

Caddo Parish School Board

Shreveport, Louisiana



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended June 30, 2014

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Carl A. Pierson, Sr.
President

Dr. T. Lamar Goree
Superintendent

James G. Lee
Chief Financial Officer

Prepared by the Department of Finance

**Caddo Parish School Board
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Caddo Parish School Board

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CPSB
2014

Introductory Section



CADDO PARISH SCHOOL BOARD

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

Theodis Lamar Goree, Ph.D.
Superintendent

Transmittal Letter

December 19, 2014

Mr. Carl A. Pierson, Sr., President
Caddo Parish School Board Members
and Citizens of Caddo Parish

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Caddo Parish School Board for the year ended June 30, 2014.

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

Carr, Riggs & Ingram, LLC, a firm of licensed certified public accountants, has audited the Caddo Parish School Board's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Caddo Parish School Board for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Caddo Parish School Board's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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

financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Caddo Parish School Board's MD&A can be found immediately after the report of the independent auditor.

PROFILE OF THE CADDO PARISH SCHOOL BOARD

Purpose and operations. The Caddo Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Caddo Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 12 members who are elected from 12 districts for concurrent terms of 4 years.

The School Board operates 66 schools within the parish with a total enrollment of approximately 41,000 pupils. The School Board provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in the fine arts and athletics. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

The financial statements present the Caddo Parish School Board (the primary government) and one component unit, the Shreveport Charter Foundation, Inc. ("Magnolia" or "Magnolia School of Excellence"). Magnolia is presented as a discretely presented component unit. Magnolia is included in the reporting entity because it is fiscally dependent on the School Board for the majority of its revenue, and because exclusion would render the School System's financial statements incomplete or misleading.

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Economic Outlook Northwest Louisiana is a region of nearly 800,000 residents and is the hub of a tri-state region known as the Ark-La-Tex. While the auto industry, reduced mineral production, and other factors have had a negative impact, our area is still doing well. Local residential and commercial real estate values continue to be stable, in sharp contrast to the rest of the country over the last few years.

Financial stresses at the state level continue to put more of a burden on all of the local school districts. Through

sound fiscal practices over the years, our school district has been able to weather this storm. We will continue to “right size” our district by reducing staff through attrition and closing schools where practical. For the first time in five years, the state provided an increase in K-12 funding, thus allowing us to adopt a truly balanced budget for the first time in many years.

Assessed property values continue to increase in the parish. Sales tax revenue is anticipated to be higher next year, due primarily to increased construction (see Benteler note below) and the privatization of LSU Health Science Center into University Health. All of this will provide increased revenue for the district.

Finally, Benteler International continued construction of its \$975 million steel manufacturing project at The Port of Caddo-Bossier. Once completed, it is estimated to create 675 jobs in the region with very competitive salaries and benefits.

Financial Policies. Financial stresses at the state level continue to put more of a burden on all of the local school districts. Through sound fiscal practices over the years, our school district had been able to weather this storm. State educational funding remained flat again this year. We again had to finance state mandated programs with no additional funding. This continues to put a drain on our fund balance. However, even with these issues, we were able to adopt a balanced budget.

Long-term financial planning. The mission of the School Board is to improve the academic achievement of students and overall district effectiveness. We have high expectations for everyone – students, teachers, administrators, parents, community volunteers, and support groups. While acknowledging that Caddo has many successful schools, the state’s accountability plan is driving fundamental changes in instruction by demanding that schools show annual academic growth. These measures will require that elected officials and administrators provide effective leadership for the wisest use of all available resources. The School Board has adopted goals and objectives to improve its fund balance, increase grant revenues, and reduce costs of support functions while addressing critical instructional needs.

Facilities. The school system operates buildings at 66 school and auxiliary sites. Buildings on these sites range in age from 25 years to 103 years old.

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

The School Board also provides post-retirement healthcare and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were approximately 4,500 retired employees receiving these benefits, which are financed on a fully insured basis.

Additional information on the School Board's pension arrangements and postemployment benefits can be found in notes 6 and 17 in the notes to the basic financial statements.

AWARDS

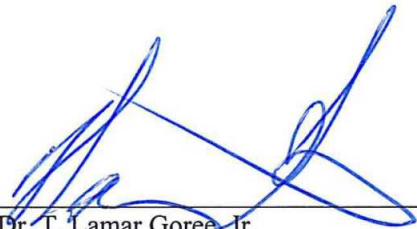
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. This was the 26th consecutive year that the School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The Association of School Board Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. This was the 26th consecutive year that the School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

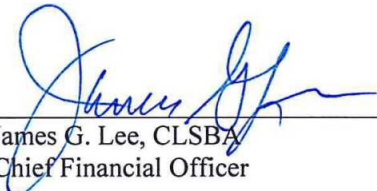
The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the certificate requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

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



Dr. T. Lamar Goree, Jr.
Superintendent



James G. Lee, CLSBA
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**Caddo Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Caddo Parish School Board

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Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Caddo Parish School Board

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading "Terrie S. Simmons".

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director

Caddo Parish School Board

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**CADDO PARISH
SCHOOL BOARD**

Chief Internal
Auditor

SUPERINTENDENT

Director
of Security

**Human Resources
Division**

Chief of
Staff

**Academic Affairs
Division**

Chief Academic
Officer

**Operations
Division**

Chief Operations
Officer

**Finance
Division**

Chief Financial
Officer

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The Caddo Parish School Board

EXECUTIVE COMMITTEE



Carl Pierson, Sr.
President



Bonita Crawford
1st Vice President



Mary Trammel
2nd Vice President



Steve Riall



Jasmine Green



Charlotte Crawley



Curtis Hooks



Lillian Priest



Barry F. Rachal



Larry Ramsey



Ginger Armstrong



Dottie Bell

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

ELECTED OFFICIALS

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
Carl Pierson, Sr., President	January 4, 2011	December 31, 2014	January 2011
Bonita Crawford, 1 st Vice President	January 4, 2011	December 31, 2014	March 2004
Mary Trammel, 2 nd Vice President	January 4, 2011	December 31, 2014	January 2011
Ginger Armstrong	January 4, 2011	December 31, 2014	January 1999
Dottie Bell	January 4, 2011	December 31, 2014	January 2007
Charlotte Crawley	January 4, 2011	December 31, 2014	January 2003
Jasmine Green	January 4, 2011	December 31, 2014	January 2011
Curtis Hooks	January 4, 2011	December 31, 2014	May 2010
Lillian Priest	January 4, 2011	December 31, 2014	July 2004
Barry Rachal	January 4, 2011	December 31, 2014	March 2004
Larry Ramsey	January 4, 2011	December 31, 2014	January 2003
Steve Riall	January 4, 2011	December 31, 2014	December 2008

SELECTED ADMINISTRATIVE OFFICIALS

Dr. T. Lamar Goree	Superintendent
Dr. Mary Nash-Robinson	Chief of Staff
James G. Lee	Chief Financial Officer
Keith Burton	Chief Academic Officer
James W. Woolfolk, II	Chief Operations Officer
Jeff Howard	Chief Internal Auditor

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2014

Financial Section

Independent Auditor's Report

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) as of and for the year ended June 30, 2014, and related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Other Postemployment Benefits Plan, Schedule of Employer Contributions for Other Postemployment Benefit Plan, and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's financial statements as a whole. The accompanying supplementary information, as listed in the table of contents and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompany supplementary information, as listed in the table of contents, is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects in relation to the financial statements as a whole.

The accompanying other information, as listed in the table of contents including the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2014, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School Board's internal control over financial reporting and compliance.

CARR, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014

REQUIRED SUPPLEMENTAL INFORMATION:

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

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2014

The discussion and analysis of Caddo Parish School Board's (School Board) financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. Readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2014, are as follows:

▪ **Statement of Net Position:**

The liabilities of the Caddo Parish School Board exceeded its assets at the close of the most recent fiscal year by \$386.9 million (net deficit). Of this amount, approximately \$520.7 million is the deficit in unrestricted net position.

▪ **Statement of Activities:**

The School Board's total net position decreased by \$30.1 million for the year ended June 30, 2014.

▪ **Governmental Funds Balance Sheet:**

As of the close of the fiscal year 2013-14, the Caddo Parish School Board's governmental funds reported combined ending fund balance of \$100.6 million, a decrease of \$3.2 million in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$28.6 million which is unassigned and available for spending within the General Fund, (2) \$22.8 million which is nonspendable or committed in the general fund, (3) \$12.3 million which is restricted within the Capital Projects Fund, (4) \$19.6 million nonspendable for purposes of instructional enhancement within the Caddo Educational Excellence (CEEF) Permanent Fund, (5) \$11.8 million which is restricted for debt service, and (6) \$5.1 million restricted for the Child Nutrition Program.

▪ **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Total revenues for the year ended June 30, 2014, for the governmental funds of the Caddo Parish School Board amounted to \$464.9 million. Approximately 86.9% of this amount was received from three major revenue sources: (1) \$200.5 million from Louisiana's Minimum Foundation Program, (2) \$128.3 million from local ad valorem taxes, and (3) \$75.1 million from local sales and use taxes.

▪ **General Fund's Ending Fund Balance:**

At the end of the current fiscal year, fund balance for the General Fund, a major fund, was \$51.4 million or 13.5% of total General Fund expenditures. \$1.4 million was non-spendable, \$21.4 million (committed) is set aside for future claims and contingencies and equipment replacement, while \$28.6 million (unassigned) is available for spending at the School Board's discretion. This unassigned balance represents 7.5% of General Fund expenditures.

▪ **Capital Assets:**

Total capital assets (net of depreciation) were \$209.2 million or 54.1% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2014

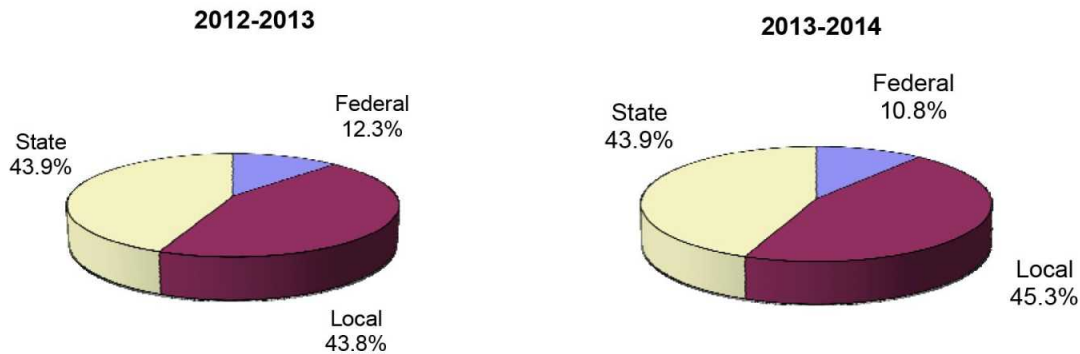
▪ **Long-Term Liabilities:**

The Caddo Parish School Board's total long-term debt decreased \$8.2 million during the current fiscal year. Debt on general obligation bonds decreased by \$4.7 million. Debt on outstanding Qualified Zone Academy Bond Program decreased by \$.4 million. Debt on Qualified School Construction Bonds decreased \$3.0 million.

Other long-term liabilities increased \$35 million during the current fiscal year. This increase is due mostly to the increase in OPEB liability.

This year, primary resources available to the school system are local revenues, primarily tax receipts, which total \$210.7 million or 45.3% of the total; state revenues, primarily Minimum Foundation Program funding (equalization) and special grants, totaling \$204.1 million or 43.9% of the total; and federal funds, totaling \$50.0 million or 10.8% of the total. Last year, local revenues were \$206.0 million or 43.8%, while state revenues were \$206.0 million or 43.9%, and federal revenues were \$58.1 million or 12.3%.

Total Revenues By Source



Overview of the Financial Statements

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

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

- The **Statement of Net Position** presents information on all of the Caddo Parish School Board's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Caddo Parish School Board is improving or deteriorating.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2014

- The **Statement of Activities** presents information showing how the Caddo Parish School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).
- The government-wide financial statements include not only the Caddo Parish School Board (known as the "primary government") but one legally separate charter school, the Shreveport Charter Foundation, Inc. for which the School Board is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. Complete financial statements of this component unit can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104.
- The governmental-wide financial statements can be found following the MD&A.
- **Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Caddo Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Caddo Parish School Board can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.
 - **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Caddo Parish School Board's near-term financing requirements.
 - Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Caddo Parish School Board's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
 - The Caddo Parish School Board maintains twenty-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Permanent Fund - CEEF which are considered to be major funds. The permanent fund, CEEF, is used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended. Data for the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report. The debt service fund is used to account for the accumulation of resources for, and the payment of, long term debt principal, interest, and related costs.
- The Caddo Parish School Board adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
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- The governmental fund financial statements can be found following the government-wide financial statements.
- **Proprietary fund.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the School Boards various functions. The School Board uses an internal service fund to account for the accumulation of resources for and the payment of employee health insurance. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Caddo Parish School Board. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Caddo Parish School Board's own programs. The Caddo Parish School Board maintains two agency funds named the School Activity Funds and the Central Office Concession, and one Other Employee Benefits Trust Fund.
- **Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.
- **Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Caddo Parish School Board's compliance with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplemental information.

Financial Analysis of Government-wide Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Caddo Parish School Board, liabilities exceed assets by \$386.9 million at the close of the most recent fiscal year (FY).

The largest portion of the Caddo Parish School Board's net position totaling more than \$84.7 million reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Caddo Parish School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Caddo Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The School Board as a Whole. The School Board's net position (deficit) was \$(386.9) million at June 30, 2014. Of this amount; \$(520.7) million was unrestricted, \$49.1 million was restricted, and \$84.7 million was invested in capital assets.

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The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities:

TABLE 1
Net Position (in millions)
For Fiscal Years Ended June 30

	Governmental Activities		Percentage Change
	2014	2013	
Current and other assets	\$ 177.4	\$ 179.7	(1.3)
Capital assets net of accumulated depreciation	209.2	223.5	(6.4)
Total assets	<u>386.60</u>	<u>403.20</u>	<u>(4.1)</u>
Current and other liabilities	66.7	74.1	(10.0)
Long-term liabilities	706.8	677.0	4.4
Total liabilities	<u>773.5</u>	<u>751.1</u>	<u>3.0</u>
Net position			
Net investment in capital assets	84.7	94.3	(10.2)
Restricted	49.1	51.1	(3.9)
Unrestricted	(520.7)	(493.3)	(5.6)
Total net position	<u>\$ (386.9)</u>	<u>\$ (347.9)</u>	<u>(11.2)</u>

Restricted net position of \$49.1 million is reported separately to show legal constraints for the payment of outstanding long-term debt obligations and to limit the Caddo Parish School Board from using these funds for day-to-day operations. The debt service fund accounts for \$12 million and capital project funds account for \$12 million. The remaining balance is restricted for instructional enhancement and is generated from the school board's share of gaming receipts that are collected from area riverboat casinos. State law requires the gaming receipts to be held in perpetuity; however, the investment earnings may be spent for purposes of instructional enhancement. As of June 30, 2014, the permanently restricted portion was \$19.6 million. The remaining balance of \$520.7 million is a deficit in the unrestricted net position (deficit).

Overall net position decreased \$39.0 million from the prior year. This includes a restatement of beginning net position of \$8.9 million (see Note 20 on page 65 for further explanation) and a decrease of \$30.1 million due mainly to the increase in our OPEB accrual. Revenue decreased approximately \$4.2 million in fiscal year 2013-14. This resulted from a reduction in operating grants of approximately \$8.2 million, a reduction in MFP revenue and state revenue sharing of approximately \$1.7 million and a reduction in miscellaneous revenue of \$2.2. These reductions were somewhat offset by an increase of \$4.6 million in ad valorem taxes and an increase in sales taxes of \$3.8 million. The district's expenditures decreased \$8.2 million in fiscal year 2013-14. The district increased its OPEB liability by \$33.3 million.

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Governmental Activities. Governmental Activities decreased the School Board's net position by \$30.1 million. Key elements of this decrease are as follows:

TABLE 2
Changes in Net Position (in millions)

	<u>Fiscal Years Ended June 30,</u>		Percentage Change
	<u>2014</u>	<u>2013</u>	
Revenues:			
Program revenues			
Charges for services	\$ 1.8	\$ 2.3	(21.7)
Operating grants and contributions	51.7	59.9	(13.7)
General revenues			
Ad valorem taxes	128.3	123.7	3.7
Sales taxes	75.1	71.3	5.3
State Minimum Foundation Program	200.5	201.9	(0.7)
Other general revenues	7.5	10.0	(25.0)
Total revenues	<u>464.9</u>	<u>469.1</u>	<u>(0.9)</u>
Function/program expenses:			
Instruction			
Regular programs	170.1	195.1	(12.8)
Special programs	71.3	68.0	4.9
Other instructional programs	36.7	54.8	(33.0)
Support services			
Student services	26.5	37.5	(29.3)
Instructional staff support	21.1	31.0	(31.9)
General administration	7.0	7.7	(9.1)
School administration	29.6	36.1	(18.0)
Business services	5.2	5.6	(7.1)
Plant services	71.0	76.1	(6.7)
Student transportation services	26.0	27.1	(4.1)
Central services	7.2	7.6	(5.3)
Food services	17.9	25.7	(30.4)
Community service programs	0.5	0.7	(28.6)
Interest on long-term debt	4.9	4.2	16.7
Total expenses	<u>495.0</u>	<u>577.2</u>	<u>(14.2)</u>
Increase (decrease) in net position	<u>(30.1)</u>	<u>(108.1)</u>	<u>72.2</u>
Net position (deficit) – beginning, as previously stated	(347.9)	(239.8)	45.1
Prior period adjustment	(8.9)	-	-
Net position (deficit) – beginning, as restated	<u>(356.8)</u>	<u>-</u>	<u>-</u>
Net position (deficit) – ending	<u>\$ (386.9)</u>	<u>\$ (347.9)</u>	<u>\$ (11.2)</u>

Caddo Parish School Board
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Governmental Activities Total and Net Costs

As reported in the Statement of Activities, the total cost of all governmental activities this year was \$495.0 million.

The table below presents the cost of each of the School Board's largest functions – regular instructional programs, special instructional programs, other instructional programs, plant services, instructional staff support, student services, and school administration, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows the analysis of the cost of each function in comparison to the benefits provided by that function.

	Total Costs of Service		Percent <u>Change</u>	Net Costs of Service		Percent <u>Change</u>
	<u>2014</u>	<u>2013</u>		<u>2014</u>	<u>2013</u>	
Regular programs	\$ 170.1	\$ 195.1	(12.8)	\$ 154.0	\$ 192.4	(20.0)
Special programs	71.3	68.0	4.9	62.5	66.9	(6.6)
Other instructional programs	36.7	54.8	(33.0)	35.6	29.9	19.1
Plant services	71.0	76.1	(6.7)	68.4	75.5	(9.4)
Instructional staff support	21.1	31.0	(31.9)	19.9	23.0	(13.5)
Student services	26.5	37.5	(29.3)	24.8	30.9	(19.7)
School administration	29.6	36.1	(18.0)	27.2	36.0	(24.4)
All other	68.7	78.6	(12.6)	49.1	60.4	(18.7)
Totals	<u>\$ 495.0</u>	<u>\$ 577.2</u>	<u>(14.2)</u>	<u>\$ 441.5</u>	<u>\$ 515.0</u>	<u>(14.3)</u>

Program Expenses and Revenues Governmental Activities

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

Instructional services (regular programs, special programs, and other instructional programs) for fiscal 2014 totaling \$278.1 million or 56.2% of total expenses, decreased \$39.8 million or 12.5% from fiscal year 2013 primarily because the OPEB liability increase was significantly less than the prior year's increase. A percentage of OPEB costs are allocated to these programs.

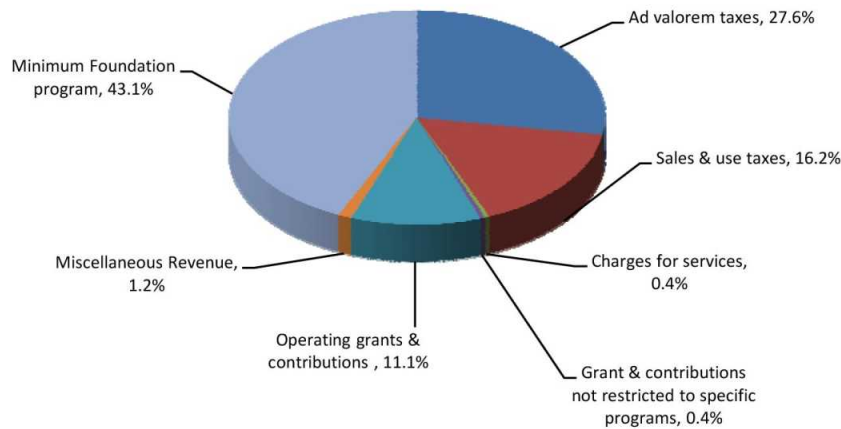
Services that support the instructional services including student services, instructional staff support, general administration, school administration, business services, plant services, student transportation services and central services are support services. Support services for fiscal 2014 totaling \$193.6 million or 39.1% of total expenses, decreased \$35.1 million or 15.3% from fiscal 2013 primarily because the OPEB liability increase was significantly less than the prior year's increase. A percentage of OPEB costs are allocated to these programs.

The remaining expenses (food services, community service programs, and interest on long term debt) of \$23.3 million or 4.7% of total expenses, decreased \$7.3 million or 23.9% from fiscal 2013 primarily due a reduction in food service expenditures and refunding of bonded debt, resulting in lower payments.

The program revenues for fiscal 2014 directly related to these expenses totaled \$51.7 million, which along with \$1.8 million in charges for services, resulted in net program expenses of \$441.5 million. These net program expenses are funded by general revenues of the Caddo Parish School Board.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
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Revenues by Source – Governmental Activities



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

Fiscal Year	General	Child Nutrition Program	Total MFP	Increase/(Decrease)	
2011-2012	198.8	6.2	205.0	6.4	3.2%
2012-2013	197.7	4.2	201.9	(3.1)	(1.5)%
2013-2014	198.5	2.0	200.5	(1.4)	(0.7)%

In FY 2013-2014 the School Board received \$200.5 million or 43.1% of its total revenue from the MFP. These revenues are deposited in the General Fund and the Child Nutrition Program Fund only. The \$1.4 million decrease is due to a decrease in enrollment and mid-year adjustments, offset by the allotment from HB1.

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

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<u>Fiscal Year</u>	<u>General</u>	<u>Nonmajor Parish-Wide Capital Projects</u>	<u>Nonmajor Debt Service</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase/(Decrease)</u>	
2011-2012	90.9	18.5	11.5	120.9	5.5	4.8%
2012-2013	94.7	19.3	9.7	123.7	2.8	2.3%
2013-2014	98.3	20.0	10.0	128.3	4.6	3.7%

In FY 2013-2014, the School Board recognized \$128.3 million of ad valorem tax revenues for the General Fund, the Parish-Wide Capital Projects Fund, and the Debt Service Fund. This represents 27.6% of the total revenues received. Ad valorem tax revenues in FY 2013-2014 increased by 3.7% as a result of continued increases in property values.

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

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Increase/(Decrease)</u>	
2011-2012	74.5	(3.8)	(4.9)%
2012-2013	71.3	(3.2)	(4.3)%
2013-2014	75.1	3.8	5.3%

All sales and use tax revenues are deposited into the General Fund. This represents 16.2 % of the total revenues received. The increase in FY 2013-2014 resulted from the privatization of LSU-HSC and the construction of the Benteler Steel Plant.

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

<u>Fiscal Year</u>	<u>General</u>	<u>Title I</u>	<u>Parishwide Capital Projects</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>	<u>Increase/(Decrease)</u>	
2011-2012	2.9	25.4	-	37.5	65.8	(3.5)	(5.1)%
2012-2013	1.6	22.3	-	36.0	59.9	(5.9)	(9.0)%
2013-2014	1.3	17.5	-	32.9	51.7	(8.2)	(13.7)%

In FY 2013-2014, the School Board received \$51.7 million in operating grants and contributions. The 13.7% decrease in FY 2013-2014 is primarily due to the continued reduction in federal and state grants.

Caddo Parish School Board
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Financial Analysis of the Government's Funds

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

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

The General Fund is the main operating fund of the Caddo Parish School Board. At the end of the current fiscal year, spendable fund balance of the General Fund was \$50.0 million. The Caddo Parish School Board has committed \$21.4 million of the spendable fund balance for future claims and contingencies and for equipment replacement. The remaining \$28.6 million (unassigned) is available for spending at the Caddo Parish School Board's discretion. The fund balance of the general fund decreased \$1.2 million for the fiscal year. The main reason for this was spending in excess of revenue due primarily to an increase in capital outlay expenditures.

The CEEF Permanent Fund has a total fund balance of \$19.6 million. A net increase of \$.7 million occurred during the current fiscal year, largely due to continued receipts from the two riverboat casinos located in the parish.

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

The original budget for the Caddo Parish School Board was adopted on June 18, 2013 and the final budget amendment was adopted on March 17, 2014. Differences between the original budget and final amended budget of the General Fund are as follows:

Revenues

- Ad valorem taxes were estimated at \$94.7 million when the budget was first adopted by the board in June 2013. The original budget was increased by \$3.4 million as the result of increased property values.
- State sources - equalization was increased by \$4.7 million. The School Board received \$5.4 million for the Magnolia Charter School. This was offset slightly by the MFP mid-year adjustment.
- State sources – other revenue increased due to the district receiving \$4.7 million as a part of a \$69.0 million HB1 appropriation.

Expenditures

- The original budget for instruction was increased by \$2.7 million for additional teacher material and supplies and the supplements paid to employees related to HB1.
- The other uses of funds budget (transfer out) was increased by \$5.4 million for the transfer out of MFP funds to the Magnolia Charter School.
- The original budget for all other services increased by \$4.5 million as the result of additional legal fees and additional utility costs.

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Actual Results

- Actual revenues were more than the final budget with a favorable variance of \$1.2 million. The reason was higher local revenue.
- Total expenditures were less than final budget with a favorable variance of \$1.6 million, which is attributed to normal operating variances.

Capital Asset and Debt Administration

Capital Asset. For the year ended June 30, 2014, the School Board had \$209.2 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings, furniture and equipment, and transportation equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$14.3 million or 6.4% from last year.

Capital Assets (in millions)
(Net of depreciation)

	<u>Governmental Activities</u>	
	As of June 30,	
	<u>2013</u>	<u>2013</u>
Land	\$ 4.8	\$ 4.8
Construction in progress – buildings	2.1	17.1
Buildings and improvements	187.0	185.4
Furniture and equipment	9.8	10.6
Transportation equipment	4.7	4.7
Intangibles - software	0.8	0.9
	<u>\$ 209.2</u>	<u>\$ 223.5</u>

Major capital projects during the 2013-14 school year included the following:

- HVAC building controls
- Handicap accessibility at Eden Gardens and Alexander
- Various roofing repairs
- Asbestos abatement at several locations
- Parking lot resurfacing
- Lighting retrofits
- Various fencing projects

Long-Term Debt At the end of the current fiscal year, the Caddo Parish School Board had total debt outstanding of \$124 million. Of the amount, \$95.3 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2014 and 2013.

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Outstanding Debt

	Governmental Activities	
	2014	2013
General obligation bonds	\$ 95.3	\$ 97.1
Qualified Zone Academy Bond loan payable	1.0	1.4
Qualified School Construction Bonds	27.6	30.7
	\$ 124.0	\$ 129.2

The only major changes in long-term debt for the 2013-2014 fiscal year was that the district refunded its 2006 general obligation bond issue, saving in excess of \$781,000.

The Caddo Parish School Board entered into two capital lease agreements for vehicles (buses) during the current year. The lease payable at June 30, 2014, was \$565,216.

For additional information regarding capital assets and long-term debt, see notes 5 and 8 to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for FY 2014-2015 was presented to the Board:

- Property taxes were projected to remain the same as FY 2013-14.
- Sales tax revenue was projected to increase 1.0% from actual FY 2013-14.
- The budget for State Minimum Foundation Funding was based on the MFP letter from the Department of Education.

Requests for Information

This financial report is designed to provide a general overview of the Caddo Parish School Board's finances for all those with an interest in the Caddo Parish School Board's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to James G. Lee, Chief Financial Officer, Caddo Parish School Board, P.O. Box 32000, Shreveport, LA 71130-2000, or by calling (318) 603-6355, or by emailing jlee@caddoschools.org.

Caddo Parish School Board

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BASIC FINANCIAL STATEMENTS:

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Net Position
June 30, 2014

Statement A

	Primary Government	Discretely Presented Component Unit
Assets		
Cash and cash equivalents	\$ 137,449,412	\$ 862,713
Receivables	18,588,898	32,462
Inventory	1,270,283	-
Other assets	500,848	55,905
Restricted assets		
Cash and cash equivalents	19,599,554	-
Capital assets not being depreciated		
Land	4,753,396	-
Construction in progress	2,121,722	-
Capital assets net of accumulated depreciation		
Buildings and equipment	<u>202,361,772</u>	<u>12,368,069</u>
Total assets	<u>386,645,885</u>	<u>13,319,149</u>
Deferred Outflows of Resources		
Unamortized loss on refunding bonds	132,482	-
Total assets and deferred outflows of resources	<u>386,778,367</u>	<u>-</u>
Liabilities		
Accounts payable	6,304,678	613,883
Claims payable	7,079,364	-
Salaries and wages payable	51,856,141	-
Retainage payable	72,764	-
Unearned revenue	257,348	-
Interest payable - bonds	1,099,826	-
Long-term liabilities		
Due within one year	22,384,267	137,097
Due in more than one year	<u>684,480,894</u>	<u>13,167,645</u>
Total Liabilities	<u>773,535,282</u>	<u>13,918,625</u>
Deferred Inflows of Resources		
Unamortized gain on refunding bonds	175,432	-
Total liabilities and deferred inflows of resources	<u>773,710,714</u>	<u>-</u>
Net Position		
Net investment in capital assets	84,710,168	(621,417)
Restricted net position for:		
Debt service	11,844,751	-
Instructional enhancement		
Expendable	296,679	-
Nonexpendable	19,599,554	-
Child Nutrition Program	5,087,576	-
Capital projects	12,254,685	-
Unrestricted net position (deficit)	<u>(520,725,760)</u>	<u>21,941</u>
Total net position (deficit)	<u>(\$ 386,932,347)</u>	<u>(\$ 599,476)</u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Activities
For the Year ended June 30, 2014

Statement B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	Discretely Presented Component Unit
Primary government					
Governmental activities					
Instruction					
Regular programs	\$ 170,095,108	\$ -	\$ 16,075,017	(\$ 154,020,091)	\$ -
Special programs	71,265,506	-	8,809,412	(62,456,094)	-
Other instructional programs	36,641,599	-	1,070,578	(35,571,021)	-
Support services					
Student services	26,531,030	-	1,688,893	(24,842,137)	-
Instructional staff support	21,073,276	-	1,212,649	(19,860,627)	-
General administration	7,010,667	-	150,712	(6,859,955)	-
School administration	29,615,181	-	2,372,069	(27,243,112)	-
Business services	5,219,269	-	460,999	(4,758,270)	-
Plant services	71,054,058	-	2,677,837	(68,376,221)	-
Student transportation services	26,037,204	34,140	1,585,331	(24,417,733)	-
Central services	7,236,964	-	508,340	(6,728,624)	-
Food services	17,875,767	1,729,075	15,114,206	(1,032,486)	-
Community service programs	458,380	-	-	(458,380)	-
Interest on long-term debt	4,852,465	-	-	(4,852,465)	-
Total primary government	<u>\$ 494,966,474</u>	<u>\$ 1,763,215</u>	<u>\$ 51,726,043</u>	<u>(441,477,216)</u>	<u>-</u>
Total component unit	6,516,194	-	160,516	-	(6,355,678)
	<u>\$ 6,516,194</u>	<u>\$ -</u>	<u>\$ 160,516</u>	<u>-</u>	<u>(6,355,678)</u>
General revenues					
Taxes					
Ad valorem taxes levied for general purposes				98,319,454	-
Ad valorem taxes levied for debt service purposes				9,993,778	-
Ad valorem taxes levied for capital improvements				20,007,125	-
Sales taxes levied for salaries, benefits, and general purposes				75,136,182	-
Grants and contributions not restricted to specific programs					
Minimum Foundation Program				200,497,316	5,467,078
State revenue sharing				1,977,238	-
Interest and investment earnings				687,030	-
Contributions to permanent funds				709,293	-
Miscellaneous				4,069,159	289,124
Total general revenues				<u>411,396,575</u>	<u>5,756,202</u>
Change in net position (deficit)				(30,080,641)	(599,476)
Net position (deficit) - beginning, as previously stated				(347,921,658)	-
Prior period adjustment				(8,930,048)	-
Net position (deficit) - beginning, as restated				<u>(356,851,706)</u>	-
Net position (deficit) - ending				<u>(\$ 386,932,347)</u>	<u>(\$ 599,476)</u>

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

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

CADDO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS Balance Sheet June 30, 2014

Statement C

	General	Permanent Fund - CEEF	Non Major Governmental Funds	Total
ASSETS				
Cash and cash equivalents	\$ 81,454,776	\$ -	\$ 33,634,309	\$ 115,089,085
Cash and cash equivalents- restricted	-	19,599,554	-	19,599,554
Receivables	10,771,905	-	7,816,993	18,588,898
Interfund receivables	4,069,498	-	-	4,069,498
Inventory	917,875	-	352,408	1,270,283
Other assets	500,000	-	848	500,848
	\$ 97,714,054	\$ 19,599,554	\$ 41,804,558	\$ 159,118,166
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 650,321	\$ -	\$ 1,643,302	2,293,623
Salaries and wages payable	45,503,322	-	6,352,819	51,856,141
Interfund payables	-	-	4,069,498	4,069,498
Unearned revenue	173,360	-	83,987	257,347
	46,327,003	-	12,149,606	58,476,609
Fund balances				
Nonspendable	1,417,875	19,599,554	352,408	21,369,837
Restricted	-	-	29,131,283	29,131,283
Committed	21,380,811	-	171,261	21,552,072
Unassigned	28,588,365	-	-	28,588,365
	51,387,051	19,599,554	29,654,952	100,641,557
	\$ 97,714,054	\$ 19,599,554	\$ 41,804,558	\$ 159,118,166

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2014

Statement D

Total fund balances - Governmental Funds at June 30, 2014 \$ 100,641,557

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

Costs of capital assets	447,521,756	
Accumulated depreciation	<u>(238,284,866)</u>	209,236,890

Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are reported in the government wide statements (125,693,103)

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

Long-term liabilities		
General obligation bonds payable	(98,761,240)	
Qualified Zone Academy bonds	(602,011)	
Qualified School Construction bond	(24,598,255)	
Compensated absences payable	(14,601,872)	
OPEB liability (prior to self insurance)	(426,453,109)	
Claims and judgments payable	(4,320,448)	
Unamortized loss on refunding bonds	132,482	
Unamortized gain on refunding bonds	(175,432)	
Capital lease payable	(565,216)	
Interest payable	(1,099,826)	
Retainage payable	<u>(72,764)</u>	
		<u>(571,117,691)</u>

Net Position at June 30, 2014 \$ 386,932,347

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

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2014**

Statement E

	General	Permanent Fund- CEEF	Non Major Governmental Funds	Total
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ 98,319,454	\$ -	\$ 30,000,903	\$ 128,320,357
Sales and use	75,136,182	-	-	75,136,182
Interest earnings	614,443	18,028	34,433	666,904
Food services	-	-	1,727,552	1,727,552
Other	4,135,342	709,293	1,571	4,846,206
State sources				
Equalization	198,497,316	-	2,000,000	200,497,316
Other	1,880,002	-	2,379,935	4,259,937
Federal sources				
	1,294,457	-	48,147,318	49,441,775
Total revenues	379,877,196	727,321	84,291,712	464,896,229
EXPENDITURES				
Current				
Instruction				
Regular programs	148,135,622	-	1,440,833	149,576,455
Special programs	53,429,374	-	1,812,239	55,241,613
Other instructional programs	24,139,195	-	18,066,640	42,205,835
Support services				
Student services	24,033,224	-	4,429,267	28,462,491
Instructional staff support	15,308,447	-	5,797,497	21,105,944
General administration	3,942,505	-	2,693,762	6,636,267
School administration	29,226,210	-	-	29,226,210
Business services	4,579,038	-	152,850	4,731,888
Plant services	45,636,267	-	193,304	45,829,571
Student transportation services	22,756,614	-	470,963	23,227,577
Central services	6,613,627	-	174,772	6,788,399
Food services	3,115	-	21,278,405	21,281,520
Community service programs	5,570	-	627,928	633,498
Capital outlay	3,846,608	-	16,632,894	20,479,502
Debt service				
Bond issuance costs	-	-	94,860	94,860
Principal retirement	150,386	-	9,066,663	9,217,049
Interest and bank charges	-	-	4,198,670	4,198,670
Total expenditures	381,805,802	-	87,131,547	468,937,349
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,928,606)	727,321	(2,839,835)	(4,041,120)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	25,931	25,931
Transfers out	-	(25,931)	-	(25,931)
Sales of capital assets	34,140	-	1,522	35,662
Other financing sources - capital lease agreement	715,602	-	-	715,602
Refunding bonds	-	-	15,810,000	15,810,000
Premium on bond issuance	-	-	620,900	620,900
Payment to escrow agent	-	-	(16,336,040)	(16,336,040)
Total other financing sources (uses)	749,742	(25,931)	122,313	846,124
Net change in fund balances	(1,178,864)	701,390	(2,717,522)	(3,194,996)
FUND BALANCES - BEGINNING	52,565,915	18,898,164	32,372,474	103,836,553
FUND BALANCES - ENDING	\$ 51,387,051	\$ 19,599,554	\$ 29,654,952	\$ 100,641,557

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
June 30, 2014

	Statement F
Total net change in fund balances - governmental funds	(\$ 3,194,996)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period.	
Depreciation expense	(16,790,677)
Capital outlays	22,539,714
Capital asset disposals, net	(19,989,919)
Net cost of capital assets	<u>(14,240,882)</u>
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Repayment of bond principal	5,242,085
Other financing source - capital lease	(715,602)
Payment of capital lease	150,386
Unamortized loss on refunding bonds	132,482
Unamortized gain on refunding bonds	(175,432)
Internal services funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service fund is reported with governmental activities.	
	(26,025,780)
In the Statement of Activities, certain expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$10,971,781) exceeded the amounts used \$10,940,077 by \$31,704.	
	(31,704)
Some expenses reported in the statement of activities are not matured and, therefore, are not reported as expenditures in governmental funds.	
Claims and judgments and retainage	(380,459)
Restatement of net position (see Note 20)	8,930,048
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	<u>229,213</u>
Change in net position of governmental activities	<u><u>(\$ 30,080,641)</u></u>

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

Caddo Parish School Board
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Net Position
June 30, 2014

Statement G

ASSETS

Cash and cash equivalents

\$ 22,360,328

Total assets

22,360,328

LIABILITIES

Current liabilities

Accounts payable

4,011,057

Claims payable

7,079,364

Total current liabilities

11,090,421

Noncurrent liabilities

OPEB liabilities

136,963,010

Total liabilities

148,053,431

NET POSITION

Unrestricted net position (deficit)

(125,693,103)

Total net position (deficit)

(\$ 125,693,103)

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Year ended June 30, 2014

	Statement H
OPERATING REVENUE	
Premiums	<u>\$ 89,968,418</u>
Total operating revenue	<u>89,968,418</u>
OPERATING EXPENSES	
Medical claims	93,361,049
Prescription claims	19,835,136
Administration	<u>2,821,496</u>
Total operating expenses	<u>116,017,681</u>
Operating income (loss)	(26,049,263)
NON OPERATING REVENUES	
Earnings on investments	<u>23,483</u>
Changes in net position	(26,025,780)
NET POSITION (DEFICIT) - BEGINNING	<u>(99,667,323)</u>
NET POSITION (DEFICIT) - ENDING	<u><u>(\$ 125,693,103)</u></u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Cash Flows
For the Year ended June 30, 2014

Statement I

CASH FLOW FROM OPERATING ACTIVITIES	
Premiums	\$ 90,851,350
Claims paid	(81,255,274)
Administrative fees paid	(2,821,496)
	6,774,580
Net cash provided by operating activities	6,774,580
 CASH FLOW FOR INVESTING ACTIVITIES	
Earnings on investments	23,483
	23,483
Net cash provided by investing activities	23,483
	6,798,063
Net increase in cash and cash equivalents	6,798,063
 CASH AND CASH EQUIVALENTS - BEGINNING	15,562,265
 CASH AND CASH EQUIVALENTS - ENDING	\$ 22,360,328
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	(\$ 26,049,263)
Adjustments to reconcile operating revenue to net cash provided by operating activities	
Changes in assets and liabilities	
(Increase) decrease in accounts payable	882,932
Increase (decrease) in claims payable	(1,384,551)
Increase (decrease) in OPEB liability	33,325,462
	6,774,580
Net cash provided by operating activities	\$ 6,774,580

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Fiduciary Net Position
June 30, 2014

Statement J

	<u>Other Post Employment Benefits Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 783,363	\$ 4,725,107
Investments - CD's	-	476,744
Investments - Corporate bonds	13,515,766	-
Investments - U.S. government securities	2,624,243	-
Receivables	221,659	-
	<u>\$ 17,145,031</u>	<u>\$ 5,201,851</u>
LIABILITIES		
Deposits due to others	<u>\$ 250,025</u>	<u>\$ 5,201,851</u>
	<u>\$ 250,025</u>	<u>\$ 5,201,851</u>
NET POSITION		
Assets held in trust for OPEB benefits	<u>\$ 16,895,006</u>	<u>\$ -</u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Change In Fiduciary Net Position
For the Year ended June 30, 2014

Statement K

	Other Post Employment Benefits Trust Fund
ADDITIONS	
Employer contributions	\$ 96,774
Earnings on investments	<u>644,505</u>
Total additions	<u>741,279</u>
DEDUCTIONS	
General and administrative expenses	<u>268,962</u>
Change in net position	472,317
Net position held in trust for OPEB benefits - beginning	<u>16,422,689</u>
Net position held in trust for OPEB benefits - ending	<u><u>\$ 16,895,006</u></u>

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

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

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Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

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

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

The School Board operates 66 schools within the parish with a total enrollment of approximately 41,000 pupils in the 13-14 school year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board has one component unit, the Shreveport Charter Foundation, Inc. (“Magnolia” or “Magnolia School of Excellence”). Magnolia is presented as a discretely presented component unit. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Magnolia is included in the reporting entity because it is fiscally dependent on the School Board for the majority of its revenue, and because exclusion would render the School System’s financial statements incomplete or misleading. However, Magnolia is a legally separate entity and, as such, appoints its own Board. Magnolia is a Type I Charter School that opened in the Fall of 2013. It has a June 30 year end. Complete financial statements of this component unit can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104. The School Board and its component unit represent the reporting entity. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

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

The funds of the School Board are classified into three categories: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are used to account for the School Board’s general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General Fund - the primary operating fund of the School Board accounts for all financial resources, except those accounted for in other funds.

Permanent Fund - CEEF - used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended.

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

Internal Service Fund - used to account for health insurance for employees of the School Board on a cost reimbursement basis.

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

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

School Activities Fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Office Concession Agency Fund - accounts for monies collected by school board employees working in the central office coffee shop for the purpose of replenishing items sold and maintenance of coffee shop equipment.

Pension (and Other Postemployment Benefits) Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contributions plans, other postemployment benefit plans, or other employee benefit plans.

Other Postemployment Benefits Trust Fund - accounts for the assets held in an irrevocable trust for payment of retirees' health insurance premiums.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting, and Financial Reporting for Non-exchange Transactions. The effect of Interfund Activity has been eliminated from the government-wide financial statements.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

Internal activities: The employees' medical insurance internal service fund provides services to the governmental funds. Accordingly, the employees' insurance fund activity was rolled up into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. The interfund services provided and used are not eliminated in the process of consolidation.

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

Allocation of indirect expenses: The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

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

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

Revenues

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

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

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

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

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

Expenditures

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

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

Proprietary Fund: Proprietary fund is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

Operating revenues and expenses: Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds: The fiduciary funds include *agency funds and a trust fund*, which are custodial in nature and do not present results of operations or have a measurement focus. Agency and trust funds are accounted for using the accrual basis of accounting. The trust fund uses the economic resources measurement focus.

D. BUDGETS

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

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

Appropriations (unexpended budget balances) lapse at year end.

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

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

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board. Legally, the School

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2014

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

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

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

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided or used are not eliminated in the process of consolidation.

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I. INVENTORY AND PREPAID ITEMS Inventory is recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

J. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The School Board maintains a threshold level for capitalization of the following: \$100,000 for buildings, building improvements and intangibles, \$50,000 for land and land improvements, \$100,000 for intangibles and \$5,000 for equipment and vehicles. Donated capital assets are recorded at their estimated fair value at the date of donation.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	25 – 45 years
Land improvements	10 – 25 years
Building improvements	10 – 30 years
Furniture and equipment	5 – 20 years
Vehicles	5 – 8 years
Intangibles - software	10 years
Intangibles - other	10 years

Land and construction in progress are not depreciated.

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

L. COMPENSATED ABSENCES All 12-month employees earn ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment. Upon termination, employees may be paid for their accumulated balance.

All School Board employees earn twelve to sixteen days of sick leave each year depending upon length of service. Sick leave may be accumulated without limitation. Upon retirement or death unused accumulated sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees current rate of pay and all unused sick leave is used in the retirement computation as earned service.

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

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

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

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

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

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

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

All School Board employees earn 90 days of extended sick leave that can be used over a 6 year period. It is paid at a rate of 65% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 90 days. All School Board employees earn 30 days catastrophic sick days that can be used over a 6 year period. It is paid at 50% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 30 days.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has an unamortized loss from refunding bonds at June 30, 2014, of \$132,482.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has an unamortized gain from refunding bonds at June 30, 2014, of \$175,432.

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

O. RESTRICTED NET POSITION For the government-wide statement of net position, net position are reported as restricted when constraints placed on net asset use are either:

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

Net Position as of June 30, 2014, that is restricted by enabling legislation is \$49,083,245.

P. FUND BALANCES OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of resolutions that were passed at a School Board meeting committing the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. The School Board currently does not have a policy authorizing the assignment of fund balance.

Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, then restricted resources as necessary. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

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

The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and other School Board employees and for the operation of public schools in Caddo Parish.

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

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Caddo Parish Sheriff's office bills and collects property taxes for the School board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Levy date	January 1, 2013
Millage rates adopted	May 22, 2013
Tax bills mailed	November 25, 2013
Due date	December 31, 2013
Lien date	January 1, 2014
Tax sales – 2013 delinquent property	May 13, 2014

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2013. Total assessed value was \$2,017,071,683 in calendar year 2013. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. The homestead exemption was \$344,674,110 of the assessed value in calendar year 2013.

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

All property taxes are recorded in the general fund, parish-wide capital projects fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2014 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the bulk of property taxes are collected by the Sheriff in December, January, and February.

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

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

	Date of Voter Approval	Authorized Millage	Levied Millage	Expiratio n Date
Parish-wide taxes:				
Constitutional	Statutory	8.48	7.85	n/a
Maintenance and operation	July 20, 2002	17.11	17.11	2023
Operation, Maintenance, and Support	July 20, 2002	11.26	11.26	2024
Employee Salaries & Benefits	January 21, 2006	21.79	20.18	2016
Technology	January 21, 2006	1.35	1.25	2016
Special Building, Repair, & Equipment	July 20, 2002	6.86	6.86	2023
Special Renovations	January 21, 2006	5.56	5.15	2016
Bond and Interest	October 18, 1997	Variable	6.00	2033

NOTE 3 - DEPOSITS AND INVESTMENTS

Governmental and Agency Funds

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

Custodial credit risk: At year-end, the School Board's carrying amount of deposits was \$162,250,817 and the bank balance was \$167,297,074.

These deposits are reported as follows: Statement A-cash and cash equivalents, \$137,449,412; Statement A-restricted cash and cash equivalents, \$19,599,554; and Statement J-cash and cash equivalents, \$5,201,851. Of the bank balance, \$48,928,539 was uninsured and collateralized with securities held by the pledging financial

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institution's trust department or agent but not in the School Board's name. There were no unsecured funds as of June 30, 2014. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's investment policy does not specifically address custodial credit risk.

The deposits include a balance of \$116,349,502 in a sweep account. Funds in this account are invested in U. S. Government securities at night and swept back to the bank account the next morning. The agreement with the bank specifies that all purchased securities in the possession of the bank shall be segregated from other securities in its possession and shall be identified as subject to the terms of the agreement.

Restricted cash is reported on the statement of net position. This is cash in the Caddo Educational Excellence Fund (CEEF) permanent fund.

Other Postemployment Benefits Trust Fund

The School Board follows the state law regarding investments in postemployment benefits funds by political subdivisions, R.S. 33:5161 and R.S. 33:5162. In summary, funds may be invested in direct U.S. Treasury Obligations, debt which is issued or guaranteed by federal agencies and backed by the full faith and credit of the U.S., direct security repurchase agreements of any federal book-entry only securities, debt issued by Corporations of the U.S. which are rated Baa or better by Moody's, Inc. or BBB or better by Fitch or Standard and Poor's Corporation, money market mutual funds or Louisiana Asset Management Pool.

Interest Rate Risk: The state law does not address specific policies for managing interest rate risk. The following table provides information about interest rate risk associated with the other postemployment benefits trust fund.

Description of investment	Fair Value	Maturity			
		Less than 1 Year	1 - 3 Years	3 - 5 Years	5 - 7 Years
U. S. government securities	\$ 2,624,243	\$ 403,100	\$ 299,553	\$ 1,521,066	\$ 400,524
Corporate bonds	13,266,212	1,997,858	8,164,742	2,502,388	601,224
Total	\$ 15,890,455	\$ 2,400,958	\$ 8,464,295	\$ 4,023,454	\$ 1,001,748

Custodial Credit Risk: The School Board's policy regarding custodial credit risk is that funds on deposit shall be collateralized an amount at all times equal to 100% by pledged "approved securities" as specified by La. R.S 39:1225 as amended to adequately protect the funds of the School Board. Cash of \$1,357,507 is held in a trust account.

Credit Rate Risk: The credit risk of the other postemployment benefits trust fund is managed by restricting investments to those authorized by R.S. 33:5162. The School Board's policy does not address credit rate risk.

Description of investment	Fair Value	Rating by Standard & Poor's		
		AA	A	BBB
U. S. government securities	\$ 2,624,243	\$ 2,624,243	\$ -	\$ -
Corporate bonds	13,266,212	537,327	6,704,512	6,024,373
Total	\$ 15,890,455	\$ 3,161,570	\$ 6,704,512	\$ 6,024,373

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Concentration of Credit Risk: R.S. 33:5162 provides that all fixed income investments shall be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2014, no more than 5 percent of the other postemployment benefits trust fund's total investments were invested in any single issuer.

NOTE 4 - RECEIVABLES The receivables at June 30, 2014, are as follows:

Class of Receivables	General	Non Major Governmental	Total
Taxes:			
Ad Valorem	\$ 674,003	\$ 210,560	\$ 884,563
Sales Tax	7,035,230	-	7,035,230
Intergovernmental grants:			
Federal	308,067	7,221,967	7,530,035
State	494,857	363,350	858,207
Other	2,259,748	21,116	2,280,863
Total	<u>\$ 10,771,905</u>	<u>\$ 7,816,993</u>	<u>\$ 18,588,898</u>

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

NOTE 5 - CAPITAL ASSETS Capital assets balances and activity for the year ended June 30, 2014, are as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 4,753,396	\$ -	\$ -	\$ 4,753,396
Construction in progress	17,073,162	4,972,296	19,923,736	2,121,722
Total capital assets not being depreciated	<u>21,826,558</u>	<u>4,972,296</u>	<u>19,923,736</u>	<u>6,875,118</u>
Capital assets being depreciated				
Buildings & improvements	361,939,583	13,978,204	-	375,917,787
Furniture and equipment	28,964,462	2,797,649	3,216,122	28,545,989
Transportation equipment	34,412,773	791,565	536,994	34,667,344
Intangibles - software	1,515,518	-	-	1,515,518
Total capital assets being depreciated	<u>426,832,336</u>	<u>17,567,418</u>	<u>3,753,116</u>	<u>440,646,638</u>
Total cost of capital assets	<u>448,658,894</u>	<u>22,539,714</u>	<u>23,676,852</u>	<u>447,521,756</u>
Less accumulated depreciation				
Buildings & improvements	176,587,479	12,304,291	-	188,891,770
Furniture and equipment	18,318,022	3,616,165	3,203,638	18,730,549
Transportation equipment	29,693,827	718,669	483,295	29,929,201
Intangibles - software	581,794	151,552	-	733,346
Total accumulated depreciation	<u>225,181,122</u>	<u>16,790,677</u>	<u>3,686,933</u>	<u>238,284,866</u>
Total capital assets being depreciated, net	<u>201,651,214</u>	<u>776,741</u>	<u>66,183</u>	<u>202,361,772</u>
Governmental activities				
Capital assets, net	<u>\$ 223,477,772</u>	<u>\$ 5,749,037</u>	<u>\$ 19,989,919</u>	<u>\$ 209,236,890</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 3,111,292
Special programs	296,335
Other instructional programs	95,210
Instructional staff support	165,127
General administration	1,200
School administration	10,530
Business services	47,746
Plant services	11,825,819
Student transportation services	1,136,580
Food services	100,838
Total depreciation expense	<u>\$ 16,790,677</u>

NOTE 6 - RETIREMENT SYSTEMS

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

Teachers' Retirement System of Louisiana (TRSL)

Plan Description

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

Funding Policy

Covered employees are required to contribute 8.0% of their salary to the Regular Plan. The School Board was required to contribute 27.2%, 24.5%, and 23.7% of covered employees' salaries for the years ended June 2014, 2013, and 2012, respectively. Covered employees are required to contribute 9.1% of their salary to the Plan A.

The employer and employee contribution obligations are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 2014, 2013, and 2012 were \$54,607,960, \$50,204,612, and \$50,961,128, respectively, equal to the required contributions for each year. Covered employees' salaries were \$200,589,844, \$204,882,322, and \$217,475,427, for the years ended June 30, 2014, 2013, and 2012, respectively. In accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, the net pension obligation was determined to be zero.

Deferred Retirement Option Plan

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

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

Plan Description

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

Funding Policy

Covered employees were required to contribute 7.5 or 8.0% of their salary to the School Employees' Plan for 2014, 2013, and 2012. The School Board was required to contribute 32.3% of covered employees' salaries for 2014, 30.8% for 2013, and 28.6% for 2012. The School Board's contributions were \$6,547,560, \$6,009,390, and \$5,828,703, for the years ended June 30, 2014, 2013, and 2012, respectively, equal to the required contributions for the year. These contributions were made for covered payroll of \$20,324,933, \$19,510,863, and \$20,380,082, for the years ended June 30, 2014, 2013, and 2012, respectively. The employer and employee contribution requirements are established and may be amended by Louisiana state statute. In accordance with GASB Statement No. 27, the net pension obligation was determined to be zero.

NOTE 7 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposits due others follows:

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
School Activities Fund	\$ 5,006,202	\$ 10,909,690	\$ 10,714,746	\$ 5,201,146
Central Office Concession Fund	1,225	20,012	20,532	706
School Activities Fund	<u>\$ 5,007,427</u>	<u>\$ 10,929,702</u>	<u>\$ 10,735,278</u>	<u>\$ 5,201,851</u>

NOTE 8 - LONG-TERM LIABILITIES The School Board has issued the following types of long-term liabilities, all which pertain to the School Board's governmental activities.

Bond Refunding: The School Board issues general obligation bonds to provide funds for the acquisition of land for schools, to build new facilities and to improve capital assets. The original amount of general obligation bonds issued in prior years was \$130,150,000. During the fiscal year, general obligation bonds totaling \$15,810,000 were issued to refund \$15,220,000 of Series 2006 bonds. The proceeds were placed in an irrevocable trust for the purpose of generating resources for the payment of general obligation school bonds, Series 2006, consisting of the callable maturities of that issue which will be called for redemption on March 1, 2016. The advanced refunding was undertaken to reduce total debt service payments over the next seventeen years by \$1,072,699 and resulted in an economic gain of \$651,937. General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds generally are issued as 20- or 25-year serial bonds with varying amounts of principal maturing each year.

Qualified Academy Zone Bond: The School Board has also borrowed funds through this special interest-free loan program sponsored by the U.S. government to fund lighting retrofit programs and to install air-conditioning in school cafeterias. In February 2002, the School Board borrowed \$3,500,000. In March 2008, the School Board borrowed \$1,582,450 to fund technology wiring and disabled access projects.

Qualified School Construction Bond: The School Board received authority under the American Recovery and Reinvestment Act of 2009 (ARRA) to issue taxable bonds for construction, rehabilitation or repair of public school facilities. The bonds are interest free and bond holders receive a tax credit in lieu of interest. In June 2009, the

School Board issued revenue bonds of \$17,359,000 to be paid from the constitutional tax of 7.96 mills collected annually. In 2011 the School Board issued revenue bonds of \$20,707,000 to be paid from the constitutional tax of 7.96 mills collected annually.

Summary of Transactions and Balances: The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2014:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Bonds payable:					
General Obligation debt	\$ 100,084,516 *	\$ 16,430,900	\$ 21,205,839	\$ 95,309,577	\$ 5,995,000
Qualified Zone Academy bond	1,427,591	-	412,790	1,014,801	412,790
Qualified School Construction bond	30,676,000	-	3,038,873	27,637,127	3,038,872
Other liabilities:					
Compensated absences	14,570,168	10,971,781	10,940,077	14,601,872	10,472,281
Capital lease payable	-	715,602	150,386	565,216	136,038
OPEB liability	530,090,657	69,599,124	36,273,661	563,416,120	-
Claims & judgments payable	3,150,961	3,522,164	2,352,677	4,320,448	2,329,286
Total	<u>\$ 679,999,893 *</u>	<u>\$ 101,239,571</u>	<u>\$ 74,374,303</u>	<u>\$ 706,865,161</u>	<u>\$ 22,384,267</u>

*The beginning balance reflects a prior period adjustment of \$2,984,516 million to the general obligation bonds explained in Note 20.

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service fund. The Qualified Zone Academy Bonds and Qualified School Construction Bonds payments are made by the parishwide capital projects fund. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 92.9% was paid by the general fund and the remaining 7.1% by other governmental funds. Claims and judgments payable have typically been liquidated by the general fund.

	Original Amount	Interest Rates	Range of Maturities	Interest to Maturity	Principal Outstanding
General Obligation Bonds:					
Series 2004	\$ 14,000,000	4.00 to 6.50%	3/1/07 - 3/1/18	\$ 156,634	\$ 1,680,000
Series 2005	20,000,000	3.65 to 5.00%	3/1/07 - 3/1/15	23,675	650,000
Series 2006	20,000,000	3.75 to 5.75%	3/1/08 - 3/1/31	110,113	1,265,000
Series 2007	20,000,000	4.00 to 7.00%	3/1/09 - 3/1/32	7,990,547	17,070,000
Unamortized portion of related bond discount					(31,776)
Series 2008	14,290,000	3.63 to 6.00%	3/1/10 - 3/1/33	6,056,685	12,545,000
Unamortized portion of related bond premium					33,935
Refunding Series 2005 Bonds	12,405,000	3.00 to 5.00%	3/1/06 - 3/1/18	728,250	5,675,000
Unamortized portion of related bond premium					432,085
Refunding Series 2005A Bonds	12,710,000	3.00 to 5.25%	3/1/06 - 3/1/20	1,547,750	8,415,000
Unamortized portion of related bond premium					828,798
Refunding Series 2010 Bond	5,365,000	3.45%	3/1/11 - 3/1/21	565,283	3,945,000
Refunding Series 2012 Bond	9,960,000	1.00 to 3.13%	3/1/13 - 3/1/29	2,765,776	9,770,000
Unamortized portion of related bond premium					34,469
Refunding Series 2013 Bond	15,280,000	2.00 to 5.00%	9/1/13 - 3/1/30	5,311,600	15,250,000
Unamortized portion of related bond premium					1,316,166
Refunding Series 2014 Bond	15,810,000	2.00 to 4.00%	3/1/15 - 3/1/31	5,595,126	15,810,000
Unamortized portion of related bond premium					620,900
QZAB					
Series 2002	3,500,000	n/a	5/1/02 - 11/1/15	n/a	381,821
Series 2008	1,582,450	n/a	3/1/09 - 3/20/18	n/a	632,980
QSCB					
Series 2009	17,359,000	n/a	6/1/10 - 6/1/24	n/a	11,383,165
Series 2011	20,707,000	n/a	6/1/12 - 6/1/26	n/a	16,253,962
				<u>\$ 30,851,439</u>	<u>\$ 123,961,505</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2014, the School Board had accumulated \$11,844,751 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	General Obligation Bonds		QZAB Loan	QSCB Loan	TOTAL	
	Principal Payments	Interest Payments	Principal Payments	Principal Payments	Principal Payments	Interest Payments
2015	\$ 5,995,000	\$ 3,444,958	\$ 412,789	\$ 2,537,733	\$ 8,945,522	\$ 3,444,958
2016	7,103,355	3,325,834	285,520	2,537,733	9,926,608	3,325,834
2017	7,002,585	3,036,147	158,245	2,537,733	9,698,563	3,036,147
2018	7,242,261	2,767,966	158,246	2,537,733	9,938,240	2,767,966
2019	5,916,923	2,497,139	-	2,537,733	8,454,656	2,497,139
2020-2024	24,393,816	9,615,551	-	12,688,670	37,082,486	9,615,551
2025-2029	25,946,086	5,207,723	-	2,259,793	28,205,879	5,207,723
2030-2033	11,709,551	956,121	-	-	11,709,551	956,121
Total	\$ 95,309,577	\$ 30,851,439	\$ 1,014,800	\$ 27,637,128	\$ 123,961,505	\$ 30,851,439

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2014, the statutory limit is \$705,975,089 and outstanding net bonded debt totals \$80,230,249.

The School Board defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. At June 30, 2014, \$39,570,000 of bonds outstanding are considered defeased.

Capital Lease Obligation: The School entered into two capital lease agreements. These leases qualify as capital leases for accounting purposes and, therefore, have been reported at the present value of the future minimum lease payments as of the inception date. The first lease obligation is due in annual installments of \$62,340 which includes interest at 2.48% through May 1, 2018. The three special needs passenger buses purchased under the capital lease total \$296,967 and are included in the capital assets of the School Board. The second lease obligation is due in annual installments of \$88,046 which includes interest at 2.58% through November 15, 2017. The five special needs passenger buses purchased under the capital lease total \$418,635 and are included in the capital assets of the School Board. The amortization of the vehicles has been included in the School Board's depreciation expense. Obligations of the School Board's governmental activities under the capital lease at June 30, 2014, are as follows:

Years ending June 30:	Governmental activities		
	Principal Payments	Interest Payments	Total Payments
2015	\$ 136,038	\$ 14,348	\$ 150,386
2016	139,489	10,897	150,386
2017	143,030	7,356	150,386
2018	146,659	3,727	150,386
Total	\$ 565,216	\$ 36,328	\$ 601,544

NOTE 9 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY) The composition of interfund balances as of June 30, 2014, is as follows:

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the payments between funds are made.

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 4,069,498	Non Major Governmental	\$ 4,069,498

NOTE 10 - INTERFUND TRANSFERS (FFS LEVEL ONLY) Transfers for the year ended June 30, 2014, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Non Major Governmental	\$ 25,931	\$ -
Permanent Fund - CEEF	-	25,931
Totals	<u>\$ 25,931</u>	<u>\$ 25,931</u>

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

NOTE 11 - ENCUMBRANCES (FFS LEVEL ONLY) Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2014, the School Board had entered into purchase orders and commitments as follows:

<u>General</u>	<u>Non Major Governmental</u>	<u>Total</u>
\$ 424,727	\$ 5,258,706	\$ 5,683,433

NOTE 12 - RISK MANAGEMENT The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy. The School Board became self-insured for health insurance coverage in the current fiscal year. No significant reductions in insurance coverage from coverage in the prior year occurred other than the health insurance, and no claims exceeded the School Board's insurance coverage for each of the past three years.

The School Board is self-insured for workers' compensation. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any. The current amounts due and payable are recorded in the respective funds at June 30, 2014, and the remaining liability is included in the government-wide financial statements and paid through each fund.

The School Board is self-insured for health insurance coverage. Claims are funded through operating funds of the School Board. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the internal service fund. This liability is the School Board's best estimate based on available information. The internal service fund for group health insurance benefits incurred a net loss of \$26,025,780 for the fiscal year and had a deficit in net position of \$125,693,103 at June 30, 2014. The loss is due to the increase in the OPEB liability for the year.

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

Worker's Compensation

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2012	\$ 1,462,138	\$ 3,803,894	\$ 2,815,071	\$ 2,450,961
2013	2,450,961	2,998,891	2,998,891	2,450,961
2014	2,450,961	3,262,164	2,352,677	3,360,448

Health Insurance

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2014	\$ 8,463,915	\$ 77,798,391	\$ 79,182,942	\$ 7,079,364

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

NOTE 13 - LITIGATION AND CLAIMS

Litigation At June 30, 2014, the School Board is involved in various litigation. A claims liability for \$960,000 is included in claims payable in the government-wide financial statements.

Construction Projects There are construction projects in progress at June 30, 2013. These include school renovations, conversions of grade levels, and wiring and security cameras. Construction in progress on these various projects at June 30, 2014 was \$2,121,722. These projects are funded by property tax receipts. The expected completion date is prior to June 30, 2015. The outstanding construction commitment at June 30, 2014, was \$1,548,744.

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

Federal Arbitrage Regulations The School Board's bonded indebtedness is subject to the Internal Revenue Code's provisions applicable to arbitrage earnings. In government finance, these earnings result from the temporary investment of the proceeds of a government entity's tax exempt securities in materially higher yielding taxable securities. Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage liability at year end.

NOTE 14 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$38,386. This amount was recognized as revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 15 - ECONOMIC DEPENDENCY Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$200,497,316 to the School Board, which represents approximately 43% of the School Board's total revenues for the year.

NOTE 16 - JOINTLY GOVERNED ORGANIZATION The Caddo – Shreveport Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of four members, two each selected from the Caddo Parish School Board and the City of Shreveport, in accordance with the joint agreement of the agencies. Sales taxes of \$75,136,182 were collected by the Commission and distributed to the School Board.

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS

Plan description - The Caddo Parish School Board's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The plan is a single employer plan under the Caddo Parish School Board.

Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), the Louisiana State Employees' Retirement System (LASERS) and the Louisiana School Employees' Retirement System (LSERS). All three systems have similar retirement (D.R.O.P. entry) eligibility provisions. Accordingly, we have assumed the following eligibility for retirement (D.R.O.P. entry): 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. In addition, employees hired on and after January 1, 2011, may not retire prior to age 60 without actuarial reduction in benefits.

Life insurance coverage is available to retirees by election and based on a modified unblended rate (active and retired). The retiree pays 75% of this modified unblended premium. Since GASB 45 requires the use of fully "unblended" rates, we have used the 94GAR mortality table described below to "unblend" these rates so as to reproduce the composite rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced to 75% of the original level at age 65 and again to 50% of the original level age 70 according to plan provisions.

Contribution Rates - Employees do not contribute to their postemployment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy - Until 2008, the Caddo Parish School Board recognized the cost of providing post-employment medical and life benefits (Caddo Parish School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the postemployment benefits on a pay-as-you-go basis. In 2014, the Caddo Parish School Board's portion of healthcare funding and life insurance cost for retired employees totaled 34,633,285.

Effective fiscal year beginning June 30, 2009, Caddo Parish School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB 45). In the fiscal year ending June 30, 2012, the Caddo Parish School Board began funding the ARC by making additional contributions over and above the current year's retiree funding costs.

Annual Required Contribution - The Caddo Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the postemployment benefits. The actuarially computed ARC is as follows:

Normal Cost	\$ 23,446,146
30-year UAL amortization amount	55,604,547
Annual required contribution (ARC)	<u>\$ 79,050,693</u>

The following table presents the School Board's OPEB Obligation for fiscal years 2014, 2013, and 2012:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Beginning Net OPEB Obligation July 1,	\$ 530,090,657	\$ 426,453,109	\$ 352,993,426
Annual required contribution	79,050,693	114,163,067	114,163,067
Interest on prior year Net OPEB Obligation	21,203,626	17,058,124	14,119,737
Adjustment to ARC	<u>(30,655,195)</u>	<u>-</u>	<u>(22,085,847)</u>
Annual OPEB Cost	69,599,124	131,221,191	106,196,957
Contribution to irrevocable trust	(1,640,376)		
Less current year retiree premiums	<u>(34,633,285)</u>	<u>(27,583,643)</u>	<u>(32,737,274)</u>
Increase in Net OPEB Obligation	<u>33,325,463</u>	<u>103,637,548</u>	<u>73,459,683</u>
Ending Net OPEB Obligation at June 30,	<u>\$ 563,416,120</u>	<u>\$ 530,090,657</u>	<u>\$ 426,453,109</u>

Utilizing the pay as you go method, the School Board contributed 52.12% of the annual postemployment benefits cost for 2014, 21.02% for 2013, and 30.83% for 2012.

Funded Status and Funding Progress - Plan assets are reported at fair value. In 2014, the Caddo Parish School Board made a contribution of \$1,640,376 to its postemployment benefits plan over and above the retiree premium costs. The plan with accrued interest and unrealized gains/losses, thus had assets of \$16,798,232 as of June 30, 2014. Based on the July 1, 2013, actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2014, was \$913,035,096 which is defined as that portion, as determined by a particular actuarial cost method (the Caddo Parish School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of postemployment plan benefits and expenses which is not provided by normal cost.

The funded status of the plan, as determined by an actuary as of July 1, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 913,035,096
Actuarial value of plan assets	<u>16,798,232</u>
Unfunded actuarial accrued liability (UAAL)	\$ 896,236,864
Funded ratio (actuarial value of plan assets/AAL)	1.84%
Covered payroll	\$ 245,129,573
UAAL as a percentage of covered payroll	365.62%

The Schedule of Funding Progress and Schedule of Employer Contributions required supplemental information follows the notes. The Schedule of Funding Progress presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

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

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

Actuarial Value of Plan Assets - The actuarial value of assets is at market value.

Turnover Rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

Postemployment Benefit Plan Eligibility Requirements - Based on past experience, it has been assumed that entitlement to benefits will commence four years after the earliest eligibility to receive unreduced benefits as described above under "Plan Description". The four year delay is to accommodate the period of participation in the D.R.O.P. plus, on average, one additional year. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) - GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the returns currently obtained in the investments held in the trust, a six percent annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

Health Care Cost Trend Rate - The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is the actuary's opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays between 70% and 80% of the retiree premium depending on the applicable plan and class. The medical rates provided which are applicable prior to age 65 are "blended" rates between active and retired, however. Since GASB 45 mandates that "unblended" rates be used, we have estimated the "unblended" rates for retired before Medicare eligibility to be 130% of the blended rates.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

NOTE 18 - FUND BALANCE CLASSIFICATIONS

	General	Permanent Fund - CEEF	Nonmajor Governmental	Total
Non spendable:				
Inventory	\$ 917,875	\$ -	\$ 352,408	\$ 1,270,283
Other	500,000	-	-	500,000
Caddo Educational Excellence Fund	-	19,599,554	-	19,599,554
Restricted for:				
School renovations and repairs	-	-	12,048,188	12,048,188
Instructional expenditures from CEEF	-	-	296,679	296,679
Child Nutrition Program	-	-	4,941,665	4,941,665
Debt service	-	-	11,844,751	11,844,751
Committed to:				
Unemployment compensation	740,842	-	-	740,842
Self funded workers' compensation	250,000	-	-	250,000
Insurance	4,000,000	-	-	4,000,000
Data processing	1,337,363	-	-	1,337,363
Technology enhancement	14,650,000	-	-	14,650,000
Outstanding legal claims	402,606	-	-	402,606
Educational Excellence Programs	-	-	171,261	171,261
Unassigned	28,588,365	-	-	28,588,365
Total	<u>\$ 51,387,051</u>	<u>\$ 19,599,554</u>	<u>\$ 29,654,952</u>	<u>\$ 100,641,557</u>

NOTE 19 - NEW GASB STANDARD The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. Management has not yet determined the financial statement impact of the pronouncement.

NOTE 20 – RESTATEMENT OF NET POSITION As of June 30, 2013, construction in progress included \$5,945,532 related to construction in progress that was expended in 2013 with the expectation that the building projects would complete and be capitalized in 2014. In 2014, however, management determined that these costs did not meet the capitalization criteria; therefore removed the items from construction in progress. The expenditure related to 2013, a prior period, therefore, an adjustment to opening net position was required to reflect these expenditures in the period they were incurred. In addition, bond discounts and premiums for prior issues of debt had not been recorded for 2004 through 2013. Individually these were not significant; however, in the aggregate, these amounts are material to the government wide financial statements. Therefore a prior period adjustment is also required to properly reflect these items. A summary of these prior period adjustments and the effect on beginning net position is as follows:

Ending net position of governmental activities, June 30, 2013	(\$ 347,921,658)
Construction in progress	(5,945,532)
Bond discounts and premiums for prior issuances of debt	<u>(2,984,516)</u>
Beginning net position of governmental activities, July 1, 2013, Restated	<u><u>(\$ 356,851,706)</u></u>

**REQUIRED SUPPLEMENTAL
INFORMATION**

Caddo Parish School Board

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2014**

		(a)	(b)	(b-a)	(a/b)	(c)	(b-a/c)
	Actuarial	Actuarial	Actuarial Accrued	Unfunded AAL	Funded		UAAL as a
<u>Fiscal Year</u>	<u>Valuation</u>	<u>Value of</u>	<u>Liability (AAL)</u>	<u>(UAAL)</u>	<u>Ratio</u>	<u>Covered Payroll</u>	<u>Percentage</u>
	<u>Date</u>	<u>Assets</u>					<u>of Covered</u>
							<u>Payroll</u>
2008	7/1/2007	\$ -	\$ 1,084,063,364	\$ 1,084,063,364	0%	\$262,883,539	412.37%
2009	7/1/2007	-	1,084,063,364	1,084,063,364	0%	273,586,280	396.24%
2010	7/1/2009	-	1,034,939,049	1,034,939,049	0%	258,977,649	399.62%
2011	7/1/2009	-	1,034,939,049	1,034,939,049	0%	270,439,595	382.69%
2012	7/1/2011	11,903,000	1,195,528,516	1,183,625,516	1.00%	261,165,556	453.21%
2013	7/1/2011	16,422,689	1,195,528,516	1,179,105,827	1.37%	237,716,457	496.01%
2014	7/1/2013	16,798,232	913,035,096	896,236,864	1.84%	245,129,573	365.62%

Caddo Parish School Board

**SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2014**

<u>Fiscal Year End</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/2008	\$ 112,862,019	12.74%
6/30/2009	\$ 113,256,398	13.74%
6/30/2010	\$ 96,273,184	18.72%
6/30/2011	\$ 96,273,184	19.38%
6/30/2012	\$ 114,163,067	28.68%
6/30/2013	\$ 114,163,067	24.16%
6/30/2014	\$ 79,050,693	45.89%

Budgetary Comparison Schedule

Funds With a Legally Adopted Annual Budget

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year ended June 30, 2014

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (Budgetary Basis)	WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 21,500,000	\$ 52,565,915	\$ 52,565,915	\$ -
Resources (inflows)				
Local sources				
Taxes				
Ad valorem	94,690,700	98,103,100	98,319,454	216,354
Sales and use	71,000,000	71,000,000	75,136,182	4,136,182
Interest earnings	720,000	720,000	614,443	(105,557)
Other	3,555,000	3,665,561	4,135,342	469,781
State sources				
Equalization	195,693,338	200,371,330	204,025,345	3,654,015
Other	2,330,700	7,035,194	1,880,002	(5,155,192)
Federal sources	4,095,000	4,095,000	1,294,457	(2,800,543)
Other financing sources - capital lease agreement	-	-	715,602	715,602
Sale of capital assets	-	-	34,140	34,140
Amounts available for appropriations	<u>393,584,738</u>	<u>437,556,100</u>	<u>438,720,882</u>	<u>1,164,782</u>
Charges to appropriations (outflows)				
Current				
Instruction				
Regular programs	161,887,500	162,977,447	148,135,622	14,841,825
Special programs	61,046,800	62,208,400	53,429,374	8,779,026
Other instructional programs	16,815,012	17,029,602	24,139,195	(7,109,593)
Support services				
Student services	16,866,740	16,924,640	24,033,224	(7,108,584)
Instructional staff support	14,178,000	14,365,700	15,308,447	(942,747)
General administration	5,233,350	6,658,650	3,942,505	2,716,145
School administration	23,908,900	24,302,400	29,226,210	(4,923,810)
Business services	4,635,600	4,709,000	4,579,038	129,962
Plant services	42,744,100	44,427,300	45,636,267	(1,208,967)
Student transportation services	22,546,300	23,398,797	22,756,614	642,183
Central services	6,422,500	6,502,000	6,613,627	(111,627)
Food services	-	-	3,115	(3,115)
Community service programs	-	-	5,570	(5,570)
Capital outlay	-	-	3,846,608	(3,846,608)
Debt service				
Principal retirement	-	-	150,386	(150,386)
Interest and bank charges	-	-	-	-
Other uses of funds (transfer out)	-	5,417,468	5,528,029	(110,561)
Total charges to appropriations	<u>376,284,802</u>	<u>388,921,404</u>	<u>387,333,831</u>	<u>1,587,573</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 17,299,936</u>	<u>\$ 48,634,696</u>	<u>\$ 51,387,051</u>	<u>\$ 2,752,355</u>

See notes to budgetary comparison schedules.

Caddo Parish School Board

Notes to the Budgetary Comparison Schedules For the Year Ended June 30, 2014

Note A - BUDGETS

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

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

Appropriations (unexpended budget balances) lapse at year-end.

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

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board members. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The effects of budget revisions to the general fund passed during the year were insignificant.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year ended June 30, 2014

B. Budget to GAAP Reconciliation

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 438,720,882
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(52,565,915)
State equalization revenue received for Shreveport Charter Foundation, Inc. but is not a current year revenue for financial reporting purposes	(5,528,029)
The financed amount for the capital lease is a budgetary resource but is not a current year revenue for financial reporting purposes	(715,602)
The sale of capital assets is a budgetary resource but is not a current year revenue for financial reporting purposes	(34,140)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 379,877,196
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 387,333,831
State equalization revenue received for Shreveport Charter Foundation, Inc. but is not a current year expense for financial reporting purposes	(5,528,029)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 381,805,802

SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS BY FUND TYPE

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2014

Exhibit 2

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Parishwide Capital Projects</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 8,961,001	\$ 11,774,603	\$ 12,898,705	\$ 33,634,309
Receivables	7,606,433	70,148	140,412	7,816,993
Inventory	145,911	-	206,497	352,408
Other assets	-	-	848	848
Total assets	\$ 16,713,345	\$ 11,844,751	\$ 13,246,462	\$ 41,804,558
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 673,300	\$ -	\$ 970,002	\$ 1,643,302
Salaries and wages payable	6,331,044	-	21,775	6,352,819
Interfund payable	4,069,498	-	-	4,069,498
Unearned revenue	83,987	-	-	83,987
Total liabilities	11,157,829	-	991,777	12,149,606
Fund Balances				
Nonspendable	145,911	-	206,497	352,408
Restricted	5,238,344	11,844,751	12,048,188	29,131,283
Committed	171,261	-	-	171,261
Total fund balances	5,555,516	11,844,751	12,254,685	29,654,952
Total liabilities and fund balances	\$ 16,713,345	\$ 11,844,751	\$ 13,246,462	\$ 41,804,558

Caddo Parish School Board

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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year ended June 30, 2014

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	PARISHWIDE CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ -	\$ 9,993,778	\$ 20,007,125	\$ 30,000,903
Interest earnings	7,563	14,280	12,590	34,433
Food services	1,727,552	-	-	1,727,552
Other	1,571	-	-	1,571
State sources				
Equalization	2,000,000	-	-	2,000,000
Other	2,077,033	-	302,902	2,379,935
Federal sources	48,147,318	-	-	48,147,318
	<u>53,961,037</u>	<u>10,008,058</u>	<u>20,322,617</u>	<u>84,291,712</u>
EXPENDITURES				
Current				
Instruction				
Regular programs	1,062,109	-	378,724	1,440,833
Special programs	1,812,239	-	-	1,812,239
Other instructional programs	18,066,640	-	-	18,066,640
Support services				
Student services	4,429,267	-	-	4,429,267
Instructional staff support	5,797,497	-	-	5,797,497
General administration	2,395,690	298,072	-	2,693,762
Business services	136,731	5,290	10,829	152,850
Plant services	193,304	-	-	193,304
Student transportation services	470,963	-	-	470,963
Central services	174,772	-	-	174,772
Food services	21,278,405	-	-	21,278,405
Community service programs	627,928	-	-	627,928
Capital outlay	56,881	-	16,576,013	16,632,894
Debt service				
Bond issuance costs	-	94,860	-	94,860
Principal retirement	-	5,615,000	3,451,663	9,066,663
Interest and bank charges	-	4,198,670	-	4,198,670
	<u>56,502,426</u>	<u>10,211,892</u>	<u>20,417,229</u>	<u>87,131,547</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,541,389)</u>	<u>(203,834)</u>	<u>(94,612)</u>	<u>(2,839,835)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	25,931	-	-	25,931
Sale of capital assets	1,522	-	-	1,522
Issuance of debt	-	15,810,000	-	15,810,000
Premium on bond issuance	-	620,900	-	620,900
Payment to bond escrow agent	-	(16,336,040)	-	(16,336,040)
	<u>27,453</u>	<u>94,860</u>	<u>-</u>	<u>122,313</u>
Net change in fund balances	<u>(2,513,936)</u>	<u>(108,974)</u>	<u>(94,612)</u>	<u>(2,717,522)</u>
FUND BALANCES - BEGINNING	<u>8,069,452</u>	<u>11,953,725</u>	<u>12,349,297</u>	<u>32,372,474</u>
FUND BALANCES - ENDING	<u>\$ 5,555,516</u>	<u>\$ 11,844,751</u>	<u>\$ 12,254,685</u>	<u>\$ 29,654,952</u>

Nonmajor Special Revenue Funds

Special Education

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

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

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

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

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

TANF/JAG Provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs.

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

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

School Improvement Competitive sub grants to local educational agencies that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in the lowest performing schools.

Mathematics and Science To improve the academic achievement of students by enhancing content knowledge and teaching skills of classroom math and science teachers.

Adult Education To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship. Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

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

Title I To improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

Nonmajor Special Revenue Funds

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

Child Nutrition Program This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Behavioral Health To provide mental health services to children with a serious emotional disturbance.

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

Misc. State/Federal Grants This fund is used to account for various small state and federal grants for which the expenditures are legally restricted to specified purposes.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2014

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG-FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	SCHOOL IMPROVEMENTS
ASSETS								
Cash and cash equivalents	\$ 349,781	\$ 244	\$ 110,033	\$ 395	\$ 58,808	\$ 294,626	\$ 26,069	\$ 87,892
Receivables	1,867,959	507,968	9,399	153,503	199,800	-	150,472	629,736
Inventory	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,217,740</u>	<u>\$ 508,212</u>	<u>\$ 119,432</u>	<u>\$ 153,898</u>	<u>\$ 258,608</u>	<u>\$ 294,626</u>	<u>\$ 176,541</u>	<u>\$ 717,628</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 139,520	\$ 64,679	\$ 183	\$ 19,354	\$ -	\$ -	\$ 38,912	\$ 41,675
Salaries and wages payable	1,151,445	173,034	113,291	8,905	141,334	123,365	85,938	225,830
Interfund payables	926,775	270,499	5,958	125,639	117,274	-	51,691	450,123
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>2,217,740</u>	<u>508,212</u>	<u>119,432</u>	<u>153,898</u>	<u>258,608</u>	<u>123,365</u>	<u>176,541</u>	<u>717,628</u>
Fund balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	171,261	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,261</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,217,740</u>	<u>\$ 508,212</u>	<u>\$ 119,432</u>	<u>\$ 153,898</u>	<u>\$ 258,608</u>	<u>\$ 294,626</u>	<u>\$ 176,541</u>	<u>\$ 717,628</u>

MATHEMATICS & SCIENCE	ADULT EDUCATION	VOCATIONAL EDUCATION	TITLE I	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ 18,308	\$ -	\$ 582,742	\$ 2,856	\$ 6,998,390	\$ 85,619	\$ 296,679	\$ 48,559	\$ 8,961,001
139,534	89,371	235,986	3,348,928	9,171	51,652	-	-	212,954	7,606,433
-	-	-	-	-	145,911	-	-	-	145,911
<u>\$ 139,534</u>	<u>\$ 107,679</u>	<u>\$ 235,986</u>	<u>\$ 3,931,670</u>	<u>\$ 12,027</u>	<u>\$ 7,195,953</u>	<u>\$ 85,619</u>	<u>\$ 296,679</u>	<u>\$ 261,513</u>	<u>\$ 16,713,345</u>
\$ 10,334	\$ 798	\$ 5,454	\$ 268,384	\$ 53	\$ 83,104	\$ -	\$ -	\$ 850	\$ 673,300
106,262	36,276	1,788	1,992,279	10,919	2,025,273	1,632	-	133,473	6,331,044
22,938	70,605	228,744	1,671,007	1,055	-	-	-	127,190	4,069,498
-	-	-	-	-	-	83,987	-	-	83,987
<u>139,534</u>	<u>107,679</u>	<u>235,986</u>	<u>3,931,670</u>	<u>12,027</u>	<u>2,108,377</u>	<u>85,619</u>	<u>-</u>	<u>261,513</u>	<u>11,157,829</u>
-	-	-	-	-	145,911	-	-	-	145,911
-	-	-	-	-	4,941,665	-	296,679	-	5,238,344
-	-	-	-	-	-	-	-	-	171,261
-	-	-	-	-	5,087,576	-	296,679	-	5,555,516
<u>\$ 139,534</u>	<u>\$ 107,679</u>	<u>\$ 235,986</u>	<u>\$ 3,931,670</u>	<u>\$ 12,027</u>	<u>\$ 7,195,953</u>	<u>\$ 85,619</u>	<u>\$ 296,679</u>	<u>\$ 261,513</u>	<u>\$ 16,713,345</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2014

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG- FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	SCHOOL IMPROVEMENTS
REVENUES								
Local sources								
Interest earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food services	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
State sources								
Equalization	-	-	-	-	-	-	-	-
Other	150,370	-	-	-	-	652,118	433,037	-
Federal sources	<u>7,889,718</u>	<u>2,663,570</u>	<u>99,106</u>	<u>621,766</u>	<u>785,101</u>	<u>-</u>	<u>-</u>	<u>2,149,489</u>
Total revenues	<u>8,040,088</u>	<u>2,663,570</u>	<u>99,106</u>	<u>621,766</u>	<u>785,101</u>	<u>652,118</u>	<u>433,037</u>	<u>2,149,489</u>
EXPENDITURES								
Current								
Instruction								
Regular programs	61,702	899,589	-	-	46,791	665	-	-
Special programs	1,061,513	-	-	-	-	-	-	-
Other instructional programs	601,668	-	47,562	-	738,310	691,119	373,322	1,749,387
Support services								
Student services	3,483,712	-	-	395,125	-	-	-	261,084
Instructional staff support	1,936,655	1,557,298	49,601	12,942	-	-	59,715	-
General administration	609,684	206,683	1,943	47,586	-	-	-	139,018
Business administration	66,931	-	-	-	-	-	-	-
Plant services	26,201	-	-	166,113	-	-	-	-
Student transportation services	58,511	-	-	-	-	-	-	-
Central services	126,686	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-	-
Capital outlay	<u>6,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>8,040,088</u>	<u>2,663,570</u>	<u>99,106</u>	<u>621,766</u>	<u>785,101</u>	<u>691,784</u>	<u>433,037</u>	<u>2,149,489</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	(39,666)	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	(39,666)	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-	210,927	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 171,261</u>	<u>\$ -</u>	<u>\$ -</u>

MATHEMATICS & SCIENCE	ADULT EDUCATION	VOCATIONAL EDUCATION	TITLE I	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,563	\$ -	\$ -	\$ -	\$ 7,563
-	-	-	-	-	1,727,552	-	-	-	1,727,552
-	-	-	-	-	1,571	-	-	-	1,571
-	-	-	-	-	2,000,000	-	-	-	2,000,000
-	74,340	-	-	-	-	-	-	767,168	2,077,033
<u>362,324</u>	<u>154,999</u>	<u>544,353</u>	<u>17,506,558</u>	<u>169,470</u>	<u>15,112,635</u>	<u>75,125</u>	<u>-</u>	<u>13,104</u>	<u>48,147,318</u>
<u>362,324</u>	<u>229,339</u>	<u>544,353</u>	<u>17,506,558</u>	<u>169,470</u>	<u>18,849,321</u>	<u>75,125</u>	<u>-</u>	<u>780,272</u>	<u>53,961,037</u>
22,033	-	-	-	-	-	-	30,932	397	1,062,109
-	-	-	-	-	-	-	-	750,726	1,812,239
-	227,789	529,616	12,988,064	95,937	7,123	-	-	16,743	18,066,640
-	-	-	245,247	-	-	31,693	-	12,406	4,429,267
315,988	-	7,360	1,795,180	20,316	-	42,442	-	-	5,797,497
24,303	1,550	-	1,358,523	6,400	-	-	-	-	2,395,690
-	-	-	69,800	-	-	-	-	-	136,731
-	-	-	-	-	-	990	-	-	193,304
-	-	-	408,822	3,630	-	-	-	-	470,963
-	-	-	48,086	-	-	-	-	-	174,772
-	-	-	-	-	21,278,405	-	-	-	21,278,405
-	-	-	584,741	43,187	-	-	-	-	627,928
-	-	7,377	8,095	-	34,584	-	-	-	56,881
<u>362,324</u>	<u>229,339</u>	<u>544,353</u>	<u>17,506,558</u>	<u>169,470</u>	<u>21,320,112</u>	<u>75,125</u>	<u>30,932</u>	<u>780,272</u>	<u>56,502,426</u>
-	-	-	-	-	(2,470,791)	-	(30,932)	-	(2,541,389)
-	-	-	-	-	-	-	25,931	-	25,931
-	-	-	-	-	1,522	-	-	-	1,522
-	-	-	-	-	1,522	-	25,931	-	27,453
-	-	-	-	-	(2,469,269)	-	(5,001)	-	(2,513,936)
-	-	-	-	-	7,556,845	-	301,680	-	8,069,452
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,087,576</u>	<u>\$ -</u>	<u>\$ 296,679</u>	<u>\$ -</u>	<u>\$ 5,555,516</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-1

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	*****SPECIAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 139,845	\$ 150,370	\$ 10,525
Federal sources	8,005,953	7,889,718	(116,235)
Total revenues	8,145,798	8,040,088	(105,710)
EXPENDITURES			
Current			
Instruction			
Regular programs	68,486	61,702	6,784
Special programs	84,617	1,061,513	(976,896)
Other instructional programs	119,259	601,668	(482,409)
Support services			
Student services	4,543,717	3,483,712	1,060,005
Instructional staff support	2,470,279	1,936,655	533,624
General administration	537,625	609,684	(72,059)
Business services	73,809	66,931	6,878
Plant services	54,459	26,201	28,258
Student transportation services	72,306	58,511	13,795
Central services	121,241	126,686	(5,445)
Capital outlay	-	6,825	(6,825)
Total expenditures	8,145,798	8,040,088	105,710
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-2

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	*****TITLE II*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 6,493,966	\$ 2,663,570	(\$ 3,830,396)
Total revenues	6,493,966	2,663,570	(3,830,396)
EXPENDITURES			
Current			
Instruction			
Regular programs	6,055,313	899,589	5,155,724
Support services			
Instructional staff support	-	1,557,298	(1,557,298)
General administration	438,653	206,683	231,970
Total expenditures	6,493,966	2,663,570	3,830,396
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-3

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	*****TITLE III*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 190,214	\$ 99,106	(\$ 91,108)
Total revenues	190,214	99,106	(91,108)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	186,484	47,562	138,922
Support services			
Instructional staff support	-	49,601	(49,601)
General administration	3,730	1,943	1,787
Total expenditures	190,214	99,106	91,108
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-4

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	*****SAFE AND DRUG-FREE*****		
	BUDGET (a)	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 694,982	621,766	(\$ 73,216)
Total revenues	694,982	621,766	(73,216)
EXPENDITURES			
Current			
Support services			
Student services	101,771	395,125	(293,354)
Instructional staff support	129,485	12,942	116,543
General administration	33,494	47,586	(14,092)
Plant services	430,232	166,113	264,119
Total expenditures	694,982	621,766	73,216
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(146,432)
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	(\$ 146,432)

(a) This budget was not approved by the School Board for 2013-14. For presentation purposes, the State approved budget for the grant is included above.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-5

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****TANF/JAG*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 1,338,212	\$ 785,101	(\$ 553,111)
Total revenues	<u>1,338,212</u>	<u>785,101</u>	<u>(553,111)</u>
EXPENDITURES			
Current			
Instruction			
Regular programs	50,000	46,791	3,209
Other instructional programs	1,287,132	738,310	548,822
Support services			
Instructional staff support	-	-	-
General administration	1,080	-	1,080
Total expenditures	<u>1,338,212</u>	<u>785,101</u>	<u>553,111</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-6

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****TOBACCO SETTLEMENT*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 499,684	\$ 652,118	\$ 152,434
Total revenues	499,684	652,118	152,434
EXPENDITURES			
Current			
Instruction			
Regular programs	-	665	(665)
Other instructional programs	602,607	691,119	(88,512)
Total expenditures	602,607	691,784	(89,177)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(102,923)	(39,666)	63,257
FUND BALANCE AT BEGINNING OF YEAR	210,927	210,927	-
FUND BALANCE AT END OF YEAR	\$ 108,004	\$ 171,261	\$ 63,257

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Exhibit 6-7

**NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014**

*****8(g) STATE FUND*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 562,937	\$ 433,037	(\$ 129,900)
Total revenues	562,937	433,037	(129,900)
EXPENDITURES			
Current			
Instruction			
Regular programs	135,385	-	135,385
Other instructional programs	427,552	373,322	54,230
Support services			
Instructional staff support	-	59,715	(59,715)
Total expenditures	562,937	433,037	129,900
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-8

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
*****SCHOOL IMPROVEMENT*****			
REVENUES			
Federal sources	\$ 3,721,641	\$ 2,149,489	(\$ 1,572,152)
Total revenues	<u>3,721,641</u>	<u>2,149,489</u>	<u>(1,572,152)</u>
EXPENDITURES			
Current			
Instruction			
Other instructional programs	2,346,117	1,749,387	596,730
Support services			
Student services	1,036,917	261,084	775,833
General administration	338,607	139,018	199,589
Total expenditures	<u>3,721,641</u>	<u>2,149,489</u>	<u>1,572,152</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Exhibit 6-9

**NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014**

*****MATHEMATICS & SCIENCE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 473,194	\$ 362,324	(\$ 110,870)
Total revenues	<u>473,194</u>	<u>362,324</u>	<u>(110,870)</u>
EXPENDITURES			
Current			
Instruction			
Regular programs	342,920	22,033	320,887
Support services			
Instructional staff support	100,000	315,988	(215,988)
General administration	30,274	24,303	5,971
Total expenditures	<u>473,194</u>	<u>362,324</u>	<u>110,870</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-10

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****ADULT EDUCATION*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources	\$ 80,331	\$ 74,340	(\$ 5,991)
Federal sources	164,382	154,999	(9,383)
Total revenues	<u>244,713</u>	<u>229,339</u>	<u>(15,374)</u>
EXPENDITURES			
Current			
Instruction			
Other instructional programs	234,822	227,789	7,033
Support services			
General administration	9,891	1,550	8,341
Total expenditures	<u>244,713</u>	<u>229,339</u>	<u>15,374</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Exhibit 6-11

**NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014**

*****VOCATIONAL EDUCATION*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 589,777	\$ 544,353	(\$ 45,424)
Total revenues	589,777	544,353	(45,424)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	568,842	529,616	39,226
Support services			
Instructional staff support	20,935	7,360	13,575
Capital outlay	-	7,377	(7,377)
Total expenditures	589,777	544,353	45,424
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-12

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
*****TITLE I*****			
REVENUES			
Federal sources	\$ 17,949,109	\$ 17,506,558	(\$ 442,551)
Total revenues	<u>17,949,109</u>	<u>17,506,558</u>	<u>(442,551)</u>
EXPENDITURES			
Current			
Instructional			
Special programs	282,147	-	282,147
Other instructional programs	11,950,786	12,988,064	(1,037,278)
Support services			
Student services	549,689	245,247	304,442
Instructional staff support	2,318,654	1,795,180	523,474
General administration	1,215,453	1,358,523	(143,070)
Business services	50,662	69,800	(19,138)
Plant services	2,973	-	2,973
Student transportation services	1,016,776	408,822	607,954
Central services	90,427	48,086	42,341
Community service programs	471,542	584,741	(113,199)
Capital outlay	-	8,095	(8,095)
Total expenditures	<u>17,949,109</u>	<u>17,506,558</u>	<u>442,551</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-13

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****HOMELESS*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 165,073	\$ 169,470	\$ 4,397
Total revenues	<u>165,073</u>	<u>169,470</u>	<u>4,397</u>
EXPENDITURES			
Current			
Instructional			
Other instructional programs	68,209	95,937	(27,728)
Support services			
Instructional staff support	58,969	20,316	38,653
General administration	7,491	6,400	1,091
Student transportation services	4,500	3,630	870
Community service programs	25,904	43,187	(17,283)
Total expenditures	<u>165,073</u>	<u>169,470</u>	<u>(4,397)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-14

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****CHILD NUTRITION PROGRAM*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local Sources			
Interest earnings	\$ -	\$ 7,563	\$ 7,563
Food services	1,968,694	1,727,552	(241,142)
Other	-	1,571	1,571
State sources			
Equalization	2,021,975	2,000,000	(21,975)
Federal sources	15,790,469	15,112,635	(677,834)
Total revenues	<u>19,781,138</u>	<u>18,849,321</u>	<u>(931,817)</u>
EXPENDITURES			
Current			
Instructional			
Other instructional programs	-	7,123	(7,123)
Support services			
Business services	-	-	-
Plant services	-	-	-
Food services	21,721,086	21,278,405	442,681
Capital outlay	-	34,584	(34,584)
Total expenditures	<u>21,721,086</u>	<u>21,320,112</u>	<u>400,974</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,939,948)	(2,470,791)	(530,843)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	<u>-</u>	<u>1,522</u>	<u>1,522</u>
Total other financing sources (uses)	<u>-</u>	<u>1,522</u>	<u>1,522</u>
Net change in fund balance	<u>(1,939,948)</u>	<u>(2,469,269)</u>	<u>(529,321)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>7,556,845</u>	<u>7,556,845</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 5,616,897</u>	<u>\$ 5,087,576</u>	<u>(\$ 530,843)</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-15

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****BEHAVIORAL HEALTH*****

	<u>BUDGET (a)</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 111,078	\$ 75,125	(\$ 35,953)
Total revenues	<u>111,078</u>	<u>75,125</u>	<u>(35,953)</u>
EXPENDITURES			
Current			
Support services			
Student services	84,576	31,693	52,883
Instructional staff support	26,502	42,442	(15,940)
Plant services	-	990	(990)
Total expenditures	<u>111,078</u>	<u>75,125</u>	<u>35,953</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(a) This budget was not approved by the School Board for 2013-14, For presentation purposes, the State approved budget for the grant is included above.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-16

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****CEEF OPERATING*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES			
Current			
Instruction			
Regular programs	\$ 329,043	\$ 30,932	\$ 298,111
Total expenditures	<u>329,043</u>	<u>30,932</u>	<u>298,111</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(329,043)	(30,932)	298,111
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>30,000</u>	<u>25,931</u>	(4,069)
Total other financing sources (uses)	<u>30,000</u>	<u>25,931</u>	(4,069)
Net change in fund balance	(299,043)	(5,001)	294,042
FUND BALANCE AT BEGINNING OF YEAR	<u>301,680</u>	<u>301,680</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,637</u>	<u>\$ 296,679</u>	<u>\$ 294,042</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-17

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2014

*****MISC STATE/FEDERAL GRANTS*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources	\$ 235,916	\$ 767,168	\$ 531,252
Federal sources	-	13,104	13,104
Total revenues	<u>235,916</u>	<u>780,272</u>	<u>544,356</u>
EXPENDITURES			
Current			
Instruction			
Regular programs	-	397	(397)
Special programs	235,916	750,726	(514,810)
Other instructional programs	-	16,743	(16,743)
Support services			
Instructional staff support	-	12,406	(12,406)
General administration	-	-	-
Plant services	-	-	-
Student transportation services	-	-	-
Total expenditures	<u>235,916</u>	<u>780,272</u>	<u>(544,356)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Agency Funds

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

CENTRAL OFFICE CONCESSION FUND This fund accounts for those monies collected by School Board employees working in the Central Office Coffee Shop for the purposes of replenishing items sold and maintenance of coffee shop equipment.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combining Statement of Changes in Assets and Liabilities - Agency Fund
For the Year ended June 30, 2014

Exhibit 7

	BALANCE, JULY 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE, JUNE 30, 2014
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 4,484,057	\$ 10,905,140	\$ 10,664,796	\$ 4,724,401
Investments	522,145	4,550	49,951	476,744
Total assets	\$ 5,006,202	\$ 10,909,690	\$ 10,714,747	\$ 5,201,145
LIABILITES				
Deposits due others	\$ 5,006,202	\$ 10,909,690	\$ 10,714,747	\$ 5,201,145
Total liabilities	\$ 5,006,202	\$ 10,909,690	\$ 10,714,747	\$ 5,201,145
*****CENTRAL OFFICE CONCESSION FUND*****				
ASSETS				
Cash and cash equivalents	\$ 1,225	\$ 20,013	\$ 20,532	\$ 706
Total assets	\$ 1,225	\$ 20,013	\$ 20,532	\$ 706
LIABILITES				
Deposits due others	\$ 1,225	\$ 20,013	\$ 20,532	\$ 706
Total liabilities	\$ 1,225	\$ 20,013	\$ 20,532	\$ 706
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 4,485,282	\$ 10,925,153	\$ 10,685,328	\$ 4,725,107
Investments	522,145	4,550	49,951	476,744
Total assets	\$ 5,007,427	\$ 10,929,703	\$ 10,735,279	\$ 5,201,851
LIABILITES				
Deposits due others	\$ 5,007,427	\$ 10,929,703	\$ 10,735,279	\$ 5,201,851
Total liabilities	\$ 5,007,427	\$ 10,929,703	\$ 10,735,279	\$ 5,201,851

Caddo Parish School Board

General

Exhibit 8

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2014**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund and represents the amounts paid for the year ended June 30, 2014, and the office held at that time. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, the vice presidents receive \$850 per month, and the president receives \$900 per month for performing the duties of office. The extra \$50 and \$100 per month for the vice presidents and the president is paid to each only in the event each attends the monthly executive committee meeting.

<u>Board Member</u>	<u>Amount</u>
Larry Ramsey, President	\$ 10,200
Carl Pierson, First Vice President	10,500
Bonita Crawford, Second Vice President	10,050
Ginger Armstrong	9,600
Charlotte Crawley	9,600
Jasmine Green	9,600
Curtis Hooks	9,600
Lillian Priest	9,600
Barry Rachal	9,600
Steve Riall	9,600
Mary Trammel	9,900
Dottie Bell	<u>9,600</u>
Total	<u>\$117,450</u>

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CPSB
2014

Statistical Section

**Caddo Parish School Board
Statistical Section
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

CADD0 PARISH SCHOOL BOARD
Shreveport, Louisiana

Net Assets/Position by Component
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in capital assets	\$ 75,276,466	\$ 74,857,236	\$ 88,471,131	\$ 81,507,313	\$ 88,274,168	\$110,198,416	\$ 115,011,586	\$ 100,856,675	\$ 94,274,181	\$ 84,710,168
Restricted	33,432,968	47,686,022	52,002,011	62,862,020	59,614,122	38,559,316	49,171,234	49,302,498	51,059,711	49,083,245
Unrestricted	21,659,010	34,312,000	38,263,212	(56,805,865)	(134,718,861)	(215,963,076)	(300,406,542)	(389,955,620)	(493,255,550)	(520,725,760)
Total governmental activities net assets/position	<u>\$130,368,444</u>	<u>\$156,855,258</u>	<u>\$178,736,354</u>	<u>\$ 87,563,468</u>	<u>\$ 13,169,429</u>	<u>(\$ 67,205,344)</u>	<u>(\$ 136,223,722)</u>	<u>(\$ 239,796,447)</u>	<u>(\$ 347,921,658)</u>	<u>(\$ 386,932,347)</u>

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Net Assets/Position
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Instruction:										
Regular programs	\$ 142,087,992	\$ 133,868,600	\$ 138,227,189	\$ 197,651,963	\$ 201,307,362	\$ 194,847,644	\$ 189,714,298	\$ 191,493,972	\$ 195,084,770	\$ 170,095,108
Special programs	51,592,328	52,109,440	56,089,121	75,420,277	77,186,889	76,168,958	72,411,723	69,023,591	67,983,851	71,265,506
Other instructional programs	22,412,212	32,565,276	32,419,615	44,071,203	47,792,946	43,481,613	45,738,576	53,883,308	54,757,387	36,641,599
Support services:										
Student services	14,263,016	15,062,772	16,323,596	22,993,286	24,441,138	24,365,917	31,873,003	34,384,569	37,455,077	26,531,030
Instructional staff support	19,148,360	21,934,681	25,518,647	31,965,422	39,893,677	34,427,828	35,410,629	32,454,956	30,971,011	21,073,276
General administration	5,551,315	5,036,008	5,679,340	5,809,071	5,728,748	7,961,856	6,638,373	6,305,210	7,725,052	7,010,667
School administration	21,743,745	21,875,654	23,326,951	31,765,903	32,934,423	31,853,988	36,287,686	34,551,836	36,116,588	29,615,181
Business services	3,352,776	3,513,340	3,903,913	4,714,299	5,447,652	5,244,764	5,336,156	5,547,402	5,572,285	5,219,269
Plant services	34,325,684	41,689,040	42,302,361	56,980,727	61,998,428	67,657,869	63,763,630	88,017,551	76,112,607	71,054,058
Student transportation services	19,480,721	21,140,140	21,114,164	28,550,305	28,396,609	26,848,449	27,188,421	27,581,761	27,140,598	26,037,204
Central services	4,722,086	4,798,741	5,655,804	7,330,006	7,292,576	13,611,374	7,319,077	7,143,732	7,582,203	7,236,964
Food services	20,726,805	21,151,331	22,252,727	26,304,442	26,995,518	25,411,707	25,376,924	25,407,258	25,699,368	17,875,767
Community services	741,470	773,619	797,236	899,358	831,958	793,023	778,521	770,731	733,392	458,380
Interest on long-term debt	2,933,655	4,183,284	4,706,775	5,276,079	5,491,463	5,550,738	4,854,199	5,582,562	4,219,222	4,852,465
Total expenses	363,082,165	379,701,926	398,317,439	539,732,341	565,739,387	558,225,728	552,691,216	582,148,439	577,153,411	494,966,474
Program Revenues										
Charges for services:										
Plant Services									306,000	-
Student transportation services	2,592,712	2,577,202	2,639,496	2,470,005	2,613,016	2,695,925	2,416,667	2,253,385	85,065	34,140
Food Service Operations									1,878,669	1,729,075
Operating Grants and Contributions	51,409,211	61,535,922	58,396,471	61,778,973	74,264,232	75,995,429	69,275,680	65,751,851	59,941,887	51,726,043
Total program revenues	54,001,923	64,113,124	61,035,967	64,248,978	76,877,248	78,691,354	71,692,347	68,005,236	62,211,621	53,489,258
Net (Expense) / Revenue	(309,080,242)	(315,588,802)	(337,281,472)	(475,483,363)	(488,862,139)	(479,534,374)	(480,998,869)	(514,143,203)	(514,941,790)	(441,477,216)
General Revenues and Other Changes in Net Position										
Taxes										
Ad valorem taxes levied for general purposes	60,701,593	64,253,803	68,648,755	73,200,374	78,819,288	81,352,511	87,037,097	90,883,910	94,729,927	98,319,454
Ad valorem taxes levied for debt service purposes	9,716,257	8,976,506	8,492,323	8,724,146	10,002,894	10,326,013	10,922,490	11,530,901	9,749,726	9,993,778
Ad valorem taxes levied for capital improvements	12,987,759	13,522,237	14,448,378	14,878,406	16,019,360	16,534,849	17,490,047	18,464,673	19,255,954	20,007,125
Sales taxes levied for salaries, benefits and general purposes	56,468,752	66,580,568	65,619,559	67,222,913	75,686,649	74,861,726	78,271,951	74,472,829	71,286,828	75,136,182
Grants and contributions not restricted to specific programs	175,374,318	178,019,403	189,308,573	208,241,336	222,590,112	208,141,369	210,103,396	207,375,203	204,124,872	202,474,554
Interest and investment earnings	2,468,774	5,289,328	7,436,414	5,571,860	1,269,429	222,629	987,938	695,008	659,239	687,030
Miscellaneous	5,580,119	5,433,772	5,208,576	6,471,442	9,171,982	7,720,504	7,167,572	7,147,954	7,010,033	4,778,452
Total	323,297,572	342,075,617	359,162,578	384,310,477	413,559,714	399,159,601	411,980,491	410,570,478	406,816,579	411,396,575
Change in Net Assets/Position (Deficit)	\$ 14,217,330	\$ 26,486,815	\$ 21,881,106	(\$ 91,172,886)	(\$ 75,302,425)	(\$ 80,374,773)	(\$ 69,018,378)	(\$ 103,572,725)	(\$ 108,125,211)	(\$ 30,080,641)

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 594,276	\$ 1,706,414	\$ 854,172	\$ 1,019,050	\$ 1,199,652	\$ 1,610,915	\$ -	\$ -	\$ -	\$ -
Unreserved	30,304,334	44,603,930	51,431,257	61,456,149	84,055,224	75,012,763	-	-	-	-
Nonspendable	-	-	-	-	-	-	1,043,458	1,048,771	1,491,789	1,417,875
Committed	-	-	-	-	-	-	35,535,348	24,474,022	21,378,512	21,380,811
Unassigned	-	-	-	-	-	-	34,463,139	30,495,621	29,695,614	28,588,365
Total general fund	<u>\$ 30,898,610</u>	<u>\$ 46,310,344</u>	<u>\$ 52,285,429</u>	<u>\$ 62,475,199</u>	<u>\$ 85,254,876</u>	<u>\$ 76,623,678</u>	<u>\$ 71,041,945</u>	<u>\$ 56,018,414</u>	<u>\$ 52,565,915</u>	<u>\$ 51,387,051</u>
All Other Governmental Funds										
Reserved	\$ 25,091,123	\$ 34,730,845	\$ 32,302,293	\$ 41,402,374	\$ 35,285,482	\$ 37,493,789	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,606,239	4,684,735	3,207,511	4,485,758	5,016,486	5,612,151	-	-	-	-
Capital projects funds	38,720,023	33,354,713	40,588,079	35,074,107	41,604,268	23,352,262	-	-	-	-
Nonspendable	-	-	-	-	-	-	186,547	18,222,213	19,242,741	19,951,962
Restricted	-	-	-	-	-	-	58,923,844	45,451,082	31,816,970	29,131,283
Committed	-	-	-	-	-	-	376,803	182,748	210,927	171,261
Total all other governmental funds	<u>\$ 69,417,385</u>	<u>\$ 72,770,293</u>	<u>\$ 76,097,883</u>	<u>\$ 80,962,239</u>	<u>\$ 81,906,236</u>	<u>\$ 66,458,202</u>	<u>\$ 59,487,194</u>	<u>\$ 63,856,043</u>	<u>\$ 51,270,638</u>	<u>\$ 49,254,506</u>

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Notes: GASB Statement No. 54 was implemented for the year ended June 30, 2011.

Prior to the implementation of GASB 54, fund balance was reported as reserved and unreserved. Reserved fund balance represented amounts that were not appropriate for expenditures or legally segregated for a specific purpose. Reserves included inventory, encumbrances, permanent fund required to be held in perpetuity, and amounts set aside for specific purposes. GASB 54 has very clear definitions for the classes of fund balance.

CADD0 PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Ad valorem taxes	\$ 83,405,609	\$ 86,752,546	\$ 91,589,456	\$ 96,802,926	\$ 104,841,542	\$ 108,213,373	\$ 115,449,634	\$ 120,879,484	\$ 123,735,607	\$ 128,320,357
Sales & use taxes	56,468,752	66,580,568	65,619,559	67,222,913	75,686,649	74,861,726	78,271,951	74,472,829	71,286,828	75,136,182
Investment Earning	2,468,774	5,289,328	7,436,414	5,571,860	1,269,429	222,629	987,938	695,008	655,882	666,904
Food services	2,592,712	2,577,202	2,639,496	2,470,005	2,613,016	2,695,925	2,416,667	2,253,385	1,878,245	1,727,552
Other Revenues	4,713,042	5,374,481	5,138,066	6,407,089	9,090,505	7,803,755	7,188,817	7,167,205	8,402,102	4,844,635
Total revenues from local sources	149,648,889	166,574,125	172,422,991	178,474,793	193,501,141	193,797,408	204,315,007	205,467,911	205,958,664	210,695,630
Revenue from state sources										
Equalization	173,022,576	175,663,588	186,950,298	205,787,041	220,189,623	205,784,377	198,631,781	204,957,804	201,890,754	200,497,316
Other	7,164,535	11,940,401	8,490,320	10,726,981	15,012,956	7,853,319	5,483,190	3,903,820	4,113,590	3,607,819
Total revenue from state sources	180,187,111	187,603,989	195,440,618	216,514,022	235,202,579	213,637,696	204,114,971	208,861,624	206,004,344	204,105,135
Revenue from federal sources	47,478,850	51,981,094	52,296,481	53,547,738	61,689,953	70,499,102	75,264,105	64,265,430	58,062,415	50,095,464
Total Revenues	377,314,850	406,159,208	420,160,090	448,536,553	490,393,673	477,934,206	483,694,083	478,594,965	470,025,423	464,896,229
Expenditures:										
Current										
Instruction services	210,586,797	218,754,497	222,502,889	245,474,697	257,684,887	263,696,722	257,647,038	263,942,178	253,510,385	247,023,903
Student services	14,263,016	15,062,772	16,323,596	17,874,792	19,185,793	20,411,903	28,353,553	30,536,978	29,390,407	28,485,771
Instructional staff support	18,643,766	21,422,590	25,086,130	24,396,434	31,956,498	28,813,791	30,582,767	27,324,623	24,818,276	21,102,664
General administration	4,850,893	4,960,952	5,592,649	5,430,428	5,489,638	7,728,034	6,360,620	6,027,949	7,035,466	6,636,267
School administration	21,445,523	21,653,708	23,145,717	24,383,949	25,660,793	26,485,130	30,452,553	28,738,116	28,301,020	29,226,210
Business services	3,300,776	3,460,375	3,850,606	3,509,245	4,281,169	4,358,832	4,477,533	4,697,109	4,371,563	4,731,888
Plant services	32,004,236	38,320,563	38,743,336	44,846,858	48,437,911	52,844,938	48,169,634	71,780,724	58,627,378	45,829,571
Student transportation services	17,448,806	19,181,080	19,470,965	22,401,721	22,585,726	22,420,502	22,497,646	23,115,501	22,283,560	23,227,577
Food service	20,328,108	20,621,525	21,753,848	22,189,214	6,034,607	22,783,968	22,683,585	6,281,541	22,109,930	6,788,399
Central services	4,722,086	4,798,741	5,655,804	6,040,726	22,933,201	11,469,967	6,453,622	22,700,704	6,195,089	21,283,975
Community services	741,470	773,619	797,236	678,119	649,403	643,529	643,612	558,781	631,043	631,043
Capital Outlay	18,959,014	31,740,322	39,826,459	22,678,324	29,450,088	28,270,397	25,908,462	10,668,430	15,778,701	20,479,502
Debt service										
Principal	7,119,545	3,239,545	3,644,545	4,249,545	5,022,790	6,725,058	7,010,058	8,576,315	9,109,731	9,217,049
Bond issue costs	-	68,916	78,352	68,018	8,796	1,900	-	-	-	-
Interest	3,244,949	3,335,361	4,385,273	5,132,807	5,561,932	5,350,561	5,006,224	4,922,867	4,364,529	4,198,670
Total Expenditures	377,658,985	407,394,566	430,857,405	449,354,877	484,937,385	502,011,106	496,246,824	509,956,647	486,454,816	468,842,489
Excess of revenues over (under) expenditures	(344,135)	(1,235,358)	(10,697,315)	(818,324)	5,456,288	(24,076,900)	(12,552,741)	(31,361,682)	(16,429,393)	(3,946,260)
Other Financing Sources (Uses)										
Proceeds from the sale of capital assets	-	-	-	-	-	-	-	-	391,489	35,662
Proceeds from borrowing	34,000,000	20,000,000	20,000,000	15,872,450	17,359,000	-	-	20,707,000	15,280,000	-
Proceeds from refunding	25,115,000	-	-	-	-	5,365,000	-	9,960,000	1,224,944	15,810,000
Payments to escrow agent	(25,115,000)	-	-	-	-	(5,367,332)	-	(9,960,000)	(16,504,944)	(16,336,040)
Premium on bond issuance	-	-	-	-	-	-	-	-	-	526,040
Other financing sources - capital lease agreements	-	-	-	-	-	-	-	-	-	715,602
Transfers in	396,926	354,719	613,750	686,336	287,750	18,057	99,994	32,860	27,178	25,931
Transfers out	(396,926)	(354,719)	(613,750)	(686,336)	(287,750)	(18,057)	(99,994)	(32,860)	(27,178)	(25,931)
Total other financing sources (uses)	34,000,000	20,000,000	20,000,000	15,872,450	17,359,000	(2,332)	-	20,707,000	391,489	751,264
Net change in fund balances	\$ 33,655,865	\$ 18,764,642	\$ 9,302,685	\$ 15,054,126	\$ 22,815,288	(\$ 24,079,232)	(\$ 12,552,741)	(\$ 10,654,682)	(\$ 16,037,904)	(\$ 3,194,996)
Debt service as a percentage of noncapital expenditures	2.9%	1.8%	2.1%	2.2%	2.3%	2.5%	2.6%	2.7%	2.9%	3.0%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Less: Homestead Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property					
2005	\$ 876,321,112	\$ 525,545,938	\$ 327,812,250	\$ 1,036,269,930	81.73	\$ 11,442,463,100	12.25%
2006	920,841,783	552,245,807	321,918,880	1,079,948,170	80.65	11,788,759,150	12.50%
2007	495,500,790	977,586,800	324,772,250	1,148,315,340	80.65	10,632,736,633	13.85%
2008	507,657,470	1,005,803,160	330,722,720	1,182,737,910	82.81	10,946,582,500	13.83%
2009	553,133,750	1,154,352,160	341,601,270	1,365,884,640	78.20	12,330,507,833	13.85%
2010	554,874,570	1,188,009,260	342,555,070	1,400,328,760	78.20	12,526,997,567	13.91%
2011	558,756,760	1,265,504,820	341,146,070	1,483,115,510	78.20	13,002,027,200	14.03%
2012	563,181,690	1,318,574,710	340,067,180	1,541,689,220	78.20	13,319,843,633	14.13%
2013	588,336,400	1,386,600,910	347,726,690	1,627,210,620	75.66	13,983,025,800	14.12%
2014	690,998,311	1,326,073,372	344,674,110	1,672,397,573	75.66	12,975,903,330	15.54%

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.
- (4) For fiscal year 2007, real property calculations were based on information provided by Assessor's office. Prior to this year, calculations were based on estimates.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Caddo Parish Commission	City of Shreveport	
2005	72.03	9.70	81.73	39.91	46.64	168.28
2006	73.05	8.60	81.65	40.64	46.64	168.93
2007	73.05	7.60	80.65	40.64	46.64	167.93
2008	75.21	7.60	82.81	40.64	46.64	170.09
2009	70.60	7.60	78.20	38.26	44.54	161.00
2010	70.60	7.60	78.20	38.26	44.54	161.00
2011	70.60	7.60	78.20	38.06	44.54	160.80
2012	70.60	7.60	78.20	38.06	44.54	160.80
2013	69.66	6.00	75.66	37.67	39.70	153.03
2014	69.66	6.00	75.66	37.67	39.70	153.03

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is parish wide.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Caddo Parish. Not all overlapping rates apply to all property owners.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Property Taxpayers
June 30, 2014 and Nine Years Ago

Taxpayer	Fiscal Year 2014			Fiscal Year 2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Swepeco/Aep	\$ 76,221,570	1	4.56 %	\$ 60,841,270	1	5.87 %
Chesapeake Operating	28,439,560	2	1.70			
Bell South	18,294,130	3	1.09	28,313,780	2	2.73
Calumet	16,898,650	4	1.01			
Center Point Energy Gas Transmission	16,155,050	5	0.97			
Gulf Crossing Pipeline	13,351,740	6	0.80			
QEP Energy Company	12,982,280	7	0.78			
Capital One	12,307,970	8	0.74			
Wal-Mart	11,170,800	9	0.67			
J-W Operating Company	10,197,920	10	0.61			
General Motors				22,486,780	3	2.17
Harrah's				20,974,930	4	2.02
Hibernia Bank				13,718,760	5	1.32
Universal Oil Products				11,566,160	6	1.12
Am South				11,384,470	7	1.10
Bank One				9,348,060	8	0.90
Wal-Mart				9,077,920	9	0.88
Boomtown Casino				8,527,760	10	0.82
Totals	<u>\$ 216,019,670</u>		<u>12.92 %</u>	<u>\$ 196,239,890</u>		<u>18.94 %</u>

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Source: Caddo Parish Tax Assessor Agency

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 84,694,341	\$ 83,689,424	98.81%	\$ 290,562	\$ 83,979,986	99.16%
2006	88,177,768	86,752,546	98.38%	1,386,117	88,138,663	99.96%
2007	92,611,632	88,580,070	95.65%	292,396	88,872,466	95.96%
2008	97,942,526	95,251,337	97.25%	1,882,813	97,134,150	99.17%
2009	106,812,179	100,737,878	94.31%	215,247	100,953,125	94.51%
2010	109,505,709	106,036,548	96.83%	191,552	106,228,100	97.01%
2011	115,979,633	113,177,522	97.58%	276,489	113,454,011	97.82%
2012	120,560,097	118,446,666	98.25%	229,346	118,676,012	98.44%
2013	123,114,756	121,758,953	98.90%	355,546	122,114,499	99.19%
2014	126,533,857	125,682,875	99.33%	796,571	126,479,446	99.96%

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Source: Caddo Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

Table 9

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Certificates of Indebtedness	QZAB and QSCB	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2005	\$ 73,090,000	\$ 5,960,000	\$ 2,672,728	\$ 81,722,728	1.08%	326
2006	91,190,000	4,875,000	2,418,183	98,483,183	1.25%	392
2007	108,425,000	4,250,000	2,163,638	114,838,638	1.35%	457
2008	119,370,000	3,600,000	3,491,543	126,461,543	1.38%	500
2009	115,430,000	2,930,000	20,437,753	138,797,753	1.48%	549
2010	111,200,000	2,235,000	18,867,695	132,302,695	1.40%	522
2011	106,480,000	1,515,000	17,297,637	125,292,637	1.21%	491
2012	102,350,000	770,000	35,133,322	138,253,322	1.40%	538
2013	97,100,000	-	32,103,591	129,203,591	1.23%	503
2014	92,075,000	-	28,651,928	120,726,928	1.07%	474

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CADD0 PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2005	\$ 73,090,000	\$ 2,458,035	\$ 70,631,965	0.62%	281
2006	91,190,000	6,505,944	84,684,056	0.72%	337
2007	108,425,000	8,221,554	100,203,446	0.94%	396
2008	119,370,000	8,756,216	110,613,784	1.01%	438
2009	115,430,000	9,269,356	106,160,644	0.86%	420
2010	111,200,000	9,677,752	101,522,248	0.82%	401
2011	106,480,000	10,769,006	95,710,994	0.74%	375
2012	102,350,000	12,176,155	90,173,845	0.68%	351
2013	97,100,000	11,953,725	85,146,275	0.61%	331
2014	92,075,000	11,844,751	80,230,249	0.62%	315

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 26,670,000	100.00%	\$ 26,670,000
City of Shreveport	159,524,000	100.00%	<u>159,524,000</u>
Subtotal, overlapping debt			<u>186,194,000</u>
Caddo Parish School Board Direct Debt			<u>123,961,505</u>
Total direct and overlapping debt			<u><u>\$ 310,155,505</u></u>

Source: Audit reports of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Caddo Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes only general bonded debt.
- (4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining a portion of another governmental units taxable assessed value that is within the parish' boundaries and dividing it by each unit's total taxable assessed value.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 477,428,763	\$ 490,653,468	\$ 515,580,657	\$ 529,711,221	\$ 597,620,069	\$ 610,009,341	\$ 638,491,553	\$ 658,614,740	\$ 691,228,059	\$ 705,975,089
Total net debt applicable to limit	75,548,035	84,684,056	100,203,446	110,613,784	9,677,752	101,522,248	90,173,845	90,173,845	85,146,275	80,230,249
Legal debt margin	<u>\$ 401,880,728</u>	<u>\$ 405,969,412</u>	<u>\$ 415,377,211</u>	<u>\$ 419,097,437</u>	<u>\$ 587,942,317</u>	<u>\$ 508,487,093</u>	<u>\$ 548,317,708</u>	<u>\$ 568,440,895</u>	<u>\$ 606,081,784</u>	<u>\$ 625,744,840</u>
Total net debt applicable to the limit as a percentage of debt limit	15.82%	17.26%	19.44%	20.88%	1.62%	16.64%	14.12%	13.69%	12.32%	11.36%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 1,672,397,573
Add back: exempt real property	344,674,110
Total assessed value	<u>2,017,071,683</u>
Debt limit (35% of total assessed value)	<u>705,975,089</u>
Debt applicable to limit:	
General Obligation bonds	92,075,000
Less: Amount set aside for repayment of general obligation debt	<u>11,844,751</u>
Total net debt applicable to limit	<u>80,230,249</u>
Legal debt margin	<u>\$ 625,744,840</u>

Source:

Total assessed value is obtained from Caddo Parish Assessor Agency
Debt information is obtained from Table 10.

Notes:

The debt limit is 35% of total assessed value. This percentage is in accordance with Act
(1) 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2005	251,506	\$ 7,596,513,000	\$ 30,204	35.6	43,524	N/A	7.0
2006	251,309	7,870,795,000	31,319	35.7	43,127	56.35	5.6
2007	253,118	8,501,158,000	33,586	35.6	43,139	61.56	5.5
2008	252,609	9,131,521,000	36,149	35.7	43,419	62.26	5.6
2009	252,895	9,364,448,955	37,029	35.7	42,977	69.41	5.4
2010	253,623	9,464,956,737	37,319	35.6	42,000	64.57	6.8
2011	254,969	10,392,536,440	40,760	35.6	41,000	65.00	8.2
2012	257,051	9,859,962,258	38,358	36.1	40,442	64.90	7.2
2013	257,093	10,491,965,330	40,810	36.4	41,728	65.00	6.7
2014	254,887	11,254,025,711	44,153	36.2	40,769	67.79	7.1

Sources:

- (1) Population data obtained from U. S. Census Bureau.
- (2) Personal Income data obtained from www.stats.indiana.edu.
- (3) Median age data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University, Shreveport.
- (4) School enrollment and free and reduced meals data obtained from Louisiana Department of Education.
Data for Percentage on Free & Reduced Meals is not available prior to 2006.
- (5) Unemployment rate obtained from U. S. Department of Labor Bureau of Labor Statistics.

Table 14

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Employers
Current Year and 2005

	2014		2005	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
Barksdale Air Force Base	10,284	11.77%	8,700	7.04%
State of Louisiana	6,549	7.50%	8,695	7.04%
LSU Health Sciences Center	6,200	7.10%	5,657	4.58%
Willis Knighton Health System	6,145	7.03%	4,156	3.37%
Caddo Parish School Board	6,101	6.98%	6,900	5.59%
Bossier Parish School Board	2,926	3.35%	2,500	2.02%
City of Shreveport	2,700	3.09%	3,012	2.44%
Wal-Mart/Sam's Stores	2,006	2.30%		
Christus Schumpert Health System	1,800	2.06%	3,000	2.43%
Harrah's/Horseshoe Casino	1,800	2.06%		
El Dorado Casino				
General Motors			2,592	2.10%
Horseshoe Casino & Hotel			2,586	2.09%

Source: North Louisiana Economic Partnership

Note:

(1) 2005 Employment data obtained from U. S. Department of Labor Bureau of Labor Statistics

Table 15

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2014

Form of Government: Parish School Board
Geographic Area: 891 Square Miles
Population: 254,887
Public School Membership: Approximately 40,500

<u>Instruction Sites</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment</u>
High Schools:				
C.E. Byrd	1926	246,347	20.56	2,254
Caddo Parish Magnet	1964	111,618	26.50	1,239
Captain Shreve	1967	193,488	58.00	1,250
Community Ombudsman	N/A	N/A	N/A	126
Fair Park College Prep	1928	162,741	23.00	1,074
Green Oaks Performing Arts	1971	157,000	52.64	672
Huntington	1973	227,301	43.00	1,136
North Caddo	1954	96,425	40.00	308
Northwood	1970	147,486	63.20	937
Shreveport Job Corps Opp. Center	N/A	N/A	N/A	202
Southwood	1970	195,503	60.00	1,331
Booker T. Washington	1950	145,366	33.00	776
Woodlawn	1960	176,858	53.00	1,010
		1,860,133	472.90	12,315
Middle Schools:				
Broadmoor Middle Lab	1949	88,586	16.00	563
Caddo Parish Middle Magnet	1965	110,432	20.00	1,286
Caddo Middle Career and Technology	1955	66,103	10.00	571
Donnie Bickham	1989	160,457	32.38	755
Herndon Magnet	1956	74,106	80.00	699
		499,684	158.38	3,874

(Continued)

Table 15

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2014

<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment</u>
Middle Schools (continued):				
Ridgewood	1965	83,415	19.98	656
Youree Drive	1959	97,304	26.25	1,049
		<u>680,403</u>	<u>204.61</u>	<u>5,579</u>
Elementary Schools:				
Arthur Circle	1955	41,225	12.77	370
Atkins Technology	1935	60,096	13.00	393
Barret Paideia Academy	1916	33,500	4.00	326
Blanchard	1948	63,130	10.00	576
Caddo Heights Math/Science	1949	74,609	15.00	662
Cherokee Park	1966	54,142	8.50	421
Claiborne Fundamental Magnet	1923	54,701	5.00	363
Creswell	1920	57,328	4.00	452
Eden Gardens Fundamental Magnet	1967	44,496	6.50	476
Eighty-First Street ECE	1954	52,572	12.60	229
Fairfield Magnet	1924	43,330	9.00	437
Forest Hill	1964	62,506	12.40	637
J S Clark	1958	116,266	30.00	647
Judson Fundamental Magnet	1954	32,284	12.00	434
Keithville	1989	172,850	32.50	1,026
Lakeshore	1949	94,561	18.00	535
Midway	1931	63,028	15.09	262
Mooretown	1954	54,000	10.00	310
Mooringsport	1911	44,648	4.00	261
Newton Smith 6th Grade Center	1960	45,881	12.00	174
North Highlands	1957	54,806	10.00	453
Northside	1955	38,193	12.00	384
Oak Park Microsociety	1961	107,252	20.00	531
Oil City Magnet	1923	33,071	4.72	403
Pine Grove	1963	57,309	10.00	442
Queensborough	1924	58,776	5.00	403
		<u>1,614,560</u>	<u>308.08</u>	<u>11,607</u>

(Continued)

CADD0 PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2014

<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment</u>
Elementary Schools (continued):				
Riverside	1957	42,058	9.44	448
Shreve Island	1955	58,100	10.45	743
Newton Smith	1960	45,881	12.00	0
Scholarship	N/A	N/A	N/A	0
South Highlands Magnet	1922	54,343	5.40	480
Southern Hills	1959	77,674	10.00	838
A.C. Steere	1929	27,896	13.00	449
E.B. Williams Stoner Hill Lab	1954	34,587	14.44	217
Summer Grove	1954	39,535	12.00	764
Summerfield	1967	54,586	15.46	696
Sunset Acres	1954	57,975	10.73	564
Jack P. Timmons	1956	43,985	10.08	325
Turner	1984	162,000	17.00	1,107
University	1969	65,505	15.34	943
Vivian	1923	90,651	9.00	580
Walnut Hill	1956	118,355	77.58	1,752
Werner Park	1942	68,977	8.30	435
Westwood	1960	38,881	10.00	399
		<u>2,695,549</u>	<u>568.30</u>	<u>22,347</u>
Other Instruction Sites:				
Academic Recovery	1956	68,140	11.69	134
Alexander Learning Center	1912	32,630	3.73	151
Caddo Central Office	1917	51,572	2.95	243
Caddo Career Center	1956	103,868	18.15	0
School Nurse/Book Processing	1975	11,338	3.60	0
Special Education Center	1982	48,120	6.00	0
Oak Park	1958	40,000	10.00	0
West Shreveport	1926	98,090	5.00	0
		<u>453,758</u>	<u>61.12</u>	<u>528</u>
Total Overall Instruction Sites		<u><u>5,689,843</u></u>	<u><u>1,306.93</u></u>	<u><u>40,769</u></u>

Concluded

Source: Louisiana Department of Education

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Personnel
Last Ten Fiscal Years Ended June 30

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Teachers										
Less than a Bachelor's degree	58	48	51	46	44	45	51	47	44	37
Bachelor	1932	2000	1865	1895	1910	1911	1896	2009	1675	1686
Master	589	613	632	622	642	647	668	716	623	667
Master +30	285	279	274	259	265	239	230	252	191	215
Specialist in Education	25	23	25	25	29	27	27	30	26	23
Ph.D or Ed.D	6	9	5	5	7	11	8	9	8	8
Total	<u>2895</u>	<u>2972</u>	<u>2852</u>	<u>2852</u>	<u>2897</u>	<u>2880</u>	<u>2880</u>	<u>3063</u>	<u>2567</u>	<u>2636</u>
Principals & Assistants										
Bachelor	0	0	0	0	0	0	0	0	0	0
Master	48	53	55	57	62	64	63	63	61	58
Master +30	93	90	89	86	80	81	73	67	66	63
Specialist in Education	6	5	5	5	6	5	5	7	7	8
Ph.D or Ed.D	9	8	6	6	9	8	8	9	6	7
Total	<u>156</u>	<u>156</u>	<u>155</u>	<u>154</u>	<u>157</u>	<u>158</u>	<u>149</u>	<u>146</u>	<u>140</u>	<u>136</u>

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2005	\$ 363,082,165	43,499	\$ 8,347	0.07	2,943	14.78
2006	379,701,926	43,524	8,724	0.05	2,895	15.03
2007	398,317,439	43,127	9,236	0.06	2,972	14.51
2008	539,732,341	43,139	12,511	0.35	2,852	15.13
2009	565,739,387	43,419	13,030	0.04	2,852	15.22
2010	558,225,728	42,994	12,984	0.00	2,897	14.84
2011	552,691,216	42,000	13,159	0.01	2,880	14.58
2012	582,148,439	40,442	14,395	0.09	3,063	13.20
2013	577,153,411	41,728	13,831	-0.04	2,567	16.26
2014	494,966,474	40,769	12,141	-0.12	2,636	15.47

Notes:

- (1) This information is presented is extracted from agreed upon procedures report on performance and statistical data
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 13, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 16, School Personnel.

CADD0 PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Insurance in Force
June 30, 2014

Type of Coverage/ Name of Company	Policy Number	Policy Period		Details of Coverage and Coinsurance	Coverage Limits	Premium
		From	To			
Property CAN	RMP5084732785	7/1/2014	7/1/2015	Building/Contents \$1,000,000 deductible	\$ 250,000,000 Per Occurrence	\$ 397,256
General Liability/Auto/ Sexual Abuse/Educators Legal Berkley	PEPG19860334	7/1/2014	7/1/2015	Premises Liability/Law Enforcement Liability \$1,000,000 SIR Vehicle Liability \$1,000,000 SIR Sexual Abuse/ Employee Benefits Liability \$1,000,000 SIR Board member error, negligence or breach of duty Employment Practices Liability \$1,000,000 SIR	\$ 2,000,000 \$ 4,000,000 \$ 2,000,000 \$ 1,000,000 \$ 1,000,000 \$ 2,000,000 \$ 2,000,000	\$ 178,794
Terrorism Liability Underwriters @ Lloyds	FP0046714	7/1/2014	7/1/2015	Terrorism liability \$10,000 deductible	\$ 2,000,000 \$ 4,000,000	\$ 10,237
Fidelity Travelers	105813056	7/1/2012	7/1/2015	Employee Dishonesty \$5,000 deductible Public Official Bond Board President, Supeintendent, & CFO \$10,000 deductible	\$ 500,000 \$ 100,000 Per Occurrence	\$ 5,796
Equipment Breakdown Travelers	M5J-BME1-6053C501-TIL-13	7/1/2014	7/1/2015	Equipment Breakdown Boiler Explosion \$25,000 deductible	\$ 250,000,000	\$ 24,838
Exterminator License Bond Travelers	TBD	5/3/2014	5/3/2015	Guarantees exterminator will conduct duties in the required manner	\$ 2,000	\$ 100
Accident Policy Nationwide Life	TBD	4/16/2014	4/16/2015	Covers accidents at Woodlawn H. S. day care	\$ 5,000	\$ 225
Disaster Management Lloyds	BW0088014	7/1/2014	7/1/2015	Disaster Management Support	\$ 1,000,000 \$ 5,000,000	\$ 5,941

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Single Audit Report
and
Agreed-Upon Procedures Report
As of and for the Year ended June 30, 2014

CADDO PARISH SCHOOL BOARD

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**Independent Auditor’s Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
In Accordance With Government Auditing Standards**

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Caddo Parish School Board (the School Board), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School Board’s basic financial statements and have issued our report thereon dated December 19, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board’s internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2014-01 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs as item 2014-02 to be a significant deficiency.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the School Board, in a separate letter dated December 19, 2014.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

CA22, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014

**Independent Auditor's Report on Compliance for
Each Major Program and on Internal
Control over Compliance Required by OMB Circular A-133**

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Caddo Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2014. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2014-03 and 2014-04. Our opinion on each major federal program is not modified with respect to this matter.

The School Board's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2014-03 and 2014-04 to be significant deficiencies.

The School Board's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

We noted certain matters that we reported to management of the School Board, in a separate letter dated December 19, 2014.

Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 19, 2014, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

CARR, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/ Pass Through Grantor/Program Name	CFDA Number	Pass-Through Grantor No.	Expenditures
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Child Nutrition Cluster			
Cash Assistance			
Passed through Ender York, Inc. of Herndon, Virginia:			
Food Distribution (Cash in lieu of commodities)	10.555	N/A	\$ 1,101,113
Passed through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	3,295,135
National School Lunch Program	10.555	N/A	10,486,159
Summer Food Service Program for Children	10.559	N/A	212,408
Non-cash Assistance - Commodities			
Passed through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.555	N/A	162
Total Child Nutrition Cluster			<u>15,094,977</u>
Passed through Louisiana Department of Education:			
Fresh Fruit and Vegetable Program	10.582	N/A	17,658
Total United States Department of Agriculture			<u>15,112,635</u>
United States Department of Education			
Passed through Louisiana Department of Education:			
Adult Education – Basic Grants to States	84.002	V002A100018	152,690
Adult Education – Basic Grants to States	84.002	V002A130018	2,310
			<u>155,000</u>
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	28-14-T1-09	17,381,537
Title I Grants to Local Educational Agencies	84.010	28-15-T1-09	4,557
Title I Grants to Local Educational Agencies	84.010	28-13-BG-09	46,408
Title I Grants to Local Educational Agencies	84.010	28-12-TA-09	74,056
Total Title I, Part A Cluster			<u>17,506,558</u>
Special Education Cluster (IDEA)			
Special Education Grants to States (IDEA, Part B)	84.027	28-14-JP-09	60,000
Special Education Grants to States (IDEA, Part B)	84.027	28-14-B1-09	7,573,332
Special Education Grants to States (IDEA, Part B)	84.027	28-15-B1-09	5,432
Special Education Grants to States (IDEA, Part B)	84.027	28-14-JI-09	3,280
Special Education Preschool Grants (IDEA Preschool)	84.173	28-14-P1-09	224,275
Total Special Education Cluster (IDEA)			<u>7,866,319</u>
Special Education Grants to State High Risk Pool	84.323	28-12-P4-09	23,399
Career and Technical Education Basic Grants to States	84.048	28-13-02-09	23,945
Career and Technical Education Basic Grants to States	84.048	28-14-02-09	520,408
			<u>544,353</u>

See Notes to Schedule of Expenditures of Federal Awards.

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/ Pass Through Grantor/Program Name	CFDA Number	Pass-Through Grantor No.	Expenditures
Improving Teacher Quality State Grants (Title II)	84.367	28-14-50-09	2,660,682
Improving Teacher Quality State Grants (Title II)	84.367	28-15-50-09	2,888
			2,663,570
		28-14-60-09 &	
English Language Acquisition State Grants	84.365	28-15-60-19	99,106
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-SA-09	2,206
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-S1-09	226
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-S9-09	(8)
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-SF-09	131,961
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-S4-09	415,150
Safe and Drug Free Schools and Communities National Programs	84.184	28-11-S1-09	48,189
			597,724
School Improvement Cluster			
School Improvement Grants	84.377	28-11-TC-09	723,153
School Improvement Grants, Recovery Act	84.388	28-09-TG-09	1,426,337
Total School Improvement Cluster			2,149,490
Race to the Top	84.413	28-12-RB-09 &	
Race to the Top	84.413	28-12-RC-09	10,168
Race to the Top	84.413	28-12-SS-09	1,481
			11,649
Mathematics and Science Partnerships	84.366	28-12-MP-09	139,278
Mathematics and Science Partnerships	84.366	28-13-MP-09	223,045
			362,323
Education for Homeless Children and Youth	84.196	28-14-H1-09	82,696
Striving Readers	84.371	28-13-SK-09	1,455
Total United States Department of Education			32,063,642
United States Department of Health and Human Services			
Passed through Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	2,110
Temporary Assistance for Needy Families (TANF)	93.558	28-14-36-09	736,200
Temporary Assistance for Needy Families (TANF)	93.558	28-14-JS-09	46,791
			785,101
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	28-12-SH-09	24,041
Direct Program:			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	712230	7,466
Block Grants for Prevention and Treatment of Substance Abuse	93.959	712231	67,659
			75,125
Total United States Department of Health and Human Services			884,267

See Notes to Schedule of Expenditures of Federal Awards.

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/ Pass Through Grantor/Program Name	CFDA Number	Pass-Through Grantor No.	Expenditures
United States Department of Defense			
Direct Programs:			
Department of the Army – ROTC	12.UKN	N/A	1,280,489
Flood Control Project	12.106	N/A	<u>13,968</u>
Total United States Department of Defense			<u><u>1,294,457</u></u>
Department of Housing & Urban Development			
Supportive Housing Program	14.235	LA0036L6H021205	<u>86,774</u>
Total Federal Expenditures			<u><u>\$ 49,441,775</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

**Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014**

Note 1 – General

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

Note 2 – Basis of Accounting

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

Note 3 – Relationship to Financial Statements

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

<u>Funds</u>	<u>Federal Sources</u>
General	\$ 1,294,457
Other Governmental:	
Special Education	7,889,718
Title II	2,663,570
Title III	99,106
Safe and Drug-Free	621,766
TANF/JAG	785,101
School Improvement	2,149,489
Mathematics & Science	362,324
Adult Education	154,999
Vocational Education	544,353
Title I	17,506,558
Homeless	169,470
Child Nutrition Fund	15,112,635
Behavioral Health	75,125
Misc. State/Federal Grants	13,104
Total	\$ <u>49,441,775</u>

Note 4 – Relationship to Federal Financial Reports

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

Note 5 – Matching Revenues

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

Note 6 – Noncash Programs

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

**Caddo Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2014**

Section I - Summary of Auditor's Results

A. Financial Statement Audit

Type of auditor's report issued on the basic financial statements: **Unmodified**

Internal control over financial reporting:

- Material weaknesses identified? **Yes**
- Significant deficiencies identified that are not considered to be material weaknesses? **Yes**

Noncompliance material to the basic financial statements noted? **No**

A separate management letter was issued on December 19, 2014.

B. Audit of Federal Awards

Type of auditor's report issued on compliance for major programs: **Unmodified**

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **Yes**

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? **Yes**

Any instances of material noncompliance in major programs disclosed during the audit? **No**

Identification of major programs:

<u>CFDA number</u>	<u>Name of federal program or cluster</u>
84.010	Title I, Part A Cluster
84.027 & 84.173	Special Education Cluster (IDEA)
84.367	Improving Teacher Quality State Grants
84.377 & 84.388	School Improvement Cluster
84.366	Mathematics and Science Partnerships

The dollar threshold used to identify Type A programs: **\$1,483,253**

Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: **No**

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Reference # and title: 2014-01 Controls Over Payroll

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Good internal controls over payroll require that access to personnel, payroll data and transaction files be appropriately restricted to ensure no unauthorized changes are made to payroll or personnel profile related information.

Condition: During review of controls over payroll, it was noted that security profiles and system access to the human resources and payroll modules are not periodically reviewed to ensure access is properly restricted. It was also noted that a significant number of users have access and edit rights in the human resources and payroll modules.

Effect: There is the potential for personnel and payroll related information to be inappropriately altered and/or altered without proper approvals. There is also a lack of proper segregation of duties over payroll.

Cause: There is no policy or procedure in place requiring periodic review, evaluation and approval of individual user profiles with access to the human resources and payroll modules and the level of user access.

Recommendation: We recommend that the School Board implement a policy requiring an appropriate individual or individuals to periodically review and approve individual user profiles and their level of access to the human resources and payroll modules. We also recommend that access to these modules and the ability to make changes be restricted to the extent possible.

Views of responsible officials and corrective action plan: Management is working with Information Technology to restrict access to read-only, for those users that are determined not to need update capabilities.

Anticipated completion date: Six months to a year.

Person responsible for corrective actions:

James G. Lee, Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6300
Fax: 318-603-6274

Reference # and title: 2014-02 Financial and Statistical Reports

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Financial and statistical reports should be reviewed to ensure financial statements and schedules submitted to auditors and state agencies are accurate.

Condition: Financial and statistical reports that were used in the creation of schedules and balance reporting were incorrect when given to the auditors as supporting documentation. Additional work was required by the School Board to correct the reports to complete test work. In one instance, a class of employees was not included in the report, causing the report to be understated. In another instance of reporting, salaries for a number of employees were overstated.

Effect: Accounting records, financial statements and statistical schedules may be materially misstated.

Cause: The reports were not reviewed for accuracy.

Recommendation: We recommend that the School Board perform a thorough review of all schedules generated by the system and/or the IT department for accuracy.

Views of responsible officials and corrective action plan: Management worked to correct the reports prior to end of fieldwork to the satisfaction of the auditors.

Anticipated completion date: Reports have already been corrected.

Person responsible for corrective actions:

James G. Lee, Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6300
Fax: 318-603-6274

Section III – Federal Award Findings and Responses

Reference # and title: 2014-03 Payroll Errors

Federal Program and Specific Federal Award Identification: This finding relates to Title I, Part A Cluster, CFDA #84.010, Special Education Cluster (IDEA), CFDA #84.027 and 84.173, and School Improvement Cluster, CFDA #84.377 and 84.388 from the United States Department of Education passed through the Louisiana Department of Education.

Entity-Wide or Program/Department Specific: This finding applies only to the federal programs noted above.

Criteria or Specific Requirement: Good internal controls over payroll dictate payroll should be based on valid employees and wages should be calculated based on approved wages and hours. Payroll transactions should be accurate, agree with source documents and be recorded on a timely basis.

Condition: During testing of sixty payroll transactions, seven exceptions were noted:

- One employee was paid for three years of experience from another school district. It was noted that the experience was not verified.
- Three employees were not paid on the correct step based on the salary schedule. Salaries paid to those employees did not agree to the approved salary schedules.
- The salary paid to one employee was not correctly pro-rated based on the employee's date of hire.
- One salary schedule was not updated to reflect the correct amount paid for a position.
- One employee did not have documentation on file to support the amount paid. It was also noted that for certain positions, employee salaries could not be agreed to the salary schedules based on information maintained in the employees' personnel files. Due to changes in the salary schedule structures, certain employees' salaries had to be manually adjusted. The adjustments were not documented and updated salaries were not approved in writing.

Effect: The School Board is not in compliance with federal grant requirements. Employees may be paid amounts that are not properly authorized. Employees may be overpaid or underpaid due to undetected and uncorrected payroll errors.

Cause: Inadequate controls in Human Resources.

Recommendation: We recommend that payroll policies and procedures be revised and implemented to ensure all payments to employees are properly approved, properly calculated and supported by proper documentation which agrees to amounts paid.

Management's Corrective Action Plan: Management will work with Human Resources to ensure employee salaries are correct and that documentation is available to support the salaries.

Anticipated completion date: June 30, 2015.

Person responsible for corrective actions:

James G. Lee, Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6300
Fax: 318-603-6274

Reference # and title: 2014-04 Title I Targeting Application

Federal Program and Specific Federal Award Identification: This finding relates to Title I, Part A Cluster, CFDA #84.010 from the United States Department of Education passed through the Louisiana Department of Education.

Entity-Wide or Program/Department Specific: This finding applies only to the federal program noted above.

Criteria or Specific Requirement: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I Part A based on poverty measures for children between the ages of 5 to 17. In order to complete this determination, preschool and Pre-K students should be removed from the enrollment counts.

Condition: The Preschool and Pre-K students were included in the prepopulated enrollment counts used to prepare the Title I application. The Title I personnel did not remove these students from the enrollment counts prior to submitting the application which resulted in improper eligibility determinations and Title I grant funds allocations to schools.

Effect: Eligibility determinations were therefore not performed in accordance with federal guidelines for Title I and grant allocations to schools were not calculated correctly.

Cause: Enrollment counts, which were prepopulated by the Louisiana Department of Education in the Title I application, were not reviewed and verified by the School Board prior to submission of the application.

Recommendation: We recommend that procedures be implemented requiring verification of all enrollment data prior to submission of the Title I application.

Management's Corrective Action Plan: This is a repeat finding from last year. By the time management realized that the error occurred in 2012-13, the file had already been loaded by the State for 2013-14. Management was informed that they could not be modified. If they were, the year was already half over, and it could have negatively impacted the budgets at some of the

schools. Title I management is aware of the problem that caused this and knows what to look for at the beginning of the process. This should not be a finding in future years.

Anticipated completion date: Already corrected.

Person responsible for corrective actions:

James G. Lee, Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6300
Fax: 318-603-6274

Other Information

**Caddo Parish School Board
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2014**

Reference # and title: 2013-001 Controls Over Payroll

Year of Origination: June 30, 2013

Condition: When reviewing the system access regarding the payroll and personnel function, it was noted there are insufficient controls in place over employee information. The following was noted:

- There were multiple employees noted across various departments who had access to modify employee payroll and/or personnel information who should not have been granted access. Although some of these employees needed access at some points to assist with payroll related items, the access should have been properly restricted to only allowing viewing and not editing employee information.
- It was noted that although the School Board has separate payroll and human resource departments, all payroll and human resource related items are comingled within the new payroll system and the access has not been restricted between these departments. Therefore, payroll employees are able to make changes to human resource related items and human resource employees are able to make changes to payroll related items.
- The IT department provided an Employee Master Log Report which details the employees who access master file information and the changes that are made to the file. When reviewing a listing of employees within the human resource department and the payroll department and a listing of key employees within the finance and accounting department, it was noted that several employees were able to access their employee master file and made changes such as telephone number or address. Although the changes made were not considered to be significant changes that would affect the amount paid to the employee, these employees should not be able to access and make changes to their employee master file information.

Problems were also noted with sick leave balances at year end. A sample of employee sick leave balances was selected from the compensated absences report as of June 30 to test for accuracy of the balances. Of the 25 tested, 13 were noted to have variances. These variances ranged from \$21 to \$362. In each instance, it was noted that the ending balance per the compensated absences report was less than the balance that was manually calculated.

The payroll department took an entire payroll's worth of checks and direct deposit forms to the IT department to be shred because that department is responsible for destroying checks. The IT Systems Design Manager, the person responsible for logging destroyed checks, was not notified when the checks and direct deposit forms were sent to the IT department. Some of the checks were shred before the IT Systems Design Manager was notified and there is no record of the check numbers.

During audit fieldwork, it was noted that the School Board's internal audit department had performed an audit of the payroll department during the year. Based on a review of the internal audit report for the audit of the payroll department, additional audit testing was performed as described below.

A sample of 15 new hires was selected from a listing of all new hires for the School Board for the year. The employee master file log was reviewed for each new hire tested to ensure that the employee was set up by the human resources department and not by the payroll department. There was one exception noted where a newly hired substitute was initially set up by the human resources department, however the payroll department made changes to the new hires' employee master file information instead of submitting the request for the change to the human resources department.

The internal audit report noted several pay related contributions that are paid to various employees during the year. If an employee is to be paid an amount in excess of the pay assignment approved by the Board (i.e. additional duties, to freeze pay, etc.), a pay related contribution is added to the employee's record to pay this additional amount. After a review of a sample of the pay related contributions paid for the year, it was noted that there are no procedures in place for proper approval for these amounts. The human resource department has full authority to add these pay related contributions as they deem necessary. There is no formal approval noted in the employee's personnel file beyond a note explaining the reason for the contribution, which is signed by the human resource employee who makes the determination. Also, it was noted that the human resources department was unable to provide proof of approval by the Board or any administrative personnel for the pay related contributions paid.

The internal audit report noted multiple instances where employees who were terminated or resigned during the year continued to receive payroll checks after the end of employment. Therefore, a sample of 40 employees were selected for testing who had their human resource status changed from active to either a leave status or an inactive status during the audit period.

- There were three instances noted where an insurance employee changed the human resources status of an employee from active to inactive; this department should not be making any changes to the human resource status of employees. It was also noted that this insurance employee mistakenly inactivated one employee's human resource status during the audit period.
- There were twelve exceptions noted where a substitute was marked inactive on their human resources status, but was never marked inactive on their payroll status. Therefore, there is a risk that terminated substitutes could continue to receive checks after the end of employment.
- There was one exception noted where an employee was marked inactive by human resources, but was never marked inactive by payroll; no additional amounts appear to be paid to this employee.
- There was one instance noted where payroll employees were noted as making changes to the human resource status of an employee; these changes should only be made by the human resources department.
- There was one exception noted where an employee who resigned continued to have payroll checks issued to them after all pay outs were made. Although the payroll department caught the disbursements before they were sent to the employee and reversed these disbursements, the employee was not properly inactivated on both the payroll side and also the human resources side after their date of resignation to avoid overpayment.

Corrective action taken: Management continues to work with Information Technology and the software vendor. They have made some modifications that have improved upon these issues. They are also in process of converting all employees to a semi-monthly pay. This will reduce the number of payrolls run each month and improve the overall payroll process. See current year finding 2014-01 related to payroll controls.

Reference # and title: **2013-002 Title I Targeting**

Year of Origination: June 30, 2013

Condition: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I Part A based on poverty measures for children between the ages of 5 to 17. In order to complete this determination, preschool children should be removed from the enrollment numbers.

The Title I personnel did not subtract out preschool children from the enrollment data in determining which schools are eligible to participate. Although there were no changes in total eligibility of the schools, it was noted that the allocations for all of the schools receiving benefits changed as well as the ranking of the schools.

Corrective action taken: See current year finding 2014-04.



Management Letter

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 19, 2014. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the School Board's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting our compliance and other matters that are reported on separately by those auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A133.

As a part of our examination, we have issued our report on the financial statements, dated December 19, 2014, and our reports on internal control and compliance with laws, regulations, contracts, and grants, and on compliance for each major program and internal control over compliance required by OMB Circular A-133 dated December 19, 2014.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

MLC 2014-01 Inventory

Year of Origination – June 30, 2014

Observations:

We noted, during our testwork, that a district- wide capital assets inventory was not completed during the fiscal year. It was also noted that materials and supplies inventories were completed; however, account balances were not updated in the general ledger as of the end of the fiscal year. Best practices dictate that a physical inventory of all capital assets should be conducted periodically. Actual balances of inventories should be reported to ensure financial statements are accurate. The School Board does not have capital assets policies and procedures designed to ensure all capital assets are properly inventoried and accounted for. The accounting department believed they did not receive reliable numbers from the materials and supplies inventory counts that were done at year end so the account balances were not adjusted. As a result, asset additions may not be properly added to the capital assets listing and disposals may not be properly removed from the listing. Inventory may not be accurately reported in the financial statements.

Recommendation:

We recommend the School Board ensure adequate capital assets policies and procedures designed to ensure assets are adequately tracked and safeguarded are in place. An annual inventory of fixed assets should be completed by all departments and the listings updated as needed. Any discrepancies noted during the inventory should be investigated by the department head and accounting supervisor. We also recommend that year-end inventory procedures be performed at each location containing materials and supplies inventory. Those balances should be accurately reported to the accounting department and the general ledger should be adjusted to reflect the year end balances.

Views of responsible officials and corrective actions:

CFO and Accounting Supervisor have discussed the supply inventory situation. Accounting will begin adjusting the inventory account on GL to reflect the results of the physical inventory.

Management will work with the schools to take a physical inventory annually. They will report any necessary changes to the accounting department.

MLC 2014-02 Budgets

Year of Origination – June 30, 2014

Observation:

Budget Amendments

During review over budget compliance, we noted the Tobacco fund expenditures exceeded the budget amount by more than 5%. An amended budget was not presented for approval. An amended budget must be approved by if the actual revenue is 5% less than the budgeted revenue or the actual expenditures are 5% more than the budgeted expenditures. An amended budget must be approved if the variance in actual fund balance is 5% or more than the budgeted fund balance.

In addition, we noted that the accounting department monitored the special revenue funds' grant budgets-to-actual reports during the year using the budgets approved by the State and not by the School Board. There are differences between the budgets for 2013-2014 fiscal year that were approved by the School Board versus the State approved budgets for the various grants. The School Board adopted the annual budget for year ended June 30, 2014, prior to June 30, 2013. The School Board does not receive State approval for certain grants until the later in the year. No amendments to the special revenue fund budgets were made to match what was approved by the State.

Adoption of Special Revenue Fund Budgets

We noted during testwork that the budgets for two of the School Board's special revenue funds (Behavioral Health and Safe and Drug Free) were omitted from the Annual Budget that was adopted by the board for the fiscal year 2013-2014. A budget must be approved by the Board for all special revenue funds.

Recommendation:

We recommend that the School Board implement a policy requiring an appropriate individual or individual(s) to periodically review the budget versus actual expenditures for each fund and submit amended budgets to the board or the superintendent for approval when necessary. We recommend that the School Board amend the original special revenue budgets for the school year once management is notified by the State of Louisiana what has been approved for the various grants/special revenue funds to avoid differences between the State budgets and the Board approved budgets. Amended special revenue budgets should be approved by the superintendent and should then be used by management to monitor variances between budget and actual amounts during the year.

We recommend that the School Board implement procedures to ensure that no special revenue funds are omitted from the budget package presented to the Board for adoption.

Views of responsible officials and corrective actions:

Staff will begin notifying the board of budget revisions on a quarterly basis. We will remind staff to review this on a regular basis. General fund revisions are taken to the Board for approval. Special revenue fund revisions will be taken to the superintendent for approval. The superintendent has authority to approve revisions to all special revenue budgets.

Two special revenue funds were inadvertently omitted from the budget package. This was simply an oversight and an unintentional act. Management will work with staff to ensure that all special revenue funds are included in the budget package that is adopted by the Board.

We recommend management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestion or help implement the recommendation.

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

CARR, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014



**Independent Accountant’s Report
On Applying Agreed-Upon Procedures**

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Caddo Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management’s assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of the School Board is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation 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 this 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:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

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, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

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

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

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

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

Number and Type of Public Schools (Schedule 3)

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

Comment: Three exceptions were noted as a result of applying the agreed-upon procedure. The schedule provided did not contain the correct number of middle, secondary or combination schools. Middle schools were overstated by one, secondary schools were understated by four and combination schools were overstated by three. The schedule was revised to properly reflect the number of schools by type. Schedule 3 reflects the proper number of public schools by type.

Management's Response: This schedule was corrected prior to the end of fieldwork and should be correct for future years.

Experience of Public Principals, Assistant 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 1st and as reported on the schedule and traced the same sample used in Procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Comment: Three exceptions were noted as a result of applying the agreed-upon procedure. Three teachers selected were not properly classified on the schedule based on years of experience per the individuals' personnel files. The schedule was not revised to properly classify the teachers based on their years of experience. Schedule 4 does not properly reflect the experience of full-time classroom teachers.

Management's Response: Management believes this is isolated and will work with Human Resources to ensure that experience is correct for all employees. This is not as critical as in the past because salaries are not tied directly to years of experience anymore.

Public School Staff Data: Average Salaries (Schedule 5)

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

Comment: An error occurred in the original report creation that duplicated salaries for teachers that had multiple positions or switched positions in the middle of the year. The schedule properly reflected the number of full time equivalents (FTEs) for the year, but the total compensation for the teachers was overstated. The schedule was not revised prior to the performance of the agreed-upon procedures, but corrected subsequently. After the report correction, Schedule 5 properly reflects the average classroom teachers' salary including extra compensation.

Management's Response: This report was corrected prior to the end of fieldwork and should be correct for future years.

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

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

Class Size Characteristics (Schedule 6)

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

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

Graduation Exit Examination (GEE) (Schedule 8)

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

Comment: The Graduation Examination (GEE) is no longer administered. This schedule is no longer applicable.

iLEAP Tests (Schedule 9)

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

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

We were not engaged to perform, and did not perform, an audit, 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 Caddo Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

CARR, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2014**

<u>General Fund Instructional and Equipment Expenditures</u>	<u>Column A</u>	<u>Column B</u>
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 123,794,278	
Other Instructional Staff Activities	17,485,565	
Employee Benefits	79,218,586	
Purchased Professional and Technical Services	4,409,475	
Instructional Materials and Supplies	5,357,605	
Instructional Equipment	955,041	
Total Teacher and Student Interaction Activities	\$ 231,220,550	
Other Instructional Activities		361,105
Pupil Support Activities	24,102,795	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	24,102,795	24,102,795
Instructional Staff Services	16,027,246	
Less: Equipment for Instructional Staff Services	507,964	
Net Instructional Staff Services	15,519,282	15,519,282
School Administration	29,675,093	
Less: Equipment for School Administration	99,971	
Net School Administration	29,575,122	29,575,122
Total General Fund Instructional Expenditures	\$ 300,778,854	
Total General Fund Equipment Expenditures		\$ 1,681,646
 <u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes	\$ 13,077,089	
Renewable Ad Valorem Tax	102,967,555	
Debt Service Ad Valorem Tax	9,993,778	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	2,281,935	
Sales and Use Taxes	75,136,182	
Total Local Taxation Revenue	\$ 203,456,539	
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property	\$ -	
Earnings from Other Real Property	526,373	
Total Local Earnings on Investment in Real Property	\$ 526,373	
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax	\$ 346,615	
Revenue Sharing - Other Taxes	1,555,574	
Revenue Sharing - Excess Portion	75,049	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes	\$ 1,977,238	
Nonpublic Textbook Revenue	\$ 104,601	
Nonpublic Transportation Revenue	\$ -	

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 2

Education Levels of Public School Staff
As of October 1, 2013

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	18	1%	2	13%	0	0%	0	0%
Bachelor's Degree	1,633	65%	12	74%	0	0%	0	0%
Master's Degree	634	25%	2	13%	40	29%	0	0%
Master's Degree + 30	203	8%	0	0%	61	45%	0	0%
Specialist in Education	23	1%	0	0%	28	21%	0	0%
Ph. D. or Ed. D.	6	0%	0	0%	7	5%	0	0%
Total	2517	100%	16	100%	136	100%	0	0%

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Schedule 3

**Number and Type of Public Schools
For the Year Ended June 30, 2014**

Type	Number
Elementary	45
Middle/Jr. High	5
Secondary	15
Combination	1
Total	66

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

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Schedule 4

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2013**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	-	-	5	7	22	17	27	78
Principals	-	-	-	1	6	21	30	58
Classroom Teachers	226	219	711	309	398	265	409	2,537
Total	226	219	716	317	426	303	466	2,673

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Schedule 5

**Public School Staff Data: Average Salaries
For the Year Ended June 30, 2014**

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$49,535.90	\$49,014.89
Average Classroom Teachers' Salary Excluding Extra Compensation	\$49,227.60	\$48,701.75
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	2,655	2,614

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 6

Class Size Characteristics
As of October 1, 2013

School Type	Class Size Range							
	1-20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	37%	3,693	59%	3,332	27%	662	10%	33
Elementary Activity Classes	9%	889	16%	899	6%	145	9%	28
Middle/Jr. High	7%	664	6%	333	14%	347	1%	4
Middle/Jr. High Activity Classes	2%	230	1%	47	2%	51	13%	41
High	35%	3,525	17%	937	48%	1,175	55%	179
High Activity Classes	8%	804	1%	82	3%	73	13%	42
Combination	2%	242	0%	-	0%	-	0%	-
Combination Activity Classes	0%	26	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.

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Schedule 7

**Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2014**

District Achievement Level Results	English Language Arts						Mathematics					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	170	5%	194	5%	204	5%	349	10%	277	8%	265	7%
Mastery	779	23%	735	20%	747	20%	712	21%	658	18%	670	18%
Basic	1,389	41%	1,606	45%	1,607	43%	1,215	35%	1,330	37%	1,514	40%
Approaching Basic	608	18%	691	19%	726	20%	544	16%	622	17%	731	20%
Unsatisfactory	451	13%	381	11%	438	12%	602	18%	730	20%	546	15%
Total	3,397	100%	3,607	100%	3,722	100%	3,422	100%	3,617	100%	3,726	100%

District Achievement Level Results	Science						Social Studies					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	130	4%	126	3%	226	6%	45	1%	71	2%	60	2%
Mastery	420	12%	487	13%	534	14%	398	12%	405	11%	485	13%
Basic	1,480	43%	1,406	40%	1,404	38%	1,587	46%	1,627	45%	1,622	43%
Approaching Basic	1,018	30%	1,027	28%	1,068	29%	805	24%	871	24%	786	21%
Unsatisfactory	382	11%	574	16%	492	13%	574	17%	638	18%	768	21%
Total	3,430	100%	3,620	100%	3,724	100%	3,409	100%	3,612	100%	3,721	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	122	4%	165	6%	171	7%	150	5%	97	3%	154	6%
Mastery	495	17%	562	20%	473	19%	148	5%	169	6%	134	5%
Basic	1,053	36%	1,018	37%	983	38%	1,188	41%	1,215	44%	1,156	45%
Approaching Basic	892	31%	679	24%	730	29%	667	23%	641	23%	652	26%
Unsatisfactory	353	12%	353	13%	183	7%	754	26%	660	24%	445	18%
Total	2,915	100%	2,777	100%	2,540	100%	2,907	100%	2,782	100%	2,541	100%

District Achievement Level Results	Science						Social Studies					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	78	3%	100	4%	109	4%	70	2%	83	3%	113	4%
Mastery	445	15%	502	18%	479	19%	436	15%	410	15%	401	16%
Basic	1,009	35%	959	35%	793	32%	1,073	38%	1,121	40%	1,058	43%
Approaching Basic	834	29%	758	27%	783	31%	699	24%	572	21%	536	21%
Unsatisfactory	532	18%	442	16%	362	14%	621	21%	577	21%	416	16%
Total	2,898	100%	2,761	100%	2,526	100%	2,899	100%	2,763	100%	2,524	100%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 8

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2014

District Achievement Level Results	English Language Arts						Mathematics					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced					1	0%					1	0%
Mastery					-	0%					-	0%
Basic					19	8%					19	8%
Approaching Basic					49	19%					49	19%
Unsatisfactory					183	73%					183	73%
Total					252	100%					252	100%

District Achievement Level Results	Science						Social Studies					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced					162	7%					85	4%
Mastery					390	17%					278	12%
Basic					727	32%					1,005	44%
Approaching Basic					523	23%					521	23%
Unsatisfactory					481	21%					392	17%
Total					2,283	100%					2,281	100%

Please note that the GEE has been phased out by the Department of Education, everything at that level was moved to end of course testir

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 9

iLEAP Tests
For the Year Ended June 30, 2014

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	168	5%	295	9%	168	5%	29	1%
Mastery	620	19%	527	16%	577	18%	570	17%
Basic	1,181	35%	1,167	36%	1,170	35%	1,252	39%
Approaching Basic	684	21%	638	19%	877	27%	702	21%
Unsatisfactory	643	20%	669	20%	501	15%	739	22%
Total	3,296	100%	3,296	100%	3,293	100%	3,292	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	147	5%	223	8%	124	4%	113	4%
Mastery	513	18%	388	13%	461	16%	341	12%
Basic	1,258	44%	1,289	44%	1,061	37%	1,225	42%
Approaching Basic	588	20%	483	17%	869	30%	702	24%
Unsatisfactory	387	13%	512	18%	379	13%	513	18%
Total	2,893	100%	2,895	100%	2,894	100%	2,894	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	149	5%	206	7%	125	4%	273	9%
Mastery	478	15%	314	10%	430	14%	298	10%
Basic	1,238	40%	1,228	39%	1,131	36%	1,156	36%
Approaching Basic	842	27%	549	18%	933	30%	799	26%
Unsatisfactory	412	13%	818	26%	492	16%	586	19%
Total	3,119	100%	3,115	100%	3,111	100%	3,112	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	168	6%	207	8%	121	4%	140	5%
Mastery	448	16%	295	11%	551	20%	420	15%
Basic	1,102	41%	1,159	41%	933	35%	1,061	39%
Approaching Basic	693	25%	588	22%	764	28%	628	23%
Unsatisfactory	326	12%	484	18%	360	13%	479	18%
Total	2,737	100%	2,733	100%	2,729	100%	2,728	100%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 9 (continued)

/LEAP Tests
For the Year Ended June 30, 2014

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	246	8%	252	8%	200	6%	109	3%
Mastery	538	17%	545	17%	558	18%	499	16%
Basic	1,182	37%	1,131	36%	1,097	35%	1,193	38%
Approaching Basic	584	19%	603	19%	842	27%	637	20%
Unsatisfactory	600	19%	619	20%	452	14%	709	23%
Total	3,150	100%	3,150	100%	3,149	100%	3,147	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	199	7%	135	5%	123	4%	145	5%
Mastery	546	19%	527	18%	502	18%	329	11%
Basic	1,187	41%	1,316	46%	1,108	41%	1,294	46%
Approaching Basic	592	21%	491	17%	815	29%	573	20%
Unsatisfactory	336	12%	405	14%	232	8%	531	18%
Total	2,860	100%	2,874	100%	2,780	100%	2,872	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	119	4%	182	6%	122	4%	313	11%
Mastery	481	16%	310	11%	510	17%	338	11%
Basic	1,231	42%	1,191	40%	1,032	36%	1,057	36%
Approaching Basic	608	21%	555	19%	810	27%	624	21%
Unsatisfactory	514	17%	714	24%	479	16%	621	21%
Total	2,953	100%	2,952	100%	2,953	100%	2,953	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	222	7%	125	4%	83	3%	95	3%
Mastery	475	16%	338	11%	433	14%	454	15%
Basic	1,152	38%	1,196	41%	995	33%	1,195	40%
Approaching Basic	769	26%	667	22%	889	30%	562	19%
Unsatisfactory	377	13%	666	22%	590	20%	681	23%
Total	2,995	100%	2,992	100%	2,990	100%	2,987	100%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 9 (continued)

/LEAP Tests
For the Year Ended June 30, 2014

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	202	6%	306	10%	162	5%	50	2%
Mastery	614	20%	499	16%	508	16%	444	14%
Basic	1,110	35%	1,180	37%	1,181	38%	1,403	44%
Approaching Basic	585	19%	621	20%	749	24%	660	21%
Unsatisfactory	632	20%	537	17%	543	17%	586	19%
Total	3,143	100%	3,143	100%	3,143	100%	3,143	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	136	5%	127	5%	97	4%	130	5%
Mastery	527	20%	350	13%	393	15%	317	12%
Basic	1,079	40%	1,368	51%	1,196	44%	1,298	48%
Approaching Basic	596	22%	434	16%	681	25%	606	22%
Unsatisfactory	351	13%	416	15%	334	12%	344	13%
Total	2,689	100%	2,695	100%	2,701	100%	2,695	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	137	5%	207	7%	128	4%	266	9%
Mastery	563	20%	341	12%	453	16%	396	14%
Basic	1,112	37%	1,183	41%	1,043	36%	1,071	37%
Approaching Basic	540	19%	626	22%	833	29%	728	25%
Unsatisfactory	534	19%	534	18%	434	15%	425	15%
Total	2,886	100%	2,891	100%	2,891	100%	2,886	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	203	7%	182	7%	131	5%	209	8%
Mastery	424	15%	255	9%	559	20%	426	15%
Basic	1,071	40%	1,277	46%	865	31%	995	36%
Approaching Basic	612	22%	487	18%	678	25%	631	23%
Unsatisfactory	456	16%	560	20%	530	19%	498	18%
Total	2,766	100%	2,761	100%	2,763	100%	2,759	100%

Please note that the grade 9 iLEAP has been dropped by the Department of Education, everything at that level was moved to end of course testing. The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Caddo Educational Excellence Fund
Independent Auditor's Report
On
Applying Agreed-Upon Procedures
For the Year Ended June 30, 2014



Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board ("School Board"), solely to assist you in evaluating the effectiveness of the School Board's compliance with Louisiana RS 17:408.2 (Act No. 743 of the 1995 Louisiana Legislative Session) concerning the Caddo Educational Excellence Fund (CEEF) (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2014. The Caddo Parish School Board's management is responsible for the School Board's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this 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 are as follows:

1. Obtained the balances and a summary of the activity of the CEEF funds from the School Board as of and for the year ended June 30, 2014.

Comment: See Attachment I and II.

2. We judgmentally selected all 24 receipts from the riverboats from the CEEF general ledger covering all twelve months during the fiscal year ended June 30, 2014, totaling \$709,292, or 100% of total fees collected, and compared these to a validated deposit slip and supporting letter received from the riverboats. LSA-R.S. 27:93 requires that:

- a. The School Board is receiving the correct amount from the respective casinos per written agreement.

Comment: No exceptions noted in the procedures performed.

3. Agreed the amount of interest removed from the CEEF general ledger and the School Board's CEEF bank account to the amount deposited into the CEEF Operating Special Revenue Fund general ledger and the School Board's sweep bank account in January 2014 from which disbursements are made. LSA-R.S. 17:408.1(A) requires that:

- a. The CEEF was established
- b. The CEEF is a permanent trust fund
- c. The bank account for the CEEF is in the official repository of the Caddo Parish School Board
- d. The monies in the CEEF were held and invested on behalf of the Caddo Parish School Board.
- e. The investment income from the CEEF accounts was withdrawn by the Caddo Parish School Board only during January of the calendar year.

Comment: No exceptions noted in the procedures performed.

4. Compared the investments of the monies held in the CEEF bank account to the types of investments allowed by the State of Louisiana. Louisiana R.S. 17:408.1B requires that:
 - a. The monies in the CEEF are to be invested in the same manner as monies in the state general fund.
 - b. The amount of earnings in the CEEF was kept account of separately from the fund principal.

Comment: No exceptions noted in the procedures performed.

5. Obtained a general ledger detail of the CEEF fund expenditure activity. From this, we judgmentally selected 25 expenditures totaling \$17,477, or 57% of total CEEF disbursements, and agreed the expenditure amount to the invoice. We reviewed the invoice to ensure all disbursements were approved based on the School Board's required policy and expended solely for the purposes of instructional enhancement as defined below:

Enhancement may include:

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

Enhancement may not include:

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

Comment: We noted one exception where one disbursement selected was not supported by proper documentation; therefore, we could not determine whether it was an appropriate expenditure.

Management's Response: The district takes great care to ensure that all payments (CEEF or other) are supported by appropriate documentation. We believe that this is an isolated case and not a wide-spread control issue. The disbursement referenced was for a message sign that probably should not have been purchased with CEEF funds. However, because the documentation was missing, this cannot be determined for sure. We will continue to work with staff to ensure that proper documentation supports all payments, and that all purchases using CEEF funds are for instructional enhancement.

6. Recalculated the amount of interest being removed from the CEEF as recorded in the CEEF general ledger.

Comment: No exceptions noted in the procedures performed.

7. Compared approval of expenditures tested in step 5 to the School Board's required policy.

Comment: No exceptions noted in the procedures performed.

We were not engaged to, and did not conduct an audit or examination, the objective of which would be the expression of an opinion on the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2014. 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 Caddo Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

CARR, RIGGS & INGRAM, LLC

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2014

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana
 Balance Sheets
 June 30, 2014

(Unaudited)

	Caddo Educational Excellence Permanent Fund	Caddo Educational Excellence Special Revenue Fund
	<u> </u>	<u> </u>
Cash	\$ 19,599,554	\$ 296,678
Accounts receivable	-	-
Total assets	<u>\$ 19,599,554</u>	<u>\$ 296,678</u>
Fund Balance		
Restricted for instructional enhancement	\$ 19,599,554	\$ 296,678
Total fund balance	<u>\$ 19,599,554</u>	<u>\$ 296,678</u>

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana
 Statements of Revenue, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2014

(Unaudited)

	<u>Caddo Educational Excellence Permanent Fund</u>	<u>Caddo Educational Excellence Special Revenue Fund</u>
Revenues:		
Fees:		
Sam's Town	\$ 585,855	\$ -
Boomtown	123,438	-
Interest earnings	<u>18,028</u>	<u>-</u>
Total operating revenues	<u>727,321</u>	<u>-</u>
Expenditures – administration, current instruction, support services	<u>-</u>	<u>30,933</u>
Excess of revenues over expenditures	-	(30,933)
Operating transfers to/from other funds	<u>(25,931)</u>	<u>25,931</u>
Net change in fund balance	701,390	(5,002)
Fund balance, beginning of year	<u>18,898,164</u>	<u>301,680</u>
Fund balance, end of year	<u>\$ 19,599,554</u>	<u>\$ 296,678</u>