

**ST. MARTIN PARISH SCHOOL BOARD**

St. Martinville, Louisiana

Financial Report

Year Ended June 30, 2014

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## INDEPENDENT AUDITORS' REPORT

\* A Professional Accounting Corporation

Dr. Lottie P. Beebe, Superintendent  
and Members of the St. Martin Parish  
School Board  
St. Martinville, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish 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 as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation 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 financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' 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 from 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 auditors' 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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin 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.

### ***Emphasis of Matter***

As described in Note 19 to the financial statements, the School Board adopted the provisions of GASB Statement No.65, *Items Previously Reported as Assets and Liabilities*, in 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedule of funding progress on pages 52 through 54 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

#### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Martin Parish School Board's basic financial statements. The schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedules required by state law are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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.

The schedules required by state law have 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 16, 2014, on our consideration of the St. Martin Parish 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 St. Martin Parish School Board's internal control over financial reporting and compliance.

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

Breaux Bridge, Louisiana  
December 16, 2014

## **BASIC FINANCIAL STATEMENTS**

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Statement of Net Position  
June 30, 2014

	Governmental Activities
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 15,565,307
Investments	53,340,023
Receivables, net	3,144,181
Due from other governmental agencies	1,830,235
Inventories	200,934
Prepaid items	2,263,449
Other current assets	12,436
Capital assets, net	63,553,645
TOTAL ASSETS	139,910,210
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
	-
 <b>LIABILITIES</b>	
Salaries and payroll tax liabilities	6,421,133
Claims payable	2,659,688
Other payables	3,966,038
Contracts and retainage payable	334,350
Unearned revenue	52,274
Interest payable	652,720
Long-term liabilities:	
Due within one year	6,173,673
Due in more than one year	49,454,166
OPEB obligation payable	36,041,293
TOTAL LIABILITIES	105,755,335
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
	-
 <b>NET POSITION</b>	
Net investment in capital assets	31,856,513
Restricted for:	
Salaries and benefits	4,443,995
Inventory	200,934
Debt service	3,856,318
Unrestricted	(6,202,885)
TOTAL NET POSITION	\$ 34,154,875

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Statement of Activities  
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Governmental Activities
Governmental activities:					
Instruction:					
Regular education programs	\$ 32,518,436	\$ -	\$ 528,988	\$ -	\$ (31,989,448)
Special education programs	8,655,988	-	592,633	-	(8,063,355)
Vocational education programs	1,862,658	-	120,214	-	(1,742,444)
Other instructional programs	959,633	-	147,862	-	(811,771)
Special programs	5,937,808	-	5,140,450	-	(797,358)
Adult and continuing education programs	72,692	-	59,995	-	(12,697)
Support services:					
Pupil support services	5,736,463	-	1,760,290	-	(3,976,173)
Instructional staff support	3,715,579	-	527,402	-	(3,188,177)
General administration	1,612,578	-	168,222	-	(1,444,356)
School administration	4,866,642	-	64,000	-	(4,802,642)
Business services	1,185,122	-	-	-	(1,185,122)
Operation and maintenance of plant services	7,796,070	-	270	-	(7,795,800)
Student transportation services	6,127,674	-	21,151	-	(6,106,523)
Central services	907,680	-	-	-	(907,680)
Food services	6,484,967	497,295	3,044,578	-	(2,943,094)
Community service programs	114,087	-	83,795	-	(30,292)
Construction services	-	-	-	-	-
Interest on long-term debt	1,762,858	-	-	-	(1,762,858)
Total governmental activities	<u>\$ 90,316,935</u>	<u>\$ 497,295</u>	<u>\$ 12,259,850</u>	<u>\$ -</u>	<u>\$ (77,559,790)</u>
Taxes:					
Property taxes, levied for general purposes					4,203,183
Property taxes, levied for debt service					6,761,320
Sales and use taxes					15,900,492
State revenue sharing					262,602
Grants and contributions not restricted to specific programs:					
State source - Minimum Foundation Program					45,136,267
State source - PIPS					62,307
Rents, leases and royalties					1,290,260
Miscellaneous					<u>1,469,676</u>
Total general revenues					<u>75,086,107</u>
Change in net position					(2,473,683)
Net position - July 1, 2013 (as restated)					<u>36,628,558</u>
Net position - June 30, 2014					<u>\$ 34,154,875</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

ST. MARTIN PARISH SCHOOL BOARD  
St.Martinville, Louisiana

Balance Sheet - Governmental Funds  
June 30, 2014

	Major Funds			All Other Non-Major Governmental Funds	Total Governmental Funds
	General Fund	State and Local Special Revenue Funds	Capital Projects Fund		
<b>ASSETS</b>					
Cash and interest-bearing deposits	\$ 13,055,539	\$ 918,282	\$ 77,298	\$ 916,349	\$ 14,967,468
Investments	19,835,013	2,903,424	25,277,398	2,897,403	50,913,238
Receivables -					
Accrued interest	24,081	-	-	-	24,081
Taxes receivable	721,708	728,838	-	-	1,450,546
Due from other funds	6,090,344	8,578	2,055,284	-	8,154,206
Due from other governmental agencies	204,940	472,953	-	1,152,342	1,830,235
Other receivables	1,186,750	-	-	42,567	1,229,317
Inventories, at cost	-	200,934	-	-	200,934
Prepaid expenses	2,263,265	-	-	184	2,263,449
Other current assets	6,294	-	6,142	-	12,436
<b>Total assets</b>	<b>\$ 43,387,934</b>	<b>\$ 5,233,009</b>	<b>\$ 27,416,122</b>	<b>\$ 5,008,845</b>	<b>\$ 81,045,910</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 3,947,400	\$ -	\$ -	\$ 18,638	\$ 3,966,038
Contracts and retainage payable	-	-	334,350	-	334,350
Salaries and payroll taxes payable	6,421,133	-	-	-	6,421,133
Claims payable	1,722,969	-	-	-	1,722,969
Due to other funds	-	166,490	6,895,149	1,133,889	8,195,528
Unearned revenue	3,695	48,578	-	-	52,273
<b>Total liabilities</b>	<b>12,095,197</b>	<b>215,068</b>	<b>7,229,499</b>	<b>1,152,527</b>	<b>20,692,291</b>
Fund Balances:					
Nonspendable	2,263,265	200,934	-	-	2,464,199
Restricted	4,231,490	4,443,995	19,901,504	3,856,318	32,433,307
Committed	16,213,031	-	-	-	16,213,031
Assigned	3,825,268	-	285,119	-	4,110,387
Unassigned	4,759,683	373,012	-	-	5,132,695
<b>Total fund balances</b>	<b>31,292,737</b>	<b>5,017,941</b>	<b>20,186,623</b>	<b>3,856,318</b>	<b>60,353,619</b>
<b>Total liabilities and fund balances</b>	<b>\$ 43,387,934</b>	<b>\$ 5,233,009</b>	<b>\$ 27,416,122</b>	<b>\$ 5,008,845</b>	<b>\$ 81,045,910</b>

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

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

Total fund balances for governmental funds at June 30, 2014		\$ 60,353,619
Cost of capital assets at June 30, 2014	\$ 110,732,332	
Less: Accumulated depreciation as of June 30, 2014:		
Buildings	(40,630,954)	
Movable property	<u>(6,547,733)</u>	63,553,645
Elimination of interfund assets and liabilities:		
Due from other funds	\$ 8,195,528	
Due to other funds	<u>(8,195,528)</u>	-
Long-term liabilities at June 30, 2014		
Bonds payable	\$ (51,598,636)	
Compensated absences payable	(4,029,203)	
Net OPEB obligation payable	(36,041,293)	
Accrued interest payable	<u>(652,720)</u>	(92,321,852)
Receivable recorded under the accrual basis of accounting		259,867
Assets and liabilities of Self - Insurance Internal Service Fund		<u>2,309,596</u>
Net position at June 30, 2014		<u>\$ 34,154,875</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2014

	Major Funds			All Other Non-Major Governmental Funds	Total Governmental Funds
	General Fund	State and Local Special Revenue Funds	Capital Projects Fund		
<b>REVENUES</b>					
Local sources -					
Ad valorem taxes	\$ 4,203,183	\$ -	\$ -	\$ 6,761,320	\$ 10,964,503
Sales taxes	7,904,583	7,995,909	-	-	15,900,492
Tuition	12,680	-	-	-	12,680
Transportation	18,071	-	-	-	18,071
Interest earnings	474,201	1,651	5,689	30,595	512,136
Rentals, leases, and royalties	1,290,260	-	-	-	1,290,260
Income from meals	-	497,295	-	-	497,295
Contributions and donations	14,001	-	-	-	14,001
Medicaid	383,539	-	-	-	383,539
Kid Med	203,140	-	-	-	203,140
Other miscellaneous revenues	46,572	4,604	12,694	-	63,870
State sources -					
Unrestricted grants-in-aid	45,063,401	72,866	-	-	45,136,267
Restricted grants-in-aid	104,516	1,478,347	-	-	1,582,863
Revenue in lieu of taxes	262,602	-	-	-	262,602
Other state revenues	371,423	-	-	-	371,423
Federal sources -					
Restricted revenues	68,796	-	-	-	68,796
Restricted grants-in-aid through the state	-	3,211,644	-	7,114,506	10,326,150
Value of USDA Commodities	-	214,887	-	-	214,887
Total revenues	<u>60,420,968</u>	<u>13,477,203</u>	<u>18,383</u>	<u>13,906,421</u>	<u>87,822,975</u>
<b>EXPENDITURES</b>					
Current:					
Instruction -					
Regular education programs	29,063,259	28,396	-	45,239	29,136,894
Special education programs	7,199,568	25,760	-	566,871	7,792,199
Vocational education programs	1,594,419	-	-	120,215	1,714,634
Other instructional programs	764,023	48,551	-	99,310	911,884
Special programs	557,096	953,958	-	3,934,299	5,445,353
Adult and continuing education programs	5,911	-	-	59,995	65,906
Support services -					
Pupil support services	3,745,849	407,215	-	1,163,123	5,316,187
Instructional staff services	2,738,556	7,751	-	519,650	3,265,957
General administration	1,100,577	165,985	-	248,565	1,515,127
School administration	4,290,989	-	-	64,000	4,354,989
Business services	1,088,012	-	-	-	1,088,012
Operation and maintenance of plant	6,996,795	-	98,924	270	7,095,989
Student transportation services	4,880,102	7,797	375,290	13,354	5,276,543
Central services	823,701	-	17,101	-	840,802
Food service	268,310	5,408,890	-	-	5,677,200
Community service programs	27,021	-	-	83,794	110,815
Construction Services	-	-	9,804,176	-	9,804,176
Debt service	109,091	-	-	4,948,685	5,057,776
Total expenditures	<u>65,253,279</u>	<u>7,054,303</u>	<u>10,295,491</u>	<u>11,867,370</u>	<u>94,470,443</u>
Excess (deficiency) of revenues over expenditures	(4,832,311)	6,422,900	(10,277,108)	2,039,051	(6,647,468)
Other financing sources (uses):					
Proceeds from bond issuance	-	-	17,000,000	-	17,000,000
Transfers in	7,032,019	1,368,341	500,000	-	8,900,360
Transfers out	(1,868,503)	(6,588,046)	-	(443,811)	(8,900,360)
Total other financing sources (uses)	<u>5,163,516</u>	<u>(5,219,705)</u>	<u>17,500,000</u>	<u>(443,811)</u>	<u>17,000,000</u>
Excess of revenues and other sources over expenditures and other uses	331,205	1,203,195	7,222,892	1,595,240	10,352,532
FUND BALANCES, BEGINNING	<u>30,961,532</u>	<u>3,814,746</u>	<u>12,963,731</u>	<u>2,261,078</u>	<u>50,001,087</u>
FUND BALANCES, ENDING	<u>\$ 31,292,737</u>	<u>\$ 5,017,941</u>	<u>\$ 20,186,623</u>	<u>\$ 3,856,318</u>	<u>\$ 60,353,619</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2014

Total net change in fund balances for the year ended June 30, 2014 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 10,352,532
Add: Facilities acquisition and construction costs which are considered expenditures	9,816,984
Less: Depreciation expense for year ended June 30, 2014	(2,242,088)
Add: Bond principal retirement considered as an expenditure	3,439,091
Less: Excess of compensated absences used over compensated absences earned	(16,765)
Less: Current year OPEB accrual	(6,792,510)
Less: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	(144,173)
Add: Net income of the Self - Insurance Internal Service Fund	101,027
Add: Receivable recorded under the accrual basis of accounting	20,277
Less: Proceeds of bonds considered as an other financing source	(17,000,000)
Less: Loss on disposition of assets	<u>(8,058)</u>
Total change in net position for the year ended June 30, 2014 per Statement of Activities	<u>\$ (2,473,683)</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St.Martinville, Louisiana

Proprietary Fund - Internal Service Fund  
Statement of Net Position  
June 30, 2014

ASSETS	
Current Assets:	
Cash and interest-bearing deposits	\$ 597,839
Investment	2,426,785
Due from other funds	41,322
Other receivables	<u>180,369</u>
Total assets	<u>3,246,315</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>-</u>
LIABILITIES	
Current Liabilities:	
Claims payable	\$ <u>936,719</u>
Total liabilities	<u>936,719</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>-</u>
NET POSITION	
Net position:	
Unrestricted	<u>2,309,596</u>
Total liabilities and net position	<u>\$ 3,246,315</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St.Martinville, Louisiana

Proprietary Fund - Internal Service Fund  
Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2014

Operating Revenues:	
Charges for services -	
Employer contributions	\$ 834,980
Other recoveries	<u>315,356</u>
Total operating revenues	<u>1,150,336</u>
Operating Expenses:	
Contractual services	150,295
Premium payments	107,216
Claim payments	<u>792,596</u>
Total operating expenses	<u>1,050,107</u>
Operating income	100,229
Nonoperating Revenue:	
Interest earned	<u>798</u>
Net income	101,027
Net position, beginning	<u>2,208,569</u>
Net position, ending	<u>\$ 2,309,596</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Proprietary Fund - Internal Service Fund  
Statement of Cash Flows  
For the Year ended June 30, 2014

Cash flows from operating activities:	
Receipts from other funds and employees	\$ 1,143,202
Payments to providers and employees	<u>(823,509)</u>
Net cash provided by operating activities	319,693
Cash flows from investing activities:	
Interest on investments	798
Cash flows from noncapital financing activities:	
Transfer from other fund	<u>36,269</u>
Net increase in cash and cash equivalents	356,760
Cash and cash equivalents, beginning of period	<u>2,667,864</u>
Cash and cash equivalents, end of period	<u>\$ 3,024,624</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 100,229
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in current assets and liabilities:	
Increase in receivables	(7,134)
Increase in payables	<u>226,598</u>
Net cash provided by operating activities	<u>\$ 319,693</u>

(continued)

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Proprietary Fund - Internal Service Fund  
Statement of Cash Flows (Continued)  
For the Year ended June 30, 2014

Reconciliation of cash and cash equivalents per statement  
of cash flows to the balance sheet:

Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits	\$ 241,788
Investments, at cost	<u>2,426,076</u>
Total cash and cash equivalents	<u>2,667,864</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits	597,839
Investments, at cost	<u>2,426,785</u>
Total cash and cash equivalents	<u>3,024,624</u>
Net increase	<u>\$ 356,760</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St.Martinville, Louisiana

Statement of Fiduciary Net Position  
June 30, 2014

	Agency Funds	Private Purpose Trust Fund	Total
ASSETS			
Cash and interest-bearing deposits	\$ 1,030,926	\$ 851	\$1,031,777
Investments	790,099	18,158	808,257
Due from other funds	83	-	83
Total assets	1,821,108	19,009	1,840,117
LIABILITIES			
Due to other funds	-	2,850	2,850
Due to other governmental units	11,200	-	11,200
Unearned revenue	764,926	-	764,926
School activity funds payable	1,044,982	-	1,044,982
Total liabilities	1,821,108	2,850	1,823,958
NET POSITION			
Reserved for specific purposes	\$ -	\$ 16,159	\$ 16,159

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Statement of Changes in Fiduciary Net Position  
Private Purpose Trust Fund  
For the Year Ended June 30, 2014

ADDITIONS	\$ -
DEDUCTIONS	
Benefits	<u>2,100</u>
Change in net position	(2,100)
Net position - beginning	<u>18,259</u>
Net position - ending	<u>\$ 16,159</u>

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements

Introduction

The St. Martin Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 for the purpose of providing public education for the children within St. Martin Parish. The School Board is authorized by LSA-R.S. 17:51 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 ten members who are elected from ten districts for terms of four years.

The School Board operates sixteen schools within the parish. 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 collects sales taxes levied in St. Martin Parish on behalf of itself and all other governmental units.

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the St. Martin Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed below.

A. Financial Reporting Entity

For financial reporting purposes, the School Board includes all funds and activities that are within the oversight responsibility of the School Board. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the School Board, the School Board is a separate governmental reporting entity, primary government.

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish government, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units, which require inclusion in the financial statements of the School Board.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the School Board, the primary government, as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. The School Board's internal service fund is a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" of revenues and expenses. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

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 separate set of self-balancing 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. Fund financial statements report detailed information about the School Board.

The various funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the School Board or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

The School Board reports the following major governmental funds:

The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

The major special revenue fund is the State and Local Special Revenue Funds (which is comprised of the School Lunch Fund, the Other State Grants Fund, the Health Centers Fund, and the 1965 Sales Tax Fund). These funds account for revenues and expenditures related to certain state and local grant and entitlement programs as well as other legally restricted funds.

The Capital Projects Fund, which includes the 2009 Construction Fund, the 2010 Construction Fund, the 2011 Construction Fund, the 2013 Construction Fund, the Capital Projects Fund, and the Transportation Fund, is also considered to be a major fund. These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities as well as various school improvements.

Additionally, the School Board reports the following fund types:

The nonmajor special revenue fund types include the Federal Titles Funds (which is comprised of Title I and Carryover and No Child Left Behind Titles II through VI) and the Federal Grant Funds (which is comprised of IDEA and Preschool, and Other Federal Grants Funds). These funds account for the revenues and expenditures related to certain federal, state and local grant and entitlement programs.

The Debt Service Fund, established to meet requirements of bond ordinances, is also considered to be a nonmajor fund. It is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following is the School Board's proprietary fund type:

Internal Service Funds

The Internal Service Fund (proprietary fund type) is used to account for the accumulation of resources for and the payment of benefits by the School Board's workers' compensation insurance program.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are derived from contributions made from the employer and employees. These revenues are planned to match: (1) expenses of insurance premiums in excess of self-insurance amounts; (2) actual claims and estimated liabilities for claims incurred but not yet reported at year-end, and (3) operating expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds -

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board. The funds accounted for in this category by the School Board are the agency funds. The agency funds are as follows:

School Activity Fund – accounts for monies generated by the individual schools and organizations within the schools of the parish as well as allocations made by the School Board to individual schools and selected organizations. While the school activity 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.

Sales Tax Fund – accounts for the collection and distribution of all sales taxes levied in the parish of St. Martin.

Private-purpose trust funds – accounts for contributions from members of the St. Martin Parish School Board to encourage students of high academic standing and achievement to enter the education profession.

C. Measurement Focus/ Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, the governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

- b. The proprietary (internal service) fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions.”

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the School Board’s taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board’s general revenues.

Allocation of indirect expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically allocated by function and 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. Interest costs are not capitalized.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means being collectible within the current period or within 60 days after year-end. Expenditures (including facilities acquisition and construction) are recorded when the related fund liability is incurred, except for general obligation bond principal and

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

interest which are reported when due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (unrestricted grants-in-aid, which include state equalization and state revenue sharing) are recorded when available and measurable. Expenditure-driven federal and state grants, which are restricted as to the purpose of the expenditures, are recorded when the reimbursable expenditures have been incurred.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in November, by the Parish Assessor, based on the assessed value and become due on December 31 of each year. The taxes become delinquent on January 1. An enforceable lien attaches to the property as of January 1. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year-end to the extent that they have been collected but not received from the St. Martin Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Interest income on time deposits is recorded when earned.

Sales and use tax revenues are recorded in the month earned by the School Board.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Other Financing Sources (Uses)

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

Unearned Revenues

Unearned revenues arise when resources are received before the School Board has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or when tuition is received in advance of the commencement of classes.

In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Cash and interest-bearing deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the School Board. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Investments

Under state law the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

pool. At June 30, 2014, the School Board's investments in LAMP are stated at market value. See additional information in Note 3.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables as well as due to and from other funds are eliminated in the Statement of Net Position.

Receivables

Receivables consist of all revenues earned at year-end and not yet received. The majority of this balance is comprised of federal and state grants.

Inventories

The cost of inventories is recorded as expenditures when consumed rather than when purchased. Reserves are established for an amount equal to the carrying value of inventories.

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

Capital Assets

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

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets for purposes of the government wide financial statements. For internal purposes, the Board maintains a threshold level of \$1,000.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful life using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20 - 40 years
Furniture and equipment	5 - 15 years

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

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

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2003 were considered to be part of the cost of buildings and improvements. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other depreciable capital assets.

#### Compensated Absences

All twelve month employees earn from ten to fifteen days of vacation leave each year, depending on their length of service with the School Board, which are not credited to the employee until the first day of the year subsequent to the year that vacation was earned. Newly hired employees earn vacation on a pro rata basis. An employee cannot accumulate more than two years of earned vacation. Any excess is lost. Employees are paid for unused vacation (subject to a two year limitation) at the time of resignation.

All twelve month employees earn from twelve to eighteen days of sick leave each year. Teachers and other nine month employees earn ten days of sick leave each year. Sick leave may be accumulated. Upon retirement or death unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the computation of retirement benefits as earned service. Upon resignation, all sick leave is forfeited.

Sabbatical leave may be granted for medical reasons and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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. Due to its restrictive nature, sabbatical leave benefits are recorded as an expenditure in the period paid.

In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt.

At June 30, 2014, employees of the School Board have accumulated and vested \$4,029,203 of compensated absence benefits payable. Salary related payments are not accrued since this amount is deemed to be insignificant.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Since the School Board's only Proprietary Fund is the Self-Insurance Internal Service Fund, which has no long-term debt, all School Board long-term debt is used in governmental fund operations.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows. Proprietary fund equity is classified the same as in the government-wide statements.

The School Board adopted GASB Statement 54 in the year ended June 30, 2009. As such, fund balances of the governmental funds are classified as follows:

*Nonspendable* – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Board members.

*Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members or the Board's finance committee may assign amounts for specific purposes.

*Unassigned* – all other spendable amounts.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

As of June 30, 2014, fund balances are composed of the following:

	General Fund	State and Local Special Revenue Funds	Capital Projects Funds	All Other Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventories	\$ -	\$ 200,934	\$ -	\$ -	\$ 200,934
Prepaid items	2,263,265	-	-	-	2,263,265
Restricted:					
Debt retirement	-	-	-	3,856,318	3,856,318
Capital expenditures	-	-	19,901,504	-	19,901,504
Other purposes	4,231,490	4,443,995	-	-	8,675,485
Committed:					
Economic stabilization	16,213,031	-	-	-	16,213,031
Assigned:					
Health centers	968,338	-	-	-	968,338
Capital expenditures	-	-	285,119	-	285,119
Other purposes	2,856,930	-	-	-	2,856,930
Unassigned:	<u>4,759,683</u>	<u>373,012</u>	<u>-</u>	<u>-</u>	<u>5,132,695</u>
Total fund balances	<u>\$ 31,292,737</u>	<u>\$ 5,017,941</u>	<u>\$ 20,186,623</u>	<u>\$ 3,856,318</u>	<u>\$ 60,353,619</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Board members or the finance committee has provided otherwise in its commitment or assignment actions.

In fiscal year 2009 the School Board members established a stabilization policy. Under this policy, a portion of the fund balance of the General Fund is committed for stabilization arrangements, such as might be needed in emergency situations. The policy states that, at fiscal year end, an amount approximately equal to 20 percent of the total General Fund expenditures is committed for use in covering Board declared emergencies, including natural disasters. At June 30, 2014,

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

\$16,213,031 of the fund balance for the General Fund was reported as committed for economic stabilization.

E. Budget Practices

The School Board adopted budgets for the General Fund and the Special Revenue Funds. Budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end, and any encumbrances outstanding are included in the next year's budget. Formal budget accounts are integrated into the accounting system as a management control device.

The superintendent of schools and the chief financial officer are authorized to transfer amounts between budgeted line items within any fund; however, board approval must be obtained prior to the transfer of funds from different departments within the General Fund. In addition, any unfavorable variances of revenues or expenditures of five percent or more within a fund must be presented to the School Board for Board action to amend fund budgets. Budgeted amounts included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

F. Revenue Restrictions

The School Board has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales and use taxes	See Note 10
Ad valorem taxes	See Note 4

The School Board uses unrestricted resources only when restricted resources are fully depleted.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2014 are recorded as prepaid items. The prepaid items that existed at June 30, 2014 were prepaid insurance and textbooks.

H. Use of Estimates

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2014, the School Board has cash and interest-bearing deposits (book balances) totaling \$16,594,234 as follows:

	Governmental Funds	Fiduciary Funds	Total
Demand deposits	\$ 4,260	\$ 5,172	\$ 9,432
Interest-bearing deposits	15,558,197	1,026,605	16,584,802
Amounts owed to governmental funds	2,850	(2,850)	-
Total	\$ 15,565,307	\$ 1,028,927	\$ 16,594,234

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. 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 pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Cash Funds invested at Raymond James are protected from loss and backed by the full faith and credit of the United States of America. Deposit balances (bank balances) at June 30, 2014 are secured as follows:

Bank balances	\$ 15,947,068
At June 30, 2014 the deposits are secured as follows:	
Insured (FDIC)	752,553
Backed by the full faith and credit of the United States of America	5,737,827
Uninsured and collateral held by the pledging bank not in the School Board's name	9,456,688
Total	\$ 15,947,068

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Investments

The School Board can invest in direct debt securities of the United States unless law expressly prohibits such an investment. The School Board's investments are categorized to give an indication of the level of risk assumed by it at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School Board or its agent in the School Board's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the School Board's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the School Board's name.

Investments consist of amounts on deposit with the Louisiana Asset Management Pool (LAMP), Raymond James, and certificates of deposit with local banks. The certificates of deposit are in the amount of \$596,643. An investment in the amount of \$39,571,897 at June 30, 2014 is deposited in LAMP, a local government investment pool, of which \$808,257 is attributable to the fiduciary fund, which is not presented in the statement of net position.

In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a 7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

At June 30, 2014, the School Board's investment, at cost, is \$39,571,897. The amortized cost of this investment at June 30, 2014 was also \$39,571,897.

An investment in the amount of \$13,979,740 at June 30, 2014 is deposited into Raymond James. This investment is composed of debentures issued by federal agencies and backed by the full faith and credit of the United States of America. These investments are permitted by Louisiana Revised Statute 33:2955.

As of June 30, 2014, the investments in Raymond James were comprised of the following:

Investment	Maturities	Cost	Unrealized Gain / (Loss)	Fair Values
Federal Home Loan Bank	06/28/18-10/11/19	\$10,000,005	\$ (149,815)	\$ 9,850,190
Federal Farm Credit Bank	05/01/18-05/15/21	<u>4,192,589</u>	<u>(63,039)</u>	<u>4,129,550</u>
Total		<u>\$14,192,594</u>	<u>\$ (212,854)</u>	<u>\$13,979,740</u>

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The School Board's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the School Board's debt type investments to this risk, using the segmented time distribution model is shown above.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the School Board will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At June 30, 2014, the School Board held investments of \$13,979,740 of which the underlying securities are backed by the full faith and credit of the United States of America.

(4) Ad Valorem Taxes

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

	Millages	
	2014	2013
Parishwide taxes:		
Constitutional	2.56	2.56
Special school-		
Maintenance	8.16	8.16
Operation and maintenance	1.62	1.62
School bonds	21.50	21.50

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2014, taxes were levied by the School Board in July and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

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

(5) Receivables

Receivables at June 30, 2014 of \$3,144,181 consisted of the following:

Accrued interest	\$ 24,081
Specific stop loss receivables	180,369
Rebates	424,745
Sales taxes	1,450,546
Medicaid	239,591
Retirement	762,005
Other	62,844
	<u>\$ 3,144,181</u>

(6) Due from Other Governmental Agencies

Due from other governmental agencies of \$1,830,235 consisted primarily of amounts due from the State of Louisiana Department of Education for various appropriations and reimbursements.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital assets balances and activity for the year ended June 30, 2014 is as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Capital assets not being depreciated:				
Land	\$ 1,270,127	\$ 154,500	\$ -	\$ 1,424,627
Construction in progress	12,643,691	6,534,152	(10,086,600)	9,091,243
Other capital assets:				
Building and improvements	78,300,607	12,610,916	-	90,911,523
Furniture and equipment	8,843,011	604,016	(142,088)	9,304,939
Total	<u>101,057,436</u>	<u>19,903,584</u>	<u>(10,228,688)</u>	<u>110,732,332</u>
Less accumulated depreciation:				
Buildings and improvements	38,788,470	1,842,484	-	40,630,954
Furniture and equipment	6,282,159	399,604	(134,030)	6,547,733
Total	<u>45,070,629</u>	<u>2,242,088</u>	<u>(134,030)</u>	<u>47,178,687</u>
Net capital assets	<u>\$55,986,807</u>	<u>\$17,661,496</u>	<u>\$ (10,094,658)</u>	<u>\$63,553,645</u>

At June 30, 2014, construction in progress of \$9,091,243 consists of costs incurred to date on multiple school improvement projects.

Depreciation expense was charged to governmental activities as follows:

Regular education programs	\$ 820,609
Special education programs	218,635
Vocational education programs	48,291
Other instructional programs	25,682
Special programs	153,363
Adult and continuing education programs	1,856
Pupil support services	150,549
Instructional staff support	91,982
General administration	42,672
School administration	122,654
Business services	30,643
Operation and maintenance of plant services	199,851
Student transportation services	148,608
Central services	23,680
Food services	159,892
Community service programs	3,121
Total depreciation expense	<u>\$ 2,242,088</u>

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Other Payables

At June 30, 2014, a breakdown of other payables of \$3,966,038 was as follows:

Accounts	\$ 3,947,400
Other liabilities	<u>18,638</u>
	<u>\$ 3,966,038</u>

(9) Changes in General Long-Term Liabilities

The following is a summary of the changes in general long-term debt for the year ended June 30, 2014:

	<u>Compensated Absences</u>	<u>Bonded Debt</u>	<u>Total</u>
Obligations payable at July 1, 2013	\$ 4,012,439	\$38,025,386	\$42,037,825
Additions	2,211,346	17,000,000	19,211,346
Reductions	<u>(2,194,582)</u>	<u>(3,426,750)</u>	<u>(5,621,332)</u>
Obligations payable at June 30, 2014	<u>\$ 4,029,203</u>	<u>\$51,598,636</u>	<u>\$55,627,839</u>

Compensated Absences

Compensated absences payable consists of the portion of accumulated sick leave and vacation leave of the governmental funds that is not expected to require current resources. The General Fund and Special Revenue Funds have historically been used to pay compensated absences (when applicable).

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Bonded Debt

School Board bonds outstanding at June 30, 2014 consist of parishwide general obligation school bonds and qualified zone academy bonds as follows:

Date of Issue	Original Issue	Interest Rates	Final Payment Date	Interest to Maturity	Principal Outstanding
Qualified zone academy bonds February 1, 2002	\$ 1,500,000	0	11/01/15	\$ -	\$ 163,636
Parishwide general obligation school refunding bonds; October 1, 2004	3,455,000	3.00 - 3.75	03/01/16	45,081	800,000
Parishwide general obligation school refunding bonds; March 1, 2005	5,490,000	3.00 - 4.50	03/01/17	173,700	1,895,000
Parishwide general obligation school refunding bonds; March 1, 2006	8,080,000	4.00 - 5.00	03/01/20	449,000	3,945,000
General obligation school bonds; July 1, 2009	10,000,000	4.00 - 6.00	03/01/29	3,221,593	8,410,000
General obligation school bonds; March 1, 2010	10,000,000	2.00 - 4.125	03/01/30	3,335,669	8,710,000
General obligation school bonds; March 1, 2011	10,000,000	4.00 - 5.00	03/01/31	3,482,500	8,500,000
Parishwide general obligation school refunding bonds; March 30, 2012	2,580,000	2.350	03/01/23	287,758	2,340,000
General obligation school bonds; August 22, 2013	5,000,000	2.00 - 4.25	03/01/33	2,010,525	4,835,000
General obligation school bonds; March 6, 2014	12,000,000	3.00 - 4.00	03/01/34	4,956,725	12,000,000

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

All principal and interest requirements on the parishwide general obligation school bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. At June 30, 2014, the School Board has accumulated \$3,813,751 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2015	\$ 3,979,091	\$ 1,963,755	\$ 5,942,846
2016	4,114,545	1,819,482	5,934,027
2017	3,775,000	1,670,338	5,445,338
2018	3,245,000	1,532,056	4,777,056
2019	2,500,000	1,413,344	3,913,344
2020-2024	12,925,000	5,657,458	18,582,458
2025-2029	13,995,000	3,184,932	17,179,932
2030-2034	7,065,000	721,186	7,786,186
	<u>\$ 51,598,636</u>	<u>\$ 17,962,551</u>	<u>\$ 69,561,187</u>

(10) Sales and Use Taxes

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

1. March 20, 1965 (1%)

After paying collection and administration costs, the tax is to be used for salaries of teachers and for the expenses of operating schools, including payment of other personnel in addition to teachers. This tax is maintained in the Sales Tax Fund, which is a part of the State and Local Special Revenue Funds.

2. July 21, 1990 (1%)

The tax, as originally passed, was to be used for the payment of all debt service requirements on all outstanding bonds payable from the pledge of said tax, with the remainder to be used for the purpose of paying salaries and related benefits for professional and paraprofessional employees on a seven to five ratio. There are currently no bonds outstanding for which this tax is pledged. This tax was accounted for in a Sales Tax Fund which was part of the State and Local Special Revenue Funds.

In May 2013, an election was held to continue to levy and collect this tax. At that time, the tax was also rededicated for any lawful purpose of the School Board. This rededication was made

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St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

retroactively. As a result of the rededication, this tax is now accounted for in the General Fund.

(11) Pension Plan

Eligible employees of the School Board participate in one of six defined benefit multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

A. Louisiana Teachers' Retirement System of Louisiana - Regular

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 27.2 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were \$10,476,186, \$9,129,008, and \$8,804,051, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

B. Louisiana Teachers' Retirement System of Louisiana - Plan A

Plan members are required to contribute 9.1 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 27.2 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were \$15,406, \$12,874, and \$27,280, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

C. Louisiana Teachers' Retirement System of Louisiana—Optional

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 27.2 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

\$26,492, \$25,777, and \$25,974, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

D. Parochial Employees' Retirement System

Plan members are required to contribute 9.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 16.00 percent of the total covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were \$1,572, \$1,560, and \$1,512, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

E. Louisiana State Employees' Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 31.3 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were \$19,007, \$29,383, and \$18,703, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213.

F. Louisiana School Employees' Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 32.3 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2014, 2013, and 2012 were \$1,333,466, \$1,265,257 and \$1,160,100, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge,  
Louisiana 70804.

(12) Changes in Agency Deposits Due Others

A summary of changes in agency fund deposits due others follows:

	School Activity Fund	Sales Tax Fund	Total
Balance at July 1, 2013	\$ 976,199	\$ -	\$ 976,199
Additions	2,052,089	29,966,717	32,018,806
Reductions	<u>(1,983,306)</u>	<u>(29,966,717)</u>	<u>(31,950,023)</u>
Balance at June 30, 2014	<u>\$1,044,982</u>	<u>\$ -</u>	<u>\$ 1,044,982</u>

(13) Risk Management

The School Board is exposed to risks of loss in the areas of health care, workers' compensation, general and auto liability and property hazards. Health care and workers' compensation risks are handled through a self-insurance plan as described below. The other risks are handled by purchasing commercial insurance. There have been no significant reductions in these insurance coverages during the current fiscal year, nor have settlements exceeded insurance coverage for the current or prior two fiscal years.

A. Workers' Compensation

The School Board has established a limited risk management program for workers' compensation. The School Board hired LoCA as administrator for this program. During fiscal year 2014, a total of \$1,050,107 was incurred in benefits and administrative costs. The School Board purchases commercial insurance for individual claims in excess of \$350,000. Incurred but not paid claims have been accrued as a liability in the Workers Compensation Fund (internal service fund).

B. Group Self-Insurance

The School Board also established a limited risk management program for group hospitalization insurance. This plan provides employee health benefits up to a \$1,000,000 lifetime maximum with an annual \$10,000 restoration. The School Board purchases commercial insurance for individual claims in excess of \$175,000.

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

The self-insurance activity is reported in the General Fund. Both the General and Special Revenue Funds of the School Board participate in the program and make contributions based on amounts needed to pay prior and current year claims. The claims liability of \$1,500,000 reported in the general fund at June 30, 2014, is based on the loss that is probable at the date of the financial statements and the amount of the loss that can be reasonably estimated. The School Board currently does not discount its claims liabilities.

C. Reconciliation of Claims Liabilities

Changes in the claims liability amounts for the risk management programs are as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
Workers' compensation:				
2011-2012	916,224	890,460	616,914	1,189,770
2012-2013	1,189,770	588,777	1,088,494	690,053
2013-2014	690,053	616,274	369,608	936,719
Group hospitalization:				
2011-2012	1,500,000	9,969,087	10,369,087	1,100,000
2012-2013	1,100,000	11,597,183	11,197,183	1,500,000
2013-2014	1,500,000	12,739,740	12,739,740	1,500,000

Claims payable of \$936,719 for workers' compensation at June 30, 2014 was obtained from information provided by the third party administrator.

Claims payable for group hospitalization of \$1,500,000 at June 30, 2014 was determined as follows:

1. Claims incurred on or prior to June 30, 2014 and paid between July 1, and September 13, 2014	\$1,011,538
2. Provision for claims incurred but not reported	<u>488,462</u>
Total claims payable	<u>\$1,500,000</u>

The provision for claims incurred but not reported of \$488,462 was calculated utilizing historical information.

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

(14) Compensation of Board Members

A detail of the compensation paid to individual board members for the year ended June 30, 2014 follows:

Wanda Babin	\$ 9,600
James Blanchard	9,600
Aaron Flegeance	9,600
Russell Foti	10,200
Steve Fuselier	9,600
Mark Hebert	9,600
Robert Hollier	9,600
Floyd Knott	10,200
Richard Potier	9,600
Frederic Stelly	<u>9,600</u>
	<u>\$ 97,200</u>

(15) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2014, the School Board is involved in several lawsuits. In the opinion of management and/or legal counsel for the School Board, resolution of these lawsuits will not involve any material liability (after meeting the insurance deductible of \$25,000 per occurrence) to the School Board in excess of insurance coverage. Total liability for lawsuits accrued at June 30, 2014 is \$222,969 and is included in claims payable on the statement of net position.

B. Grant Audit

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

C. Commitments

The School Board has construction commitments with respect to unfinished projects of approximately \$1,162,331.

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

(16) Interfund Transactions

A. Interfund receivables and payables, by fund, at June 30, 2014 are as follows:

	Receivables	Payables
Major Funds		
General Fund	\$ 6,090,344	\$ -
State and Local Special Revenue Funds	8,578	166,490
Capital Projects Funds	2,055,284	6,895,149
Total major funds	8,154,206	7,061,639
Nonmajor governmental funds	-	1,133,889
Internal service funds	41,322	-
Total	\$ 8,195,528	\$ 8,195,528

The amounts shown are primarily for reimbursements owed for expenditures paid by one fund on behalf of another fund. All balances should be repaid within one year.

B. Transfers consisted of the following at June 30, 2014:

	Transfers In	Transfers Out
Major Funds		
General Fund	\$ 7,032,019	\$ 1,868,503
State and Local Special Revenue Funds	1,368,341	6,588,046
Capital Projects Funds	500,000	-
Nonmajor governmental funds	-	443,811
Total	\$ 8,900,360	\$ 8,900,360

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(17) Post-Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The School Board recognizes the cost of postemployment

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the School Board's future cash flows. Because the School Board adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

**Plan Description:** In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the School Board provides certain continuing health care and life insurance benefits for its retired employees. The plan is a single-employer defined benefit health care plan administered by the School Board. The School Board has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

**Funding Policy:** The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 36%) and the School Board (approximately 64%). The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

**Annual OPEB Cost:** The School Board's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The School Board utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the School Board's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the district's net OPEB obligation:

Annual required contribution	\$ 12,758,000
Interest on net OPEB obligation	1,169,951
Adjustment to annual required contribution	<u>(1,829,993)</u>
Annual OPEB cost (expense)	12,097,958
Contributions made	<u>(5,305,448)</u>
Increase in net OPEB obligation	6,792,510
Net OPEB obligation - beginning of year	<u>29,248,783</u>
Net OPEB obligation - end of year	<u>\$ 36,041,293</u>

ST. MARTIN PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2012	\$ 11,799,555	38.7%	\$ 21,672,783
6/30/2013	\$ 12,420,000	39.0%	\$ 29,248,783
6/30/2014	\$ 12,097,958	43.9%	\$ 36,041,293

Fiscal year 2009 was the year of implementation of GASB Statement No. 45 and the School Board has elected to implement prospectively. Therefore, three-year trend information is presented.

Funded Status and Funding Progress: The funded status of the plan as of June 30, 2014, was as follows:

Actuarial accrued liability (AAL)	\$ 139,763,000
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 139,763,000</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	43,899,398
UAAL as a percentage of covered payroll	318.4%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the School Board's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

In the July 1, 2012 actuarial valuation the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.
2. Retirement Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Age</u>	<u>Male</u>	<u>Female</u>
38	2.0%	2.0%	57	25.0%	25.0%
39	4.0%	4.0%	58	36.5%	36.5%
40	4.0%	4.0%	59	28.0%	28.0%
41	3.0%	3.0%	60	28.0%	28.0%
42	3.0%	3.0%	61	28.0%	28.0%
43	3.0%	3.0%	62	28.0%	28.0%
44	3.0%	3.0%	63	33.0%	33.0%
45	3.0%	3.0%	64	33.0%	33.0%
46	3.0%	3.0%	65	33.0%	33.0%
47	3.0%	3.0%	66	40.0%	40.0%
48	3.0%	3.0%	67	34.0%	34.0%
49	2.8%	2.8%	68	34.0%	34.0%
50	2.8%	2.8%	69	34.0%	34.0%
51	3.0%	3.0%	70	34.0%	34.0%
52	3.5%	3.5%	71	34.0%	34.0%
53	5.0%	5.0%	72	50.0%	50.0%
54	7.5%	7.5%	73	99.0%	99.0%
55	20.0%	20.0%	74	99.0%	99.0%
56	23.0%	23.0%	75	100.0%	100.0%

3. 60% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.
4. 50% of members electing coverage are assumed to also elect coverage for a spouse.
5. The inflation rate is 2.5%.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

6. The initial trend rate used in the calculations was 10.0% for pre-medicare and 8.5% for post-medicare. The ultimate trend rate is 5.0% (pre and post-medicare). The time period between the initial rate and the ultimate rate is 10 years.

(18) Parish Collections on Behalf of All Taxing Authorities

<u>Jurisdictions</u>	<u>Total Collections</u>	<u>Collection Costs</u>	<u>Final Distribution</u>
School Board			
Fund 70 (1%)	\$ 7,984,264	\$ 163,028	\$ 7,821,236
Fund 60 (1%)	7,887,974	161,550	7,726,424
Breaux Bridge			
City (1%)	2,294,286	43,566	2,250,720
Econ Dist #1 (1%)	800,381	13,094	787,287
St. Martinville (2%)	1,622,541	28,185	1,594,356
Parks (2%)	160,053	2,488	157,565
Henderson (1%)	97,836	1,477	96,359
Sheriff (0.5%)	3,994,965	81,568	3,913,397
Parish Government			
District #2 (1%)	1,741,196	43,335	1,697,861
District #1 (1%)	3,083,404	61,470	3,021,934
Tourism Tax (4%)	295,012	600	294,412
Totals	<u>\$ 29,961,912</u>	<u>\$ 600,361</u>	<u>\$ 29,361,551</u>

(19) New Accounting Pronouncement

During the fiscal year ended June 30, 2014, the School Board adopted Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which provides clarity for reporting deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. There were no items previously reported as assets or liabilities that are now reported as deferred outflows of resources or deferred inflows of resources.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

In June 2012, the GASB approved Statement No. 67, *Financial Reporting for Pension Plans* and Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 67 replaces the requirements of GASB Statement Nos. 25 and 50 relating to financial reporting and note disclosure of pension plans. GASB Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through plans covered by Statement No. 67. The provision of GASB Statement No. 67 must be implemented by the pension plans for the year ending June 30, 2014 and provisions of GASB Statement No. 68 must be implemented by the School Board for the year ending June 30, 2015. The effect of implementation on the School Board's financial statements has not yet been determined.

(20) Beginning Net Position Adjustment

The following schedule reconciles June 30, 2013, net position, as previously reported, to the beginning net position, as restated, as a result of a reclassification of previously reported liabilities by the adoption of GASB Statement 65.

	Governmental Activities
June 30, 2013 net position, as reported	\$ 36,640,899
Prior period adjustment:	
Change in accounting principle:	
Reclassification of liabilities	(12,341)
June 30, 2013 net position, as restated	\$ 36,628,558

(21) Subsequent Events

Subsequent events have been evaluated through December 16, 2014, the date of the financial statement issuance.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2014

	Budget		Actual	Variance - Final budget vs. Actual
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Local sources -				
Ad valorem taxes	\$ 4,006,800	\$ 4,006,800	\$ 4,203,183	\$ 196,383
Sales taxes	7,769,218	7,769,218	7,904,583	135,365
Tuition	10,000	10,000	12,680	2,680
Transportation	22,500	22,500	18,071	(4,429)
Interest earnings	205,500	205,500	474,201	268,701
Rentals, leases, and royalties	465,000	465,000	1,290,260	825,260
Other	663,850	663,850	647,252	(16,598)
State sources -				
Unrestricted grants-in-aid	45,331,373	45,331,373	45,063,401	(267,972)
Restricted grants-in-aid	105,000	105,000	104,516	(484)
Revenue in lieu of taxes	263,100	263,100	262,602	(498)
Other state revenues	15,000	15,000	371,423	356,423
Federal sources -				
Restricted grants-in-aid direct	65,384	65,384	66,180	796
Restricted grants-in-aid through the state	-	-	2,616	2,616
Total revenues	<u>58,922,725</u>	<u>58,922,725</u>	<u>60,420,968</u>	<u>1,498,243</u>
<b>Expenditures:</b>				
Instruction -				
Regular education programs	27,835,406	27,835,406	29,063,259	(1,227,853)
Special education programs	7,952,874	7,952,874	7,199,568	753,306
Vocational education programs	1,626,805	1,626,805	1,594,419	32,386
Other instructional programs	539,385	539,385	764,023	(224,638)
Special programs	381,672	381,672	557,096	(175,424)
Adult and continuing education programs	9,654	9,654	5,911	3,743
Support services -				
Pupil support services	2,759,017	2,759,017	3,745,849	(986,832)
Instructional staff services	2,633,834	2,633,834	2,738,556	(104,722)
General administration	1,543,219	1,543,219	1,100,577	442,642
School administration	4,099,576	4,099,576	4,290,989	(191,413)
Business services	1,445,379	1,445,379	1,088,012	357,367
Operation and maintenance of plant	7,543,689	7,543,689	6,996,795	546,894
Student transportation services	5,450,020	5,450,020	4,880,102	569,918
Central services	937,683	937,683	823,701	113,982
Food service programs	184,827	184,827	268,310	(83,483)
Community service programs	33,110	33,110	27,021	6,089
Debt service	109,091	109,091	109,091	-
Total expenditures	<u>65,085,241</u>	<u>65,085,241</u>	<u>65,253,279</u>	<u>(168,038)</u>
Deficiency of revenues over expenditures	(6,162,516)	(6,162,516)	(4,832,311)	1,330,205
<b>Other financing sources (uses):</b>				
Operating transfers in	6,084,542	6,084,542	7,032,019	947,477
Operating transfers out	(1,301,850)	(1,301,850)	(1,868,503)	(566,653)
Total other financing sources	<u>4,782,692</u>	<u>4,782,692</u>	<u>5,163,516</u>	<u>380,824</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,379,824)	(1,379,824)	331,205	1,711,029
Fund balance, beginning	<u>26,620,237</u>	<u>30,961,532</u>	<u>30,961,532</u>	<u>-</u>
Fund balance, ending	<u>\$ 25,240,413</u>	<u>\$ 29,581,708</u>	<u>\$ 31,292,737</u>	<u>\$ 1,711,029</u>

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana  
State and Local Special Revenue Funds

Budgetary Comparison Schedule  
For the Year Ended June 30, 2014

	Budget		Actual	Variance - Final budget vs. Actual
	Original	Final		Positive (Negative)
Revenues:				
Local sources -				
Sales taxes	\$ 7,872,453	\$ 7,872,453	\$ 7,995,909	\$ 123,456
Interest earnings	7,250	7,250	1,651	(5,599)
Other	563,431	563,431	501,899	(61,532)
State sources -				
Unrestricted grants-in-aid	76,000	76,000	72,866	(3,134)
Restricted grants-in-aid	1,467,612	1,467,612	1,478,347	10,735
Federal sources -				
Restricted grants-in-aid through the state	3,253,000	3,253,000	3,211,644	(41,356)
Value of USDA Commodities	278,000	278,000	214,887	(63,113)
Total revenues	<u>13,517,746</u>	<u>13,517,746</u>	<u>13,477,203</u>	<u>(40,543)</u>
Expenditures:				
Instruction -				
Regular education programs	39,757	39,757	28,396	11,361
Special education programs	26,952	26,952	25,760	1,192
Other instructional programs	283,952	283,952	48,551	235,401
Special programs	685,449	685,449	953,958	(268,509)
Support services -				
Pupil support services	414,542	414,542	407,215	7,327
Instructional staff services	5,138	5,138	7,751	(2,613)
General administration	131,587	131,587	165,985	(34,398)
Student transportation services	23,253	23,253	7,797	15,456
Food service	<u>5,745,600</u>	<u>5,745,600</u>	<u>5,408,890</u>	<u>336,710</u>
Total expenditures	<u>7,356,230</u>	<u>7,356,230</u>	<u>7,054,303</u>	<u>301,927</u>
Excess of revenues over expenditures	6,161,516	6,161,516	6,422,900	261,384
Other financing sources (uses):				
Operating transfers in	1,300,000	1,300,000	1,368,341	68,341
Operating transfers out	<u>(6,585,026)</u>	<u>(6,585,026)</u>	<u>(6,588,046)</u>	<u>(3,020)</u>
Total other financing uses	<u>(5,285,026)</u>	<u>(5,285,026)</u>	<u>(5,219,705)</u>	<u>65,321</u>
Excess of revenues and other sources over expenditures and other uses	876,490	876,490	1,203,195	326,705
Fund balance, beginning	<u>3,832,043</u>	<u>3,814,746</u>	<u>3,814,746</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,708,533</u>	<u>\$ 4,691,236</u>	<u>\$ 5,017,941</u>	<u>\$ 326,705</u>

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Schedule of Funding Progress  
For the Year Ended June 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2008	N/A	78,206,272	78,206,272	0.0%	41,583,590	188.1%
July 1, 2010	N/A	142,185,781	142,185,781	0.0%	40,608,341	350.1%
July 1, 2012	N/A	139,763,000	139,763,000	0.0%	42,346,776	330.0%

**OTHER SUPPLEMENTARY INFORMATION**

**INTERNAL CONTROL  
COMPLIANCE  
AND  
OTHER INFORMATION**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITORS' 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

Dr. Lottie P. Beebe, Superintendent  
and Members of the St. Martin Parish  
School Board  
St. Martinville, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish School Board, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the St. Martin Parish School Board's basic financial statements, and have issued our report thereon dated December 16, 2014.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Martin Parish 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 St. Martin Parish School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Martin Parish School Board's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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, questioned costs and

management's corrective action plan, we identified a certain deficiency in internal control that we consider to be a material weaknesses.

*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, questioned costs and management's corrective action plan as item 2014-001 to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the St. Martin Parish 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings, questioned costs and management's corrective action plan as item 2014-002.

### **St. Martin Parish School Board's Response to Findings**

The St. Martin Parish School Board's responses to the findings identified in our audit are described in the accompanying schedule of findings, questioned costs and management's corrective action plan. The St. Martin Parish School Board's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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

Breaux Bridge, Louisiana  
December 16, 2014

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Dr. Lottie P. Beebe, Superintendent  
and Members of the St. Martin Parish  
School Board  
St. Martinville, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited the St. Martin Parish School Board's 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 St. Martin Parish School Board's major federal programs for the year ended June 30, 2014. The St. Martin Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings, questioned costs and management's corrective action plan.

### *Management's Responsibility*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of the St. Martin Parish 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 St. Martin Parish 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 St. Martin Parish School Board's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the St. Martin Parish 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.

### **Report on Internal Control over Compliance**

Management of the St. Martin Parish 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 St. Martin Parish 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 St. Martin Parish School Board's internal control over compliance.

*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. *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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

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 this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Breaux Bridge, Louisiana  
December 16, 2014

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2014

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. Martin Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2014. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The major programs are identified with an asterisk (\*) on the schedule.

(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 for the year ended June 30, 2014.

(3) Relationship to Fund Financial Statements

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

From federal sources:

Special Revenue Funds	<u>\$ 10,541,037</u>
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(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Name	Pass-through Identifying Number 2013	Pass-through Identifying Number 2014	CFDA Number	Revenue Recognized	Expenditures
<u>United States Department of Agriculture:</u>					
Passed through Louisiana Department of Agriculture and Forestry - Food Donation	-	-	10.555	\$ 214,887	\$ 214,887
Passed through Louisiana Department of Education - National School Lunch Program	-	-	10.555	3,211,644	3,211,644
Total United States Department of Agriculture				<u>3,426,531</u>	<u>3,426,531</u>
<u>United States Department of Education:</u>					
Passed through Louisiana Community and Technical College System/ Iberville Parish School Board - Adult Education - Basic Grants to States	28-13-44-50	V002A10018	84.002	59,995	59,995
Passed through Louisiana Department of Education - Career and Technical Education - Basic Grants to States	28-13-02-50	28-14-02-50	84.048	120,215	120,215
Title I Grants to Local Educational Agencies*	28-13-T1-50	28-14-T1-50	84.010	3,409,015	3,409,015
Improving Teacher Quality State Grants**	28-13-50-50	28-14-50-50	84.367	495,974	495,974
Special Education - Grants to States	28-13-B1-50	28-14-B1-50	84.027	2,246,642	2,246,642
Special Education - Pre-School Grants	28-13-P1-50	28-14-P1-50	84.173	80,152	80,152
English Language Acquisition Grants	28-13-60-50	28-14-60-50	84.365	15,717	15,717
Twenty-First Century Community Learning Centers	-	28-14-C8-50	84.287	50,080	50,080
Total United States Department of Education				<u>6,477,790</u>	<u>6,477,790</u>
<u>United States Department of Health and Human Services</u>					
Passed through Louisiana Department of Education - Temporary Assistance for Needy Families	28-13-36-50	28-14-36-50	93.558	626,716	626,716
Child Care and Development Block Grant	-	28-14-C3-50	93.575	10,000	10,000
Total United States Department of Health and Human Services				<u>636,716</u>	<u>636,716</u>
Total				<u>\$ 10,541,037</u>	<u>\$ 10,541,037</u>

\*Denotes major federal program.

-Numbers are not readily accessible.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan  
For the Year Ended June 30, 2014

Part I: Summary of Auditors' Results:

1. An unmodified opinion was issued on the financial statements.
2. A material weakness in internal control was disclosed by the audit of the financial statements.
3. Material noncompliance was disclosed.
4. No significant deficiencies in internal control over the major programs were disclosed by the audit of the financial statements.
5. An unmodified opinion was issued on compliance for the major programs.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major programs were:
  - U.S. Department of Education: Title I Grants to Local Educational Agencies
  - U.S. Department of Education: Improving Teacher Quality State Grants
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$316,231.
9. The auditee qualified as a low-risk auditee under Section 530 of Circular A-133.

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

2014-001 - Misappropriation of Funds

Condition and Criteria:

An employee of the school board misappropriated funds from the school she was assigned to. The approximate amount of the theft is \$19,935; however, this matter is still being reviewed. There may be additional funds missing as a result of additional procedures performed. The employee has since resigned.

Effect:

This condition represents a material weakness in the internal control of the school board.

(continued)

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan (Continued)  
For the Year Ended June 30, 2014

Cause:

The condition resulted because the procedures in place were not being consistently followed and monitored to prohibit such misappropriation of funds.

Recommendation:

The school board needs to strengthen and/or add controls over funds collected.

Management's Corrective Action Plan:

Casey V. Broussard, CFO and Allen Blanchard, Jr., Director of Personnel contacted the St. Martin Parish Sheriff's Office, the Sixteenth Judicial District Attorney's Office, and the Legislative Auditor's Office. The case is being handled by the District Attorney's Office. The defendant has entered the Pretrial Diversion Program with the District Attorney's Office. Under this program, she will be placed on supervised probation for two years, during which time she will have to pay supervision fees, perform community service, complete a theft prevention course, and report to them monthly for supervision. During probation, she must refrain from all criminal conduct. At the end of probation, if all conditions are completed successfully, the charges will be dismissed. Failure to comply will result in the case being sent for prosecution. The defendant has paid restitution in the amount of \$8,800. Approximately \$11,135 remains due.

Procedures found below were in place; however, they were not routinely monitored to ensure compliance. Moving forward, there will be consistent monitoring. The duty of collecting and depositing funds is a separate duty. All funds that are collected must be counted and documented by the collector prior to submitting to the bookkeeper for deposit. Upon receipt of any funds, the bookkeeper recounts the funds in the presence of the person submitting the funds; the bookkeeper then signs off on the collection form. Once the deposit is complete, the bookkeeper records the deposit information on the collection form and returns a copy to the collector. In the event the bookkeeper is the only individual available to collect money, she must have a witness to verify the amount collected. Prior to this incident, the central office accounting staff randomly selected deposits to audit for accuracy. Going forward, all deposits appearing on the bank statement will be reviewed by the Central Office accounting department.

2014-002 - Noncompliance with Louisiana Local Government Budget Act

Condition and Criteria:

The School Board violated Louisiana Revised Statute 17:88(A) which states the school board's budget shall be adopted no later than September 15<sup>th</sup> of the fiscal year in which it is operating. The School Board adopted their budget for fiscal year ended June 30, 2014 on September 25, 2013.

(continued)

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan (Continued)  
For the Year Ended June 30, 2014

The School Board violated Louisiana Revised Statute 39:1305(C)(2)(a) which provides that certain information be presented in the budget document. The School Board failed to present such information in its budget adopted for fiscal year ending June 30, 2014.

Effect:

These conditions represent violations of the Louisiana Local Government Budget Act.

Cause:

The conditions resulted because the school board did not properly follow all aspects of the budget act.

Recommendation:

The school board needs to follow all applicable budget laws.

Management's Corrective Action Plan:

Casey V. Broussard, CFO was aware that the LDOE had a filing deadline of September 30<sup>th</sup> for adopting budgets; however at the time of the June 30, 2014 budget adoption, she was unaware that the budget had to be adopted by September 15<sup>th</sup>. During the course of the 2012-2013 audit, in November of 2013, Ms. Broussard learned of the budget adoption deadline of September 15<sup>th</sup> and ensured that the budget for fiscal year ending June 30, 2015 was adopted in compliance with this deadline. In addition, for the June 30, 2014 budget Ms. Broussard used the LDOE format and was unaware of the additional information needed to be in compliance with Louisiana Revised Statute 39:1305(C)(2)(a), the proper budget format containing all required information will be used going forward.

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

There are no findings at June 30, 2014.

Part IV: Management Letter Items:

There are no management letter items at June 30, 2014.

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2014

Section I: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

There were no findings at June 30, 2013.

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

There were no findings at June 30, 2013.

Section III: Management Letter Items:

There were no management letter items at June 30, 2013.

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

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED- UPON PROCEDURES TO THE MANAGEMENT OF ST. MARTIN PARISH SCHOOL BOARD

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Retired  
Conrad O. Chapman, CPA\* 2006

Dr. Lottie P. Beebe, Superintendent  
and Members of the St. Martin Parish  
School Board  
St. Martinville, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the St. Martin 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 St. Martin Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, 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
- Nonpublic Transportation Revenue

There were no exceptions noted.

#### 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 1.

There were no exceptions noted.

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.

There were no exceptions noted.

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

There were no exceptions noted.

#### Number and Type of Public Schools (Schedule 3)

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

There were no exceptions noted.

#### 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 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual’s personnel file and determined if the individual’s experience was properly classified on the schedule.

There were no exceptions noted.

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.

There were no exceptions noted.

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

There were no exceptions noted.

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 1 roll books for those classes and determined if the class was properly classified on the schedule.

There were no exceptions noted.

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 St. Martin Parish School Board.

There were no exceptions noted.

Graduation Exit Examination (GEE) (Schedule 8)

11. The Graduation Exit 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 St. Martin Parish School Board.

There were no exceptions noted.

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

This report is intended solely for the use of management of St. Martin 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.

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

Breaux Bridge, Louisiana  
December 16, 2014

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana  
Definitions of Schedules Required by State Law (R.S. 24:514 – Performance and Statistical Data)  
As of and for the Year Ended June 30, 2014

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

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

**Schedule 2 – Education Levels of Public School Staff**

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

**Schedule 3 – Number and Type of Public Schools**

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

**Schedule 4 – Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers**

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

**Schedule 5 – Public School Staff Data: Average Salaries**

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

**Schedule 6 – Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

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

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

**Schedule 8 – Graduation Exit Examination (GEE)**

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

(Continued)

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana  
Definitions of Schedules Required by State Law (R.S. 24:514 – Performance and Statistical Data)  
(Continued)  
As of and for the Year Ended June 30, 2014

**Schedule 9 – iLEAP Tests**

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

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

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

	Column A	Column B
<b><u>General Fund Instructional and Equipment Expenditures</u></b>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 23,204,166	
Other Instructional Staff Activities	2,062,350	
Instructional Staff Employee Benefits	11,760,251	
Purchased Professional and Technical Services	309,195	
Instructional Materials and Supplies	1,391,704	
Instructional Equipment	116,000	
Total Teacher and Student Interaction Activities		38,843,666
Other Instructional Activities		334,086
Pupil Support Activities	3,735,603	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		3,735,603
Instructional Staff Services	2,728,819	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		2,728,819
School Administration	4,274,106	
Less: Equipment for School Administration	(690)	
Net School Administration		4,273,416
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$49,915,590</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>\$ 275,320</u>
<b><u>Certain Local Revenue Sources</u></b>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes	\$ 803,114	
Renewable Ad Valorem Tax	3,068,211	
Debt Service Ad Valorem Tax	6,744,318	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	321,975	
Sales and Use Taxes	15,900,492	
Total Local Taxation Revenue		<u>\$26,838,110</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property	\$ 1,290,260	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property		<u>\$ 1,290,260</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax	\$ 70,799	
Revenue Sharing - Other Taxes	178,102	
Revenue Sharing - Excess Portion	13,701	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		<u>\$ 262,602</u>
Nonpublic Textbook Revenue	\$ 32,647	
Nonpublic Transportation Revenue	\$ -	

Schedule 2

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

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	2	0%	0	0%	0	0%	0	0%
Bachelor's Degree	411	83%	6	100%	2	6%	0	0%
Master's Degree	68	14%	0	0%	20	61%	0	0%
Master's Degree + 30	10	2%	0	0%	9	27%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	3	1%	0	0%	2	6%	0	0%
<b>Total</b>	<b>494</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>33</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**Schedule 3**

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

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

Type	Number
Elementary	9
Middle/Jr. High	4
Secondary	3
Combination	0
<b>Total</b>	<b>16</b>

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

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

**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	1	0	1	4	3	4	5	18
Principals	0	0	0	1	3	6	5	15
Classroom Teachers	124	31	107	53	63	45	77	500
<b>Total</b>	125	31	108	58	69	55	87	533

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

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

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC, Rehired Retirees and Flagged Salary Reductions</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	50,116	50,172
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	50,030	50,162
<b>Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries</b>	491.93	402.65

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

## ST. MARTIN PARISH SCHOOL BOARD

St. Martinville, Louisiana

## 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	21.66%	305	52.42%	531	25.94%	152	2.78%	1
Elementary Activity Classes	4.40%	62	6.71%	68	5.80%	34	33.33%	12
Middle/Jr. High	17.97%	253	18.95%	192	20.82%	122	25.00%	9
Middle/Jr. High Activity Classes	4.40%	62	2.07%	21	2.90%	17	13.89%	5
High	34.80%	490	18.95%	192	43.34%	254	25.00%	9
High Activity Classes	16.76%	236	0.89%	9	1.19%	7	0.00%	0
Combination	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Combination Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	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.

**Schedule 7**

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

**Louisiana Educational Assessment Program (LEAP) for the 21st Century**  
**For the Year Ended June 30, 2014**

District Achievement Level	English Language Arts			Mathematics		
	2014	2013	2012	2014	2013	2012
Students	Percent	Percent	Percent	Percent	Percent	Percent
<b>Grade 4</b>						
Advanced	5%	3%	2%	12%	7%	7%
Mastery	21%	20%	16%	25%	24%	15%
Basic	51%	50%	49%	41%	39%	47%
Approaching Basic	14%	17%	21%	13%	15%	20%
Unsatisfactory	9%	10%	12%	9%	15%	11%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level	Science			Social Studies		
	2014	2013	2012	2014	2013	2012
Students	Percent	Percent	Percent	Percent	Percent	Percent
<b>Grade 4</b>						
Advanced	2%	2%	6%	1%	0%	1%
Mastery	13%	16%	14%	10%	11%	12%
Basic	53%	46%	43%	58%	53%	47%
Approaching Basic	26%	26%	27%	21%	21%	24%
Unsatisfactory	6%	10%	10%	10%	15%	16%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level	English Language Arts			Mathematics		
	2014	2013	2012	2014	2013	2012
Students	Percent	Percent	Percent	Percent	Percent	Percent
<b>Grade 8</b>						
Advanced	1%	1%	2%	3%	2%	2%
Mastery	12%	16%	14%	4%	3%	5%
Basic	47%	42%	45%	51%	58%	52%
Approaching Basic	33%	34%	32%	26%	23%	27%
Unsatisfactory	7%	7%	7%	16%	14%	14%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level	Science			Social Studies		
	2014	2013	2012	2014	2013	2012
Students	Percent	Percent	Percent	Percent	Percent	Percent
<b>Grade 8</b>						
Advanced	0%	2%	1%	0%	1%	1%
Mastery	10%	14%	15%	6%	5%	9%
Basic	41%	42%	37%	47%	50%	45%
Approaching Basic	36%	33%	31%	31%	26%	27%
Unsatisfactory	13%	9%	16%	16%	18%	18%
Total	100%	100%	100%	100%	100%	100%

**Schedule 8**

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

**The Graduation Exit Exam for the 21st Century**  
**For the Year Ended June 30, 2014**

**The Graduation Exit Exam is no longer administered. This schedule is no longer applicable.**

ST. MARTIN PARISH SCHOOL BOARD  
St. Martinville, Louisiana

The Integrated Louisiana Educational Assessment Programs Tests  
For the Year Ended June 30, 2014

## LEAP Tests

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2012	2012	2012	2012
Students	Percent	Percent	Percent	Percent
<b>Grade 3</b>				
Advanced	4%	13%	5%	2%
Mastery	24%	24%	24%	22%
Basic	41%	44%	39%	44%
Approaching Basic	21%	11%	24%	19%
Unsatisfactory	10%	8%	8%	13%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2012	2012	2012	2012
Students	Percent	Percent	Percent	Percent
<b>Grade 5</b>				
Advanced	2%	6%	2%	2%
Mastery	14%	13%	13%	11%
Basic	47%	45%	43%	49%
Approaching Basic	24%	18%	31%	23%
Unsatisfactory	13%	18%	11%	15%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2012	2012	2012	2012
Students	Percent	Percent	Percent	Percent
<b>Grade 6</b>				
Advanced	3%	5%	1%	2%
Mastery	10%	10%	12%	6%
Basic	52%	53%	45%	47%
Approaching Basic	28%	18%	32%	27%
Unsatisfactory	7%	14%	10%	18%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2012	2012	2012	2012
Students	Percent	Percent	Percent	Percent
<b>Grade 7</b>				
Advanced	3%	5%	2%	1%
Mastery	11%	12%	13%	6%
Basic	53%	53%	41%	39%
Approaching Basic	26%	22%	35%	32%
Unsatisfactory	7%	8%	9%	22%
Total	100%	100%	100%	100%

(continued)

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

**The Integrated Louisiana Educational Assessment Programs Tests (continued)**  
**For the Year Ended June 30, 2014**

*i*LEAP Tests

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2013	2013	2013	2013
Students	Percent	Percent	Percent	Percent
<b>Grade 3</b>				
Advanced	6%	9%	7%	6%
Mastery	21%	23%	22%	19%
Basic	54%	51%	50%	47%
Approaching Basic	13%	12%	16%	19%
Unsatisfactory	6%	5%	5%	9%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2013	2013	2013	2013
Students	Percent	Percent	Percent	Percent
<b>Grade 5</b>				
Advanced	3%	3%	2%	1%
Mastery	12%	12%	12%	11%
Basic	50%	53%	45%	50%
Approaching Basic	25%	18%	33%	21%
Unsatisfactory	10%	14%	8%	17%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2013	2013	2013	2013
Students	Percent	Percent	Percent	Percent
<b>Grade 6</b>				
Advanced	2%	5%	2%	5%
Mastery	11%	11%	15%	7%
Basic	52%	50%	42%	43%
Approaching Basic	24%	18%	31%	30%
Unsatisfactory	11%	16%	10%	15%
Total	100%	100%	100%	100%

District Achievement Level Results	English Language Arts	Mathematics	Science	Social Studies
	2013	2013	2013	2013
Students	Percent	Percent	Percent	Percent
<b>Grade 7</b>				
Advanced	5%	2%	1%	0%
Mastery	12%	11%	12%	5%
Basic	51%	52%	40%	44%
Approaching Basic	28%	21%	35%	30%
Unsatisfactory	4%	14%	12%	21%
Total	100%	100%	100%	100%

(continued)

**ST. MARTIN PARISH SCHOOL BOARD**  
**St. Martinville, Louisiana**

**The Integrated Louisiana Educational Assessment Programs Tests (continued)**  
**For the Year Ended June 30, 2014**

*i* LEAP Tests

<b>District Achievement Level</b>	<b>English Language Arts</b>	<b>Mathematics</b>	<b>Science</b>	<b>Social Studies</b>
<b>Results</b>	2014	2014	2014	2014
Students	Percent	Percent	Percent	Percent
<b>Grade 3</b>				
Advanced	4%	12%	6%	2%
Mastery	20%	27%	19%	16%
Basic	43%	45%	39%	54%
Approaching Basic	20%	12%	25%	16%
Unsatisfactory	13%	4%	11%	12%
Total	100%	100%	100%	100%

<b>District Achievement Level</b>	<b>English Language Arts</b>	<b>Mathematics</b>	<b>Science</b>	<b>Social Studies</b>
<b>Results</b>	2014	2014	2014	2014
Students	Percent	Percent	Percent	Percent
<b>Grade 5</b>				
Advanced	2%	4%	2%	1%
Mastery	14%	16%	12%	9%
Basic	46%	51%	48%	56%
Approaching Basic	22%	15%	26%	22%
Unsatisfactory	16%	14%	12%	12%
Total	100%	100%	100%	100%

<b>District Achievement Level</b>	<b>English Language Arts</b>	<b>Mathematics</b>	<b>Science</b>	<b>Social Studies</b>
<b>Results</b>	2014	2014	2014	2014
Students	Percent	Percent	Percent	Percent
<b>Grade 6</b>				
Advanced	2%	5%	2%	3%
Mastery	14%	11%	11%	7%
Basic	46%	53%	43%	49%
Approaching Basic	24%	18%	33%	28%
Unsatisfactory	14%	13%	11%	13%
Total	100%	100%	100%	100%

<b>District Achievement Level</b>	<b>English Language Arts</b>	<b>Mathematics</b>	<b>Science</b>	<b>Social Studies</b>
<b>Results</b>	2014	2014	2014	2014
Students	Percent	Percent	Percent	Percent
<b>Grade 7</b>				
Advanced	6%	5%	2%	1%
Mastery	12%	9%	13%	8%
Basic	44%	57%	43%	46%
Approaching Basic	26%	16%	30%	30%
Unsatisfactory	12%	13%	12%	15%
Total	100%	100%	100%	100%