES</b>	
Accounts and other payables	2,771,427
Accrued salaries and benefits	11,895,416
Accrued interest payable	587,974
Long-term liabilities	
Due within one year	5,750,000
Due in more than one year	40,649,299
<b>TOTAL LIABILITIES</b>	<b>61,654,116</b>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	4,470,294
Restricted for:	
Capital projects	13,508,284
Debt service	1,376,412
Salaries and benefits	3,201,295
Education excellence program	1,815,686
Unrestricted	12,124,081
<b>TOTAL NET ASSETS</b>	<b>\$ 36,496,052</b>

The accompanying notes are an integral part of the basic financial statements.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Statement of Activities  
For the Year Ended June 30, 2005

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>				
Instruction:				
Regular programs	\$ 39,901,119	\$ 290,895	\$ 2,690,834	\$ (36,919,390)
Special education programs	16,613,752	81,830	2,893,455	(13,638,467)
Vocational education programs	2,792,997	-	205,696	(2,587,301)
Other instructional programs	1,417,281	44,111	35,334	(1,337,836)
Special programs	8,449,327	154,238	8,389,448	94,359
Adult and continuing education programs	126,323	3,611	118,071	(4,641)
Support services:				
Pupil support services	3,390,625	-	458,439	(2,932,186)
Instructional staff support services	3,130,577	-	272,125	(2,858,452)
General administration	1,615,035	-	-	(1,615,035)
School administration	4,453,581	-	-	(4,453,581)
Business services	1,234,967	-	-	(1,234,967)
Plant services	9,842,136	-	-	(9,842,136)
Student transportation services	6,132,803	-	302,682	(5,830,121)
Central services	496,275	-	-	(496,275)
Non-instructional services:				
Food services	7,004,999	757,295	4,701,807	(1,545,897)
Community service programs	393,694	426,486	-	32,792
Facilities acquisition and construction	100,639	-	-	(100,639)
Interest on long-term debt	1,846,331	-	-	(1,846,331)
Total governmental activities	<u>\$ 108,942,461</u>	<u>\$ 1,758,466</u>	<u>\$ 20,067,891</u>	<u>\$ (87,116,104)</u>
General revenues:				
Taxes:				
				10,253,241
				19,876,798
				530,143
Grants and contributions not restricted to specific programs:				
				57,828,721
				332,853
				1,830,709
				316,786
Total general revenues				<u>90,969,251</u>
Change in net assets				3,853,147
Net assets - July 1, 2004, as restated				<u>32,642,905</u>
Net assets - June 30, 2005				<u>\$ 36,496,052</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Balance Sheet - Governmental Funds  
June 30, 2005

	General	Parishwide Construction	Other Governmental	Totals
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 9,764,515	\$ 10,144	\$ 7,453,072	\$17,227,731
Investments	17,585,288	9,372,705	2,583,406	29,541,399
Receivables -				
Accounts	750,212	-	152,162	902,374
Notes receivable	85,000	-	-	85,000
Accrued interest	155,517	89,986	25,621	271,124
Due from other funds	3,362,062	-	9,724	3,371,786
Due from other governmental agencies	645,330	-	2,825,569	3,470,899
Prepaid items	394,624	-	3,310	397,934
Inventories, at cost	-	-	409,537	409,537
<b>Total assets</b>	<b>\$32,742,548</b>	<b>\$9,472,835</b>	<b>\$ 13,462,401</b>	<b>\$55,677,784</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 1,551,071	\$ 711,653	\$ 14,271	\$ 2,276,995
Retainage payable	-	253,218	-	253,218
Accrued salaries payable	11,895,416	-	-	11,895,416
Due to other funds	8,840	-	3,262,946	3,271,786
<b>Total liabilities</b>	<b>13,455,327</b>	<b>964,871</b>	<b>3,277,217</b>	<b>17,697,415</b>
Fund balances-				
Reserved for -				
Education excellence program	1,815,686	-	-	1,815,686
Debt retirement	-	-	1,376,412	1,376,412
Inventory	-	-	409,537	409,537
Prepaid items	394,624	-	3,310	397,934
Noncurrent receivable	85,000	-	-	85,000
Sales taxes	4,573,279	-	-	4,573,279
<b>Total fund balances reserved</b>	<b>6,868,589</b>	<b>-</b>	<b>1,789,259</b>	<b>8,657,848</b>
Unreserved -				
Designated:				
General	1,601,648	-	-	1,601,648
Undesignated, reported in major funds	10,816,984	8,507,964	-	19,324,948
Undesignated, reported in nonmajor funds:				
Special Revenue	-	-	3,395,605	3,395,605
Capital Projects	-	-	5,000,320	5,000,320
<b>Total fund balances unreserved</b>	<b>12,418,632</b>	<b>8,507,964</b>	<b>8,395,925</b>	<b>29,322,521</b>
<b>Total fund balances</b>	<b>19,287,221</b>	<b>8,507,964</b>	<b>10,185,184</b>	<b>37,980,369</b>
<b>Total liabilities and fund balances</b>	<b>\$32,742,548</b>	<b>\$9,472,835</b>	<b>\$ 13,462,401</b>	<b>\$55,677,784</b>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2005

Total fund balances for governmental funds at June 30, 2005		\$ 37,980,369
Cost of capital assets at June 30, 2005:	\$ 112,848,401	
Less: Accumulated depreciation as of June 30, 2005:		
Buildings	(58,902,684)	
Movable property	<u>(8,482,700)</u>	45,463,017
Elimination of interfund assets and liabilities		
Due from other funds	\$ 3,371,786	
Due to other funds	<u>(3,371,786)</u>	-
Long-term liabilities at June 30, 2005:		
Bonds and certificates of indebtedness payable	\$ (43,710,000)	
Deferred bond issuance cost	281,153	
Compensated absences payable	(2,689,299)	
Accrued interest payable	<u>(587,974)</u>	(46,706,120)
Net assets of Workers' Compensation Insurance Internal Service Fund		<u>(241,214)</u>
Net assets at June 30, 2005		<u>\$ 36,496,052</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2005

	General	Parishwide Construction	Other Governmental	Total
<b>REVENUES</b>				
Parish sources:				
Ad valorem taxes	\$ 3,688,815	\$ -	\$ 6,564,426	\$ 10,253,241
Sales taxes	<u>16,175,551</u>	<u>-</u>	<u>3,701,247</u>	<u>19,876,798</u>
Total parish sources	19,864,366	-	10,265,673	30,130,039
Investment income	823,622	530,163	476,924	1,830,709
Other	1,709,283	103,193	769,075	2,581,551
State sources	60,229,139	-	669,074	60,898,213
Federal sources	<u>35,334</u>	<u>-</u>	<u>17,357,246</u>	<u>17,392,580</u>
Total revenues	<u>82,661,744</u>	<u>633,356</u>	<u>29,537,992</u>	<u>112,833,092</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	35,423,597	-	1,353,878	36,777,475
Special education programs	13,765,628	-	2,819,675	16,585,303
Vocational education programs	2,508,195	-	205,696	2,713,891
Other instructional programs	1,408,449	-	-	1,408,449
Special programs	923,245	-	7,526,082	8,449,327
Adult and continuing education programs	39,852	-	81,776	121,628
Support services -				
Pupil support services	2,949,323	-	440,939	3,390,262
Instructional staff support services	2,820,856	-	272,125	3,092,981
General administration	1,328,048	287	236,929	1,565,264
School administration	4,349,317	-	76,046	4,425,363
Business services	1,226,121	-	-	1,226,121
Operation and maintenance of plant services	6,253,729	-	3,573,755	9,827,484
Student transportation services	6,132,803	-	-	6,132,803
Central services	492,375	-	-	492,375
Non-instructional services -				
Food services	749,931	-	6,229,642	6,979,573
Community service programs	393,694	-	-	393,694
Facilities acquisition and construction	453,449	5,843,235	55,854	6,352,538
Debt service:				
Principal retirement	495,000	-	4,805,000	5,300,000
Interest and fiscal charges	<u>89,711</u>	<u>-</u>	<u>1,703,410</u>	<u>1,793,121</u>
Total expenditures	<u>81,803,323</u>	<u>5,843,522</u>	<u>29,380,807</u>	<u>117,027,652</u>
Excess (deficiency) of revenues over expenditures	<u>858,421</u>	<u>(5,210,166)</u>	<u>157,185</u>	<u>(4,194,560)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the issuance of debt	<u>-</u>	<u>-</u>	<u>5,000,000</u>	<u>5,000,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,000,000</u>	<u>5,000,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	858,421	(5,210,166)	5,157,185	805,440
FUND BALANCES, BEGINNING, as restated	<u>18,428,800</u>	<u>13,718,130</u>	<u>5,027,999</u>	<u>37,174,929</u>
FUND BALANCES, ENDING	<u>\$ 19,287,221</u>	<u>\$ 8,507,964</u>	<u>\$ 10,185,184</u>	<u>\$ 37,980,369</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2005

Total net change in fund balances for the year ended June 30, 2005 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 805,440
Add: Facilities acquisition, construction costs and equipment which are considered as expenditures on Statement	6,160,061
Less: Depreciation expense for year ended June 30, 2005	(3,506,155)
Add: Bond principal retirement considered as an expenditure on Statement	5,300,000
Add: Excess of compensated absences used over compensated absences earned	92,295
Less: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	(13,769)
Add: Net income of the Workers' Compensation Insurance Internal Service Fund	362
Less: Proceeds from issuance of certificates of indebtedness	(5,000,000)
Add: Bond issue costs incurred in the current year	54,354
Less: Bond issue costs amortized	<u>(39,441)</u>
Total change in net assets for the year ended June 30, 2005 per Statement of Activities	<u>\$ 3,853,147</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Comp Insurance Internal Service Fund  
Statement of Net Assets  
June 30, 2005

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$ <u>100,000</u>
Total current assets	\$ <u>100,000</u>
<b>LIABILITIES</b>	
Current liabilities:	
Claims payable	\$ 241,214
Due to other funds	<u>100,000</u>
Total current liabilities	341,214
<b>NET ASSETS</b>	
Net assets:	
Unrestricted	<u>(241,214)</u>
Total liabilities and net assets	\$ <u>100,000</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Comp Insurance Internal Service Fund  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
For the Year Ended June 30, 2005

	<u>Governmental Activities</u>
OPERATING REVENUE	
Charges for services	<u>\$ 703,589</u>
OPERATING EXPENSES	
Claim payments	<u>703,227</u>
Total operating expenses	<u>703,227</u>
OPERATING INCOME	362
NET ASSETS, BEGINNING	<u>(241,576)</u>
NET ASSETS, ENDING	<u>\$ (241,214)</u>

The accompanying notes are an integral part of the basic financial statements.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Comp Insurance Internal Service Fund  
Statement of Cash Flows  
For the Year Ended June 30, 2005

	<u>Governmental Activities</u>
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 703,589
Claim payments	<u>(703,589)</u>
Net cash provided by operating activities	<u>-</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	<u>50,000</u>
Net cash provided by noncapital financing activities	<u>50,000</u>
Net increase in cash and cash equivalents	50,000
Cash and cash equivalents, beginning of period	<u>50,000</u>
Cash and cash equivalents, end of period	<u>\$ 100,000</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 362
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in current assets and liabilities:	
Decrease in claims payable	<u>(362)</u>
Net cash provided by operating activities	<u>\$ -</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Comp Insurance Internal Service Fund  
Statement of Cash Flows (Continued)  
For the Year Ended June 30, 2005

	<u>Governmental Activities</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits	\$ 50,000
Total cash and cash equivalents	<u>50,000</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits	<u>100,000</u>
Total cash and cash equivalents	<u>100,000</u>
Net increase	<u>\$ 50,000</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Statement of Fiduciary Net Assets  
June 30, 2005

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	<u>\$1,514,264</u>
Total assets	<u>\$1,514,264</u>
<b>LIABILITIES</b>	
Due to other governmental units	\$ 9,704
School activity funds payable	<u>1,504,560</u>
Total liabilities	<u>\$1,514,264</u>

The accompanying notes are an integral part of the basic financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The financial statements of the Iberia Parish School Board (the "School Board") are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for State and local governments through its pronouncements (Statements and Interpretations). The more significant of the School Board's accounting policies are described below.

A. Financial Reporting Entity

The financial reporting entity consists of (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government

The School Board was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within Iberia Parish. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government that are 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 members who are elected from 14 districts for a term of four years.

The School Board is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in Iberia Parish. The School Board receives funding from local, State and Federal government sources and must comply with the concomitant requirements of these funding source entities. However, the School Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since School Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, no entities meet the above criteria for inclusion as a component unit of Iberia Parish School Board.

The School Board operates 33 schools within the parish with a total enrollment of approximately 13,994 pupils for the 2003-2004 year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Basis of Presentation

The School Board's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the government and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities of the government. As a general rule, the effect of interfund activity has been removed from these statements.

In the government-wide statement of net assets, the amounts are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School Board's net assets are reported in three parts (1) invested in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. The School Board first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net cost of each of the School Board's functions. The functions are also supported by general government revenues (property, sales and use taxes, intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues and operating grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating specific and discretionary (either operating or capital) grants.

The net cost (by function) is normally covered by general revenue (property, sales and use taxes, intergovernmental revenues, investment earnings, etc.).

The School Board does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided. This fee is eliminated by reducing the revenue in the General Fund and the expense in the paying fund because the expense is not a direct expense of the program to which it was charged.

The government-wide focus is more on the sustainability of the School Board as an entity and the change in the School Board's net assets resulting from the current year's activities.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Fund financial statements

The fund financial statements provide information about the School Board's funds, including its fiduciary funds. Separate statements for each fund category governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions or ancillary activities.

The School Board reports the following major governmental funds:

General Fund - This is the School Board's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

Parishwide Construction Fund - This fund accounts for costs associated with various capital improvements financed through voter approved bond issues.

In addition, the School Board reports the following:

Internal Service Fund - This fund accounts for the self-insured portion of workers' compensation coverages provided to the various programs /departments on a cost reimbursement basis.

Agency Funds - These funds account for assets held by the School Board on behalf of the individual schools and organizations within the schools and other funds within the School Board and other governmental entities within Iberia Parish with regard to the collection and distribution of sales and use taxes.

The emphasis in fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of the governmental combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The School Board's internal service funds are presented in the proprietary funds financial statements. Because all of the School Board activities are governmental, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

The School Board's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the School Board, these funds are not incorporated into the government-wide statements.

C. Measurement Focus/Basis of Accounting

Government-wide, proprietary, and fiduciary fund financial statements

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the School Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, 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 be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Purchases of various operating supplies are regarded as expenditures at the time purchased.

D. Budgets and Budgetary Accounting

The School Board follows the procedures detailed below in adopting its budget.

1. The Superintendent submits to the School Board a proposed budget in the form required.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to the Basic Financial Statements (Continued)**

2. A public hearing is conducted to obtain taxpayer comments and notice thereof is published in the official journal at least 10 days prior to such hearing. The notification includes the time and place of the public hearing in addition to a general summary of the proposed budget.
3. All revisions to the budget must be approved by the Board.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Superintendent or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable.
5. Those budgets, which the Board adopts, are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented as supplementary information reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

**Cash and cash equivalents**

Cash includes amounts in interest-bearing demand deposits and on hand. For purposes of statements of cash flows, highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

**Investments**

State statutes authorize the School Board to invest in United States bonds, treasury notes or certificates, and time deposits of State banks organized under Louisiana law and national banks having principal offices in Louisiana. Local governments in Louisiana are also authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool and with the Louisiana State Treasury.

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External investment Pools, investments meeting the criteria specified in the Statement are stated at fair value. Investments that do not meet the requirements are stated at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP) and the Louisiana State Treasury.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Interfund receivables and payables

Short-term cash borrowings between funds is considered temporary in nature. These amounts are reported as "due to/from other funds."

Inventories

Inventories of the School Lunch Fund consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture. The commodities are recorded as revenues when received; however, all inventories are recorded as expenses when consumed. All inventory items purchased 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.

Prepaid items

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

Receivables

All receivables are shown net of an allowance account, as applicable.

Bond issuance costs

In governmental funds, bond issuance costs are recognized in the current period. For governmental funds, in the government-wide statements, bond issuance costs are deferred and amortized over the terms of the bonds to which such costs apply.

Capital assets and depreciation

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are reported in the government wide or fund financial statements.

Government-wide financial statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Building and improvements	15-30
Equipment	5

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**Fund financial statements**

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**Compensated absences**

All twelve-month employees earn from 12 to 21 days of noncumulative vacation leave each year, depending on length of service with the School Board. Upon resignation or retirement, all unused vacation leave is forfeited.

All twelve-month employees earn from 12 to 18 days of sick leave each year, depending on length of service with the School Board. Teachers and other nine-month employees earn its days of sick leave each year. Sick leave may be accumulated. No sick leave is paid upon resignation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or the employee's estate at the employee's current rate of pay.

Upon retirement, accumulated sick leave may be used in the retirement benefit computation as earned service.

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. Sabbatical leave benefits are recorded as an expenditure of the period paid.

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. In accordance with GASB Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements, no compensated absences liability is recorded in the governmental fund financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Long-term liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consists primarily of bonds payable, certificates of indebtedness, accrued compensated absences, and claims payable.

Long-term liabilities for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term liabilities is the same in the fund statements as it is in the government-wide statements.

Equity classifications

Government-wide financial statements

Equity is classified as net assets and displayed in three components

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

Fund financial statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Interfund transfers

Permanent reallocation of resources between funds are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual funds have been eliminated.

Use of estimates

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

Restatement of prior year fund balances

Beginning fund balances of the individual funds as presented in the fund financial statements were restated in order to correct investment percentage allocations as follows:

	<u>General Fund</u>
Beginning fund balances, as previously reported	\$ 19,189,905
Inproper accrual of salaries, benefits, taxes and related expenses	<u>(761,105)</u>
Beginning fund balaces, as restated	<u>\$ 18,428,800</u>

Restatement of prior year net assets

Beginning net assets, previously reported as \$35,285,920, have been decreased to reflect the improper application and or accrual of the following:

GASB 33 revenue recognition criteria	\$ 1,708,917
Salaries, benefits, taxes, and related expenses	<u>934,098</u>
	<u>\$ 2,643,015</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Impairments

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undiscounted net cash flows to measure whether the assets are recoverable and measured for impairment by reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

(2) Stewardship, Compliance, and Accountability

The Workers' Compensation Fund (an internal service fund) has a deficit amount of unrestricted net assets at June 30, 2005, of \$241,214.

Excess of expenditures over appropriations in individual funds

The School Board has no excess of expenditures over appropriations for the major funds as presented in the budgetary comparison schedule.

Compliance with finance related legal and contractual provisions

The School Board has no material violations of finance related legal and contractual provisions.

(3) Deposits and Investments

Deposits

At year-end, the carrying amount of the School Board's deposits, including demand deposit accounts, was \$18,841,995, and the bank balance was \$22,204,031. Of the bank balance, \$865,234, was covered by Federal depository insurance and \$21,338,797, was covered by collateral held by the School Board's fiscal agent in the School Board's name. In addition, the School Board had \$200 of cash on hand at year-end.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Investments

In accordance with GASB Codification Section I50.128, the investment in LAMP is not exposed to custodial credit risk because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair market value of investments is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Detail of the School Board's investments at June 30, 2004, is as follows:

U. S. Government Securities	\$ 27,337,634
Louisiana Asset Management Pool	312,782
Louisiana State Treasury	<u>1,890,983</u>
	<u>\$ 29,541,399</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

In accordance with GASB Statement No. 31, the School Board recognized the net increase (decrease) in the fair value of investments for the year ended June 30, 2005, detailed below. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year.

June 30, 2005 \$ 473,266

(4) Interfund Balances

Interfund balances at June 30, 2005, consist of the following:

	Due From		
	General Fund	Other Governmental Funds	Total
Due to:			
General fund	\$ -	\$ 8,840	\$ 8,840
Parishwide			
Construction fund	-	-	-
Other governmental funds	3,262,062	884	3,262,946
Internal service funds	100,000	-	100,000
	<u>\$ 3,362,062</u>	<u>\$ 9,724</u>	<u>\$ 3,371,786</u>

These balances resulted from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur; (b) transactions are recorded in the accounting system; and (c) payments between funds are made.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(5) Due From Other Governmental Agencies

Amounts due from other governmental agencies consist of the following at June 30, 2005:

Government-wide and fund financial statements:

Iberia Parish Sheriff's Department:

Ad valorem taxes	\$ 24,241
Federal grant funds	53,767
State of Louisiana:	
Federal pass-through grant funds	2,801,328
State grant funds	576,985
Local sources	<u>14,578</u>
	<u>\$ 3,470,899</u>

(6) Note Receivable

On December 23, 1993, School Board sold a portion of the land and buildings of the old middle school to a limited partnership for \$100,000. The limited partnership applied for permanent financing from the Louisiana Housing Finance Agency (LHFA) in the amount of \$1,780,000, which was used to rehabilitate a part of the property into residential housing for senior citizens who are living on low, fixed incomes (the Project).

The sales price was represented by two promissory notes, one for \$15,000, and one for \$85,000. The \$15,000, note has been paid. The \$85,000 note bears interest at a rate of 6.10% per annum and is to be payable out of the surplus cash flow of the Project.

The School Board has an option to purchase the Project at a purchase price equal to the outstanding amount of mortgage indebtedness of the Project to LHFA. The option is exercisable on and after a date, which is fifteen years and ninety days after the date on which the Project is placed in service and must be exercised within six months of such date. If the option is exercised, all outstanding indebtedness under the note shall be canceled. If the option is not exercised, all outstanding indebtedness under the note shall be due and payable on the expiration of the option.

The outstanding promissory note is subordinate to any other lien of any mortgages granted to the limited partnership so long as the principal amount of the indebtedness secured by such mortgage(s) does not exceed \$1,780,000.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(7) Capital Assets and Depreciation

Capital asset activity for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,374,537	\$ -	\$ -	\$ 2,374,537
Construction in process	<u>1,080,800</u>	<u>5,844,735</u>	<u>(1,465,475)</u>	<u>5,460,060</u>
Total capital assets not being depreciated	<u>3,455,337</u>	<u>5,844,735</u>	<u>(1,465,475)</u>	<u>7,834,597</u>
Capital assets being depreciated:				
Buildings and improvements	93,199,966	1,550,615	-	94,750,581
Equipment	<u>10,741,542</u>	<u>230,186</u>	<u>(708,505)</u>	<u>10,263,223</u>
Total capital assets being depreciated	<u>103,941,508</u>	<u>8,409,554</u>	<u>(708,505)</u>	<u>105,013,804</u>
Less accumulated depreciation for:				
Buildings and improvements	(56,228,269)	(2,674,415)	-	(58,902,684)
Equipment	<u>(8,186,472)</u>	<u>(831,740)</u>	<u>535,512</u>	<u>(8,482,700)</u>
Total accumulated depreciation	<u>(64,414,741)</u>	<u>(3,506,155)</u>	<u>535,512</u>	<u>(67,385,384)</u>
Total capital assets being depreciated, net	<u>39,526,767</u>	<u>4,903,399</u>	<u>(172,993)</u>	<u>37,628,420</u>
Governmental activities capital assets, net	<u>\$ 42,982,104</u>	<u>\$ 10,748,134</u>	<u>\$ (1,638,468)</u>	<u>\$ 45,463,017</u>

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Depreciation expense for the year ended June 30, 2005, was charged to governmental activities as follows:

Instruction	
Regular programs	\$3,215,939
Special education	28,449
Vocational education	79,106
Other instructional programs	8,832
Adult and continuing education programs	4,695
Support services	
Pupil support	363
Instructional staff	37,596
General administration	50,133
School administration	28,218
Business services	8,846
Plant services	14,652
Central services	3,900
Food	25,426
	<u>\$3,506,155</u>

(8) Long-Term Liabilities

General Obligation Bonds/Sales Tax Bonds/Certificates of Indebtedness

The School Board issues general obligation bonds, sales tax bonds and certificates of indebtedness to provide funds for the acquisition, construction or improvement of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the School Board.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to the Basic Financial Statements (Continued)**

Long-term liabilities outstanding at June 30, 2005, is as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
Governmental activities:				
General obligation bonds	05/01/98	03/01/18	4.65-5.50	\$ 7,660,000
	03/01/02	03/01/22	4.30-5.30	9,800,000
	03/01/03	03/01/23	3.80-4.80	2,900,000
	03/01/04	03/01/24	4.10-4.40	7,000,000
	03/01/05	03/01/25	3.75-4.75	5,000,000
Refunding bonds	11/01/93	04/01/06	2.70-4.90	1,525,000
	05/01/02	04/01/07	2.20-3.75	2,880,000
	01/01/03	02/01/09	1.75-3.50	<u>3,665,000</u>
Total general obligation bonds				<u>40,430,000</u>
Sales tax school refunding bonds	05/01/02	04/01/07	2.50-4.10	<u>500,000</u>
Refunding certificates of indebtedness	11/01/02	10/01/09	2.95	<u>2,780,000</u>
Other liabilities -				
Compensated absences				2,689,299
Claims payable				<u>241,214</u>
Total other liabilities				<u>2,930,513</u>
Total governmental activities long-term liabilities				<u>\$ 46,640,513</u>

The annual debt service requirements to maturity of all bonds and certificates outstanding at June 30, 2004, follows:

	<u>General Obligation Bonds</u>			<u>Sales Tax School Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 4,775,000	\$ 1,706,321	\$ 6,481,321	\$ 465,000	\$ 18,873	\$ 483,873
2007	3,880,000	1,515,989	5,395,989	35,000	1,435	36,435
2008	2,595,000	1,362,699	3,957,699	-	-	-
2009	1,735,000	1,252,666	2,987,666	-	-	-
2010	1,565,000	1,176,704	2,741,704	-	-	-
2011-2015	9,240,000	4,775,348	14,015,348	-	-	-
2016-2020	10,270,000	2,639,390	12,909,390	-	-	-
2021-2025	6,370,000	648,254	7,018,254	-	-	-
	<u>\$40,430,000</u>	<u>\$15,077,371</u>	<u>\$55,507,371</u>	<u>\$ 500,000</u>	<u>\$ 20,308</u>	<u>\$ 520,308</u>

IBERIA PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

	Certificates of Indebtedness			Total		
	Principal	Interest	Total	Principal	Interest	Total
2006	\$ 510,000	\$ 74,488	\$ 584,488	\$ 5,750,000	\$ 1,799,682	\$ 7,549,682
2007	535,000	59,074	594,074	4,450,000	1,576,498	6,026,498
2008	555,000	42,996	597,996	3,150,000	1,405,695	4,555,695
2009	580,000	26,255	606,255	2,315,000	1,278,921	3,593,921
2010	600,000	8,850	608,850	2,165,000	1,185,554	3,350,554
2011-2015	-	-	-	9,240,000	4,775,348	14,015,348
2016-2020	-	-	-	10,270,000	2,639,390	12,909,390
2021-2025	-	-	-	6,370,000	648,254	7,018,254
	<u>\$2,780,000</u>	<u>\$ 211,663</u>	<u>\$2,991,663</u>	<u>\$43,710,000</u>	<u>\$15,309,342</u>	<u>\$59,019,342</u>

The following is a summary of changes in long-term liabilities for the year ended June 30, 2005:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
General obligation bonds	\$ 39,785,000	\$ 5,000,000	\$ 4,355,000	\$40,430,000
Sales tax bonds	950,000	-	450,000	500,000
Certificated of indebtedness	3,275,000	-	495,000	2,780,000
Compensated absences	2,781,594	-	92,295	2,689,299
Claims payable	241,576	703,589	703,951	241,214
	<u>\$ 47,033,170</u>	<u>\$ 5,703,589</u>	<u>\$ 6,096,246</u>	<u>\$46,640,513</u>

Compensated absences typically have been liquidated by the general fund and a few other governmental funds. Claims liabilities typically have been liquidated by the internal service funds.

All principal and interest requirements on the parishwide general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. The outstanding sales tax refunding bonds are financed by a portion of the special three-fourths of one percent sales and use tax levied by the School Board. At June 30, 2005, the School Board has accumulated \$1,376,412, in debt service funds for future debt requirements.

The sales tax bonds are outstanding under a debt agreement that requires the School Board to establish a bond sinking fund. The School Board is required to deposit monthly amounts equal to one-sixth of the interest due on the next interest payment date and one-twelfth of the principal due on the next principal payment date into the sinking fund. Required transfers were made and required balances were on deposit at June 30, 2005.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(9) Risk Management

The School Board is self-insured for unemployment compensation and workers compensation benefits.

Unemployment Compensation Insurance

The School Board has established an Unemployment Compensation Self Insurance Program for the purpose of providing coverage under the Louisiana Unemployment Compensation Law. The School Board has a contract with Unemployment Compensation Control Systems, Inc. for plan administration and claims processing.

The School Board accounts for and reports these activities in the General Fund within the constraints of the modified accrual basis of accounting.

Claims expenditures/expenses 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. Claims paid are recorded as expenditures /expenses against the General Fund insurance appropriation. Claims paid for unemployment compensation amounted to \$56,016, for the fiscal year. Long-term obligations that are not expected to be liquidated with expendable available financial resources are-not reported in the fund financial statements. Such amounts, if any, are reported in the government-wide statements in accordance with the accrual basis of accounting. However, according to the claims administrator, it is unlikely that claims will be paid on cases that are over a year old. Therefore, the estimated liability, based on available information at June 30, 2005, of \$58,733, is included in the accompanying fund financial statements and government-wide financial statements.

Workers Compensation Insurance

The School Board has established a Workers' Compensation Self Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The School Board has a contract with The Huval Companies for plan administration services. Claims processing is handled by Cost Management Services, Inc. Under the program, the School Board has obtained reinsurance coverage for excess workers' compensation and employer's liability. The retention for the policy for fiscal year ended June 30, 2005, is \$200,000, per occurrence.

An internal service fund is used to account for the activities related to workers' compensation insurance.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

At June 30, 2005, the amount of the workers' compensation benefits liability was \$241,214. This liability is the School Board's best estimate based on available information. Changes in the unpaid claims liability during the year ended June 30, 2005 is as follows:

Unpaid claims, beginning	\$ 241,576
Current year claims and changes in estimates	703,589
Claims paid	<u>(703,951)</u>
Unpaid claims, ending	<u>\$ 241,214</u>

(10) Designations of Fund Balance

Individual designations of the fund balances at June 30, 2005, in the fund financial statements are as follows:

	General Fund
Designated for:	
Building insurance	\$ 250,000
Unemployment compensation	98,336
Workers compenstation	233,808
Employee hospitalization insurance	566,743
BPMS litigation settlement	<u>452,761</u>
Total	<u>\$ 1,601,648</u>

(11) Property Taxes

Government-wide financial statements

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

Fund financial statements

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by the School Board in August and were billed to the taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent an January 1 of the following year. Taxes are budgeted and the revenue recognized in the year billed.

The taxes are based on assessed values determined by the Tax Assessor of Iberia Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

For the year ended June 30, 2005, taxes were levied on property with assessed valuations totaling \$278,444,489, and were dedicated as follows:

Constitutional	5.28 mills
Operations and maintenance	7.36 mills
Debt service	<u>23.84 mills</u>
Total tax mills	<u>36.48 mills</u>

Total taxes levied were \$10,157,655.

(12) Sales and Use Taxes

The School Board is authorized and has levied the following sales and use taxes:

Voter Approval	Rate	Dedication
May 2, 1967	0.75%	After paying collection and administration costs, the tax is to be used to pay salaries of teachers and other costs to operate the school system.
May 19, 1979	0.50%	Ninety percent of the tax is dedicated to increasing the parish supplement to the State minimum salary schedule. The remaining ten percent is dedicated, on a prorata basis of student population, for materials and equipment.
November 16, 1985	0.75%	Fifty percent of the tax is dedicated to increasing salaries and benefits of school teachers and other employees of the school system (as detailed in the resolution of the School Board "1985 Sales Tax Salary Supplement Plan") and is reported within the General Fund. The remaining fifty percent is dedicated to pay the principal and interest on Sales Tax Bonds which were issued to air condition existing schools and for the utility cost and other related expenses to maintain the air conditioned facilities.

In October 1992, the School Board entered into an intergovernmental agreement with the municipalities within Iberia Parish for the collection of sales taxes. The School Board collects the sales taxes for the cities of New Iberia and Jeanerette, the Town of Delcambre, the Village of Loreauville, and the Iberia Parish Government. The sales tax collection expenditures are allocated to the municipalities based on the sales tax collections. The collection and distribution of the sales taxes is accounted for in the Sales Tax Agency Funds.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(13) Employee 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:

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 supplemental information. That report may be obtained by writing to 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 8.00% and 9.50% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.10% of annual covered payroll for the Regular Plan and Plan A. 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 deducting 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, 2005, 2004, and 2003, were \$8,266,883, \$7,302,377, and \$6,983,435, respectively, which equal the required contributions for each year.

Louisiana School Employees' Retirement System (LSE)

Plan description

The LSE plan 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 by State statute. The LSE issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

Funding policy

Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 8.50% of annual covered payroll. Member contributions and employer contributions for the LSE are established by State law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSE is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSE for the years ending June 30, 2005, 2004, and 2003, were \$671,337, \$397,158, and \$-0-, respectively, which equal the required contributions for each year.

(14) Post Employment Benefits

School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially, all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee, the State Employees' Group Benefits Program (the State), and the School Board. The School Board's portion of these benefits for the year ended June 30, 2005, was approximately \$1,821,469, and the average number of participants receiving benefits was 665.

(15) Litigation and Claims

At June 30, 2005, the School Board is involved in several lawsuits. In the opinion of legal counsel (district attorney) for the School Board, most lawsuits filed against School Board fall within the coverage of the insurance policies carried by the School Board and are within the policy limits. The ultimate outcome of these lawsuits cannot be determined. However, no provisions for any liability that may result has been made in the financial statements since the School Board would be in a position to take advantage of the statutory cap for damages against a political subdivision.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(16) Sales Tax Reserves - General Fund

The following is a summary of the transactions of the sales tax reserves of the General Fund for the year ended June 30, 2005:

	.50%		.75%	
	90%	10%	50%	Total
Reserve balance, beginning	\$ 2,067,027	\$ 715,900	\$ 1,492,011	\$ 4,274,938
Additions:				
Sales tax collections and investment earnings	4,694,507	534,246	333,407	5,562,160
Reductions:				
Salaries and retirement systems	<u>(4,392,820)</u>	<u>(495,408)</u>	<u>(375,591)</u>	<u>(5,263,819)</u>
Reserve balance, ending	<u>\$ 2,368,714</u>	<u>\$ 754,738</u>	<u>\$ 1,449,827</u>	<u>\$ 4,573,279</u>

(17) U.S.D.A. Commodities

The School Board receives U.S.D.A. commodities from the U.S. Department of Agriculture. During the year, the School Board received \$363,973, in commodities, consumed \$313,266, and had a balance of \$125,072, of commodities in inventory at June 30, 2005. The commodities are reflected in inventory in the School Lunch Fund.

(18) Education Excellence Fund

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millenium Trust Fund, referred to as the Education Excellence Fund. For each fiscal year through the end of fiscal year 2006-2007, appropriations shall be made to the state superintendent of education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millenium Trust. Such monies appropriated shall be restricted to expenditure for pre-kindergarten through twelfth grade instructional enhancement for students, including early childhood education programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any tests passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2005, \$1,815,686 remains restricted for future expenditure in accordance with the Millenium Trust document.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to the Basic Financial Statements (Continued)

(19) Federal and State Grants

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

(20) Subsequent Events

During August and September 2005, the State of Louisiana suffered considerable damage from two major hurricanes, Katrina and Rita, resulting in the President of the United States declaring Louisiana a major disaster area. Because of the severity of these two separate events and the resulting damages sustained by the state, it is unknown exactly what economic impact recovery efforts will have on state and local governmental operations in Louisiana. Some schools suffered direct damages and at certain facilities, damages were significant. The long-term effects of these events on the School Board cannot be determined at this time.

**REQUIRED SUPPLEMENTARY INFORMATION**

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2005

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Parish sources:				
Ad valorem taxes	\$ 3,621,235	\$ 3,666,512	\$ 3,688,815	\$ 22,303
Sales taxes	16,041,032	16,185,525	16,175,551	(9,974)
Total parish sources	19,662,267	19,852,037	19,864,366	12,329
Investment income	482,000	557,000	823,622	266,622
Other	1,792,855	1,677,044	1,709,283	32,239
State sources	59,693,329	60,293,266	60,229,139	(64,127)
Federal sources	42,270	33,173	35,334	2,161
Total revenues	<u>81,672,721</u>	<u>82,412,520</u>	<u>82,661,744</u>	<u>249,224</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	35,346,818	35,612,400	35,423,597	188,803
Special education programs	14,013,325	13,871,466	13,765,628	105,838
Vocational education programs	2,638,561	2,531,242	2,508,195	23,047
Other instructional programs	1,400,326	1,445,103	1,408,449	36,654
Special programs	480,603	1,075,104	923,245	151,859
Adult and continuing education programs	38,589	39,149	39,852	(703)
Support services -				
Pupil support services	2,973,071	2,943,154	2,949,323	(6,169)
Instructional staff support services	2,840,193	2,828,506	2,820,856	7,650
General administration	1,448,796	1,408,511	1,328,048	80,463
School administration	4,317,888	4,268,863	4,349,317	(80,454)
Business services	1,221,597	1,260,600	1,226,121	34,479
Operation and maintenance of plant services	6,294,002	6,299,361	6,253,729	45,632
Student transportation services	6,599,846	6,220,454	6,132,803	87,651
Central services	494,029	482,610	492,375	(9,765)
Non-instructional services -				
Food services	765,573	760,837	749,931	10,906
Community service programs	372,260	372,260	393,694	(21,434)
Facilities acquisition and construction	535,200	451,995	453,449	(1,454)
Debt service:				
Principal retirement	495,000	495,000	495,000	-
Interest and fiscal charges	89,811	89,811	89,711	100
Total expenditures	<u>82,365,488</u>	<u>82,456,426</u>	<u>81,803,323</u>	<u>653,103</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (692,767)</u>	<u>\$ (43,906)</u>	858,421	<u>\$ 902,327</u>
FUND BALANCE, BEGINNING, as restated			<u>18,428,800</u>	
FUND BALANCE, ENDING			<u>\$19,287,221</u>	

GAAP is the budgetary basis used in the preparation of this schedule.

**OTHER SUPPLEMENTARY INFORMATION**

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
June 30, 2005

	Special Revenue						
	ESEA Title I	ESEA Title I Migrant	ESEA Title II, IV, V	Special Education	Vocational Education	Other Federal Programs	School Food Service
<b>ASSETS</b>							
Cash and interest-bearing deposits	\$ 49,113	\$ 10,495	\$ 12,998	\$ 2,399	\$ 90,046	\$ 147,140	\$ 615,839
Investments	-	-	-	-	-	-	-
Receivables:							
Accrued interest	25,513	-	-	-	-	-	-
Accounts	143,368	-	-	8,794	-	-	-
Due from other funds	-	884	-	-	-	8,840	-
Due from other governmental agencies -	-	-	-	-	-	-	-
State Department of Education	1,110,316	19,218	443,347	623,765	40,112	36,036	528,534
Other	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	3,310
Inventory, at cost	-	-	-	-	-	-	409,537
<b>TOTAL ASSETS</b>	<b>\$ 1,159,429</b>	<b>\$ 30,597</b>	<b>\$ 456,345</b>	<b>\$ 634,958</b>	<b>\$ 130,158</b>	<b>\$ 192,016</b>	<b>\$ 1,557,220</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	-	-	-	-	-	-	\$ 14,271
Due to other funds	321,620	30,597	456,345	634,958	130,158	163,384	366,455
Total liabilities	321,620	30,597	456,345	634,958	130,158	163,384	380,726
Fund balances:							
Reserved for prepaid	-	-	-	-	-	-	3,310
Reserved for inventory	-	-	-	-	-	-	409,537
Reserved for debt retirement	-	-	-	-	-	-	-
Unreserved -							
Designated for capital expenditures	-	-	-	-	-	-	-
Undesignated	2,603,326	-	-	-	-	28,632	763,647
Total fund balances	2,603,326	-	-	-	-	28,632	1,176,494
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,159,429</b>	<b>\$ 30,597</b>	<b>\$ 456,345</b>	<b>\$ 634,958</b>	<b>\$ 130,158</b>	<b>\$ 192,016</b>	<b>\$ 1,557,220</b>

(continued)

IBERIA PARISH SCHOOL BOARD  
 New Iberia, Louisiana  
 Nonmajor Governmental Funds

Combining Balance Sheet  
 June 30, 2005

	Debt Service		Capital Project Fund		Total
	Bond Retirement	Sales Tax Bonds	2004 Bond Construction		
<b>ASSETS</b>					
Cash and interest-bearing deposits	\$ 1,220,085	\$ 121,043	\$ 5,000,320		\$ 7,453,072
Investments	10,935	-	-		2,583,406
Receivables:					
Accrued interest	108	-	-		25,621
Accounts	-	-	-		152,162
Due from other funds	-	-	-		9,724
Due from other governmental agencies - State Department of Education	-	-	-		2,801,328
Other	24,241	-	-		24,241
Prepaid items	-	-	-		3,310
Inventory, at cost	-	-	-		409,537
<b>TOTAL ASSETS</b>	<b>\$ 1,255,369</b>	<b>\$ 121,043</b>	<b>\$ 5,000,320</b>		<b>\$ 13,462,401</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	-	-	-		\$ 14,271
Due to other funds	-	-	-		3,262,946
<b>Total liabilities</b>					<b>3,277,217</b>
<b>Fund balances:</b>					
Reserved for prepaid	-	-	-		3,310
Reserved for inventory	-	-	-		409,537
Reserved for debt retirement	1,255,369	121,043	-		1,376,412
Unreserved - Designated for capital expenditures	-	-	5,000,320		5,000,320
Undesignated	-	-	-		3,395,605
<b>Total fund balances</b>	<b>1,255,369</b>	<b>121,043</b>	<b>5,000,320</b>		<b>10,185,184</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,255,369</b>	<b>\$ 121,043</b>	<b>\$ 5,000,320</b>		<b>\$ 13,462,401</b>



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2005

	Special Revenue						School Food Service
	ESEA Title I	ESEA Title I Migrant	ESEA Title II, IV, V	Special Education	Vocational Education	Other Federal Programs	
REVENUES							
Ad Valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	3,217,074	-	-	-	-	-	-
Investment income	357,220	-	-	-	-	-	18,690
Other	7,299	-	-	-	-	-	757,295
State sources	-	-	-	-	-	-	669,074
Federal sources	6,646,094	283,642	1,434,389	2,819,675	514,549	957,090	4,701,807
Total revenues	6,646,094	283,642	1,434,389	2,819,675	514,549	957,090	6,146,866
EXPENDITURES							
Current:							
Instruction -							
Regular programs	-	-	1,222,796	-	-	131,082	-
Special education programs	-	-	-	2,819,675	-	-	-
Vocational education programs	-	-	-	-	205,696	-	-
Special programs	6,646,094	283,642	79,507	-	-	516,839	-
Adult and continuing education programs	-	-	-	-	-	81,776	-
Support services -							
Pupil support services	-	-	132,086	-	308,853	-	-
Instructional staff support services	-	-	-	-	-	272,125	-
General administration	700	-	-	-	-	-	-
School administration	76,046	-	-	-	-	-	-
Operation and maintenance of plant services	3,373,755	-	-	-	-	-	-
Non-instructional services -							
Food services	-	-	-	-	-	-	6,229,642
Debt services -							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Total expenditures	3,650,501	283,642	1,434,389	2,819,675	514,549	1,001,822	6,229,642
Excess (deficiency) of revenues over expenditures	(68,908)	-	-	-	-	(44,732)	(82,776)
OTHER FINANCING SOURCES							
Bond proceeds	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(68,908)	-	-	-	-	(44,732)	(82,776)
FUND BALANCES, BEGINNING	2,672,234	-	-	-	-	73,364	1,259,270
FUND BALANCES, ENDING	2,603,326	\$ -	\$ -	\$ -	\$ -	28,632	1,176,494

(continued)

IBERIA PARISH SCHOOL BOARD  
 New Iberia, Louisiana  
 Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2005

	Debt Service		Capital Project Fund		Total
	Bond Retirement	Sales Tax Bonds	2004 Bond Construction		
<b>REVENUES</b>					
Ad Valorem tax	\$ 6,564,426	\$ -	\$ -	\$ -	\$ 6,564,426
Sales tax	-	484,173	-	-	3,701,247
Investment income	44,840	-	56,174	-	476,924
Other	4,481	-	-	-	769,075
State sources	-	-	-	-	669,074
Federal sources	-	-	-	-	17,357,246
Total revenues	<u>6,613,747</u>	<u>484,173</u>	<u>56,174</u>		<u>29,537,992</u>
<b>EXPENDITURES</b>					
Current:					
Instruction -					
Regular programs	-	-	-	-	1,353,878
Special education programs	-	-	-	-	2,819,675
Vocational education programs	-	-	-	-	205,696
Special programs	-	-	-	-	7,526,082
Adult and continuing education programs	-	-	-	-	81,776
Support services -					
Pupil support services	-	-	-	-	440,939
Instructional staff support services	-	-	-	-	272,125
General administration	236,229	-	-	-	236,929
School administration	-	-	-	-	76,046
Operation and maintenance of plant services	-	-	-	-	3,573,755
Non-instructional services -					
Food services	-	-	-	-	6,229,642
Debt services -					
Principal retirement	4,355,000	450,000	-	-	4,805,000
Interest and fiscal charges	1,669,237	34,173	-	-	1,703,410
Facilities acquisition and construction	-	-	55,854	-	55,854
Total expenditures	<u>6,260,466</u>	<u>484,173</u>	<u>55,854</u>		<u>29,380,807</u>
Excess (deficiency) of revenues over expenditures	353,281	-	320		157,185
<b>OTHER FINANCING SOURCES</b>					
Bond proceeds	-	-	5,000,000		5,000,000
Excess (deficiency) of revenues and other sources over expenditures and other uses	353,281	-	5,000,320		5,157,185
<b>FUND BALANCES, BEGINNING</b>	<u>902,088</u>	<u>121,043</u>	-		<u>5,027,999</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,255,369</u>	<u>\$ 121,043</u>	<u>\$ 5,000,320</u>		<u>\$ 10,185,184</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Compensation Paid to School Board Members  
Year Ended June 30, 2005

Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board receive \$550, per month, and the president receives \$650, per month for performing the duties of his/her office.

The following is a schedule of compensation paid to each School Board member for the year ended June 30, 2005:

Edwin J. Buford, Jr.	\$ 7,200
Clara D. Carrier	6,600
Mary B. "Mel" Davis	6,600
Richard L. Denison, Jr.	6,600
Joel J. Dugas	6,600
Mary Fay L. Freshley	6,600
Rita M. Holmes	6,600
Dan L. LeBlanc	6,600
Robbie J. LeBlanc	6,600
Jesse J. "Jay" McDonald	6,600
Blaine A. Meche	7,200
Elvin Pradia	6,600
David W. Romero	6,600
Danny D. Segura	6,600
Total	<u>\$ 93,600</u>

**INTERNAL CONTROL, COMPLIANCE, AND OTHER GRANT INFORMATION**

**KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

WEB SITE:  
WWW.KCSRPCAS.COM

Robert S. Carter, CPA  
Allan J. LaBry, CPA  
Harry J. Clostio, CPA  
Al Leger, CPA  
Penny Angelle Scroggins, CPA  
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Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

MEMBER OF:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

\* A Professional Accounting Corporation

**REPORT ON INTERNAL CONTROL AND ON COMPLIANCE AND OTHER MATTERS  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Mr. Eugene N. Baudry, Jr., Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish School Board, (the School Board) as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated October 20, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance and other matters with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying corrective action plan for current year findings as item 2005-3.

This report is intended for the information of management and is not intended to be and should not be used by anyone other than specified parties. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
October 20, 2005

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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C. Burton Kolder, CPA\*  
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WWW.KCSRCPAS.COM

MEMBER OF:  
AMERICAN INSTITUTE OF  
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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Eugene N. Baudry, Jr., Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

### Compliance

We have audited the compliance of the Iberia Parish School Board (the School Board), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

183 South Beadle  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

### Internal Control Over Compliance

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

We noted certain matters involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Board's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable conditions are described in the accompanying schedule of findings and questioned costs and identified in the corrective action plan for current year findings as items 2005-01 and 2005-02.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the School Board, the School Board's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
October 20, 2005



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Identifying Number 2005	CFDA Number	Expenditures
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
Passed through Louisiana Department of Education:			
National School Breakfast Program	SFS-04-71	10.553	\$ 1,067,618
National School Lunch Program		10.555	<u>3,248,918</u>
Total United States Department of Agriculture			<u>4,316,536</u>
<b>UNITED STATES DEPARTMENT OF DEFENSE</b>			
ROTC	N/A		<u>35,334</u>
			<u>35,334</u>
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>			
Passed through Louisiana Department of Education:			
Adult Education - State Grant Program	28-05-44-23	84.002	74,336
Adult Education - Carryover	28-04-44-23	84.002	7,440
Title I - 03/04 Reallocation	28-04-RT-23	84.010	50,000
ESEA Title I	28-05-T1-23	84.010	4,777,372
ESEA Title I Carryover	04-T1-23-C	84.010	753,663
Migrant Education	28-05-M1-23	84.011	294,782
Special Education - IDEA - Part B	28-05-B1-23	84.027	2,301,963
Special Education - IDEA - Part B	03-B8-23	84.027	7,734
Special Education - IDEA - Pre GED	28-03-BG-23	84.027	49,800
Special Education - IDEA - Part B	28-04-B1-23	84.027	318,960
Special Education - Preschool	28-04-P1-23	84.173	9,571
Special Education - Preschool	28-05-P1-23	84.173	94,996
Special Education - Preschool - Set Aside	03-P2-23	84.173	22,356
JAVITS Grant	N/A	84.205	5,200
Smaller Learning Communities	N/A	84.215	308,853
School Renovation - Technology & IDEA	03-SG-23	84.352	9,094
ESEA Title I Comprehensive School Reform Demonstration	28-04-T6-23-C	84.332	139,630
Reading First State Grants	28-04-RF-23-C	84.357	544,737
Reading First State Grants	28-05-RF-23	84.357	844,136
Reading First State Grants	28-04-RS-23	84.357	354,736
Title II, Improving Teacher Quality State Grants	28-05-50-23	84.367	1,166,877
Title II, Improving Teacher Quality State Grants	28-04-50-23-C	84.367	105,294
Title III - English Language Acq	28-05-60-23	84.365	14,781
ESEA Title V	28-05-80-23	84.298	75,350
ESEA Title V	04-80-23-C	84.298	11,299
Enhancing Education Through Technology	28-05-49-23	84.318	119,706
Enhancing Education Through Technology	28-04-49-23	84.318	9,876
Technology Literacy Challenge Fund Grants First Tech	28-05-03-23	84.318	124,341
Technology Literacy Challenge Fund Grants School Tech	28-05-46-23	84.318	147,784
High School Reform Initiative	28-05-PR-23	84.051	1,500
Vocational Education - Basic Grants to States	28-05-02-23	84.048	201,504
Vocational Education - Basic Grants to States	28-04-02-23-C	84.048	4,193
Safe and Drug Free Schools and Communities	28-5-70-23	84.186	120,245
Safe and Drug Free Schools and Communities - Carryover	28-04-70-23-C	84.186	<u>11,258</u>
Total United States Department of Education			<u>13,083,367</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Louisiana Department of Education:			
TANF - Preschool Program	28-05-35	93.558	459,015
TANF - LA 4 Pre K - Starting Points	28-04-35	93.558	53,572
Refugee Impact Grant	28-05-X3-23	93.576	3,279
Refugee Impact Grant	28-04-X3-23	93.576	<u>972</u>
Total United States Department of Health and Human Services			<u>516,838</u>
Total federal financial assistance			<u>\$ 17,952,075</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005

(1) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Iberia Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the basic financial statements for the year ended June 30, 2005. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2005, the School Board had \$125,072 of commodities inventory remaining.

(3) Relationship to Fund Financial Statements

Federal financial assistance revenues are reported in the Iberia Parish School Board's fund financial statements as follows:

Major Governmental Fund:	
General Fund	\$ 35,334
Other Governmental Funds:	
School Lunch	4,701,807
Elementary and Secondary Education Act -	
Title I	6,646,094
Title I Migrant	283,642
Title II, IV, and V	1,434,389
Special Education	2,819,675
Vocational Education	514,549
Other Federal	957,090
Total	<u>\$17,392,580</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2005

Part I. Summary of Auditor's Results:

1. An unqualified report was issued on the basic financial statements.
2. No reportable conditions in internal control were disclosed by the audit of the basic financial statements.
3. There was one material instance of noncompliance.
4. Two reportable conditions in internal control over the major programs were disclosed by the audit of the basic financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no findings required to be reported under Section 510(a) of Circular A-133.
7. The following programs were considered to be major programs: ESEA Title I, National School Breakfast Program, National School Lunch Program, and TANF – LA 4 Pre K.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$500,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2005

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

A. Compliance Findings –

1. Advance pay

**CONDITION** Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.

**CRITERIA** Louisiana Constitution, Article VII, Section 14, Donation, Loan or Pledge of Public Credit.

**CAUSE** The cause of the conditions is the result of a failure to comply with the constitutional provisions, related state statutes, and AG opinions.

**EFFECT** Payment of compensation prior to the rendering of services results in a violation of constitutional provisions.

2. Semi-annual certifications

**CONDITION** Semi-annual certifications were not obtained for employees of the National School Breakfast, National School Lunch, and TANF LA 4 Pre-K Federal programs.

**CRITERIA** OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments" Attachment B 1 h(3), states, in part:

"Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually..."

**CAUSE** The condition results from a failure to comply with federal regulations.

**EFFECT** Failure to complete semi-annual certifications places the School Board in violation of Federal laws and may result in loss of federal funding.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2005

3. Suspension and debarment

**CONDITION** Verification of contractors/vendors for suspension and debarment were not performed for expenditures in excess of \$25,000.

**CRITERIA** Common Rule; Section 35: Subawards to debarred and suspended parties, states, in part:

“Grantees and subgrantees must not make any award or permit any award at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 (Debarment and Suspension).” (See also Nonprocurement Common Rule, Subpart C, Responsibility of Participants Regarding Transactions)

**CAUSE** The condition results from a failure to comply with federal regulations.

**EFFECT** Failure to verify that contractors/vendors are not debarred or suspended places the School Board in violation of Federal laws and may result in loss of federal funding.

B. Internal Control Findings –

No items are applicable to this section.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

No items are applicable to this section.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2005

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
<u>Internal Control</u>				
2004-2	2004	Three out of thirty-five items randomly selected from inventory were miscounted .	Yes	N/A
2004-3	2004	The contribution rate for teacher retirement was increased from 13.1% to 13.8%. This change was not properly reflected, which resulted in the understatement of both the liability account and the retirement expense throughout the year.	Yes	N/A
2004-4	2004	Medicaid Outreach reimbursements are being recored in duplicate in the general ledger.	Yes	N/A
2004-5	2004	A grant for \$7,249 was obtained by School Board employeed occupational therapists without going through the proper administrative office procedures.	Yes	N/A
<u>Compliance</u>				
2004-1	Unknown	Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.	No	See corrective action plan for current year findings

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2005

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Date of Completion
2005-1	2005	Semi-annual certifications were not obtained for employees of the National School Breakfast, National School Lunch, and TANF LA 4 Pre-K Federal programs.	All employees of the Iberia Parish School Board Child Nutrition Program will be required to sign a Personnel Activity Report on a semi-annual basis for each school semester since all School Food Service employees are 100% Lunch Fund. The Child Nutrition Program includes the School Breakfast Program and the National School Lunch Program. Employees working the Summer Food Service Program will be required to complete a separate PAR certification.	Eugene N. Baudry, Jr., Superintendent	Prior to report release
2005-2	2005	Verification of contractors/vendors for suspension and debarment were not performed for expenditures in excess of \$25,000.	Policies and procedures will be established to insure that all vendors/contractors who provide materials/supplies to, and/or engage in public contracts with the Iberia Parish School Board in excess of \$25,000, to be paid with federal assistance monies, are eligible to do so. Verification of eligibility will be two-fold. First, the Excluded Parties List System (EPLS) or the electronic version of the Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs (LISTS) will be accessed via the internet. This list identifies those parties that are suspended/debarred or otherwise excluded throughout the U. S. Government from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and nonfinancial assistance and benefits. Proof of this verification will be downloaded and kept as part of the purchasing file. Secondly, any and all purchases and/or contracts in excess of \$25,000 to be paid with federal monies will require a signed verification from vendors/contracts stating that they are not debarred/suspended and thereby eligible to participate in such purchases/contracts before those purchases/contracts occur.	Eugene N. Baudry, Jr., Superintendent	Prior to report release

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2005

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Date of Completion
2005-3	Pre 2004	Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.	The Iberia Parish School Board, through the process of attrition, is reducing the amount of employees paid in advance of services. We began the process of eliminating payment in advance through attrition effective July 1, 1979. This policy continues today. All persons employed by the Iberia Parish School Board, whether new employees or employees returning to service due to general leaves or for other reasons, will receive their first pay check on August 30th of the year employed. This procedure was approved by the Board. The Iberia Parish School Board, beginning in 05-06, now pays its nine (9) month employees effective August 30th because they have earned that August payment. This means that two (2) month payment in advance has now been reduced to a one (1) month payment in advance. We have 106 employees paid one (1) month in advance. Several plans are being considered to bring these 106 employees in line with payment for services rendered.	Eugene N. Baudry, Jr., Superintendent	Undetermined



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**IBERIA PARISH SCHOOL BOARD**

**SPECIAL AGREED-UPON PROCEDURES  
REPORT ON SCHOOL BOARD  
PERFORMANCE MEASURES**

Fiscal Year Ended June 30, 2005

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MEMBER OF:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

\* A Professional Accounting Corporation

Eugene N. Baudry, Jr., Superintendent  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

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

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

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

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

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

There were no exceptions noted.

183 South Beadle  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddell  
Marksville, LA 71351  
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1234 David Drive, Suite 105  
Morgan City, LA 70380  
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**II. Education Levels of Public School Staff (Schedule 2)**

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

There were no exceptions noted.

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

There were no exceptions noted.

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

One principal was classified as having a master's degree. However, based on information included in the personnel file, the principal should have been classified as having a mater's degree plus thirty hours.

**III. Number and Type of Public Schools (Schedule 3)**

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

There were no exceptions noted.

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

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

There were no exceptions noted.

**V. Public Staff Data (Schedule 5)**

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

There were no exceptions noted.

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

There were no exceptions noted.

**VI. Class Size Characteristics (Schedule 6)**

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

There were no exceptions noted.

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

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

There were no exceptions noted.

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

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

There were no exceptions noted.

**IX. The Iowa Tests (Schedule 9)**

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

There were no exceptions noted.

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

This report is intended solely for the use of management of Iberia 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. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
October 20, 2005

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 1

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
Fiscal Year Ended June 30, 2005

**General Fund Instructional and Equipment Expenditures**

General fund instructional expenditures:

Teacher and student interaction activities -

Classroom teacher salaries	\$ 37,995,427
Other instructional staff activities	2,909,021
Employee benefits	10,546,971
Purchased professional and technical services	224,078
Instructional materials and supplies	1,686,683
Instructional equipment	<u>234,650</u>

Total teacher and student interaction activities \$ 53,596,830

Other instructional activities 336,582

Pupil support activities 2,870,097

Less: Equipment for pupil support activities (7,648)

Net pupil support activities 2,862,449

Instructional staff services 2,977,359

Less: Equipment for instructional staff services (35,763)

Net instructional staff services 2,941,596

Total general fund instructional expenditures \$ 59,737,457

Total general fund equipment expenditures \$ 64,648

**Certain Local Revenue Sources**

Local taxation revenue:

Constitutional ad valorem taxes	\$ 1,453,870
Renewable ad valorem tax	2,026,608
Up to 1% of collections by the Sheriff on taxes other than school taxes	208,337
Sales and use taxes	<u>16,175,551</u>
Total local taxation revenue	<u>\$ 19,864,366</u>

Local earnings on investment in real property:

Earnings from 16th section property	<u>\$ 71,957</u>
Total local earnings on investment in real property	<u>\$ 71,957</u>

State revenue in lieu of taxes:

Revenue sharing - constitutional tax	\$ 213,916
Revenue sharing - other taxes	<u>298,188</u>
Total state revenue in lieu of taxes	<u>\$ 512,104</u>

Nonpublic textbook revenue \$ 58,772

Nonpublic transportation revenue \$ 302,682

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 2

Education Levels of Public School Staff  
As of October 1, 2004

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	3	0%	-	-	-	-	-	-
Bachelor's degree	775	78%	38	95%	-	-	-	-
Master's degree	160	16%	2	5%	21	47%	-	-
Master's degree + 30	49	5%	-	-	18	40%	-	-
Specialist in education	7	1%	-	-	6	13%	-	-
Ph. D. or Ed. D.	1	0%	-	-	-	-	-	-
<b>Total</b>	<b>995</b>	<b>100.00%</b>	<b>40</b>	<b>100.00%</b>	<b>45</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 3

Number and Type of Public Schools  
Fiscal Year Ended June 30, 2005

Type	Number
Elementary	22
Middle/Junior high	4
Secondary	6
Combination	1
Total	33

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 4

Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2004

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant principals	-	-	1	1	2	1	7	12
Principals	-	-	3	2	2	6	20	33
Classroom teachers	73	123	265	125	112	90	245	1,033
Total	73	123	269	128	116	97	272	1,078

IBERAI PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 5

Public School Staff Data  
Fiscal Year Ended June 30, 2005

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average classroom teachers' salary including extra compensation	37,294.00	37,147.00
Average classroom teachers' salary excluding extra compensation	36,998.00	36,885.00
Number of teacher full-time equivalents (FTEs) used in computation of average salaries	1,063	1,024

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.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 6

Class Size Characteristics  
As of October 1, 2004

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	18.4%	256	36.9%	317	9.1%	31	0.0%	-
Elementary activity classes	2.3%	32	5.8%	50	10.2%	35	70.3%	26
Middle/Junior high	18.5%	257	24.3%	209	15.8%	54	0.0%	-
Middle/Junior high activity classes	2.4%	34	4.9%	42	4.7%	16	21.6%	8
High	43.9%	611	25.1%	216	57.0%	195	0.0%	-
High activity classes	12.4%	173	2.9%	25	3.2%	11	8.1%	3
Combination	1.5%	21	0.0%	-	0.0%	-	0.0%	-
Combination activity classes	0.6%	8	0.0%	-	0.0%	-	0.0%	-

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 7

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
Fiscal Year Ended June 30, 2005

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	26	2%	12	1%	3	0%	25	2%	16	1%	32	3%
Mastery	201	16%	172	16%	131	11%	186	15%	131	12%	158	13%
Basic	589	48%	463	43%	577	48%	619	50%	480	44%	555	46%
Approaching basic	284	23%	252	23%	329	27%	252	20%	238	22%	291	24%
Unsatisfactory	140	11%	182	17%	160	13%	158	13%	216	20%	164	14%
Total	1,240		1,081		1,200		1,240		1,081		1,200	

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	37	3%	6	1%	10	1%	13	1%	8	1%	14	1%
Mastery	131	11%	118	11%	135	11%	89	7%	132	12%	119	10%
Basic	622	50%	506	47%	487	41%	630	51%	519	48%	584	49%
Approaching basic	367	30%	335	31%	444	37%	349	28%	254	23%	341	28%
Unsatisfactory	82	7%	116	11%	124	10%	158	13%	168	16%	142	12%
Total	1,239		1,081		1,200		1,239		1,081		1,200	

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	2	0%	6	1%	5	1%	21	2%	18	2%	24	2%
Mastery	124	12%	65	6%	100	10%	53	5%	47	4%	32	3%
Basic	406	39%	398	38%	362	36%	526	49%	559	52%	437	42%
Approaching basic	384	37%	435	42%	425	43%	220	20%	249	23%	272	26%
Unsatisfactory	131	13%	140	13%	108	11%	255	24%	208	19%	275	26%
Total	1,047		1,044		1,000		1,075		1,081		1,040	

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	17	2%	6	1%	6	1%	5	0%	5	0%	2	0%
Mastery	164	16%	196	19%	100	10%	120	12%	94	9%	64	6%
Basic	390	38%	366	35%	328	33%	500	48%	464	45%	412	41%
Approaching basic	308	30%	281	27%	383	38%	234	23%	303	29%	325	33%
Unsatisfactory	159	15%	185	18%	178	18%	176	17%	166	16%	191	19%
Total	1,038		1,034		995		1,035		1,032		994	

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 8

The Graduation Exit Exam for the 21st Century  
Fiscal Year Ended June 30, 2005

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	6	1%	14	2%	2	0%	36	5%	42	6%	45	5%
Mastery	90	12%	124	16%	59	7%	84	11%	115	15%	97	11%
Basic	321	43%	314	42%	297	35%	348	46%	328	44%	310	36%
Approaching basic	226	30%	189	25%	241	29%	132	18%	113	15%	170	20%
Unsatisfactory	109	14%	114	15%	240	29%	152	20%	156	21%	245	28%
Total	752		755		839		752		754		867	

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	25	4%	14	2%	8	1%	9	1%	3	0%	7	1%
Mastery	103	15%	90	13%	81	10%	48	7%	46	7%	54	7%
Basic	283	40%	285	40%	308	39%	348	49%	376	53%	344	43%
Approaching basic	189	27%	178	25%	222	28%	177	25%	168	24%	213	27%
Unsatisfactory	110	15%	139	20%	169	21%	126	18%	113	16%	173	22%
Total	710		706		788		708		706		791	

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

SCHEDULE 9

The IOWA Tests  
Fiscal Year Ended June 30, 2005

	Composite		
	2005	2004	2003
Test of basic skills (ITBS)			
Grade 3	57	55	52
Grade 5	58	54	55
Grade 6	50	50	49
Grade 7	47	45	43
Tests of educational development (ITED)			
Grade 9	47	42	40

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.