

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM



## *Comprehensive Annual Financial Report*

**FISCAL YEAR ENDED JUNE 30, 2010**

**501 MANHATTAN BOULEVARD  
HARVEY, LOUISIANA 70058-4495**

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

Release Date 4/6/11

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010 PREPARED BY THE BUSINESS SERVICES DIVISION

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**DIANE M. ROUSSEL, Ph.D.**  
SUPERINTENDENT

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**RAYLYN STEVENS, CPA**  
CHIEF FINANCIAL OFFICER

December 20, 2010

Honorable Board Members  
Jefferson Parish Public School System  
501 Manhattan Boulevard  
Harvey, Louisiana 70058

Members of the Board and Citizens of Jefferson Parish:

The Comprehensive Annual Financial Report (CAFR) of the Jefferson Parish School System (School System) for the fiscal year ended June 30, 2010 is submitted herewith. The CAFR was prepared by the School System's Business Services Division. This report conforms to generally accepted accounting principles and standards for financial reporting as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the School System. Furthermore, we believe that all disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included.

The School System's independent certified public accountants, Deloitte & Touche and Rebowe & Company, have examined the accompanying financial statements, and their opinion is included in the financial section. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The state reporting section includes a review of financial and student data reported annually to the Louisiana Department of Education. The Management's Discussion and Analysis beginning on page 3 provides an overall review of the School System's activities for the year ended June 30, 2010. The School System is required to undergo an annual single audit in conformity with provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and independent auditors' reports on the internal control over financial reporting and on compliance with the requirements applicable to each major program and the internal control over compliance in accordance with A-133 are included in a separate report.

#### THE REPORTING ENTITY

The Jefferson Parish Public School System is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The School System is the second largest district in the state.

The FY 2009/2010 total student count was 42,795. The Jefferson Parish School System operates 87 schools located on both sides of the Mississippi River. Approximately 32,050 public school students are

transported daily by a fleet of 368 buses. The School System employs 3,589 teachers and other certificated employees.

The School System is governed by a nine-member school board (Board) elected by the citizens of Jefferson Parish. Each member is elected to a four-year term, and the terms are concurrent. See page xi for a listing of the present members of the Board along with the administrative officials who are appointed by the Board.

Regular meetings are scheduled the first Wednesday of the month and are held in the School System's Administration Building. Special meetings are scheduled as needed and announced in compliance with public notice requirements.

The Board has final control over local matters limited only by the state legislature, by the courts, and by the will of the people as expressed in School Board elections. Board decisions are based on a majority vote of those present.

In general, the Board adopts policies, sets direction for curriculum, employs the superintendent, and oversees the operations of the School System and its schools. Besides general board business, board members are charged with numerous statutory regulations including calling board and other school elections and canvassing the results of elections, organizing the Board, and electing its officers. The Board is also responsible for setting the ad valorem tax rate, setting salary schedules, acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget.

The Board solicits and evaluates community input and support concerning school policies.

The basic financial statements of the School System include the accounts of all School System operations. These financial statements present the School System as the primary government.

The School System has two component units, the Jefferson Community Charter School and the Jefferson Education Foundation, which are presented as a discretely presented component units. The Jefferson Community Charter School is included in the reporting entity because it is fiscally dependent on the School System. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grades who have been expelled from the parish public School System, to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high school. The Foundation is included in the reporting entity because it exists exclusively to benefit the Jefferson Parish Public Schools.

#### MISSION

The School System's adopted mission is:

...to be an extraordinary School System by building an environment of excellence, effectiveness, and efficiency that supports the success of our students, our communities, and our employees.

The Jefferson Parish Public School System is a system that respects individuals, demands excellence, fosters life-long learning, and supports relationships that strengthen family and community. The School System is working to make the students of Jefferson Parish active participants in a global economy and in a changing world.

The Jefferson Parish Public School System envisions and seeks a positive, productive relationship with its stakeholders, as it attempts to restore meaning to the value of public education.

To accomplish its mission, the School System provides a full range of educational services appropriate to grade levels ranging from pre-kindergarten through adulthood. These include regular and enriched academic education, special education for children with disabilities, vocational education, and special programs for those with limited English proficiency. These programs are supplemented by a wide variety of offerings in the fine arts and athletics.

We, in the Jefferson Parish Public School System, recognize the challenges we face as we prepare students for the 21<sup>st</sup> century. The demands placed upon us as we begin the new millennium have increased. We must not only prepare our children to read, write, and do arithmetic, we must prepare them to live in a fast-changing, technologically-driven, globally competitive world. We must assist those who don't succeed academically by providing skills that are marketable in our metropolitan area since they will not find employment as unskilled laborers as those jobs have moved overseas or have been eliminated. We must teach our children to be problem-solvers, to be prepared for the challenge of an increasingly complex world that will require them to keep growing and changing with it.

To meet this very demanding role, we have developed an academically rigorous curriculum that includes programs to enhance abilities of the gifted and talented as well as programs that prepare students for the world of work. Our high school *academies* prepare students for the world of employment by coordinating class work with real work experiences. We offer academies in the fields of finance, travel and tourism, restaurant management, law-related careers, education, and health services. A credit union has been established at one of the high schools where students are encouraged to have actual bank accounts, deposit and withdraw their money, and learn hands-on how to deal with their personal finances. Our students have the opportunity to visit selected workplaces, to participate in internships during their senior year, and in some instances, to be placed in summer jobs.

We recognize that technological skills are critical for our students to be prepared. The School System maintains an advanced technology department, broadcasts from its own television station, and has recently opened a new school specializing in science and technology. Each of our 87 schools has computers in the classrooms and/or computer labs. All of our schools have Internet access. Our teachers and students have created web sites, use bulletin boards, participated in electronic classrooms, and communicated via E-mail. The School System's website is an invaluable tool used to communicate important information to our students, parents, teachers, and the community. The school district provides technicians for in-class technology support to promote incorporating technology into teaching and learning.

The School System's commitment to its mission is reflected in its allocation of financial resources. The 2010/2011 budget was adopted on August 4, 2010. Total expected budgeted expenditures for the General Fund are \$400,867,495. Projected revenues and other financing sources for the General Fund total \$398,868,250. The projected year-end fund balance for FY 2008/2007 is \$40,391,843.

## ACCOMPLISHMENTS

### 2010 Teachers of the Year

**Denise Wild**, Chateau Estates Elementary School  
**Leona Lee Wade**, Westbank Community School  
**Faye Haley**, Haynes Academy School

### 2010 Principals of the Year

**Sandy Doland**, Keller Elementary School  
**Chip Guichet**, Harris Middle School  
**James Kyle**, East Jefferson High School

### 21st Century Schools Education Initiative

The Jefferson Parish Public School System is in the final phase of its partnership with Cisco Systems' 21st Century Schools (21S) Initiative as every school in the program has installed interactive boards to develop internet and web-based instruction.

All 87 schools in the Jefferson Parish Public School System have been rewired and are ready to accept this new technology in 2009-2010. The School System also completed construction of a fiber optic backbone, wireless access, high-speed data center, and two-stage redundant data back-up facilities.

In March of 2006, Cisco Systems Incorporated announced a donation of \$20 million to the Jefferson Parish Public School System to fund the 21S Initiative. Cisco's blueprint for 21S called for reconstructing and improving schools using state-of-the-art technology. Cisco believes that providing teachers and students with the best technological resources will improve educational opportunities and lead to stronger, more vibrant communities. They also believe the same blueprint can be replicated around the world.

The three main building blocks of 21S are Connected Schools, wherein a baseline technology platform that includes data, voice, and video is established for classroom processes and applications; Connected Learning, which addresses the improvement of student outcomes and administrative efficiencies; and Connected Communities, which will establish the school as the hub and heart of the community.

## INSTRUCTIONAL PROGRAM

The heart of the School System is a varied curriculum and a wide range of educational experiences offered from pre-kindergarten through adulthood for the community.

The core curriculum addresses English/language arts, mathematics, science, social studies, creative arts and physical education. Electives offered in secondary schools include foreign languages, art, music, vocational courses, computer science and computer literacy.

Programs for academically gifted students span pre-school through grade 12 are structured enrichment resources as well as specially designed elective classes.

Students receive specialized instruction to meet individual needs during the school year and some extended year programs. In addition to academics, students are taught skills to help them function in the community, including job counseling and placement. Support services provided include social work services, occupational, physical, and speech/language therapy.

Each ninth grade student completes a Career Path plan on which vocational electives are based. The Academy programs in each high school offer opportunities for young adults to explore careers of interest in depth.

Title I is a federally funded program designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular program, attain grade level proficiency, and improve achievement in basic and more advanced skills. These purposes are accomplished through academic instruction in the areas of reading/language arts and math, increased parental involvement and implementation of innovative programs.

Title II Dwight D. Eisenhower Professional Development Program's major goal is to improve the teaching and learning of all students by helping to ensure that teachers, and where appropriate, other staff and administrators, have access to sustained and intensive high-quality professional development that is aligned to challenging state content standards and state student performance standards, and to support the development and implementation of sustained and intensive high-quality professional development activities in the core academic subjects; and helping to ensure that teachers, and where appropriate, administrators, other staff, pupil services personnel, and parents, have access to professional development.

Title VI Innovative Education Program Strategies is to support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000; Educate America Act; support state and local efforts to accomplish the National Education Goals; provide funding to enable state and local education agencies to implement promising educational reform programs; provide a continuing source of innovation and an educational improvement, including support for library services and instructional and media material; and meet the special education needs of at-risk and high-cost students.

The goal of the Class-Size Reduction initiative is to help schools improve student achievement by adding additional, highly qualified teachers to the work force to ensure that class size – particularly in the early grades – is reduced to no more than 18 children per class.

Bilingual/ESOL Program – the English to Speakers of Other Languages program fulfills the school district's obligation to develop and implement an alternative program which teaches language minority students English, provides them parity of access to instruction, and moves them into the regular educational program within a reasonable length of time. The goal of this program is to develop students' academic and conversational proficiency in English so that they can effectively participate in the educational program conducted exclusively in English. It employs the use of two languages, one of which is English, and instruction to the extent necessary for students to function effectively in the content classes. Currently the English to Speaker of Other Languages Program is implemented in 32 schools, serving 2,500 students, pre K-12, who represent 68 countries with 52 spoken languages.

Adult education provides instructional offerings in basic academic and life-long coping skills that will enable the adult student to continue an education. Students in the adult education program must be 16 years of age or older, must not be reenrolled in the K-12 system, and must have less than a high school education. Project Open Door, Project Independence, and classes in English as a second language in addition to basic education classes and pre-GED classes assist the adult in the ability to function more productively and responsibly in society.

## ECONOMIC CONDITIONS AND OUTLOOK

The School System has a tremendous financial impact on the community. It has in excess of 7,500 employees and an annual payroll in excess of \$215 million making it the second largest public employer in the parish. It also spends annually over \$50 million on goods and services. These funds are spent primarily with local businesses.

Once a largely rural area of farms, dairies and vast tracts of undeveloped land, Jefferson Parish today is the City of New Orleans' first suburb that received the first great migration of middle-class families from the 1950's to the 1970's. The Parish encompasses some 359 square miles of land, from Lake Pontchartrain in the north and to the Gulf of Mexico in the south. It straddles the Mississippi River, which is 2,200 feet wide in the area with a bankside depth of 30 to 60 feet and a midstream depth, which attains 180 feet.

Jefferson Parish has a great deal to offer potential employers. It is located west of the City of New Orleans and is a wonderful collection of contrasts and similarities offering visitors and residents alike a kaleidoscopic view of a unique and fascinating region.

Future job growth in Jefferson Parish is expected to be concentrated most heavily in the service industry, especially professional services such as law, medicine, accounting, engineering and financial services. The Parish continues to actively pursue the film and movie industry to locate film and production studios within the Parish and become part of 'Hollywood South'.

The Parish also affords its residents a high quality of life, with good schools, low crime rates and plenty of recreation activities. The forty seven acre LaSalle Tract, located on Airline Drive is home to the training facility of the Super Bowl XLIV Champions, New Orleans Saints; Zephyr Stadium, a minor league baseball park, and home to the AAA semi-professional New Orleans Zephyrs. The tract also includes a nature preserve with walking trails, soccer and base ball fields, and a performing arts center currently under construction.

In addition, the parish offers some of the finest medical care in the nation with world-renowned institutions staffed by pioneering physicians. The Parish provides oversight to two hospitals and six privately owned institutions which provide a full range of services including acute care as well as specialized services.

There are no local personal or corporate income taxes in Jefferson Parish. Furthermore, there are no state ad valorem (property) taxes, and local property taxes are among the lowest in the nation.

## FINANCIAL INFORMATION

### Accounting System and Budgetary Control

In developing and evaluating the School System's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concepts of reasonable assurance recognize that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the School System's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at a detailed level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors.

The School System emphasizes decentralized budgeting in order to enhance the ability of principals to serve as effective and efficient instructional leaders. In fiscal year 1987 the School Board gave principals, with input from subject coordinators, teachers, students and parents, the authority to spend the allocated financial resources to best meet the needs of their unique student groups. To accomplish this end, the School Board adopted a set of guidelines consistent with applicable State law. This system allows each school to determine its needs, establish budgets, and spend their financial resources according to their own timetable or reserve the funds for future years' needs. The vehicle for these actions is the Student Activity Fund. All monies due a school are deposited directly into each school's activity account at the beginning of each school year. The principal, using School Board adopted guidelines, operates his/her school according to his/her individually tailored educational plan. A major advantage of this system is that it gives principals direct control over resources vital to achieving educational success and in so doing makes it easier to assess accountability for goal achievement.

#### Cash Management

During the year, the School System invested directly in instruments issued by the United States Government or its agencies created by an act of Congress, or in repurchase agreements backed by such instruments.

For purposes of maximizing interest earnings, cash balances of all funds are pooled, except where separate cash and investment accounts are mandated by legal requirements. This year's investment activities have shown an increase from the prior year resulting from higher interest rates.

#### Risk Management

Jefferson Parish is self-insured for general liability, auto liability, and workers' compensation insurance. As part of this program, resources are being accumulated in the General Fund to meet potential losses. In addition, various risk control techniques including an employee safety program and pre-employment physicals have been implemented to minimize accident-related losses. Risk financing is accomplished through the purchase of various insurance policies from commercial insurers.

#### Financial Policies

In fiscal year 2000-2001, the Jefferson Parish School Board passed a policy to build and maintain a fund balance that represents 10% of actual expenditures. The General Fund balance increased to \$26 million in fiscal year 2004-2005. The fund balance provided the critical resources and financial stability needed following Hurricane Katrina in August 2005. On October 3, the Jefferson Parish Public School System welcomed the families of Jefferson Parish back home. Students embraced the opportunity to resume their academic endeavors. Jefferson Parish Schools provided the nurturing stability desperately needed during the recovery efforts. With a safe haven for their children, the citizens of Jefferson Parish focused on rebuilding their homes and community. The Jefferson Parish School System played a vital role in the quick recovery of Jefferson Parish. In fiscal year 2007-2008, the Jefferson Parish School Board increased the restrictions on spending of the fund balance by requiring that the Board could not utilize the unreserved, undesignated General Fund Balance for additional expenditures until such time that the fund

balance represents 12% of the current year's budgeted revenues. It further stipulated that under emergency situation, the Board may utilize the unreserved, undesignated fund balance by approving such expenditures by a two-thirds vote of the Board. As a result of such policies, the Jefferson Parish School Board has received an upgrade in bond ratings from Standard & Poor's. The Jefferson Parish School Board has recently received an upgrade on Sales Tax Bonds of AA and Limited Tax Bonds of AA.

The Management's Discussions and Analysis section beginning on page 3 provides an overall review of the School System's financial operations for the year and its financial position and should be read in conjunction with the accompanying financial data.

#### OTHER INFORMATION

##### Independent Audit

State law and School System policy require an annual audit of the books of account and financial records of the School System by independent certified public accountants selected by the School Board. The School System has complied with this requirement, and the independent auditors' report is included in this report.

##### Awards

The Association of School Business Official International (ASBO) awarded a Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Jefferson Parish Public School System for its comprehensive annual financial report for the fiscal year ended June 30, 2009. This was the 19<sup>th</sup> consecutive year that the School System has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificates of Achievement is valid for a period of one year only. The School System believes that our current comprehensive annual financial report continues to meet the Certificate of Achievement Programs' requirements and will be submitted to ASBO and GFOA to determine its eligibility for another certificate.

##### Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance and Accounting Activity of the Business Services Division. We would like to express our appreciation to all members of the division who assisted and contributed to its preparation.

We also wish to thank the members of the School Board for their continued consideration and support, and for planning and conducting the financial operations of the School System in a responsible and progressive manner.



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Diane Roussel, Ph.D  
Superintendent



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Raylyn Stevens  
Chief Financial Officer

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### SCHOOL BOARD

NAME	LENGTH OF SERVICE	TERM EXPIRES	OCCUPATION
Martin Marino, President, District 6	29 years	December, 2010	Retired School Principal
Ray St.Pierre, Vice-president, District 3	10 years	December, 2010	Retired Public School Administrator
Mark Morgan, Member, District 1	5 years	December, 2010	Attorney
Dr. Etta Licciardi Member, District 2	5 years	December, 2010	Retired Public School Administrator
Glen Hayes, Jr. Member, District 4	2 year	December, 2010	Businessman
Cedric Floyd Member, District 5	2 years	December, 2010	Businessman
Libby Moran, Member, District 7	17 years	December, 2010	Former Teacher/ Businesswoman
Judy Colgan, Member, District 8	11 years	December, 2010	Social/Political Activist
Gene Katsanis, Member, District 9	15 years	December, 2010	Businessman

### ADMINISTRATIVE OFFICIALS

NAME	POSITION
Dr. Diane Roussel	Superintendent
Raylyn Stevens	Chief Financial Officer
Richard Carpenter	Deputy Superintendent, Curriculum and Instruction
Isaac Joseph	Assistant Superintendent, Human Resources
Clothilde Cobert	Assistant Superintendent, Secondary, Post Secondary and Adult Education
Jeff Hehnstetter	Assistant Superintendent, East Bank Region
Cheryl Carpenter	Assistant Superintendent, Special Programs
Germain Gilson	Assistant Superintendent, Federal Programs
Lale Geer	Assistant Superintendent, Operations
Patricia Mendoza	Assistant Superintendent, Early Childhood and Elementary Education
Dr. Mabel Moore	Chief Technology Officer
Jeff Nowakowski	Chief Communication Officer
Carla Newman	Chief Finance and Accounting
David Taylor	Assistant Superintendent, Facilities and Maintenance
Carolyn Van Norman	Assistant Superintendent, West Bank Region

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2009

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*Eun Green*

President

*John D. Munn*

Executive Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Jefferson Parish Public School System Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "J.R.E." or similar initials.

President

A handwritten signature in black ink that reads "Jeffrey R. Ennis".

Executive Director

**Deloitte & Touche LLP**

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New Orleans, LA 70139  
(504) 581-2727

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Metairie, LA 70002  
(504) 837-9116

**INDEPENDENT AUDITORS' REPORT**

To the Members of the School Board of  
Jefferson Parish, Louisiana:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Jefferson Parish Public School System (the "School System") as of and for the year ended June 30, 2010, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the School System as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Elementary and Secondary Education Act of 1965 (Title I) for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2010 on our consideration of the School System'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* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 13, the Schedule of Funding Progress on page 56, and the Special Revenue Fund Budget and Actual-Adult Education Fund and Community Education Fund Schedules on pages 79 and 80 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the individual fund budgetary comparison schedules, the schedule of compensation paid to school board members and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, the individual fund budgetary comparison schedules and the schedule of compensation paid to school board members have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Deloitte & Touche LLP

Rehner & Company

December 20, 2010

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The Management's Discussion and Analysis (MD&A) of the Jefferson Parish Public School System's financial performance provides an overall review and an objective, easily readable analysis of the School System's financial activities for the fiscal year ended June 30, 2010. The intent of the MD&A is to look at the School System's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Therefore, readers should read the MD&A in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal in the Introductory Section, in the School System's Financial Statements (Financial Section), and the Notes to the Financial Statements.

### FINANCIAL HIGHLIGHTS

- The School System's total net assets decreased by \$8.5 million which represents a 3.6% decrease from fiscal year 2009. The decrease can be attributed specifically to the excess of expenditures over revenues. Revenues decreased as a result of lower sales receipts and a freeze in state funding. Expenditures increased in the areas of salaries and benefits. Net assets of the governmental activities decreased by \$8.1 million. Net assets of the business-type activities decreased by \$389,000.
- Assets of the Jefferson Parish Public School System exceeded its liabilities for fiscal year ending 2010 by \$229.4 million (net assets). Of this amount \$2.5 million (unrestricted net assets) is considered unrestricted and may be used to meet the School System's ongoing obligations.
- The School System issued \$21.6 million of new Qualified School Construction Bonds (QSCB) with a maturity date of August 20, 2024. These bonds were issued at a 0% interest rate with the entire principal due at maturity. This will decrease the amount needed for repayment to approximately \$16 to \$18 million depending on the amount of interest income earned. The proceeds of the long-term debt will be used for capital projects. See note 6 on page 39.
- In February, 2006, the Jefferson Parish School Board borrowed \$17 million from the FEMA Special Community Disaster Loan Program (CDL). FEMA announced on January 15, 2010 the rules established for recipients of Special Community Disaster Loans (Special CDLs) to apply for loan cancellation. After a lengthy and intense process it has been determined that the Jefferson Parish School Board's CDL loan was forgiven and is currently reflected in the General Fund as miscellaneous revenue. The school system will not be required to repay the principal of \$17 million and the interest of \$2.5 million for a total cancellation of \$19.5 million.
- Through the American Recovery and Reinvestment Act of 2009 (ARRA), the Jefferson Parish Public School System was allotted \$39.8 million for Title I, Title IID, IDEA B, IDEA Preschool, Homeless Education, and State Fiscal Stabilization. These grants are on a reimbursement basis and are to be spent by September 30, 2011. Approximately \$4.7 million of these funds were earmarked as State Fiscal Stabilization Funds. These funds were approved to prevent cutbacks in critical education and other services. These funds were utilized to absorb general fund expenditures that would have further contributed to the overall short falls in the general fund budget.
- Gross sales and use tax revenue collections decreased over prior year's collections by \$10.2 million or 6%. This is the third year of diminishing sales tax receipts. A portion of the gross sales tax collections is dedicated for the purpose of debt service and capital improvements. The Jefferson Parish Public School System pays a 9.5% collection fee to the Jefferson Parish Sheriff's Office on general collections as set forth in the state constitution.

- The Minimum Foundation Program (MFP) distribution from the state increased \$6.7 million or 4.6%. This increase can be attributed to the increase in student enrollment in fiscal year 2010 and additional funding to offset the decline in local sales tax revenues. The MFP is a block grant that establishes a standard of local support for each School System based on the state average local support relative to the system's capacity to raise local funds.
- As of the close of the current year, the School System reported a combined ending fund balance of \$246.2 million. The fund balance of the combined governmental funds decreased by \$44.2 million from the prior year's ending fund balance. Approximately \$197.7 million is reserved for specific uses of which \$36.6 million can only be expended for the sole purpose of teacher raises as set forth by the dedicated 9 mill property tax.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

### *Government-wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the School System's finances, in a manner similar to a private sector business.

The *statement of net assets* presents information on all of the School System's assets and liabilities, with the difference between the two reported as *net assets* or *deficiency in net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School System is improving or deteriorating. The causes of the change in net assets may be the result of many factors, both financial and non-financial in nature. Non-financial factors, which may have an impact on the School System's financial condition include the property and sales tax base, student enrollment, state mandated educational programs for which little or no funding is provided, or other external factors.

The *statement of activities* presents information showing how the School System's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused leave for vacations and sabbaticals).

Both of the government-wide financial statements distinguish functions of the School System that are principally supported by taxes and intergovernmental revenues ("governmental activities") from other functions that are intended to recover a significant portion of their cost through user fees and charges ("Business-type activities"). The business-type activities of the School System consist of the School Lunch Enterprise Fund which provides breakfasts and lunches to students at reduced prices.

The government-wide financial statements include not only the School System itself (known as the "primary government") but also a legally separate charter school, the Jefferson Community Charter School, for which the School System is financially accountable and a legally separate Foundation, The Jefferson Education Foundation which exists solely to benefit the School System. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 through 16 of this report.

### *Fund Financial Statements*

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School System can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide *financial statements*, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School System maintains a variety of funds which are grouped for management purposes into special revenue, debt service, and capital projects fund groups. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, the special revenue fund used to control Title I monies and the capital projects fund which receives dedicated sales taxes, all of which are considered to be major funds. Data from all the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is presented in the form of combining statements elsewhere in this report.

The School System adopts an annual appropriated budget for its general fund and selected special revenue funds. A budgetary comparison statement for the general fund and the major Title I fund has been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 17 through 23 of this report.

**Proprietary funds.** The proprietary fund consists of the School Lunch Enterprise Fund which is also presented as the business-type activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 24 through 26 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the School System's own programs. The School System's fiduciary funds consist of agency funds held in a custodial capacity.

The basic fiduciary fund financial statement can be found on page 27 of this report.

*Notes to the financial statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 28 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School System, its total assets exceeded liabilities by \$229.4 million at the close of the most recent fiscal year.

**Table 1**  
**Statement of Net Assets**  
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 303,665	\$ 351,299	\$ (1,582)	\$ (1,722)	\$ 302,083	\$ 349,577
Capital assets	<u>224,530</u>	<u>189,369</u>	<u>518</u>	<u>671</u>	<u>225,048</u>	<u>190,040</u>
Total assets	528,195	540,668	(1,064)	(1,051)	527,131	539,617
Long-term debt outstanding	187,510	191,702			187,510	191,702
Other liabilities	<u>108,466</u>	<u>108,665</u>	<u>1,766</u>	<u>1,390</u>	<u>110,232</u>	<u>110,055</u>
Total liabilities	295,976	300,367	1,766	1,390	297,742	301,757
Net assets						
Invested in capital assets, net of related debt	40,970	20,589	518	671	41,488	21,260
Restricted	185,406	199,119			185,406	199,119
Unrestricted	<u>5,843</u>	<u>20,594</u>	<u>(3,348)</u>	<u>(3,112)</u>	<u>2,495</u>	<u>17,482</u>
Total net assets	<u>\$ 232,219</u>	<u>\$ 240,302</u>	<u>\$ (2,830)</u>	<u>\$ (2,441)</u>	<u>\$ 229,389</u>	<u>\$ 237,861</u>

While the bonds payable are associated with the capital expenditures for purposes of categorizing net assets, the capital assets themselves are not a source of repayment of the bonds. The bonds are serviced primarily by dedicated sales taxes. However, \$21,646,000 in Qualified School Construction Bonds (QSCB) were issued in 2009 for fifteen years secured by property tax collections and \$7.9 million in notes payable were issued for technology. In addition, debt service funds have \$28.9 million of net assets at June 30, 2010 to provide for the servicing of annual interest and principal payments on bonds.

The following are significant current year transactions that have had an impact on the Statement of Net Assets.

- Capital assets, net increase of \$35 million due to addition of \$52.1 million and offset of depreciation expense of \$17.1 recorded during the year on buildings, and furniture and equipment. Major additions in the current year include upgrades to technology as a result of the Cisco 21<sup>st</sup> Century School Education Initiative Project and building replacement costs for three facilities as a result of Hurricane Katrina.

- Bonds payable and other borrowings decreased on a net basis by \$4.2 million as a result of principal retirement and premium/discount amortization of \$16.7 million offset by an increase of \$21.6 million due to the August 20, 2009 new bond issue and a note payable to AT&T for technology of \$8.4 million. Additionally, the Community Disaster Loan of \$17 million was forgiven by FEMA.
- Cash and cash equivalents decreased by \$38.2 million due to the overall decrease in Fund Balance as a result of expenditures exceeding revenues. Revenues decreased due to a drop in sales tax and interest income as a result of the ailing national economy. The increase in expenditures can be attributed to the increases in salaries and benefits.
- Liabilities decreased by \$4 million due to the decrease in accrued interest payable as a result of the forgiven CDL loan and the decrease in bonds payables due to the maturity of a \$33.4 million bond issue that expired on March 1, 2010.

#### Changes in Net Assets

The Jefferson Parish School System's total revenues for the fiscal year ended June 30, 2010 were \$552.6 million compared to \$533 million for June 30, 2009. The total cost of all programs and services was \$561 million in 2010 compared to \$585.9 million in 2009. The following table presents a summary of the changes in net assets for the fiscal year ended June 30, 2010 and 2009.

**Table 2**  
**Changes in Net Assets**  
**(In Thousands)**

	Governmental Activities		Business-type Activities		Total Government	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$ 4,314	\$ 4,817	\$ 2,083	\$ 1,972	\$ 6,397	\$ 6,789
Operating Grants and contributions	118,276	104,982	16,568	14,963	134,844	119,945
General revenues:						
Property taxes	72,862	70,001			72,862	70,001
Sales and use taxes, general	135,556	144,625			135,556	144,625
Sales and use taxes, debt service	3,000	3,000			3,000	3,000
Sales and use taxes, public improvemen	22,776	23,932			22,776	23,932
State revenue sharing	2,285	2,316			2,285	2,316
Minimum foundation program (MFP)	152,901	146,195			152,901	146,195
Interest and investment earnings	209	1,708			209	1,708
Miscellaneous	21,768	14,644			21,758	14,644
<b>Total revenues</b>	<b>533,937</b>	<b>516,220</b>	<b>18,651</b>	<b>16,935</b>	<b>552,588</b>	<b>533,155</b>
<b>Expenses:</b>						
General government						
Instruction:						
Regular programs	175,926	171,118			175,926	171,118
Special programs	120,039	121,975			120,039	121,975
Vocational programs	16,264	16,361			16,264	16,361
All other programs	8,363	9,245			8,363	9,245
Support services:						
Student services	54,254	61,903			54,254	61,903
Instructional staff support	12,052	11,066			12,052	11,066
General administration	32,399	35,571			32,399	35,571
School administration	32,924	32,761			32,924	32,761
Business services	13,688	16,140			13,688	16,140
Operations maintenance services	34,335	44,984			34,335	44,984
Pupil transportation services	17,864	18,231			17,864	18,231
Central activity services	10,808	9,260			10,808	9,260
Interest on long-term debt	7,056	8,388			7,056	8,388
Other expenses	3,892	6,452			3,892	6,452
School Lunch			21,195	22,405	21,195	22,405
<b>Total expenses</b>	<b>539,864</b>	<b>563,455</b>	<b>21,195</b>	<b>22,405</b>	<b>561,059</b>	<b>585,860</b>
Increase in net assets before transfers	(5,927)	(47,235)	(2,544)	(5,470)	(8,471)	(52,705)
Transfers	(2,155)	(1,056)	2,155	3,134		2,078
<b>Increase (decrease) in net assets</b>	<b>(8,082)</b>	<b>(48,291)</b>	<b>(389)</b>	<b>(2,336)</b>	<b>(8,471)</b>	<b>(50,627)</b>
Net assets - July 1	240,302	288,593	(2,441)	(105)	237,861	288,488
<b>Net assets - June 30</b>	<b>\$ 232,220</b>	<b>\$ 240,302</b>	<b>\$ (2,830)</b>	<b>\$ (2,441)</b>	<b>\$ 229,390</b>	<b>\$ 237,861</b>

Expenses exceeded revenues on the government-wide basis by \$8.5 million in the year ended June 30, 20010.

The following contrasts the changes in revenues for governmental activities as compared to the prior year:

2010	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percentage Change</u>
Sales tax	\$ 161,332,129	31.50 %	\$ (10,225,457)	(5.96)%
Ad Valorem tax	72,861,837	14.23 %	2,861,263	4.09 %
Minimum Foundation Program	152,900,502	29.85 %	6,705,977	4.59 %
Other state grants	9,973,518	1.95 %	(5,879,714)	(37.09)%
Federal grants	89,413,084	17.46 %	13,539,464	17.84 %
All other	<u>25,704,763</u>	<u>5.02 %</u>	<u>3,604,502</u>	<u>16.31 %</u>
Total	<u>\$ 512,185,833</u>	<u>100.01 %</u>	<u>\$ 10,606,035</u>	<u>2.11 %</u>

Sales tax revenues account for 31.5% of total revenues. The decrease in Sales tax proceeds by 5.96% can be attributed to the decline in rebuilding activities as a result of Hurricane Katrina in addition to a poor national economy. Property tax revenues account for 14.23% of total revenues for 2010. The Minimum Foundation Program (state funded MFP) increased by 4.59% due to the modest increase in student enrollment over prior year 2009 and the compensation, as designed in the formula, to aid in offsetting decreases in the local sales tax revenues.

As reported in the Statement of Activities on page 16, the cost of the School System's governmental activities for the year ended June 30, 2010 was \$417.3 million. The Statement of Activities shows the cost of program services net of charges and grants offsetting some of the cost of such services.

In Table 3 below, the cost of the School System's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the parish taxpayers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits they believe are provided by the function. The net cost also reflects the amount needed to finance these functions from general sources such as taxes and MFP.

**Table 3  
Total and Net Cost of Governmental Activities**

	2010		2009	
	<u>Total Cost of Services</u>	<u>Net cost of Services</u>	<u>Total Cost of Services</u>	<u>Net cost of Services</u>
<b>Governmental activities:</b>				
<b>Instruction:</b>				
Regular programs	\$ 175,926,190	\$ (172,003,202)	\$ 171,117,833	\$ (164,975,518)
Special programs	120,039,070	(28,758,729)	121,974,741	(41,634,858)
Vocational programs	16,264,388	4,080,185	16,360,839	(2,861,179)
All other programs	8,362,899	(8,168,618)	9,244,530	(8,920,754)
<b>Support services:</b>				
Student services	54,253,828	(54,253,231)	61,903,396	(61,903,396)
Instructional staff support	12,051,725	(12,051,725)	11,066,093	(11,066,093)
General administration	32,398,583	(26,097,825)	35,571,063	(26,773,364)
School administration	32,923,814	(32,923,814)	32,761,186	(32,761,186)
Business services	13,688,220	(13,688,220)	16,139,592	(16,139,592)
Operations maintenance services	34,334,610	(34,334,610)	44,984,499	(44,984,499)
Pupil transportation services	17,864,194	(17,317,494)	18,230,936	(17,534,998)
Central activity services	10,808,008	(10,808,008)	9,260,477	(9,260,477)
Interest on long-term debt	7,055,542	(7,055,542)	8,387,843	(8,387,843)
Other expenses	3,892,422	(3,892,422)	6,452,413	(6,452,413)
<b>Total Governmental Activities</b>	<b>\$ 539,863,493</b>	<b>\$ (417,273,255)</b>	<b>\$ 563,455,441</b>	<b>\$ (453,656,170)</b>

Net cost of governmental activities of \$417.3 million were financed by general revenues, primarily made up of property taxes of \$72.9 million, sales taxes of \$161.3 million, and state sources of \$162.9 million.

Any increases in expenses can be primarily attributed to increases in salaries and benefits due to an increase in student population. Decreases can be attributed to cost saving measures implemented in facility and maintenance expenditures. The cost of liability insurance also declined during 2010. Additionally, federal program expenditures have declined due to the decrease in grant revenues allotted.

*Business-Type Activities*

The School Lunch Enterprise Fund reported an excess of expenses over revenues of \$2.5 million for the year ended June 30, 2010. The current decline in students due to Hurricane Katrina directly affects both local and federal reimbursement for meals. The overhead associated with operating 87 cafeteria facilities exceed operating revenues. Every effort is being made to adjust staffing in an attempt to decrease and control cost.

## **FINANCIAL ANALYSIS OF THE SCHOOL SYSTEM'S FUNDS**

The School System used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The School System uses funds to control and permit measurement in the short term of the revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The Governmental Fund Financial Statements allow the School System to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the School System and assess further the School System's overall financial stability.

As the School System completed the fiscal year ended June 30, 2010 its combined fund balance was \$246.2 million as compared to a combined fund balance of \$290.4 million as of June 30, 2009. The excess of expenditures over revenues in the general fund includes the use of \$15.2 million in designated fund balance. The designated fund balances for raises increased due to the increase in property tax collections. Expenditures remain limited to those which have the greatest impact on academic achievement and cost mandated by state agencies.

### **General Fund Budgetary Highlights**

The School System's budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires the budget be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School System was adopted on August 5, 2009 and the final revised budget was adopted on May 5, 2010.

A statement showing the School System's original and final budget compared with actual operating results is provided in this CAFR beginning on page 58. The School System's year-end actual resulted in an unfavorable variance as compared to budgeted although conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund actual revenues were short of projections due to an unstable sales tax base and plummeting interest rates. Expenditures were also over final projections. The unfavorable expenditure variance can be attributed to an overall decline in economic conditions throughout the region.

**Capital Assets and Debt Administration**

*Capital Assets*

As of June 30, 2010, the School System had invested \$499 million in capital assets, including school buildings and improvements, computers, furniture and equipment. The Business-Type Activities had \$6,529,104 invested in furniture and equipment. The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2009.

	Governmental Activities	Business-Type Activities	Total
Land	\$ 21,609,423	\$ -	\$ 21,609,423
Construction in process	51,923,122		51,923,122
Buildings and improvements	122,351,817		122,351,817
Furniture and equipment	<u>28,645,568</u>	<u>517,894</u>	<u>29,163,462</u>
<b>Total</b>	<b><u>\$ 224,529,930</u></b>	<b><u>\$ 517,894</u></b>	<b><u>\$ 225,047,824</u></b>

Additional information on capital assets can be found in Note 3 on pages 37 through 38 of this report.

*Debt Administration*

As of June 30, 2010, the School System had \$187.5 million in general obligation bonds and other long-term debt outstanding, of which \$13.5 million is due within one year. The net decrease of \$4.2 million can be attributed to scheduled principal payments, amortization of premium/discount associated with outstanding bonds, an increase in bonds payable of \$21.6, a decrease of \$17 million for the forgiveness of the FEMA issued CDL loans, the issuance of \$7.9 million notes payable for technology, and the maturity of a bond issue. In 2010, \$21.6 million in bonds were issued to capital renovations. The following table presents a summary of the outstanding long-term debt for the fiscal year ended June 30, 2010.

	Amount
Ad valorem bonds	\$ 35,146,000
Sales tax bonds	143,593,000
LCDAs Loan	857,000
Notes payable	7,913,691
<b>Total</b>	<b><u>\$ 187,509,691</u></b>

Additional information on long-term debt can be found in Note 6 on pages 39 through 42 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Jefferson Parish School Board authorized and adopted cost saving measures of \$26.2 million at the May 5, 2010 and June 9, 2010 regular meetings. A large portion of savings is expected to be derived from a reduction in personnel since salaries and benefits represent 83% of total expenditures. Uncertainties such as the economic climate of the state and parish, the effects of the oil spill in the gulf, and the ever fluid student

enrollment have impacted the general fund budget. Without a designated fund balance, severe and drastic cost cuts would be necessary. Every effort is being made to preserve the undesignated unreserved fund balance in future budgets.

#### **SUBSEQUENT EVENTS**

On July 7, 2010 the School System issued \$21.9 million in Qualified School Construction Bonds (QSCB) for a second year. These bonds were issued for the purpose of construction, rehabilitation or repair of facilities. These bonds will mature in 16 years, payable upon maturity with a supplemental interest rate of 0.50% per annum.

On September 11, 2010 the School System issued \$5 million of Limited Tax Bonds for the purpose of acquiring technology equipment. These bonds will mature in 8 years and bear an interest rate of 2.43%.

On September 21, 2010 the School System issued \$22.9 of 1/4 % Sales Tax Refunding Bonds.

On October 2, 2010, five new school board members were elected to districts 8, 4, 6, 7, and 9. The new members will take office in January 2010. Four incumbent board members lost the October 2<sup>nd</sup> election and one member vacated a district seat. The School System consists of a nine member board.

#### **CONTACTING THE SCHOOL SYSTEM'S FINANCIAL MANAGEMENT**

While this CAFR is designed to provide full and complete disclosure of the financial condition and operations of the School System, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Jefferson Parish Public School System, 4600 River Road Marrero, Louisiana, 70072, or by calling (504) 349-7627 during regular office hours, Monday through Friday, 7:00 a.m. to 3:00 p.m., Central Standard Time.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT A**

**STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2010**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Jefferson Community Charter School	Jefferson Education Foundation
<b>ASSETS</b>					
Cash and cash equivalents	\$ 244,699,486	\$ 276,295	\$ 244,975,781	\$ 264,107	\$ 902,919
Receivables:					
Sales and use tax	25,682,980	297,528	25,980,508		
Accounts	2,722,889		2,722,889		
Interest	1,641		1,641		
Due from component unit	276,014		276,014	(276,014)	
Due from primary government	3,943,226	(3,943,226)			
Due from other governments	19,600,596	309,773	19,910,369		
Inventory		1,477,658	1,477,658		
Prepaid assets	5,588,688		5,588,688		
Deferred financing costs	1,149,569		1,149,569		
Capital assets:					
Land	21,609,423		21,609,423		
Construction in process	51,923,122		51,923,122		
Building and improvements, net	122,351,817		122,351,817		
Furniture and equipment, net	28,645,568	517,894	29,163,462	29,495	
<b>TOTAL ASSETS</b>	<b>528,195,019</b>	<b>(1,064,078)</b>	<b>527,130,941</b>	<b>17,588</b>	<b>902,919</b>
<b>LIABILITIES</b>					
Accounts payable	8,459,625	150,696	8,610,321		
Due to other governmental units	98,706		98,706		
Accrued interest payable	2,800,000		2,800,000		
Accrued liabilities:					
Salaries, wages, payroll taxes and retirement contribution	45,298,559		45,298,559		
Workers' compensation claims	2,410,472		2,410,472		
Other post employment benefits	13,302,967		13,302,967		
Claims and judgments:					
Due in more than one year	220,000		220,000		
Compensated absences:					
Due within one year	7,913,907	132,471	8,046,378		
Due in more than one year	27,961,853	468,053	28,429,906		
Unearned revenue		1,015,086	1,015,086		
Bonds payable/other borrowings:					
Due within one year	13,528,058		13,528,058		
Due in more than one year	173,981,633		173,981,633		
<b>TOTAL LIABILITIES</b>	<b>295,975,780</b>	<b>1,766,306</b>	<b>297,742,086</b>		
<b>NET ASSETS</b>					
Invested in capital assets—net of related debt	40,969,808	517,894	41,487,702	29,494	
Restricted for:					
Capital projects	119,874,877		119,874,877		
Debt service	28,911,716		28,911,716		
Specific programs	36,619,395		36,619,395	(11,906)	902,919
Unrestricted	5,843,443	(3,348,278)	2,495,165		
<b>TOTAL NET ASSETS</b>	<b>\$ 232,219,239</b>	<b>\$(2,830,384)</b>	<b>\$ 229,388,855</b>	<b>\$ 17,588</b>	<b>\$ 902,919</b>

The notes to basic financial statements are an integral part of this statement.

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# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities:			
Instruction:			
Regular programs	\$ 175,926,190	\$ 95,742	\$ 3,827,246
Special programs	120,039,070	4,218,336	87,062,005
Vocational programs	16,264,388		20,344,711
All other programs	8,362,899		194,281
Support services:			
Student services	54,253,828		
Instructional staff support	12,051,725		
General administration	32,398,583		6,300,756
School administration	32,923,814		
Business services	13,688,220		
Operations maintenance services	34,334,610		
Pupil transportation services	17,864,194		546,700
Central activity services	10,808,008		
Interest on long-term debt	7,055,542		
Other expenses	3,892,422		
Total governmental activities	<u>539,863,493</u>	<u>4,314,078</u>	<u>118,275,699</u>
Business-type activities—School Lunch	<u>21,195,534</u>	<u>2,083,230</u>	<u>16,567,500</u>
Total business-type activities	<u>21,195,534</u>	<u>2,083,230</u>	<u>16,567,500</u>
Total primary government	<u>\$ 561,059,027</u>	<u>\$ 6,397,308</u>	<u>\$ 134,843,199</u>
Component Unit—Jefferson Community Charter School	\$ -	\$ -	\$ -
Component Unit—Jefferson Education Foundation (Note 14)			
Total component units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues			
Taxes:			
Property taxes, levied for general purposes			
Sales and use taxes, levied for general purposes			
Sales and use taxes, levied for debt service			
Sales and use taxes, levied for public improvement			
State revenue sharing			
Grants and contributions not restricted to specific purpose			
Minimum foundation program			
Interest and investment earnings			
Miscellaneous			
Transfers			
Total general revenues and transfers			
Change in net assets			
Net assets—July 1, 2009			
Net assets—June 30, 2010			

The notes to basic financial statements are an integral part of this statement.

STATEMENT B

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Jefferson Community Charter School	Jefferson Education Foundation
\$ (172,003,202)	\$ -	\$ (172,003,202)	\$ -	\$ -
(28,758,729)		(28,758,729)		
4,080,323		4,080,323		
(8,168,618)		(8,168,618)		
(54,253,828)		(54,253,828)		
(12,051,725)		(12,051,725)		
(26,097,827)		(26,097,827)		
(32,923,814)		(32,923,814)		
(13,688,220)		(13,688,220)		
(34,334,610)		(34,334,610)		
(17,317,494)		(17,317,494)		
(10,808,008)		(10,808,008)		
(7,055,542)		(7,055,542)		
(3,892,422)		(3,892,422)		
<u>(417,273,716)</u>		<u>(417,273,716)</u>		
	(2,544,804)	(2,544,804)		
	(2,544,804)	(2,544,804)		
<u>\$ (417,273,716)</u>	<u>\$ (2,544,804)</u>	<u>\$ (419,818,520)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (821,902)	\$ 2,049,797
\$ -	\$ -	\$ -	\$ (821,902)	\$ 2,049,797
\$ 72,861,837	\$ -	\$ 72,861,837	\$ -	\$ -
135,556,431		135,556,431		
3,000,000		3,000,000		
22,775,696		22,775,696		
2,284,598		2,284,598		
152,900,502		152,900,502		
209,419		209,419	937	
21,758,234		21,758,234	883,818	(1,523,732)
(2,155,472)	\$ 2,155,472			
<u>409,191,245</u>	<u>2,155,472</u>	<u>411,346,717</u>	<u>884,755</u>	<u>(1,523,732)</u>
(8,082,471)	(389,332)	(8,471,803)	62,853	526,065
<u>240,301,710</u>	<u>(2,441,052)</u>	<u>237,860,658</u>	<u>(45,265)</u>	<u>376,854</u>
<u>\$ 232,219,239</u>	<u>\$ (2,830,384)</u>	<u>\$ 229,388,855</u>	<u>\$ 17,588</u>	<u>\$ 902,919</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT C

Page 1 of 2

GOVERNMENTAL FUNDS—BALANCE SHEET  
AS OF JUNE 30, 2010

ASSETS	General	Elementary and Secondary Education Act of 1965 (Title 1)	Capital Projects—Dedicated Sales Tax	Other Governmental Funds	Total
ASSETS—Cash and investments (Note 3)	\$ 74,032,164	\$ 977	\$127,846,377	\$42,819,968	\$244,699,486
Receivables:					
Sales and use tax (Note 6)	25,682,980				25,682,980
Other accounts	2,357,453			365,436	2,722,889
Interest receivable	1,641				1,641
Due from other funds (Note 9)	66,328,404		21,688,751	11,157,861	99,175,016
Due from component unit	276,014				276,014
Due from other governmental units		7,616,666		11,983,930	19,600,596
Prepaid items (principally insurance)	5,588,688				5,588,688
<b>TOTAL ASSETS</b>	<b>\$174,267,344</b>	<b>\$7,617,643</b>	<b>\$149,535,128</b>	<b>\$66,327,195</b>	<b>\$397,747,310</b>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT C

Page 2 of 2

GOVERNMENTAL FUNDS—BALANCE SHEET  
AS OF JUNE 30, 2010

	General	Elementary and Secondary Education Act of 1985 (Title 1)	Capital Projects— Dedicated Sales Tax	Other Governmental Funds	Total
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES—</b> Accounts payable	\$ 4,154,976	\$ 40,701	\$ 195,179	\$ 3,038,212	\$ 7,429,068
Retainages payable					
Contracts payable			1,030,557		1,030,557
Accrued liabilities:					
Salaries, wages, payroll taxes, and retirement contributions	45,298,559				45,298,559
Workers' compensation claims (Note 11)	2,410,472				2,410,472
Due to other funds (Note 9)	22,785,637	11,211,629	28,434,515	32,800,009	95,231,790
Due to other governmental units				98,706	98,706
<b>Total liabilities</b>	<u>74,649,644</u>	<u>11,252,330</u>	<u>29,660,251</u>	<u>35,936,927</u>	<u>151,499,152</u>
<b>FUND BALANCES:</b>					
Fund balance (Note 12):					
Reserved	42,912,692		119,874,877	36,599,589	199,387,158
Unreserved:					
Designated for:					
Special Programs	25,437,813			1,698,949	27,136,762
Capital Projects					
Undesignated reported in:					
Special Revenue		(3,634,687)		(7,908,270)	(11,542,957)
General Fund	<u>31,267,195</u>				<u>31,267,195</u>
<b>Total fund balances</b>	<u>99,617,700</u>	<u>(3,634,687)</u>	<u>119,874,877</u>	<u>30,390,268</u>	<u>246,248,158</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$174,267,344</u>	<u>\$ 7,617,643</u>	<u>\$149,535,128</u>	<u>\$ 66,327,195</u>	<u>\$397,747,310</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM****STATEMENT D****RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2010**

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Total Fund Balances at June 30, 2010—Governmental Funds		<u>\$ 246,248,158</u>
Cost of capital assets at June 30, 2010	\$ 498,991,807	
Less accumulated depreciation as of June 30, 2010:		
Buildings and improvements	(227,640,234)	
Furniture and equipment	<u>(46,821,643)</u>	<u>224,529,930</u>
Elimination of interfund assets and liabilities:		
Due from other funds	(95,231,790)	
Due to other funds	<u>95,231,790</u>	
Deferred financing costs		<u>1,149,569</u>
Long-term liabilities at June 30, 2010:		
Claims and judgments—long-term portion	(220,000)	
Other post employment benefits	(13,302,967)	
Compensated absences	(35,875,760)	
Bonds payable	(187,509,691)	
Accrued interest payable	<u>(2,800,000)</u>	<u>(239,708,418)</u>
Net assets—June 30, 2010		<u>\$ 232,219,239</u>

The notes to basic financial statements are an integral part of this statement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT E

GOVERNMENTAL FUNDS—STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES—ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 2010

	General	Elementary and Secondary Education Act of 1965 (Title 1)	Capital Projects— Dedicated Sales Tax	Other Governmental Funds	Total
<b>REVENUES:</b>					
Local sources:					
Property taxes	\$ 72,861,837	\$ -	\$ -	\$ -	\$ 72,861,837
Sales and use taxes	135,556,431		22,775,696	3,000,000	161,332,127
Tuition and other	95,742			4,218,336	4,314,078
Interest income	75,609		73,162	60,646	209,417
Other	4,255,530	19,178	1,312,533	15,584,163	21,171,404
State sources	157,525,730			5,358,152	162,883,882
Federal sources	665,618	27,330,498		61,409,399	89,405,515
Total revenues	<u>371,036,497</u>	<u>27,349,676</u>	<u>24,161,391</u>	<u>89,630,696</u>	<u>512,178,260</u>
<b>EXPENDITURES:</b>					
Current:					
Instruction	247,940,330	20,442,903	345,482	35,897,336	304,626,051
Supporting services	157,087,036	6,605,839		45,933,260	209,626,135
Non-instruction	45,289	499,675		3,348,029	3,892,993
Capital outlay			20,023,829	20,081,016	40,104,845
Debt service:					
Principal retirement				14,211,538	14,211,538
Interest and fiscal charges				11,299,542	11,299,542
Total expenditures	<u>405,072,655</u>	<u>27,548,417</u>	<u>20,369,311</u>	<u>130,770,721</u>	<u>583,761,104</u>
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	<u>(34,036,158)</u>	<u>(198,741)</u>	<u>3,792,080</u>	<u>(41,140,025)</u>	<u>(71,582,844)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in (Note 9)	29,351,462		21,000,000	40,628,642	90,980,104
Transfers out (Note 9)	(10,551,162)	(2,081,375)	(34,900,939)	(45,602,100)	(93,135,576)
Proceeds under financing arrangement				7,913,790	7,913,790
Bond proceeds				21,646,000	21,646,000
Total other financing sources (uses)—net	<u>18,800,300</u>	<u>(2,081,375)</u>	<u>(13,900,939)</u>	<u>24,586,332</u>	<u>27,404,318</u>
NET CHANGE IN FUND BALANCES	<u>(15,235,858)</u>	<u>(2,280,116)</u>	<u>(10,108,859)</u>	<u>(16,553,693)</u>	<u>(44,178,526)</u>
FUND BALANCES—Beginning of year	<u>114,853,558</u>	<u>(1,354,571)</u>	<u>129,983,736</u>	<u>46,943,961</u>	<u>290,426,684</u>
FUND BALANCES—End of year	<u>\$ 99,617,700</u>	<u>\$ (3,634,687)</u>	<u>\$119,874,877</u>	<u>\$ 30,390,268</u>	<u>\$246,248,158</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT F**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS—STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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Total net changes in fund balance—governmental funds		\$ (44,178,526)
Capital assets:		
Capital outlays capitalized	\$ 52,487,877	
Depreciation expense	17,065,612	
Proceeds from disposal of assets	(230,343)	
Loss on disposal of assets	<u>(59,866)</u>	<u>69,263,280</u>
Increase in other post employment benefits		<u>(4,912,153)</u>
Long-term debt:		
Debt forgiven	(17,000,000)	
Principal portion of debt service payments	14,671,011	
Increase in liabilities for compensated absences	(49,065)	
Amortization of deferred bond issuance costs	(198,000)	
Excess of interest accrued over interest paid	1,800,000	
Reduction of interest expense related to current maturities of deep-discount debt	2,540,246	
Debt proceeds	<u>(30,019,264)</u>	<u>(28,255,072)</u>
Change in net assets—governmental activities		<u>\$ (8,082,471)</u>

The notes to basic financial statements are an integral part of this statement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT G-1

STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES—BUDGET (NON-GAAP BUDGETARY BASIS)  
 AND ACTUAL—GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance- from Revised Budget Positive (Negative)
<b>REVENUES:</b>				
Local sources:				
Property taxes	\$ 71,420,005	\$ 71,420,005	\$ 72,861,837	\$ 1,441,832
Sales and use taxes	138,733,431	132,207,470	135,556,431	3,348,961
Tuition and other			95,742	95,742
Interest income	4,500,000	1,000,000	75,609	(924,391)
Other	9,337,064	11,287,064	4,255,530	(7,031,534)
State sources	159,193,402	162,938,986	157,525,730	(5,413,256)
Federal sources	4,450,000	4,450,000	665,618	(3,784,382)
Total revenues	<u>387,633,902</u>	<u>383,303,525</u>	<u>371,036,497</u>	<u>(12,267,028)</u>
<b>EXPENDITURES:</b>				
Instruction	238,801,984	243,689,879	247,940,330	(4,250,451)
Supporting services	152,875,509	157,781,191	157,087,036	694,155
Non-instruction	15,000	11,889	45,289	(33,400)
Total expenditures	<u>391,692,493</u>	<u>401,482,959</u>	<u>405,072,655</u>	<u>(3,589,696)</u>
DEFICIENCIES OF REVENUES UNDER EXPENDITURES	<u>(4,058,591)</u>	<u>(18,179,434)</u>	<u>(34,036,158)</u>	<u>(15,856,724)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in			29,351,462	29,351,462
Transfers out			(10,551,162)	(10,551,162)
Total other financing uses—net			<u>18,800,300</u>	<u>18,800,300</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,058,591)</u>	<u>\$ (18,179,434)</u>	<u>\$ (15,235,858)</u>	<u>\$ 2,943,576</u>
ENCUMBRANCES OUTSTANDING AT YEAR END				
PRIOR YEAR ENCUMBRANCES EXPENDED IN CURRENT YEAR				
			704,609	
FUND BALANCES—Beginning of year (GAAP Basis)			<u>(1,322,573)</u>	
FUND BALANCES—End of year (GAAP Basis)			<u>\$ (15,853,822)</u>	

The notes to basic financial statements are an integral part of this statement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATEMENT G-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL—ELEMENTARY AND  
 SECONDARY EDUCATION ACT OF 1965 (TITLE I)—SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Actual on Budgetary Basis	Variance from Budget Positive (Negative)
<b>REVENUES:</b>			
Federal sources	\$ 40,621,461	\$ 27,330,498	\$ (13,290,963)
Other		19,178	19,178
Total revenues	<u>40,621,461</u>	<u>27,349,676</u>	<u>(13,271,785)</u>
<b>EXPENDITURES:</b>			
Salaries	15,473,574	13,976,388	1,497,186
Benefits	5,075,497	3,762,437	1,313,060
Purchased professional and technical services	8,639,287	3,257,361	5,381,926
Purchased property services	13,000	46,933	(33,933)
Other purchased services	1,608,001	286,678	1,321,323
Supplies	7,176,110	6,192,324	983,786
Other objects		26,296	(26,296)
Indirect cost	<u>2,635,992</u>		<u>2,635,992</u>
Total expenditures	<u>40,621,461</u>	<u>27,548,417</u>	<u>13,073,044</u>
EXCESS OF REVENUES OVER EXPENDITURES		<u>(198,741)</u>	<u>(198,741)</u>
OTHER FINANCING SOURCES - Transfers In			
OTHER FINANCING USES - Transfer out		<u>(2,081,375)</u>	
NET CHANGE IN FUND BALANCE		<u>(2,280,116)</u>	
FUND BALANCE—Beginning of year (GAAP Basis)	<u>1,182</u>	<u>(1,354,571)</u>	
FUND BALANCE—End of year (GAAP Basis)	<u>\$ 1,182</u>	<u>\$ (3,634,687)</u>	

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT H**

**STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 AS OF JUNE 30, 2010**

	<u>Business-Type Enterprise Fund School Lunch</u>
<b>ASSETS</b>	
CURRENT ASSET:	
Cash and cash equivalents	\$ 276,295
Receivables (net of allowances for uncollectibles)	297,528
Due from other funds	(3,943,226)
Due from other governmental units	309,773
Inventory	<u>1,477,658</u>
Total current assets	<u>(1,581,972)</u>
NON-CURRENT ASSET:	
Capital assets (net of accumulated depreciation)	<u>517,894</u>
<b>TOTAL ASSETS</b>	<u>(1,064,078)</u>
<b>LIABILITIES</b>	
CURRENT LIABILITIES:	
Accounts, salaries, and other payables	150,696
Unearned revenues	1,015,086
Compensated absences	132,471
Total current liabilities	<u>1,298,253</u>
NON-CURRENT LIABILITIES—Compensated absences	<u>468,053</u>
<b>TOTAL LIABILITIES</b>	<u>1,766,306</u>
<b>NET ASSETS</b>	
Invested in capital assets	517,894
Unrestricted	<u>(3,348,278)</u>
<b>TOTAL NET ASSETS</b>	<u>\$ (2,830,384)</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT I**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUND TYPE—SCHOOL LUNCH ENTERPRISE FUND  
 FOR THE YEAR ENDED JUNE 30, 2010**

OPERATING REVENUE—Food service sales	<u>\$ 2,083,230</u>
OPERATING EXPENSES:	
Salaries and related benefits	10,185,814
Food costs	7,582,656
Material and supplies	940,363
Contractual services	677,593
Depreciation	214,746
Miscellaneous	94,433
Printing	33,999
Repairs and maintenance	858,622
Travel	7,308
Utilities	<u>600,000</u>
Total	<u>21,195,534</u>
OPERATING LOSS	<u>(19,112,304)</u>
NONOPERATING REVENUES (EXPENSES):	
Federal grants in aid:	
Donated commodities	773,900
School lunch and breakfast program	15,224,915
State MFP	<u>568,685</u>
Total	<u>16,567,500</u>
LOSS BEFORE TRANSFERS	(2,544,804)
TRANSFERS FROM OTHER FUNDS	<u>2,155,472</u>
CHANGE IN NET ASSETS	(389,332)
NET ASSETS—Beginning of year	<u>(2,441,052)</u>
NET ASSETS—End of year	<u>\$ (2,830,384)</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT J**

**STATEMENT OF CASH FLOWS—PROPRIETARY FUND TYPE  
SCHOOL LUNCH ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from sales	\$ 2,115,304
Cash payments for personal services	(10,077,566)
Cash payments for contractual services	(677,593)
Cash payments for material and supplies	(8,181,051)
Cash payments for repairs and maintenance	(858,622)
Cash payments for utilities	(600,000)
Cash payments for other expenses	(135,740)
Net cash used in operating activities	<u>(18,415,268)</u>
<b>CASH FLOWS FROM NONCAPITAL ACTIVITIES:</b>	
Federal grants in aid	15,224,915
State MFP	559,878
Donated commodities	773,900
Net advances to other funds	(288,965)
Transfers in from other funds	<u>2,155,472</u>
Net cash provided by noncapital financing activities	<u>18,425,200</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</b>	
<b>ACTIVITIES—Acquisition of capital assets</b>	(61,606)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(51,674)
<b>CASH AND CASH EQUIVALENTS—Beginning of year</b>	<u>327,969</u>
<b>CASH AND CASH EQUIVALENTS—End of year</b>	<u>\$ 276,295</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH</b>	
<b>USED IN OPERATING ACTIVITIES:</b>	
Operating loss	\$(19,112,304)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	214,746
Change in assets and liabilities:	
Decrease in accounts receivable	32,074
Decrease in inventories	73,999
Decrease in accounts payable	(25,651)
Increase in deferred revenues	293,620
Increase in accrued compensation	<u>108,248</u>
Net cash used in operating activities	<u>\$(18,415,268)</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>	
Donated commodities received	\$ 1,141,519
Donated commodities used	<u>(773,900)</u>
Total noncash investing, capital, and financing activities—net	<u>\$ 367,619</u>

The notes to basic financial statements are an integral part of this statement.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATEMENT K**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AS OF JUNE 30, 2010**

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	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$6,345,749</u>
<b>TOTAL ASSETS</b>	<u><b>\$6,345,749</b></u>
<b>LIABILITIES</b>	
Due to student groups	\$3,697,778
Due to schools	2,604,531
Due to others	228
Due to photographers	<u>43,212</u>
<b>TOTAL LIABILITIES</b>	<u><b>\$6,345,749</b></u>

The notes to basic financial statements are an integral part of this statement.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jefferson Parish Public School System (the School System) is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The School System is governed by an elected board comprised of nine members.

The following is a summary of the School System's significant accounting policies which conform to accounting principles generally accepted in the United States of America as applicable to governmental units:

**Reporting Entity**—In conformity with the Governmental Accounting Standards Board's (GASB) definition of a reporting entity, the financial statements of the School System include the accounts of all School System operations. As required by accounting principles generally accepted in the United States of America, these financial statements present the School System as the primary government. The School System has two component units, the Jefferson Community Charter School (Charter School) and the Jefferson Education Foundation (Foundation), which are presented as a discretely presented component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Charter School is included in the reporting entity because it is fiscally dependent on the School System for the majority of its revenue, and because exclusion would render the School System's financial statements incomplete or misleading. However, the Charter School is a legally separate entity and, as such, appoints its own Board. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grade who have been expelled from the parish public School System to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high schools. The component unit also has a June 30 year end. Complete financial statements of the component unit can be obtained from the Charter School. The Foundation is included in the reporting entity because it is chartered and exists exclusively to benefit the Jefferson Parish Public Schools and because its exclusion would render the School System's financial statements incomplete or misleading. Complete financial statements may be obtained directly from The Board of The Foundation, 400 N. Peters, Suite 200, New Orleans, LA 70130. The School System and its component units represent the reporting entity. Additionally, the School System is a legally-separate governmental organization that has a separately elected governing body and does not meet the definition of a component unit of any other entity.

**Fund Accounting**—The accounts of the School System are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, retained earnings, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. The following fund types and discretely presented component units are used by the School System:

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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### **Governmental Fund Types (FFS)**

*General Fund*—to account for all financial resources and expenditures except those required to be accounted for in another fund.

*Special Revenue Funds*—to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

*Debt Service Funds*—to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs.

*Capital Projects Funds*—to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

### **Proprietary Fund Type**

*Enterprise Fund*—to account for operations that are financed and operated in a manner similar to private business enterprises, where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The only enterprise fund maintained by the School System is the School Lunch Fund which provides lunch, breakfast, and milk to students at free or reduced prices.

### **Fiduciary Fund Type**

*Agency Funds*—to account for assets held by the School System as an agent for separate school funds, school group and clubs, and others.

### **Component Units**

The component units of the School System, the Jefferson Community Charter School and the Jefferson Education Foundation, are accounted for as governmental fund types.

***Basis of Accounting/Measurement Focus—Government-Wide Financial Statements (GWFS)***—The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School System, except for the fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund balance sheet level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). As a general rule, the effect of interfund activity has been eliminated from these statements, although interfund services provided and used are not eliminated in the process of consolidation. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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**Program Revenues**—Program revenues included in the Statement of Activities derive directly from parties outside the School System's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School System's general revenues.

**Allocation of Indirect Expenses**—The School System reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings other than specific school sites is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The School System reports the following major governmental funds:

**General Fund** is the principal operating fund of the School System and receives most of the revenues derived by the School System from local (principally property and sales taxes) and State sources. General Fund expenditures represent the costs of general School System operations and include functional categories of instruction, supporting services and non-instruction. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

**ESEA (Title I)** is used to account on a project basis for funds allocated to programs for educationally disadvantaged children (Title I, Part A), children of migrant agriculture workers (Title I, Part C), for the improvement of student achievement and quality of education (Title I, Part C), and to improve the education opportunities for children and establish a reading program (Title I, Part B). This fund is the largest single fund in the special revenue fund group and comprises approximately 32% of special revenue fund revenues and expenditures.

**Dedicated Sales Tax Fund** is a capital projects fund used to account for the proceeds of the various 1954 and 1980 sales tax bonds issued from 1986 through 2005 and that portion of the sales tax approved June 28, 1980 (1/4 cent) dedicated for capital improvements. Funds not required for capital projects are typically transferred to debt service funds to cover principal and interest payments on debt secured by sales tax revenues. Approximately 60-75% of capital project expenditures typically flow through this fund.

The School System reports the following major proprietary fund:

**School Lunch Fund** is a federally assisted meal program that provides nutritionally balanced low cost or free meals to children.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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

The modified accrual basis of accounting is followed by the Governmental Funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long-term debt, compensated absences, and claims and judgments which are recognized when due, are recorded when the fund liability is incurred, if measurable.

Revenues from local sources consist primarily of sales and use and property taxes. Year-end accrual of sales and use tax revenue is based upon June and prior months' sales and use taxes collected during July and August of the following year. Property tax revenues and revenues received from the State of Louisiana (the State) are recognized as revenue primarily as received except at year end when they are accrued for a period not exceeding 60 days. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Generally, investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned when qualifying expenditures are made and all other grant requirements have been met and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

The Proprietary Fund Type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net assets. The Proprietary Fund Type operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by the Proprietary Fund Type and the Agency Funds. Under this basis of accounting, revenues are recognized when earned, and expenses are recognized when the related liability is incurred.

The School Lunch proprietary fund distinguishes between operating and nonoperating revenues and expenses. Operating revenues consist of charges to customers for food service sales. Operating expenses result from the cost of food service, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting the above definitions are reported as nonoperating revenues and expenses.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the School System has elected to apply all applicable GASB pronouncements as well as all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Under the provisions of GASB Statement No. 20, the School System has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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

*Budget and Budgetary Accounting*—Under Louisiana Revised Statutes 17:88 and 39:1301-1314, the School System adopts an annual budget of expected revenues and probable expenditures for the General Fund and its Special Revenue Funds. The budgetary process includes public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. The budget is adopted and submitted to the State Department of Education no later than September 15 each year. Once a budget is approved by the State Department of Education, it can be amended at the function level at the discretion of management unless it becomes evident that receipts or disbursements will vary substantially from those budgeted. Then, the School Board shall prepare and adopt an amended budget.

Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds noted below. Budgetary control is exercised at the revenue and expenditure function level. Formal budgetary integration is not employed for the Debt Service and Capital Projects funds since their expenditures are controlled by contractual arrangements. Budgeted amounts reflected in the accompanying financial statements for the General Fund were adopted by the School Board on August 5, 2009, and include amendments, none of a significant nature, made through August 5, 2009. Special Revenue Funds budgets for Adult Education and Community Education were adopted by the School Board on September 5, 2008, and include amendments, none of a significant nature, made through September 2, 2009. The Special Revenue Fund budget for Title 1 was adopted on September 2, 2009, and no Board approved revisions were made.

The School System's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Statement of Revenues, Expenditures and Changes in Fund Balances—Budget (Non-GAAP Budgetary Basis) and Actual—General and Special Revenue Fund Types (Statements G-1 and G-2) includes encumbrances and, thus, differs from the expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Fund Types (Statement E) by the amount of the net change in encumbrances outstanding at year end. The General Fund represents the only budgeted fund with encumbrances outstanding at year-end. A reconciliation of the differences between actual data and amounts on a budgetary basis for the general fund is presented below:

	<b>General Fund</b>
Excess of revenues and other sources over expenditures and other uses (budgetary basis)	\$ (15,235,858)
To reverse June 30, 2010 encumbrances recorded as expenditures on the budgetary basis	704,609
To add back prior year's encumbrances paid in 2010, but not recorded as expenditures in 2009	<u>(1,322,573)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ (15,853,822)</u>

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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**Encumbrances**—Commitments related to unperformed executory contracts for goods or services, such as outstanding purchase orders and uncompleted contracts, are recorded as encumbrances in order to reserve the applicable portion of the appropriation. Appropriations are valid for the year for which made, and any part of such appropriation which is not encumbered or expended lapses at the end of the year. Encumbrances outstanding at year-end are reported as reservations of fund balances since they represent authority for expenditure in the subsequent year. Encumbrances do not constitute GAAP expenditures or liabilities. As materials are subsequently received, liabilities are recorded, and the related encumbrances are eliminated.

**Cash and Cash Equivalents**—For purposes of the statement of cash flows, the School Lunch Enterprise Fund considers all short-term, highly liquid investments (including certificates of deposit) with an original maturity of three months or less when purchased to be cash equivalents.

**Investments**—Investments are stated at fair value.

**Receivables and Payables**—On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “due to/from other funds.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Inventory**—The School Lunch Enterprise Fund inventory consists of purchased food and supplies and commodities received as donations through the federal school lunch program. Such inventory is priced at cost (except for commodities received as donations which are priced using the USDA price list for commodities) on a first-in, first-out basis. Until donated commodities are consumed, they are reported as deferred revenues.

**Prepaid Items**—Payments made to vendors for services that will benefit periods beyond June 30, 2010, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**Capital Assets**—Capital assets which are purchased are recorded at cost or estimated historical cost. Actual historical cost data was not available for buildings and improvements acquired or constructed prior to 1975. In those cases where it was not feasible to determine the actual cost, the buildings and improvements were valued at estimated historical cost by using price indices. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School System maintains a threshold level of \$5,000 or more for capitalizing capital assets.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

Capital assets are recorded in the GWFS, but are not reported in the governmental FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School System, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Land improvements	20-30 years
Buildings and building improvements	25-40 years
Furniture and fixtures	5-10 years
Vehicles	5-10 years
Equipment	5-17 years

### *Compensated Absences*

- A. *Vacation and Sick Leave*—All full-time employees of the School System are permitted to accrue sick pay (sick leave). Since fiscal year 1994, vacation days (annual leave) accrued in one fiscal year are to be used by the end of the same fiscal year unless the Administrative Department head determines that the work assignment of the employee requesting the annual leave is such that the employee should not take annual leave during that particular fiscal year, and this carryover is approved by the Superintendent. Annual leave and sick leave may accrue to an unlimited number of days. Upon termination of employment, the employee is paid for all annual leave accrued prior to fiscal year 1994 at 1994 daily salary rates and post 1994 accrued annual leave approved by the Administrative Department head at current daily salary rates and accrued sick leave up to a maximum of 25 days at current daily salary rates.

Annual and sick leave liabilities are recorded as an expense when incurred in the School Lunch Enterprise Fund. In the governmental funds, no expenditure or liability is reported in connection with vacation and sick leave until such amounts are paid, or in the case of termination payments for unused leave, when such payments are due. The amount of accumulated vacation and accumulated vested sick leave at June 30, 2010 applicable to Governmental Funds was \$22,522,585, which is reported in the GWFS.

- B. *Sabbatical Leave*—Any employee with a teaching certificate is entitled, subject to approval, to one semester of sabbatical leave after three or more years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leaves may be granted for medical reasons or professional and cultural improvement and must be approved by the School System. Unused sabbatical leave may be carried forward to periods subsequent to that in which it is earned. Sabbatical leave does not vest.

Accumulated sabbatical leave for which payment is probable is accrued. No expenditure or liability is reported in the Governmental Funds in connection with sabbatical leave. The amount of accumulated sabbatical leave at June 30, 2010 for which payment is probable was \$13,353,175, which is reported in the GWFS.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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For the governmental funds, compensated absences are generally liquidated by the general fund.

### 2. CASH AND INVESTMENTS

*Deposits*—In accordance with Louisiana Statutes, the School System maintains deposits at those depository banks authorized by the School System. All such depositories are members of the Federal Reserve System.

Louisiana Statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

At June 30, 2010, the carrying amount of the School System's deposits was \$244,975,781, and the bank balance was \$255,082,693. Of the bank balance, \$255,082,693 was covered by Federal depository insurance or secured by bank owned securities specifically pledged to the School System and held in joint custody by an independent custodian bank or trust department. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At June 30, 2010, there were no deposits held by the School System's that were exposed to custodial credit risk representing uninsured deposits collateralized by a pledging bank's trust department but not in the School System's name.

In addition, at year-end, the individual schools held cash, cash equivalents, and investments of \$6,345,749 in various accounts. The balances of these accounts are collateralized with either FDIC insurance and/or pledged securities in the School System's name. Because these accounts are not assets of the School System (Agency Funds), the balances are not reflected in the fund financial statements of the government-wide financial statements.

#### **Investments**

Cash balances of the School System's funds are pooled and invested to the extent possible in authorized investments. Interest earned on invested cash is distributed to the various funds on the basis of the actual invested cash balances of the participating funds during the year.

The School System may invest idle funds as authorized by Louisiana Statutes, as follows:

- (a) Direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States.

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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- (b) United States government agency obligations, the principal and interest of which are fully guaranteed by the government of the United States, or United States government obligations, the principal and interest of which are guaranteed by any United States government agency.
- (c) Direct security repurchase agreements of any federal book entry only securities enumerated in paragraphs (a) and (b).
- (d) Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana.
- (e) Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

The School System has no investment policy that would further limit its investment choices beyond the restrictions imposed by the State. The School System recognizes all purchases of investments with a maturity of three months or less as cash equivalents. At June 30, 2010, the School System did not have any investments with maturities extending beyond three months, consequently the disclosures of credit, credit concentration and interest rate risks specified by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are not applicable.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 3. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 21,319,498	\$ 289,925	\$ -	\$ 21,609,423
Construction in Process	<u>34,634,121</u>	<u>44,489,939</u>	<u>27,200,938</u>	<u>51,923,122</u>
Total capital assets not being depreciated	<u>55,953,619</u>	<u>44,779,864</u>	<u>27,200,938</u>	<u>73,532,545</u>
Capital assets being depreciated:				
Buildings and improvements	322,992,620	26,999,431		349,992,051
Vehicles	2,417,922	80,600	79,905	2,418,617
Equipment	<u>66,475,847</u>	<u>7,858,098</u>	<u>1,285,351</u>	<u>73,048,594</u>
Total capital assets being depreciated	<u>391,886,389</u>	<u>34,938,129</u>	<u>1,365,256</u>	<u>425,459,262</u>
Less accumulated depreciation for:				
Buildings and improvements	221,759,379	5,880,855		227,640,234
Vehicles	1,387,884	177,828	75,910	1,489,802
Equipment	<u>35,324,050</u>	<u>11,006,930</u>	<u>999,139</u>	<u>45,331,841</u>
Total accumulated depreciation	<u>258,471,313</u>	<u>17,065,613</u>	<u>1,075,049</u>	<u>274,461,877</u>
Total capital assets being depreciated—net	<u>133,415,076</u>	<u>17,872,516</u>	<u>290,207</u>	<u>150,997,385</u>
Governmental activities capital assets—net	<u>\$ 189,368,695</u>	<u>\$ 62,652,380</u>	<u>\$ 27,491,145</u>	<u>\$ 224,529,930</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b>Business-type activities:</b>				
Capital assets being depreciated— Furniture and equipment	<u>\$ 6,472,191</u>	<u>\$ 61,624</u>	<u>\$ 4,711</u>	<u>\$ 6,529,104</u>
Less accumulated depreciation for—Furniture and equipment	<u>5,801,157</u>	<u>214,764</u>	<u>4,711</u>	<u>6,011,210</u>
Total accumulated depreciation	<u>5,801,157</u>	<u>214,764</u>	<u>4,711</u>	<u>6,011,210</u>
Total capital assets being depreciated—net	<u>671,034</u>	<u>(153,140)</u>	<u>-</u>	<u>517,894</u>
Business-type activities capital assets—net	<u>\$ 671,034</u>	<u>\$ (153,140)</u>	<u>\$ -</u>	<u>\$ 517,894</u>

Depreciation expense was charged to governmental functions as follows:

	2010
Instruction:	
Regular	\$ 13,288,716
Special	2,394,951
Vocational	112,597
Support services—General administration	<u>1,269,349</u>
	<u>\$ 17,065,613</u>

#### 4. PROPERTY TAX

Property tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent thirty days after the due date. The property tax assessment for fiscal 2010 was formally levied in November 2009 based on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. The tax is billed and collected by the Jefferson Parish Sheriff's Office which receives certain millage for its services. Most of the property taxes are received by the School System in the month of January; however, delinquent property taxes are received throughout the year and are recognized as revenue primarily when they are received except at year-end when they are accrued for a period not exceeding 60 days.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

Property tax is assessed for maintenance and operation and debt service for the School System as follows:

	No. of Mills
Maintenance and operation	11.00
Constitutionally authorized	2.91
Teachers' salaries and benefits increases	9.00

### 5. SALES AND USE TAX

For the year ended June 30, 2010, a 4.75% local sales and use tax was levied and collected within Jefferson Parish by the Jefferson Parish Sheriff's Office of which 2% was received by the School System and dedicated for the following purposes:

- 1/2% (approved May 3, 1966) for teachers' salaries and operating expenses
- 1/2% (approved October 5, 1954 and January 12, 1971) for debt service purposes, for making capital improvements and/or for operating expenses (This represents 50% of a 1% tax levied by the Parish and dedicated to the School System.)
- 1/4% (approved June 28, 1980) for making capital improvements, with authority to issue additional bonds for such purpose, and paying the related maintenance and operating expenses
- 1/4% (approved June 28, 1980) for increasing salaries and fringe benefits of school teachers and other employees
- 1/2% (approved January 1, 2003) for increasing salaries and benefits of school teachers and other employees, establishing guidance programs, payment of debt service, and instruction and maintenance expense

### 6. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2010 (in thousands of dollars):

Governmental Activities	Compensated Absences	Claims and Judgments	Tax Bonds			LCDA Loan	FEMA Loan	Notes Payable	Total
			Ad Valorem Tax Bonds	1954 Sales Tax Bonds	1980 Sales Tax Bonds				
Balance—July 1, 2009	\$ 35,827	\$ 220	\$ 14,888	\$ 123,084	\$ 35,848	\$ 882	\$ 17,000	\$ -	\$ 227,749
Issuance of debt			21,646					8,373	30,019
Bonds retired			(1,410)	(6,500)	(6,277)	(25)			(14,212)
Discount/Premium accretion			22	(256)	(2,306)				(2,540)
Earned	6,806								6,806
Payments	(6,757)							(459)	(7,216)
Debt Forgiveness							(17,000)		(17,000)
Balance—June 30, 2010	\$ 35,876	\$ 220	\$ 35,146	\$ 116,328	\$ 27,265	\$ 857	\$ -	\$ 7,914	\$ 223,606
Due within one year	\$ 7,914	\$ -	\$ 2,893	\$ 7,056	\$ 1,715	\$ 26	\$ -	\$ 1,838	\$ 21,442

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

Bonded debt at June 30, 2010 is comprised of the following governmental activities serial bond issues:

Description	Interest Rates	Final Maturity Date	2010		Amount Outstanding
			Range of Annual Principal Payments		
			From	To	
<i>Ad valorem tax bonds:</i>					
\$15,000,000 issue of 11/1/2008	4.25-5.00	3/1/2018	\$ 1,470,000	\$ 1,945,000	\$ 13,590,000
Unamortized portion of related bond discount					<u>(90,000)</u>
\$21,646,000 issue of 8/20/2009	0.00	8/20/2024	\$ 1,443,067	1,443,067	<u>21,646,000</u>
Subtotal					35,146,000
<i>1954 1/2¢ sales tax bonds:</i>					
\$28,885,000 refunding issue of 3/2/05	3.70-5.25	2/1/2015	2,930,000	3,695,000	16,465,000
Unamortized portion of related bond premium					389,000
\$33,500,000 issue of 4/13/05	3.25-5.00	2/1/2025	1,380,000	2,730,000	29,745,000
Unamortized portion of related bond premium					839,000
\$22,000,000 issue of 6/1/07	4.00-5.00	2/1/2027	795,000	1,735,000	20,525,000
\$50,000,000 issue of 5/1/08	4.00-6.00	2/1/2028	1,720,000	3,940,000	<u>48,365,000</u>
Subtotal					<u>116,328,000</u>
<i>1980 1/4¢ sales tax bonds:</i>					
\$33,000,000 issue of 3/1/02	4.40-7.00	3/01/22	1,715,000	2,930,000	<u>27,265,000</u>
Subtotal					27,265,000
LCDA loan issued - 2005	Variable	11/01/29	26,100	67,600	<u>856,900</u>
Note Payable	1.85	10/01/14	1,837,891	1,837,891	<u>7,913,791</u>
Total					<u>\$ 187,509,691</u>

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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**Ad Valorem Tax Bonds**—The ad valorem bonds, are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of a special tax of two (2) mills for capital projects which the Issuer is authorized to impose and collect in each year through the year 2017 pursuant to an election held on March 31, 2007. The Tax has been authorized to be levied on all property subject to taxation within the territorial limits of School District No. 1 of the Parish of Jefferson, Louisiana. At June 30, 2010, there was \$663,566 available in the debt service funds for servicing these bonds.

The School System entered into a loan agreement under the Qualified School Construction Bonds Program (QSCB) which was issued in 2009 to fund construction, rehabilitation or repair of public school facilities within the Parish. The American Recovery and Reinvestment Act of 2009 provided this financial tool whereby interest on QSCBs is paid by the federal government in the form of a quarterly tax credit to the financial institutions that hold QSCBs. The funds are secured solely by the payments made by the School Board under the loan agreement. The loan is an interest free loan requiring annual principal payments of \$1,443,067 with the final payment due in 2024. At June 30, 2010, there was \$646,888 available in the debt service funds for servicing these bonds.

**1954 ½¢ Sales Tax Bonds**—The Series 2005 bonds, Series 2007 and Series 2008 bonds were issued to provide for capital improvements and are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of the on-half percent (1/2%) sales and use tax authorized to be levied in the parish pursuant to elections held therein on October 5, 1954 and January 12, 1971. At June 30, 2010, \$18,042,976 was available in the debt service funds for servicing of these bonds.

**1980 ¼¢ Sales Tax Bonds**—The Series 2002 and 1998 bonds were issued to provide for capital improvements and are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of a special one-fourth percent (1/4%) sales and use tax authorized to be levied in the parish pursuant to an election held therein on June 28, 1980. At June 30, 2010, \$9,602,639 was available in the debt service funds for servicing of these bonds. The Series 2002 and 1998 bonds were issued as discounted bonds with all principal and interest due at maturity. The discount is being accreted and reported as interest expense over the terms of the bonds.

**Louisiana Community Development Authority Loan**—In fiscal year 2005, the School System executed a loan agreement with Louisiana Governmental Environmental Facilities and Community Development Authority (the LCDA) not to exceed \$2,500,000, for the purpose of providing funding for the purchase of property to be used as the site for an alternative school. The loan agreements provide that the principal amount due thereon shall be only such amount as has been drawn down by the School System. Disclosure of future debt principal and interest payments has been estimated based on the outstanding balance of \$856,900 at a variable rate (1.51% as of June 30, 2010).

**FEMA CDL Loan**—In fiscal year 2006, the School System executed a loan agreement with the Federal Emergency Management Agency not to exceed \$57,010,000, for the purpose of providing funding for ongoing operations in the aftermath of Hurricane Katrina. The loan agreements provide that the principal amount due thereon shall be only such amount as has been drawn down by the School System. During fiscal year 2010, the School System completed the application to have the principal and interest forgiven. Subsequent to year end, the School System received notification that the entire principal and interest had been forgiven. This forgiveness of debt is recognized as of June 30, 2010.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

*Note Payable*—In fiscal year 2010, the School System entered into a financing arrangement with AT&T Capital Services Inc. for the purpose of funding the network upgrades at the schools.

The annual debt service requirements to amortize all of the School System's outstanding bonds as of June 30, 2010 are as follows:

Years Ending June 30	Principal Portion	Interest Portion	Total
2011	\$ 13,528,058	\$ 6,949,900	\$ 20,477,958
2012	14,025,357	6,481,489	20,506,846
2013	14,503,058	6,087,184	20,590,242
2014	15,048,558	5,607,282	20,655,840
2015	14,350,393	5,059,897	19,410,290
2016–2020	52,804,234	18,361,877	71,166,111
2021–2025	48,317,633	8,480,511	56,798,144
2026–2030	14,932,400	1,246,416	16,178,816
Total	<u>\$ 187,509,691</u>	<u>\$ 58,274,556</u>	<u>\$ 245,784,247</u>

There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 2010 and 2009, the School System was in compliance with all significant limitations and restrictions, including arbitrage regulations.

### 7. INDIVIDUAL FUND DISCLOSURES

#### **Excess of Expenditures Over Appropriations**

Formal budgetary appropriations are adopted for the General Fund and the Special Revenue Funds. Except for the Title I Special Revenue Fund budget, expenditures are budgeted at the function level, which is the level at which expenditures may not legally exceed appropriations. During fiscal year 2010, the General Fund expenditures exceeded budgeted amounts for instruction and non-instruction by \$4,250,451 and \$33,400, respectively. Expenditures for the Community Education Fund exceeded budgeted amounts by \$104,166, 90,603 and 28,312 for instruction, supporting services and capital outlay, respectively. Expenditures for the Title I program are budgeted by object code. For the year ended June 30, 2010, expenditures exceeded amounts budgeted for other purchased services and other objects by \$33,933, and \$26,296, respectively. Substantially all other Special Revenue Funds are expenditure driven funds for which available revenues equal expenditures. While budgets are adopted for administrative purposes in each of these Special Revenue Funds, budget to actual comparisons are not meaningful due to the expenditure driven nature of the funds.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

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**8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of June 30, 2010 is as follows:

Receivable Fund	Payable Fund	
Due to/from other funds:		
General Fund	Elementary and Secondary Education	
	Act of 1965 (Title 1)	\$ 11,211,629
	Capital Projects—Dedicated Sales Tax	18,782,780
	School Lunch Fund	3,943,226
	Nonmajor Governmental Funds	32,390,769
Capital Projects—Dedicated Sales Tax	General Fund	21,635,637
	Nonmajor Governmental Funds	53,114
Nonmajor Governmental Funds	General Fund	1,150,000
	Capital Projects—Dedicated Sales Tax	9,651,735
	Nonmajor Governmental Funds	<u>356,126</u>
		<u>\$99,175,016</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

The above balances represent short-term receivables and payables incurred in the normal course of the School System's operations.

**Interfund Transfers:**

2010	Transfers In					Total
	General Fund	Capital Projects—Dedicated Sales Tax	Elementary and Secondary Education Act of 1965 (Title I)	School Lunch Fund	Other Governmental Funds	
Transfers out:						
General Fund	\$ -	\$ -	\$ -	\$ 2,155,472	\$ 8,395,690	\$ 10,551,162
Elementary and Secondary Education Act of 1965 (Title I)	2,081,375					2,081,375
Capital Projects—Dedicated Sales Tax	2,767,987				32,132,952	34,900,939
Other Governmental Funds	24,502,100	21,000,000			100,000	45,602,100
Total	\$ 29,351,462	\$ 21,000,000	\$ -	\$ 2,155,472	\$ 40,628,642	\$ 93,135,576

The general fund transfers funds to Title I and the other governmental funds—special revenue funds to cover expenditures after a program has ended.

The general fund transfers ad valorem taxes to the other governmental funds—debt service for repayments of the associated debt.

The general fund transfers funds to the School Lunch fund as per Legislative Act R.S. 17d:192. The Child Nutrition department is to receive 12½% of the MFP formula for 1987–1988. Also, the State mandated raises in 1997 and 2004.

The general fund transfers sales taxes to the capital projects—dedicated sales tax fund and the other governmental funds—capital projects to fund capital projects expenditures. Excess funds not required for capital projects are transferred to debt service funds—bond sinking fund accounts.

The general fund transfers funds to the component unit to fund operations.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 9. RETIREMENT PLANS

Substantially all employees of the School System are required by State law to belong to retirement plans administered by the Teachers' Retirement System (TRS) or the School Employees' Retirement System (SERS), both of which are administered on a statewide basis. Each plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

Teachers' Retirement System of Louisiana  
Post Office Box 94123  
Baton Rouge, LA 70804-9123  
(225) 925-6446

Louisiana School Employees' Retirement System  
Post Office Box 44516  
Baton Rouge, LA 70804-4516  
(225) 924-6484

Disclosures relating to these plans follow:

#### A. TEACHERS' RETIREMENT SYSTEM (TRS)

1. *Plan Description*—All teachers, administrators, and school lunch employees of the School System are covered by defined benefit contributory pension plans administered and controlled by a separate Board of Trustees. The Board of Trustees administers plans which are cost-sharing multiple-employer public employee retirement systems.

All teachers, administrators, and school lunch employees are eligible to participate in the TRS plans. Teachers and administrators belong to the Teachers' Regular Plan, and school lunch employees belong to the Teachers' Plan B plan. Benefits are established by State statute.

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at age 60 with 10 years of service or 20 years of service regardless of age for the Teachers' Regular plan members. For the Teachers' Plan B plan members, normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. Retirement benefits are based upon the following formula percentages:

Years of Service	Minimum Age	Teachers' Regular	Teachers' Plan B
10	60	2.0% per year	1.0%–3.0% per year
20	Any age	2.0% per year	1.0%–3.0% per year
25	55	2.5% per year	1.0%–3.0% per year
30	Any age	2.5% per year	1.0%–3.0% per year
20	65	2.5% per year	1.0%–3.0% per year

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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The percentage formula is applied to the average of the highest three successive annual salaries. The benefit is payable for life with eight available annuity payment plans. The plans also provide various death and disability benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made*—Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	Employee	Employer
Teachers' Regular	8.00 %	15.50 %
Teachers' Plan B	5.00	15.50

The School System's contributions to TRS for the years ended June 30, 2010, 2009, and 2008, were \$32,891,068, \$31,597,941, and \$32,425,073, respectively, equal to the required contributions for each year.

### B. SCHOOL EMPLOYEES' RETIREMENT SYSTEM (SERS)

1. *Plan Description*—Employees who are not teachers, administrators, or school lunch employees are covered by defined benefit contributory pension plans administered and controlled on a statewide basis by a separate Board of Trustees. The Board of Trustees administers this plan which is a cost-sharing multiple-employer public employee retirement system.

All employees, other than teachers, administrators, and school lunch employees, are eligible to participate in the SERS. Benefits are established by State statute.

SERS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. The maximum retirement and disability benefit is an amount equal to 2 1/2% of the average compensation for the three highest consecutive years of credited service, multiplied by the number of years of service, plus a supplementary allowance of \$2.00 per month for each month of service. The plan also provides various death benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made*—Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 7.5% for participating employees and 17.6% for the School System.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

The School System's contributions to SERS for the years ended June 30, 2010, 2009, and 2008, were \$2,960,655, \$2,859,489, and \$2,731,583, respectively, equal to the required contributions for each year.

Due to the passage of House Bill 2174, the difference between the minimum employer contribution and the actuarially required employer contribution will be determined at the end of each fiscal year. The difference shall accumulate in an Employer Credit Account and earn interest at the actuarial rate of return earned by the Louisiana School Employees' Retirement System (LSERS). In previous fiscal years, the minimum employer contribution for LSERS has been greater than the LSERS actuarially required employer contribution; therefore, an employer credit currently exists. Contributions to LSERS for years ended June 30, 2010 and 2009 were \$93,539 and \$96,397, respectively, based on an employer contribution rate of 17.8%.

### 10. COMMITMENTS AND CONTINGENCIES

**Claims and Judgments**—The insurance companies which insured the School System for workers' compensation and bus driver accidents during the two years ended December 31, 1981 and for general liability and automobile/bus driver accidents during the two years ended April 30, 1992 subsequently went bankrupt. As a result, the School System became liable for the outstanding claims which were being paid by the insurance companies on behalf of the School System. Total outstanding claims and judgments, including the claims discussed above, approximated \$220,000 at June 30, 2010 and 2009, respectively. The entire balance at June 30, 2010 is considered long-term and included in the GWFS and paid through the general fund.

Changes in the claims payable liability for the years ended June 30, 2010 and 2009 were as follows:

	2010	2009
Claims payable—beginning of year	\$ 220,000	\$ 220,000
Deduct claims payments	_____	_____
Claims payable—end of year	<u>\$ 220,000</u>	<u>\$ 220,000</u>

**Workers' Compensation Claims**—Effective May 1, 1989, the School System adopted a self-insured workers' compensation plan administered by a service agent. Under the plan, the School System is self-insured for each individual claim during a calendar year up to \$250,000 with commercial insurance for claims in excess of that amount. The School System has determined, through an analysis of historical experience, the adequacy of the liability necessary to cover all losses and claims, both incurred and reported and incurred but not reported (IBNR), under its workers' compensation program. The liability is recorded in the General Fund at June 30, 2010.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

Changes in the workers' compensation claims payable liability for the years ended June 30, 2010 and 2009 were as follows:

	2010	2009
Workers' compensation claims payable—beginning of year	\$ 3,247,718	\$ 1,776,781
Add claims and changes in estimates	1,219,221	3,107,891
Deduct claims payments	<u>(2,056,467)</u>	<u>(1,636,954)</u>
Workers' compensation claims payable—end of year	<u>\$ 2,410,472</u>	<u>\$ 3,247,718</u>

**Other Risk Management**—The School System continues to carry commercial insurance for all other risks of loss, including general liability, automobile, and employee health insurance. There have been no significant changes in these insurance coverage amounts. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. Effective May 1, 2003, the School System became self-insured for general liability and property damage risks occurring after that date with umbrella coverage taking effect once a specified deductible is exceeded.

Changes in the liability for general liability and property damage self-insurance for the years ended June 30, 2010 and 2009, were as follows:

	2010	2009
General liability and property insurance payable—beginning of year	\$2,309,321	\$ 1,574,399
Add (subtract) changes in estimates	639,155	1,500,178
Deduct claims payments	<u>(956,346)</u>	<u>(765,256)</u>
General liability and property insurance payable—end of year	<u>\$1,992,130</u>	<u>\$ 2,309,321</u>

**Federal and State Programs**—Minimum foundation funding received from the State Department of Education is based primarily upon information concerning student enrollment at the School System's schools which is compiled by the School System and supplied to the State Department of Education. Federal funding for the School Lunch Program is based primarily upon the number and types of meals served and on user charges as reported to the United States Department of Agriculture. Federal and State funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

**Contingent Liabilities**—Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally by federal government. 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 System expects such amounts, if any, to be immaterial.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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### 11. RESERVATIONS AND DESIGNATIONS OF FUND BALANCES

Reservations of fund balances are established to indicate that portion of the fund balance which is not appropriable for expenditure or is legally segregated for a specific future use. Designations of fund balances represent tentative plans for financial resource utilization in a future period.

The nature and purpose of the reserves and designations are as follows:

*Reserved for Encumbrances*—This reserve was established for outstanding purchase orders and other commitments for unperformed contracts for goods and services which the School System intends to honor.

*Reserved for Prepaid Items*—This reserve was established as an offset against the asset, prepaid items, because it does not constitute an available spendable resource of the General Fund.

*Reserved for Capital Projects*—This reserve represents the amounts reserved for the proceeds of various bond issues.

*Reserved for Debt Service*—This reserve represents the amounts reserved for payment of principal and interest maturing in future years.

*Reserved for Specific Programs*—The proceeds of the nine mills property tax enacted in 2004 and dedicated for enhancements in teacher pay and benefits together with unexpended balances from non-major specific revenue funds have been reserved for expenditures in future years.

*Designated for Capital Additions and Improvements*—The portion of the undedicated sales tax revenue designated by the Board, and the interest earned on the investment thereof are designated for capital projects in the Capital Projects - Capital Fund to the extent that such amount has not been reserved for encumbrances.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

The reserved and unreserved components of fund balances at June 30, 2010, consist of the following:

	General Fund	Elementary and Special Education Act of 1965 (Title I)	Capital Projects - Dedicated Sales Tax	Other Governmental Funds	Total
Reserved for:					
Encumbrances	\$ 704,609	\$ -	\$ -	\$ 2,083,740	\$ 2,788,349
Encumbrances - construction in progress			16,049,759		16,049,759
Prepaid items	5,588,688				5,588,688
Inventories					
Capital Projects			103,825,118	28,911,716	132,736,834
Debt service					
Specific programs	<u>36,619,395</u>			<u>5,604,133</u>	<u>42,223,528</u>
Total	<u>42,912,692</u>		<u>119,874,877</u>	<u>36,599,589</u>	<u>199,387,158</u>
Unreserved—designated for—					
Support raises	4,971,988				4,971,988
MFP contingency	16,965,825				16,965,825
Admin. Pay raise	3,500,000				3,500,000
Capital additions and improvements				<u>1,698,949</u>	<u>1,698,949</u>
Total	<u>25,437,813</u>			<u>1,698,949</u>	<u>27,136,762</u>
Unreserved—undesignated	<u>31,267,195</u>	<u>(3,634,687)</u>		<u>(7,908,270)</u>	<u>19,724,238</u>
Total fund balance	<u>\$ 99,617,700</u>	<u>\$(3,634,687)</u>	<u>\$ 119,874,877</u>	<u>\$30,390,268</u>	<u>\$246,248,158</u>

On the budgetary basis, the reserved and unreserved components of the General Fund balance at June 30, 2010, consist of the following:

Reserved for:	
Encumbrances	\$ 704,609
Prepaid items	5,588,688
Inventories	
Enhancements in teachers' pay and benefits	<u>36,619,395</u>
Total	42,912,692
Unreserved—undesignated fund balance	<u>31,267,195</u>
Total fund balance on budgetary basis	<u>\$74,179,887</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 12. POSTEMPLOYMENT HEALTH CARE BENEFITS

In accordance with State statutes, the School System provides certain continuing health care benefits for its retired employees. Substantially all of the School System's employees become eligible for these benefits if they reach normal retirement age while working for the School System. Currently, 4,572 retirees are eligible to participate in these benefits. These benefits for retirees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the School System. During fiscal year 2010, the School System contributed 75% of the total premium for health care insurance provided to the retirees. The School System recognizes the cost of providing these benefits (the School System's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due. The School System's net cost of providing all health care benefits to the approximately 5,254 active and 3,030 retired participating employees amounted to \$50,691,055 for 2010. For 2010, the School System's cost of premiums paid for retirees totaled \$17,762,917.

**Annual OPEB Cost and NET OPEB Obligation**—In July 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefit Plans Other Than Pension Plans*. The School System is implemented this standard for the fiscal year ending June 30, 2010. The effect was to change recognition of post-retirement benefits for retired employees from cash basis as claims are paid to accrual basis. The School System's annual other postemployment benefit (OPEB) cost (expense) 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 (or funding excess) over a period not to exceed thirty years. The following table shows the components of the district's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the district's net OPEB obligation:

	2010	2009
Annual required contribution	\$ 22,900,600	\$ 22,266,811
Interest on net OPEB obligations	335,633	140,544
Adjustment to annual required contribution	<u>(485,243)</u>	<u>(203,192)</u>
Annual OPEB cost (expense)	22,750,990	22,204,163
Contributions made	<u>(17,838,837)</u>	<u>(17,326,937)</u>
Increase in net OPEB obligation	4,912,153	4,877,226
NET OPEB obligation - beginning of year	8,390,814	3,513,588
NET OPEB obligation - end of year	<u>\$ 13,302,967</u>	<u>\$ 8,390,814</u>

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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The School System's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 22,750,990	78 %	\$ 13,302,967
2009	22,204,163	78 %	8,390,814
2008	20,143,123	83 %	3,513,588

**Funded Status and Funding Progress**—As of June 30, 2010, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$290 million and there was no actuarial value of assets resulting in an unfunded accrued liability (UAAL) of \$290 million. The covered payroll (annual payroll of active employees covered by the plan) was \$333 million, and the ratio of unfunded accrued liability to the covered payroll was 90 percent.

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

**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 the 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 the plan member to that point. The actuarial methods and assumptions include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

In the June 30, 2010 actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), which is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management, and health care trend rate of 8%, graduated down to an ultimate annual rate of 5% for 2016 and later. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2010 was thirty years.

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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#### 13. COMPONENT UNIT DISCLOSURES

##### Cash

In accordance with Louisiana statutes, the School System maintains deposits at those depository banks authorized by the School System. All such depositories are members of the Federal Reserve System.

Louisiana statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

At June 30, 2010 the Jefferson Community Charter School and Jefferson Education Foundation had bank balances of \$264,107 and \$902,919, respectively. These balances were insured or collateralized by securities held by the School System or its agent in the School System's name. The carrying amounts of the deposits were \$264,107 and \$ 902,919 for the Charter School and the Foundation, respectively.

##### Capital Assets

A summary of changes in capital assets at the Charter School follows:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Building and improvements	\$ 31,620	\$ -	\$ -	\$ 31,620
Equipment	<u>101,650</u>	<u>16,292</u>	<u>(22,271)</u>	<u>95,671</u>
	<u>133,270</u>	<u>16,292</u>	<u>(22,271)</u>	<u>127,291</u>
Accumulated depreciation	<u>(113,216)</u>	<u>(6,851)</u>	<u>22,271</u>	<u>(97,796)</u>
Total	<u>\$ 20,054</u>	<u>\$ 9,441</u>	<u>\$ -</u>	<u>\$ 29,495</u>

##### Statement of Activities

Included in the Charter School net expenses of \$838,194 for 2010 included on the Statement of Activities (Statement B) are \$742,254 in teacher and supporting services salaries, and \$62,908 of other revenue representing donations from the community.

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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#### 14. SUBSEQUENT EVENTS

The School System has evaluated subsequent events through December 20, 2010, and identified the following subsequent events to be disclosed:

On July 7, 2010 the Issuer authorized the School Board to incur debt and the issuance of not to exceed \$21,891,000 of Revenue Bonds, (Taxable QSCB), Series 2010, for the purpose of construction, rehabilitation or repair of public school facilities, including equipping of school facilities improved with Bond proceeds, and paying the costs of the issuance of the Bonds. The bonds are secured by an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of a special tax of two and ninety-one hundredths (2.91) mills.

On September 11, 2010 the Issuer authorized the School Board to incur debt and the issuance of not to exceed \$5,000,000 of Limited Tax Bonds, Series 2010, of School District No.1 of the Parish of Jefferson, State of Louisiana for the purpose of acquiring technology equipment for educational and instructional purposes and paying the costs incurred in connection with the issuance of the Bonds. The bonds are secured by an irrevocable pledge and dedication of the funds be derived by the Issuer from the levy and collection of a special (1) mill tax (such rate being subject to adjustment from time to time due to reassessment) authorized to be levied through the year 2017 on all the property subject to taxation within the corporate boundaries.

On September 21, 2010 the Issuer authorized the School Board to incur debt and the issuance of not to exceed \$22,880,000 of Jefferson Sales Tax District, Parish School Board of Jefferson, State of Louisiana Sales Tax School Refunding Bonds, Series 2010 for the purpose of providing funds for paying a portion of the cost of making capital improvements to the public School System of the parish, funding a debt service reserve fund, and paying the costs of issuance. The bonds are secured by an irrevocable pledge and dedication of the new avails or proceeds of the issuer's one-fourth of one percent (1/4%) sales and use tax.

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**REQUIRED SUPPLEMENTAL INFORMATION**

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS FOR THE YEAR ENDED JUNE 30, 2010

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
6/30/2010	\$ -	\$ 290,226,000	\$ 290,226,000	%	\$ 333,000,000	87%

**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### GENERAL FUND

#### SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED JUNE 30, 2010

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
<b>Local sources:</b>			
Property taxes:			
Constitutional	\$ 9,261,839	\$ 8,950,904	\$ 310,935
Special maintenance	35,012,291	34,842,475	169,816
Teacher salaries	28,587,707	27,626,626	961,081
Sheriff's contribution to teachers' retirement	3,099,704	3,112,064	(12,360)
Sales and use taxes	135,556,431	132,207,470	3,348,961
Tuition and other	95,742		95,742
Investment income	75,609	1,000,000	(924,391)
Rent and royalties	675,100	1,500,000	(824,900)
Hospitalization	300,079	425,000	(124,921)
Other	180,647	6,250,000	(6,069,353)
Total	<u>212,845,149</u>	<u>215,914,539</u>	<u>(3,069,390)</u>
<b>State sources:</b>			
Equalization	152,900,502	158,113,381	(5,212,879)
Revenue sharing	2,284,598	2,360,605	(76,007)
Grants in aid	716,552	585,000	131,552
Professional improvement program	1,077,378	1,180,000	(102,622)
Transportation	546,700	700,000	(153,300)
Other			
Total	<u>157,525,730</u>	<u>162,938,986</u>	<u>(5,413,256)</u>
<b>Federal sources:</b>			
Recovery of indirect costs		3,800,000	(3,800,000)
Other	665,618	650,000	15,618
Total	<u>\$ 665,618</u>	<u>\$ 4,450,000</u>	<u>\$ (3,784,382)</u>
<b>TOTAL REVENUES</b>	<u>\$ 371,036,497</u>	<u>\$ 383,303,525</u>	<u>\$ (12,267,028)</u>

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2010**

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
<b>INSTRUCTION:</b>			
Regular Programs:			
Salaries and benefits	\$ 153,687,598	\$ 150,822,681	\$ (2,864,917)
Materials and supplies	6,969,079	7,224,586	255,507
Equipment	299,431	218,731	(80,700)
Other	1,142,866	262,317	(880,549)
Total	<u>162,098,974</u>	<u>158,528,315</u>	<u>(3,570,659)</u>
Special Programs:			
Salaries and benefits	69,596,624	69,664,586	67,962
Materials and supplies		277,042	277,042
Equipment	4,050	4,050	
Other	481,333	78,531	(402,802)
Total	<u>70,082,007</u>	<u>70,024,209</u>	<u>(57,798)</u>
Vocational Programs:			
Salaries and benefits	7,410,487	6,664,621	(745,866)
Materials and supplies		60,000	60,000
Other		12,273	12,273
Total	<u>7,410,487</u>	<u>6,736,894</u>	<u>(673,593)</u>
Other Instructional Programs:			
Salaries and benefits	8,062,385	8,077,488	15,103
Materials and supplies	150,442	94,731	(55,711)
Other	75,545	35,876	(39,669)
Total	<u>8,288,372</u>	<u>8,208,095</u>	<u>(80,277)</u>
Adult Continuing Education Program:			
Salaries and benefits		100,000	100,000
Materials and supplies	60,490	92,366	31,876
Total	<u>60,490</u>	<u>192,366</u>	<u>131,876</u>
Total Instruction	<u>247,940,330</u>	<u>243,689,879</u>	<u>(4,250,451)</u>
<b>SUPPORTING SERVICES:</b>			
For Students:			
Salaries and benefits	17,599,434	17,261,173	(338,261)
Materials and supplies	16,215	14,837	(1,378)
Other	945,507	371,100	(574,407)
Total	<u>18,561,156</u>	<u>17,647,110</u>	<u>(914,046)</u>
For Instructional Staff:			
Salaries and benefits	10,958,051	12,285,339	1,327,288
Materials and supplies	921,423	950,506	29,083
Equipment	3,715	8,000	4,285
Other	162,172	186,570	24,398
Total	<u>12,045,361</u>	<u>13,430,415</u>	<u>1,385,054</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

GENERAL FUND  
 SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED JUNE 30, 2010

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
SUPPORTING SERVICES - continued			
General Administration:			
Salaries and benefits	\$ 4,496,431	\$ 2,606,816	\$ (1,889,615)
Materials and supplies	67,808	37,159	(30,649)
Other	21,638,998	18,079,283	(3,559,715)
Total	<u>26,203,237</u>	<u>20,723,258</u>	<u>(5,479,979)</u>
School Administration:			
Salaries and benefits	29,956,339	30,155,603	199,264
Materials and supplies	134,213	169,575	35,362
Other	2,815,920	2,619,544	(196,376)
Total	<u>32,906,472</u>	<u>32,944,722</u>	<u>38,250</u>
Business Services:			
Salaries and benefits	2,659,468	2,619,193	(40,275)
Materials and supplies	422,187	56,016	(366,171)
Equipment		23,364	23,364
Other	1,605,356	1,302,367	(302,989)
Total	<u>4,687,011</u>	<u>4,000,940</u>	<u>(686,071)</u>
Operations Maintenance Services:			
Salaries and benefits	16,370,933	16,382,501	11,568
Materials and supplies	2,766,468	500,000	(2,266,468)
Utilities	6,511,344	8,700,000	2,188,656
Insurance	5,692,522	5,710,892	18,370
Other	2,685,162	4,697,533	2,012,371
Total	<u>34,026,429</u>	<u>35,990,926</u>	<u>1,964,497</u>
Pupil Transportation Services:			
Salaries and benefits	17,432,997	15,922,289	(1,510,708)
Materials and supplies	26,970	1,619,154	1,592,184
Other	394,794	6,841,268	6,446,474
Total	<u>17,854,761</u>	<u>24,382,711</u>	<u>6,527,950</u>
Central Activity Services:			
Salaries and benefits	6,807,472	6,906,186	98,714
Materials and supplies	2,126,099	296,463	(1,829,636)
Equipment	286,530	136,100	(150,430)
Other	1,582,508	1,322,360	(260,148)
Total	<u>10,802,609</u>	<u>8,661,109</u>	<u>(2,141,500)</u>
Total Supporting Services	<u>157,087,036</u>	<u>157,781,191</u>	<u>694,155</u>

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
NON-INSTRUCTION—Food services:			
Other	\$ 45,289	\$ 11,889	\$ (33,400)
Total	<u>45,289</u>	<u>11,889</u>	<u>(33,400)</u>
Total Non-Instruction	<u>45,289</u>	<u>11,889</u>	<u>(33,400)</u>
 TOTAL INSTRUCTION, SUPPORTING SERVICES AND NON-INSTRUCTION	 <u>\$ 405,072,655</u>	 <u>\$ 401,482,959</u>	 <u>\$ (3,589,696)</u>

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## NON-MAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

*Special Revenue Funds* are used to account for funds received from other governmental agencies that are legally restricted to expenditure for specified purposes. These funds also account for receipt and expenditure of resources transferred from the General Fund when these funds are inadequate to finance the specified activities. The Title I Fund as described on page 27 has been identified as a major fund. Activities included within the non-major special revenue funds are as follows:

### *ESEA (Title III)*

Used to account on a project basis for funds allocated to programs for development and implementation of comprehensive reform plans to improve the teachings and learning of all children (Project Goals 2000) and to support the development and implementation of systematic technology plans (Technology Literacy Challenge).

### *ESEA (Title VII)*

Used to account on a project basis for funds allocated to programs for carrying out bilingual education (Project S.T.A.R.).

### *IDEA Part B*

Used to account on a project basis for funds allocated to programs for children with disabilities under P.L. 101-476.

### *Vocational Education*

Used to account on a project basis for funds allocated to programs for purposes of vocational education, guidance, and counseling.

### *Temporary Assistance for Needy Families*

Used to assist needy families with children so that children can be cared for in their own homes, also to reduce dependency by promoting job preparation, work and marriage.

### *ESEA Title II*

Used to account on a project basis for funds allocated to programs for improving the skills of teachers and instruction in mathematics, science, foreign languages and computer science.

### *FEMA Public Assistance Grant*

Used to repair and replace facilities, equipment and supplies damaged during Hurricane Katrina.

### *FEMA Displaced Students Grant*

Used to account for funds allocated for assistance with displaced regular and special education students served post Hurricane Katrina.

### *Drug Free Schools and Communities*

Used to account on a project basis for funds granted by P.L. 99-570 to help implement drug and alcohol abuse prevention and education programs.

### *Title XIX - School Nurse*

Used to account on a project basis for funds allocated to providing schools with nurses.

### *After School Learning Center*

Used to create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-poverty and low-performing schools.

### *Tuition Preschool*

Used to account for a pre-kindergarten program whose goal is to provide high quality early education and care services for four-year-old children.

*Adult Education*

Used to account for continuing education programs designed to assist adults in obtaining their high school diploma equivalency.

*Community Education*

Used to account for a wide variety of informal leisure learning classes and activities for Jefferson Parish residents.

*Other Federal Programs*

Used to account for miscellaneous federal grant programs.

*State Programs*

Used to account for miscellaneous State grant programs.

### DEBT SERVICE FUNDS

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The School System maintains the following Debt Service Funds:

- *Ad Valorem Tax Bond Sinking Fund* is used to accumulate the proceeds of ad valorem taxes which are specifically dedicated for debt service.

*1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Sinking Funds* are used to accumulate that portion of the 1954 and 1980 sales and use tax required to meet the debt service requirements. Monthly deposits out of the proceeds of the sales and use tax are required to be made into these funds in an amount which will equal 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.

*1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Reserve Funds* are used to accumulate that portion of the 1954 and 1980 sales and use tax which is set aside for the purpose of paying principal and interest on bonds payable. Monthly deposits of sales and use tax proceeds are required to be made into these funds until the required reserve has been established.

*LCDA Loan*—Obtained to provide funding for the purchase of property to be used as the site for an alternative school.

*FEMA CDL Loan Fund* – Obtained to provide cash flow funding for operations following Hurricane Katrina.

### CAPITAL PROJECTS FUNDS

*Capital Projects Funds* are used to account for the acquisition or construction of major capital facilities. The School System maintains two capital project funds, the sales tax fund classified as a major fund and the non-major fund described as follows:

*Capital Fund* is used to account for that portion of the undedicated sales tax revenue which is designated by the School Board annually for capital additions and improvements and the proceeds of the 1999 Ad Valorem tax bonds for making capital improvements.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
AS OF JUNE 30, 2010**

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects— Capital Fund	Total
<b>ASSETS</b>				
Cash and investments	\$ 15,045,703	\$ 20,780,091	\$ 6,994,174	\$ 42,819,968
Accounts receivable	280,242	85,194		365,436
Due from other funds	356,127	9,153,905	1,647,829	11,157,861
Due from other governmental units	<u>11,983,930</u>	<u>                    </u>	<u>                    </u>	<u>11,983,930</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 27,666,002</u></b>	<b><u>\$ 30,019,190</u></b>	<b><u>\$ 8,642,003</u></b>	<b><u>\$ 66,327,195</u></b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 2,838,031	\$ 6,625	\$ 193,556	\$ 3,038,212
Retainages payable				
Contracts payable				
Due to other funds	27,033,402	1,100,849	4,665,758	32,800,009
Due to other governmental units	<u>98,706</u>	<u>                    </u>	<u>                    </u>	<u>98,706</u>
<b>Total liabilities</b>	<b><u>29,970,139</u></b>	<b><u>1,107,474</u></b>	<b><u>4,859,314</u></b>	<b><u>35,936,927</u></b>
<b>FUND BALANCE:</b>				
Reserved for:				
Encumbrances			2,083,740	2,083,740
Debt Service		28,911,716		28,911,716
Special projects	5,604,133			5,604,133
Unreserved:				
Designated for capital projects			1,698,949	1,698,949
Undesignated	<u>(7,908,270)</u>	<u>                    </u>	<u>                    </u>	<u>(7,908,270)</u>
<b>Total fund balance</b>	<b><u>(2,304,137)</u></b>	<b><u>28,911,716</u></b>	<b><u>3,782,689</u></b>	<b><u>30,390,268</u></b>
<b>TOTAL</b>	<b><u>\$ 27,666,002</u></b>	<b><u>\$ 30,019,190</u></b>	<b><u>\$ 8,642,003</u></b>	<b><u>\$ 66,327,195</u></b>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE COMBINING BALANCE SHEET AS OF JUNE 30, 2010

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990— Part B	Vocational Education	Temporary Assistance for Needy Families
<b>ASSETS</b>					
Cash and investments	\$ -	\$ 64,180	\$ 2,849	\$ 84	\$ 8,020
Accounts receivable					
Due from other funds					
Due from other governmental units	<u>209,605</u>	<u>31,352</u>	<u>2,109,839</u>	<u>100,474</u>	<u>1,186,491</u>
<b>TOTAL</b>	<b><u>\$ 209,605</u></b>	<b><u>\$ 95,532</u></b>	<b><u>\$ 2,112,688</u></b>	<b><u>\$ 100,558</u></b>	<b><u>\$ 1,194,511</u></b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 14,119	\$ -	\$ 23,399	\$ -	\$ -
Due to other funds	191,034	31,625	7,178,359	98,646	3,174,246
Due to other governmental units			11,645	1,828	
Total liabilities	<u>205,153</u>	<u>31,625</u>	<u>7,213,403</u>	<u>100,474</u>	<u>3,174,246</u>
<b>FUND BALANCE:</b>					
Reserved for special projects	4,452	63,907		84	
Unreserved:					
Designated					
Undesignated			<u>(5,100,715)</u>		<u>(1,979,735)</u>
Total fund balance	<u>4,452</u>	<u>63,907</u>	<u>(5,100,715)</u>	<u>84</u>	<u>(1,979,735)</u>
<b>TOTAL</b>	<b><u>\$ 209,605</u></b>	<b><u>\$ 95,532</u></b>	<b><u>\$ 2,112,688</u></b>	<b><u>\$ 100,558</u></b>	<b><u>\$ 1,194,511</u></b>

Education for Economic Security Act Title II	FEMA Public Assistance Grant	FEMA Displaced Students Grant	Drug Free Schools and Communities	Title XIX School Nurse	After School Learning Center
\$ 91,609	\$ 3,857,642	\$ 208,654	\$ -	\$ 451,837	\$ -
<u>1,197,863</u>	<u>3,427,964</u>	<u>191,729</u>	<u>45,458</u>	<u>                    </u>	<u>163,993</u>
<u>\$ 1,289,472</u>	<u>\$ 7,285,606</u>	<u>\$ 400,383</u>	<u>\$ 45,458</u>	<u>\$ 451,837</u>	<u>\$ 163,993</u>
\$ 10,245	\$ 2,087,556	\$ 351,245	\$ -	\$ 13,555	\$ 1,049
1,203,011	3,420,333		76,338		201,460
<u>                    </u>	<u>38,119</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>1,213,256</u>	<u>5,546,008</u>	<u>351,245</u>	<u>76,338</u>	<u>13,555</u>	<u>202,509</u>
76,216	1,739,598	49,138		438,282	
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>(30,880)</u>	<u>                    </u>	<u>(38,516)</u>
<u>76,216</u>	<u>1,739,598</u>	<u>49,138</u>	<u>(30,880)</u>	<u>438,282</u>	<u>(38,516)</u>
<u>\$ 1,289,472</u>	<u>\$ 7,285,606</u>	<u>\$ 400,383</u>	<u>\$ 45,458</u>	<u>\$ 451,837</u>	<u>\$ 163,993</u>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE  
COMBINING BALANCE SHEET  
AS OF JUNE 30, 2010**

	Tuition Preschool	Adult Education	Community Education	Other Federal Programs	State Programs	Total
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 405,028	\$ 2,686,856	\$ 2,419	\$ 7,266,525	\$ 15,045,703
Accounts receivable					280,242	280,242
Due from other funds	24,568		6,559		325,000	356,127
Due from other governmental units		79,629		15,702	3,223,831	11,983,930
<b>TOTAL</b>	<b>\$ 24,568</b>	<b>\$ 484,657</b>	<b>\$ 2,693,415</b>	<b>\$ 18,121</b>	<b>\$ 11,095,598</b>	<b>\$ 27,666,002</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES:</b>						
Accounts payable and other liabilities	\$ -	\$ -	\$ -	\$ 508	\$ 336,355	\$ 2,838,031
Due to other funds	629,882	79,629	1,163,847	127,865	9,457,127	27,033,402
Due to other governmental units				42,858	4,256	98,706
Total liabilities	629,882	79,629	1,163,847	171,231	9,797,738	29,970,139
<b>FUND BALANCE:</b>						
Reserved for special projects		405,028	1,529,568		1,297,860	5,604,133
Unreserved:						
Designated	(605,314)			(153,110)		(7,908,270)
Undesignated						
Total fund balance	(605,314)	405,028	1,529,568	(153,110)	1,297,860	(2,304,137)
<b>TOTAL</b>	<b>\$ 24,568</b>	<b>\$ 484,657</b>	<b>\$ 2,693,415</b>	<b>\$ 18,121</b>	<b>\$ 11,095,598</b>	<b>\$ 27,666,002</b>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NON-MAJOR GOVERNMENTAL FUNDS—DEBT SERVICE**

**COMBINING BALANCE SHEET**

**AS OF JUNE 30, 2010**

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1964 1/2¢ Sales Tax Bond Reserve	1980 9/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	LCDA Loan	JPPSS Bond Sinking GSCB	FEMA CDL Loan	Total
<b>ASSETS</b>									
Cash and investments	\$ 663,566	\$ 6,144,438	\$ 5,814,331	\$ 2,482,735	\$ 4,215,986	\$ 805,647	\$ 653,388	\$ -	\$ 20,780,091
Accounts receivable				85,194					85,194
Due from other funds		<u>6,148,832</u>		<u>3,005,073</u>					<u>9,153,905</u>
<b>TOTAL</b>	<u>\$ 663,566</u>	<u>\$ 12,293,270</u>	<u>\$ 5,814,331</u>	<u>\$ 5,573,002</u>	<u>\$ 4,215,986</u>	<u>\$ 805,647</u>	<u>\$ 653,388</u>	<u>\$ -</u>	<u>\$ 30,019,190</u>
<b>LIABILITIES AND FUND BALANCE</b>									
<b>LIABILITIES:</b>									
Accounts payable	\$ -	\$ 6,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,625
Due to other funds		<u>58,000</u>		<u>85,194</u>	<u>101,155</u>	<u>850,000</u>	<u>6,500</u>		<u>1,100,849</u>
Total liabilities		<u>64,625</u>		<u>85,194</u>	<u>101,155</u>	<u>850,000</u>	<u>6,500</u>		<u>1,107,474</u>
<b>FUND BALANCE:</b>									
Reserved for Debt Service	<u>663,566</u>	<u>12,228,645</u>	<u>5,814,331</u>	<u>5,487,808</u>	<u>4,114,831</u>	<u>(44,353)</u>	<u>646,888</u>		<u>28,911,716</u>
Total fund balance	<u>663,566</u>	<u>12,228,645</u>	<u>5,814,331</u>	<u>5,487,808</u>	<u>4,114,831</u>	<u>(44,353)</u>	<u>646,888</u>		<u>28,911,716</u>
<b>TOTAL</b>	<u>\$ 663,566</u>	<u>\$ 12,293,270</u>	<u>\$ 5,814,331</u>	<u>\$ 5,573,002</u>	<u>\$ 4,215,986</u>	<u>\$ 805,647</u>	<u>\$ 653,388</u>	<u>\$ -</u>	<u>\$ 30,019,190</u>

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2010

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects - Capital Fund	Total
<b>REVENUES:</b>				
Local sources:				
Sales and use taxes	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
Tuition and other	4,218,336			4,218,336
Interest income		56,100	4,546	60,646
Other	11,451,687	2,551,144	1,581,332	15,584,163
State sources	5,358,152			5,358,152
Federal sources	61,409,399			61,409,399
<b>Total revenues</b>	<b>82,437,574</b>	<b>2,607,244</b>	<b>4,585,878</b>	<b>89,630,696</b>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Salaries and benefits	27,937,668			27,937,668
Supplies	4,614,344		56,139	4,670,483
Other	3,289,185			3,289,185
<b>Total instruction</b>	<b>35,841,197</b>	<b>-</b>	<b>56,139</b>	<b>35,897,336</b>
Supporting services:				
Salaries and benefits	10,626,814		4,431	10,631,245
Supplies	4,752,522		554,019	5,306,541
Other	21,078,776	476,414	8,440,284	29,995,474
<b>Total supporting services</b>	<b>36,458,112</b>	<b>476,414</b>	<b>8,998,734</b>	<b>45,933,260</b>
Non-instruction:				
Community services:				
Salaries and benefits	2,187,505			2,187,505
Supplies	88,956			88,956
Other	935,705		135,863	1,071,568
<b>Total non-instruction</b>	<b>3,212,166</b>	<b>-</b>	<b>135,863</b>	<b>3,348,029</b>
Capital outlay:				
Construction costs	11,631,908		4,660,366	16,292,274
Architect fees	1,450,611		1,703,294	3,153,905
Administrative and other			634,837	634,837
<b>Total capital outlay</b>	<b>13,082,519</b>	<b>-</b>	<b>6,998,497</b>	<b>20,081,016</b>

(Continued)

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2010**

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Capital Projects - Capital Fund	Total
<b>Debt Service:</b>				
Principal retirement		14,211,538		14,211,538
Interest and fiscal charges	8,664	11,290,878		11,299,542
Total debt service	<u>8,664</u>	<u>25,502,416</u>		<u>25,511,080</u>
Total expenditures	88,602,658	25,978,830	16,189,233	130,770,721
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(6,165,084)</u>	<u>(23,371,586)</u>	<u>(11,603,355)</u>	<u>(41,140,025)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	422,322	34,474,788	5,731,532	40,628,642
Proceeds from financing arrangement	7,913,790			7,913,790
Bond Proceeds		21,646,000		21,646,000
Transfers out	<u>(5,602,100)</u>	<u>(38,000,000)</u>	<u>(2,000,000)</u>	<u>(45,602,100)</u>
Total other financing sources (uses)—net	<u>2,734,012</u>	<u>18,120,788</u>	<u>3,731,532</u>	<u>24,586,332</u>
NET CHANGE IN FUND BALANCE	(3,431,072)	(5,250,798)	(7,871,823)	(16,553,693)
FUND BALANCES—Beginning of year	<u>1,126,935</u>	<u>34,162,514</u>	<u>11,654,512</u>	<u>46,943,961</u>
FUND BALANCES—End of year	<u>\$ (2,304,137)</u>	<u>\$ 28,911,716</u>	<u>\$ 3,782,689</u>	<u>\$ 30,390,268</u>

(Concluded)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2010

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Temporary Assistance for Needy Families
<b>REVENUES:</b>					
Local sources:					
Tuition and other	\$ -	\$ -	\$ -	\$ -	\$ -
Other			988		310,286
State sources					
Federal sources	<u>986,828</u>	<u>172,637</u>	<u>18,424,310</u>	<u>815,519</u>	<u>7,882,581</u>
Total revenues	<u>986,828</u>	<u>172,637</u>	<u>18,425,298</u>	<u>815,519</u>	<u>8,192,867</u>
<b>EXPENDITURES (All current):</b>					
Instruction:					
Salaries and benefits	238,583		10,471,487		8,040,618
Supplies	242,899	6,408	2,043,086	436,091	69,347
Other	<u>53,927</u>		<u>1,649,885</u>	<u>72,828</u>	<u>122,092</u>
Total instruction	<u>535,409</u>	<u>6,408</u>	<u>14,164,458</u>	<u>508,919</u>	<u>8,232,057</u>
Supporting services:					
Salaries and benefits	427,178	150,167	4,567,723	306,516	167,447
Supplies					
Other		<u>3,700</u>	<u>41,813</u>		
Total supporting services	<u>427,178</u>	<u>153,867</u>	<u>4,609,536</u>	<u>306,516</u>	<u>167,447</u>
Non-instruction:					
Community services:					
Salaries and benefits					341,236
Supplies					
Other					
Total non-instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341,236</u>
Capital Outlay:					
Construction Costs					
Architect fees					
Administrative & Other					
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Services:					
Principal retirement					
Interest and fiscal charges					
Total debt services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>962,587</u>	<u>160,275</u>	<u>18,773,994</u>	<u>815,435</u>	<u>8,740,740</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	<u>24,241</u>	<u>12,362</u>	<u>(348,696)</u>	<u>84</u>	<u>(547,873)</u>

Education for Economic Security Act Title II	FEMA Public Assistance Grant	FEMA Displaced Students Grant	Drug Free Schools and Communities	Title XIX School Nurse	After School Learning Center
\$	\$ -	\$ -	\$ -	\$ -	\$ -
	240,574			87,779	
<u>6,331,867</u>	<u>17,076,592</u>	<u>223,552</u>	<u>291,959</u>	<u>751,300</u>	<u>1,177,398</u>
<u>6,331,867</u>	<u>17,317,166</u>	<u>223,552</u>	<u>291,959</u>	<u>839,079</u>	<u>1,177,398</u>
3,897,669			8,052	244,004	
57,311	52,303		6,044	905	122,857
558,898		(10,920)	13,498	57,265	316,405
<u>4,513,878</u>	<u>52,303</u>	<u>(10,920)</u>	<u>27,594</u>	<u>302,174</u>	<u>439,262</u>
903,336	69,268		255,823		559,853
286,343	18,151				
337,212	2,383,639	1,095,837	4,922		
<u>1,526,891</u>	<u>2,471,058</u>	<u>1,095,837</u>	<u>260,745</u>	<u>-</u>	<u>559,853</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	11,603,596				
	1,450,611				
<u>-</u>	<u>13,054,207</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,040,769</u>	<u>15,577,568</u>	<u>1,084,917</u>	<u>288,339</u>	<u>302,174</u>	<u>999,115</u>
<u>291,098</u>	<u>1,739,598</u>	<u>(861,365)</u>	<u>3,620</u>	<u>536,905</u>	<u>178,283</u>

(Continued)

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2010

	Tuition Preschool	Adult Education	Community Education	Other Federal Programs	State Programs	Total
<b>REVENUES:</b>						
Local sources:						
Tuition and other	\$ 203,726	\$ 23,964	\$ 2,992,396	\$ -	\$ 998,250	\$ 4,218,336
Other	680	14,708	3,624		10,793,048	11,451,687
State sources		171,955		11,937	5,174,260	5,358,152
Federal sources		844,684		373,155	6,057,017	61,409,399
<b>Total revenues</b>	<b>204,406</b>	<b>1,055,311</b>	<b>2,996,020</b>	<b>385,092</b>	<b>23,022,575</b>	<b>82,437,574</b>
<b>EXPENDITURES (All current):</b>						
Instruction:						
Salaries and benefits	340,294	718,643		133,198	3,845,120	27,937,668
Supplies		64,641	755,050	106,141	651,261	4,614,344
Other		30,854	116,600	113,069	194,784	3,289,185
<b>Total instruction</b>	<b>340,294</b>	<b>814,138</b>	<b>871,650</b>	<b>352,408</b>	<b>4,691,165</b>	<b>35,841,197</b>
Supporting services:						
Salaries and benefits	297	224,440	267,056	71,007	2,656,703	10,626,814
Supplies					4,448,028	4,752,522
Other			46,044	1,519	17,164,090	21,078,776
<b>Total supporting services</b>	<b>297</b>	<b>224,440</b>	<b>313,100</b>	<b>72,526</b>	<b>24,268,821</b>	<b>36,458,112</b>
Non-instruction:						
Community services:						
Salaries and benefits			1,645,215		201,054	2,187,505
Supplies			20,270		68,686	88,956
Other			12,567		923,138	935,705
<b>Total non-instruction</b>	<b>-</b>	<b>-</b>	<b>1,678,052</b>	<b>-</b>	<b>1,192,878</b>	<b>3,212,166</b>
Capital Outlay:						
Construction costs			28,312			11,631,908
Architect fees						1,450,611
Administrative & Other						
<b>Total capital outlay</b>	<b>-</b>	<b>-</b>	<b>28,312</b>	<b>-</b>	<b>-</b>	<b>13,082,519</b>
Debt Service:						
Principal retirement						
Interest and fiscal charges					8,664	8,664
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,664</b>	<b>8,664</b>
<b>Total expenditures</b>	<b>340,591</b>	<b>1,038,578</b>	<b>2,891,114</b>	<b>424,934</b>	<b>30,161,528</b>	<b>88,602,658</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(136,185)</b>	<b>16,733</b>	<b>104,906</b>	<b>(39,842)</b>	<b>(7,138,953)</b>	<b>(6,165,084)</b>

(Continued)

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2010

	Elementary and Secondary Education Act of 1965 (Title III)	Elementary and Secondary Education Act of 1965 (Title VII)	Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Temporary Assistance for Needy Families
OTHER FINANCING SOURCES (USES):					
Transfers in	\$ -	\$ -	\$ 42	\$ -	\$ 1,173
Proceeds from Note Payable					
Transfers out	<u>(17,879)</u>	<u>(11,085)</u>	<u>(1,415,389)</u>	<u>      </u>	<u>(232,652)</u>
Total other financing sources (uses)—net	<u>(17,879)</u>	<u>(11,085)</u>	<u>(1,415,347)</u>	<u>      </u>	<u>(231,479)</u>
NET CHANGE IN FUND BALANCES	6,362	1,277	(1,764,043)	84	(779,352)
FUND BALANCES— Beginning of year	<u>(1,910)</u>	<u>62,630</u>	<u>(3,336,672)</u>	<u>      </u>	<u>(1,200,383)</u>
FUND BALANCES— End of year	<u>\$ 4,452</u>	<u>\$ 63,907</u>	<u>\$(5,100,715)</u>	<u>\$ 84</u>	<u>\$(1,979,735)</u>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2010**

	Education for Economic Security Act Title II	FEMA Public Assistance Grant	FEMA Displaced Students Grant	Drug Free Schools and Communities	Title XIX School Nurse
OTHER FINANCING SOURCES					
(USES):					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from financing arrangement					
Transfers out	<u>(174,303)</u>	<u>                    </u>	<u>(274,685)</u>	<u>(5,724)</u>	<u>(350,000)</u>
Total other financing sources (uses)—net	<u>(174,303)</u>	<u>                    </u>	<u>(274,685)</u>	<u>(5,724)</u>	<u>(350,000)</u>
NET CHANGE IN FUND BALANCES	116,795	1,739,598	(1,136,050)	(2,104)	186,905
FUND BALANCES—					
Beginning of year	<u>(40,579)</u>	<u>                    </u>	<u>1,185,188</u>	<u>(28,776)</u>	<u>251,377</u>
FUND BALANCES—					
End of year	<u>\$ 76,216</u>	<u>\$ 1,739,598</u>	<u>\$ 49,138</u>	<u>\$ (30,880)</u>	<u>\$ 438,282</u>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**NON-MAJOR GOVERNMENTAL FUNDS—SPECIAL REVENUE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2010**

After School Learning Center	Tuition Preschool	Adult Education	Community Education	Other Federal Programs	State Programs	Total
\$ -	\$ -	\$ (1)	\$ -	\$ 325	\$ 420,783	\$ 422,322
(6,678)		1	(288,000)		7,913,790	7,913,790
(6,678)			(288,000)	325	(2,825,706)	(5,602,100)
					5,508,867	2,734,012
171,605	(136,185)	16,733	(183,094)	(39,517)	(1,630,086)	(3,431,072)
(210,121)	(469,129)	388,295	1,712,662	(113,593)	2,927,946	1,126,935
<u>\$ (38,516)</u>	<u>\$ (605,314)</u>	<u>\$ 405,028</u>	<u>\$ 1,529,568</u>	<u>\$ (153,110)</u>	<u>\$ 1,297,860</u>	<u>\$ (2,304,137)</u>

(Concluded)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

NON-MAJOR GOVERNMENTAL FUNDS—DEBT SERVICE  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2010

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve	1980 1/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	LCDA Loan	JPPSS BOND SINKING QSCB	FEMA CDL Loan	Total
<b>REVENUES:</b>									
Local sources:									
Sales and use taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	873	615	25,281	323	20,896	413	7,699	-	56,100
Other	-	-	-	-	-	-	-	2,551,144	2,551,344
Total revenues	<u>873</u>	<u>615</u>	<u>25,281</u>	<u>323</u>	<u>20,896</u>	<u>413</u>	<u>7,699</u>	<u>2,551,144</u>	<u>2,607,244</u>
<b>EXPENDITURES:</b>									
Supporting services:									
Salaries and benefits	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	60	343	6,811	469,200	476,414
Total supporting services	-	-	-	-	<u>60</u>	<u>343</u>	<u>6,811</u>	<u>469,200</u>	<u>476,414</u>
Debt Service:									
Principal retirement	1,410,000	6,500,000	-	5,276,738	-	24,800	-	-	14,211,538
Interest and fiscal charges	696,037	5,459,171	-	5,122,842	-	12,828	-	-	11,290,878
Total debt service	<u>2,106,037</u>	<u>11,959,171</u>	<u>-</u>	<u>11,399,580</u>	<u>-</u>	<u>37,628</u>	<u>-</u>	<u>-</u>	<u>25,502,416</u>
Total expenditures	<u>2,106,037</u>	<u>11,959,171</u>	<u>-</u>	<u>11,399,580</u>	<u>60</u>	<u>37,971</u>	<u>6,811</u>	<u>469,200</u>	<u>25,978,830</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,105,164)</u>	<u>(11,958,556)</u>	<u>25,281</u>	<u>(11,399,257)</u>	<u>20,836</u>	<u>(37,558)</u>	<u>888</u>	<u>2,081,944</u>	<u>(23,371,586)</u>
<b>OTHER FINANCING SOURCES (USES):</b>									
Transfers in	2,767,987	17,920,131	-	13,786,670	-	-	-	-	34,474,788
Transfers out	-	-	-	-	-	-	(21,000,000)	(17,000,000)	(38,000,000)
Bond Proceeds	-	-	-	-	-	-	21,646,000	-	21,646,000
Total other financing sources (uses)—net	<u>2,767,987</u>	<u>17,920,131</u>	<u>-</u>	<u>13,786,670</u>	<u>-</u>	<u>-</u>	<u>646,000</u>	<u>(17,000,000)</u>	<u>18,120,788</u>
NET CHANGE IN FUND BALANCES	662,823	5,961,575	25,281	2,387,413	20,836	(37,558)	646,888	(14,918,056)	(5,250,798)
FUND BALANCE— Beginning of year	<u>743</u>	<u>6,267,070</u>	<u>5,789,050</u>	<u>3,300,395</u>	<u>4,093,925</u>	<u>(6,795)</u>	<u>-</u>	<u>14,918,056</u>	<u>34,162,514</u>
FUND BALANCE— End of year	<u>\$ 663,566</u>	<u>\$ 12,228,645</u>	<u>\$ 5,814,331</u>	<u>\$ 5,487,808</u>	<u>\$ 4,114,831</u>	<u>\$ (44,353)</u>	<u>\$ 646,888</u>	<u>\$ -</u>	<u>\$ 28,911,716</u>

## JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

### SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL—ADULT EDUCATION FUND FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance from Revised Budget Positive (Negative)
<b>REVENUES:</b>				
Federal sources	\$ 566,681	\$ 590,398	\$ 844,684	\$ 254,286
State sources	388,944	171,955	171,955	
Tuition and other	<u>14,813</u>	<u>10,296</u>	<u>38,672</u>	<u>28,376</u>
Total revenues	<u>970,438</u>	<u>772,649</u>	<u>1,055,311</u>	<u>282,662</u>
<b>EXPENDITURES:</b>				
Instruction	847,983	702,193	814,138	(111,945)
Supporting Community services	<u>122,455</u>	<u>70,456</u>	<u>224,440</u>	<u>(153,984)</u>
Total expenditures	<u>970,438</u>	<u>772,649</u>	<u>1,038,578</u>	<u>(265,929)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>			<u>16,733</u>	<u>(16,733)</u>
<b>FUND BALANCE—Beginning of year</b>		<u>(24,483)</u>	<u>388,295</u>	<u>(412,778)</u>
<b>FUND BALANCE—End of year</b>	<u>\$ -</u>	<u>\$ (24,483)</u>	<u>\$ 405,028</u>	<u>\$ (429,511)</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**SPECIAL REVENUE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL—COMMUNITY**

**EDUCATION FUND**

**FOR THE YEAR ENDED JUNE 30, 2010**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance from Revised Budget Positive (Negative)</b>
<b>REVENUES:</b>				
Tuition and other	<u>\$ 3,169,718</u>	<u>\$2,943,342</u>	<u>\$2,996,020</u>	<u>\$ 52,678</u>
Total revenues	<u>3,169,718</u>	<u>2,943,342</u>	<u>2,996,020</u>	<u>52,678</u>
<b>EXPENDITURES:</b>				
Instruction	965,000	767,484	871,650	(104,166)
Supporting	333,007	222,497	313,100	(90,603)
Non-instruction	2,108,947	1,979,738	1,678,052	301,686
Capital outlay			28,312	(28,312)
Total expenditures	3,406,954	2,969,719	2,891,114	78,605
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(237,236)</b>	<b>(26,377)</b>	<b>104,906</b>	<b>(25,927)</b>
Transfer In (Out)			(288,000)	(288,000)
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>(237,236)</u></b>	<b><u>(26,377)</u></b>	<b><u>(183,094)</u></b>	<b><u>(313,927)</u></b>
FUND BALANCE—Beginning of year	<u>182,561</u>	<u>249,295</u>	<u>1,712,662</u>	<u>1,463,367</u>
FUND BALANCE—End of year	\$ (54,675)	\$ 222,918	\$ 1,529,568	\$ 1,149,440

## AGENCY FUNDS

*Agency Funds* are established to account for all monies held by the School System in an agency capacity. Disbursements are made only in accordance with the purpose for which assets are received. Activities included within these funds are as follows:

*School and Student Activity Funds*

Used to account for revenues and expenditures for individual school purchases and student body activities, including minor fund raising, field trips and special events.

*School Picture Fund*

Used to account for security deposits received from school photographers.

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES—ALL AGENCY FUNDS FOR THE YEAR ENDED JUNE 30, 2010

	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010
<b>SCHOOL AND STUDENT ACTIVITY FUNDS</b>				
ASSETS—Cash and investments	<u>\$ 6,354,740</u>	<u>\$ 17,486,541</u>	<u>\$ 17,538,744</u>	<u>\$ 6,302,537</u>
LIABILITIES:				
Due to student groups	\$ 3,877,897	\$ 10,107,860	\$ 10,287,979	\$ 3,697,778
Due to schools	2,475,300	7,373,725	7,244,494	2,604,531
Due to others	<u>1,543</u>	<u>4,956</u>	<u>6,271</u>	<u>228</u>
TOTAL	<u>\$ 6,354,740</u>	<u>\$ 17,486,541</u>	<u>\$ 17,538,744</u>	<u>\$ 6,302,537</u>
<b>SCHOOL PICTURE FUND</b>				
ASSETS—Cash and investments	<u>\$ 38,191</u>	<u>\$ 5,021</u>	<u>\$ -</u>	<u>\$ 43,212</u>
LIABILITIES—Due to photographers	<u>\$ 38,191</u>	<u>\$ 7,021</u>	<u>\$ 2,000</u>	<u>\$ 43,212</u>
<b>TOTALS—ALL AGENCY FUNDS</b>				
ASSETS—Cash and investments	<u>\$ 6,392,931</u>	<u>\$ 17,491,562</u>	<u>\$ 17,538,744</u>	<u>\$ 6,345,749</u>
LIABILITIES:				
Due to student groups	\$ 3,877,897	\$ 10,107,860	\$ 10,287,979	\$ 3,697,778
Due to schools	2,475,300	7,373,725	7,244,494	2,604,531
Due to others	1,543	4,956	6,271	228
Due to photographers	<u>38,191</u>	<u>7,021</u>	<u>2,000</u>	<u>43,212</u>
TOTAL	<u>\$ 6,392,931</u>	<u>\$ 17,493,562</u>	<u>\$ 17,540,744</u>	<u>\$ 6,345,749</u>

**OTHER SUPPLEMENTAL INFORMATION**

# JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

## SCHEDULE OF COMPENSATION PAID TO SCHOOL BOARD MEMBERS FOR THE YEAR ENDED JUNE 30, 2010

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Board Member	Number of Days Served	Compensation
Judy Colgan	365	\$ 9,600
Cedric Floyd	365	9,600
Glenn Hayes	365	9,600
Gene Katsanis	365	10,200
Etta Licciardi	365	9,600
Martin Marino	365	10,200
Libby Morgan	365	9,600
Mark Morgan	365	9,600
Ray St. Pierre	365	<u>9,600</u>
TOTAL		<u>\$87,600</u>

## STATISTICAL SECTION (UNAUDITED)

This part of the Jefferson Parish Public School Systems' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the School System's overall financial health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the School System's performance and well-being have changed over time	85 - 88
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the School System's most significant local revenue source, the property tax	89-94
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the School System's ability to issue additional debt in the future	95-99
<b>Demographics and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School System's financial statements take place	100-101
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the School System's financial report relates to the services the School System provides and the activities it performs	102-110

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant years.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 1

NET ASSETS BY COMPONENT  
LAST SIX FISCAL YEARS  
(*accrual basis of accounting*)

	2010	2009	2008	2007	2006	2005
Governmental Activities						
Invested in capital assets—net of related debt	\$ 40,969,808	\$ 20,589,319	\$ (43,764,139)	\$ (29,378,819)	\$ (10,221,368)	\$ (22,795,180)
Restricted	185,405,988	199,118,388	213,625,137	232,744,488	147,680,159	120,450,760
Unrestricted	5,843,443	20,594,003	82,756,811	46,164,250	72,217,720	(29,680,602)
Total governmental activities net assets	232,219,239	240,301,710	252,617,809	249,529,919	209,676,511	67,974,978
Business Type Activities						
Invested in capital assets—net of related debt	517,894	671,034	857,583	488,548	464,277	515,681
Restricted	(3,348,278)	(3,112,086)	(962,580)	1,716,722	445,492	2,407,058
Unrestricted	(2,830,384)	(2,441,052)	(104,997)	2,205,270	909,769	2,922,739
Total business type activities net assets						
Primary Government						
Invested in capital assets—net of related debt	41,487,702	21,260,353	(42,906,556)	(28,890,271)	(9,757,091)	(22,279,499)
Restricted	185,405,988	199,118,388	213,625,137	232,744,488	147,680,159	120,450,760
Unrestricted	2,495,165	17,481,917	81,794,231	47,880,972	72,663,212	(27,273,544)
Total Primary Government activities	\$ 229,388,855	\$ 237,860,658	\$ 252,512,812	\$ 251,735,189	\$ 210,586,280	\$ 70,897,717

Note: The provisions of GASB Statement No. 34 were not adopted until fiscal year 2002, and thus information included in this schedule is available for fiscal years since implementation.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 2

CHANGES IN NET ASSETS  
LAST SIX FISCAL YEARS  
(accrual basis of accounting)

	2010	2009	2008	2007	2006	2005
<b>Expenses</b>						
<b>Governmental activities:</b>						
<b>Instruction:</b>						
Regular programs	\$ 175,926,190	\$ 171,117,833	\$ 163,055,044	\$ 144,830,650	\$ 135,267,679	\$ 133,719,096
Special programs	120,039,070	121,974,741	129,897,177	110,677,795	95,173,411	105,806,109
Vocational programs	16,264,388	16,360,839	18,915,982	13,266,313	12,747,772	11,712,865
All other programs	8,362,899	9,244,530	4,688,109	7,289,001	6,542,581	6,702,742
<b>Support services:</b>						
Student services	54,253,828	61,903,396	46,895,959	40,096,679	56,982,047	30,993,517
Instructional staff support	12,051,725	11,066,093	9,336,410	7,565,950	6,975,762	6,399,284
General administration	32,398,583	35,571,063	30,174,194	33,959,959	25,160,376	22,006,686
School administration	32,923,814	32,761,186	31,813,696	27,565,151	23,644,908	23,290,537
Business services	13,688,220	16,139,592	4,687,121	4,298,701	3,329,760	3,120,348
Operations maintenance services	34,334,610	44,984,499	43,391,739	33,452,615	25,095,845	25,228,363
Pupil transportation services	17,864,194	18,230,936	18,972,660	15,226,223	14,854,271	15,526,724
Central activity services	10,808,008	9,260,477	7,101,546	7,558,766	2,776,225	3,031,972
Interest on long-term debt	7,055,542	8,387,843	8,006,629	6,294,600	8,178,983	8,205,027
Community Services	3,892,422	6,452,413	5,776,262	3,546,081	4,013,135	4,750,557
<b>Total governmental activities</b>	<b>539,863,493</b>	<b>563,455,441</b>	<b>522,712,528</b>	<b>455,628,484</b>	<b>420,742,755</b>	<b>400,493,827</b>
<b>Business-type activities—</b>						
School Lunch	21,195,534	22,405,329	21,256,734	19,154,971	15,738,660	18,924,850
<b>Total primary government</b>	<b>\$ 561,059,027</b>	<b>\$ 585,860,770</b>	<b>\$ 543,969,262</b>	<b>\$ 474,783,455</b>	<b>\$ 436,481,415</b>	<b>\$ 419,418,677</b>
<b>Program Revenues</b>						
<b>Governmental activities:</b>						
<b>Charges for services:</b>						
Regular programs	\$ 95,742	\$ 256,367	\$ 349,500	\$ 422,881	\$ 397,050	\$ 387,137
Special programs	4,218,336	4,560,794	4,399,535	3,917,799	3,216,906	3,754,010
Operating grants and contributions	118,275,699	104,982,110	124,835,262	91,244,113	176,899,290	68,496,399
<b>Total governmental activities program revenues</b>	<b>122,589,777</b>	<b>109,799,271</b>	<b>129,584,297</b>	<b>95,584,793</b>	<b>180,513,246</b>	<b>72,637,546</b>
<b>Business-type activities - School Lunch</b>						
Charges for services	2,083,230	1,971,854	2,035,008	1,934,001	1,483,211	2,389,096
Operating grants and contributions	16,567,500	14,963,263	14,147,127	14,632,014	11,035,855	16,563,707
<b>Total business-type activities program revenues</b>	<b>18,650,730</b>	<b>16,935,117</b>	<b>16,182,135</b>	<b>16,566,015</b>	<b>12,519,066</b>	<b>18,952,803</b>
<b>Total primary government program revenues</b>	<b>\$ 141,240,507</b>	<b>\$ 126,734,388</b>	<b>\$ 145,766,432</b>	<b>\$ 112,150,808</b>	<b>\$ 193,032,312</b>	<b>\$ 91,590,349</b>
<b>Net (Expense)/Revenue</b>						
Governmental activities	\$(417,273,716)	\$(453,656,170)	\$(393,128,231)	\$(360,043,691)	\$(240,229,509)	\$(327,856,281)
Business-type activities - School Lunch	(2,544,804)	(5,470,212)	(5,074,598)	(2,588,956)	(3,219,594)	27,953
<b>Total primary government net expense</b>	<b>\$(419,818,520)</b>	<b>\$(459,126,382)</b>	<b>\$(398,202,829)</b>	<b>\$(362,632,647)</b>	<b>\$(243,449,103)</b>	<b>\$(327,828,328)</b>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 2

CHANGES IN NET ASSETS  
 LAST SIX FISCAL YEARS  
 (accrual basis of accounting)

	2010	2009	2008	2007	2006	2005
<b>General Revenues and Other Changes in Net Asset</b>						
Governmental activities:						
Taxes:						
Property taxes, levied for general purposes	\$ 72,861,837	\$ 70,000,574	\$ 57,838,539	\$ 52,708,811	\$ 49,476,120	\$ 54,025,978
Sales and use taxes, levied for general purposes	135,556,431	144,625,132	155,271,710	157,868,710	155,287,253	128,511,531
Sales and use taxes, levied for public improvement	3,000,000	3,000,000	3,000,000	6,000,000	5,000,000	4,000,000
Sales and use taxes, levied for debt service	22,775,696	23,932,453	28,113,031	31,888,918	28,538,123	23,536,268
State revenue sharing	2,284,598	2,316,289	2,240,343	2,222,428	2,228,852	2,223,632
Grants and contributions not restricted to specific purposes:						
Minimum foundation program	152,900,502	146,194,525	135,838,191	138,917,560	135,882,684	141,907,769
Interest and investment earnings	209,419	1,708,426	9,010,649	14,259,052	6,825,123	3,057,139
Miscellaneous	21,758,234	14,643,514	(439,102)	(83,621)	(90,553)	(107,242)
Transfers	<u>(2,155,472)</u>	<u>(1,055,532)</u>	<u>5,342,760</u>	<u>(3,884,759)</u>	<u>(1,216,560)</u>	<u>(773,685)</u>
Total general revenues	409,191,245	405,365,381	396,216,121	399,897,099	381,931,042	356,381,390
Business type Activities - School Lunch:						
Loss on disposal of asset			(9,033)	(302)	(9,936)	
Transfers	\$ 2,155,472	\$ 3,134,157	2,773,364	3,884,759	1,216,560	773,685
Total general revenues	<u>2,155,472</u>	<u>3,134,157</u>	<u>2,764,331</u>	<u>3,884,457</u>	<u>1,206,624</u>	<u>773,685</u>
Total primary government	<u>\$411,346,717</u>	<u>\$408,499,538</u>	<u>\$398,980,452</u>	<u>\$403,781,556</u>	<u>\$383,137,666</u>	<u>\$357,155,075</u>
Change in Net Assets						
Governmental Activities	\$ (8,082,471)	\$ (48,290,789)	\$ 3,087,890	\$ 39,853,408	\$ 141,701,533	\$ 28,525,109
Business type Activities	<u>(389,332)</u>	<u>(2,336,055)</u>	<u>(2,310,267)</u>	<u>1,295,501</u>	<u>(2,012,970)</u>	<u>801,638</u>
Total primary government	<u>\$ (8,471,803)</u>	<u>\$ (50,626,844)</u>	<u>\$ 777,623</u>	<u>\$ 41,148,909</u>	<u>\$ 139,688,563</u>	<u>\$ 29,326,747</u>

(Concluded)

Note: The provisions of GASB Statement No. 34 were not adopted until fiscal year 2002, and thus information included in this schedule is available for fiscal years since implementation.

TABLE 3

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Fund	\$ 42,912,692	\$ 35,031,780	\$ 43,558,591	\$ 42,266,865	\$ 32,068,706	\$ 25,620,230	\$ 25,533,525	\$ 4,168,010	\$ 4,326,118	\$ 5,717,604
Reserved	56,705,008	79,821,778	98,542,726	114,344,024	112,778,475	22,338,776	12,436,026	10,780,267	3,289,318	(14,036)
Unreserved	99,617,700	114,853,558	142,101,317	156,610,889	144,847,181	47,959,006	37,971,551	14,948,277	7,615,436	5,703,568
Total General Fund	156,474,466	170,469,215	203,788,549	167,781,311	62,583,536	41,284,804	51,697,309	40,522,355	43,378,603	41,144,566
All Other Governmental Funds										
Reserved	(3,634,687)	(1,354,571)	15,377,770	14,840,484	93,580,958	63,947,038	(7,754)	5,525,779	4,063,550	3,978,032
Unreserved, reported in:	(6,209,321)	6,458,482						49,359,843	53,903,679	27,915,184
Special Revenue Fund										
Capital Projects Fund										
Debt Service Fund										
Total All Governmental Funds	\$246,248,158	\$290,426,684	\$361,267,636	\$339,232,684	\$301,011,675	\$155,190,848	\$124,359,399	\$110,356,254	\$108,965,268	\$78,741,350

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST NINE FISCAL YEARS  
(modified accrual basis of accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>REVENUES:</b>									
<i>Local sources:</i>									
Property taxes	\$ 72,861,937	\$ 70,000,574	\$ 57,858,539	\$ 52,708,811	\$ 49,476,120	\$ 54,025,978	\$ 46,616,733	\$ 27,149,912	\$ 23,376,158
Sales and use taxes	161,332,127	171,557,585	186,384,740	195,757,628	188,823,376	156,047,799	150,538,215	146,097,664	146,305,236
Tuition and other	4,314,078	4,817,161	4,749,035	4,340,660	3,613,956	4,141,147	5,839,032	7,484,268	6,083,768
Interest income	209,417	1,708,426	9,010,649	14,259,052	6,825,123	3,057,139	1,471,740	1,945,935	1,825,898
Other	21,171,404	15,574,674	24,103,939	10,788,570	34,449,913	6,125,767	4,486,641	3,366,150	2,703,553
State sources	162,883,882	162,047,757	156,679,797	149,259,611	150,657,034	154,682,354	155,126,600	146,918,941	140,404,521
Federal sources	<u>89,405,515</u>	<u>75,873,620</u>	<u>82,775,481</u>	<u>72,468,621</u>	<u>129,903,879</u>	<u>51,819,679</u>	<u>42,739,695</u>	<u>41,967,849</u>	<u>36,034,621</u>
Total revenues	512,178,260	501,579,797	521,542,180	499,582,973	563,751,401	429,899,863	406,818,656	374,930,719	356,733,755
<b>EXPENDITURES:</b>									
<i>Instruction</i>									
Instruction	304,626,051	303,135,118	296,668,913	261,094,739	239,014,114	254,594,405	225,439,655	216,795,492	212,829,709
<i>Supporting services</i>									
Supporting services	209,626,135	221,412,231	188,423,113	166,697,127	156,631,946	129,170,601	116,314,650	110,652,773	106,733,056
<i>Non-instruction</i>									
Non-instruction	3,892,993	6,451,618	5,776,260	3,546,582	4,012,903	4,750,557	4,201,540	4,874,737	4,435,348
<i>Capital outlay</i>									
Capital outlay	40,104,845	33,849,409	32,071,979	18,796,517	6,272,334	11,708,173	18,776,670	12,886,115	7,643,537
<i>Debt service:</i>									
Principal retirement	14,211,538	11,120,621	22,287,317	20,619,809	15,474,634	15,435,388	14,931,769	14,468,019	14,287,479
Interest and fiscal charges	11,299,542	10,269,441	9,622,406	8,812,431	12,308,983	12,288,995	12,759,543	13,143,912	12,687,023
Advance refunding escrow						5,718,509			
Refunding bond issuance						533,285			
Total expenditures	583,761,104	586,238,438	554,849,988	479,477,205	433,714,014	434,199,914	392,423,827	372,421,048	358,616,152
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>									
	(71,582,844)	(84,658,641)	(33,307,808)	20,105,768	130,037,387	(4,300,051)	14,394,829	2,509,671	(1,882,397)
<b>OTHER FINANCING SOURCES (USES):</b>									
<i>Transfers in</i>									
Transfers in	90,980,104	79,714,110	62,098,525	48,228,495	115,342,567	33,446,595	15,325,596	4,894,214	23,237,568
<i>Transfers out</i>									
Transfers out	(93,135,576)	(80,769,641)	(56,755,755)	(52,113,254)	(116,559,127)	(34,220,280)	(16,098,530)	(5,462,899)	(23,806,253)
<i>Transfers to component unit</i>									
Transfers to component unit							(618,750)	(550,000)	(550,000)
<i>Payment to refunded bond escrow agent</i>									
Payment to refunded bond escrow agent						(28,881,001)			(51,830,000)
<i>Debt proceeds</i>									
Debt proceeds	<u>29,559,790</u>	<u>14,873,220</u>	<u>50,000,000</u>	<u>22,000,000</u>	<u>17,000,000</u>	<u>64,786,185</u>	<u>1,000,000</u>		<u>85,055,000</u>
Total other financing sources (uses)—net	27,404,318	13,817,689	55,342,760	18,115,241	15,783,440	35,131,500	(391,684)	(1,118,685)	32,106,315
<b>NET CHANGE IN FUND BALANCES</b>									
	\$ (44,178,526)	\$ (70,840,952)	\$ 22,034,952	\$ 38,721,009	\$ 145,810,827	\$ 30,831,449	\$ 14,003,145	\$ 1,390,986	\$ 30,223,918
<i>Debt service as a percentage of non-capital expenditures</i>									
	4.69%	3.89%	6.10%	6.56%	6.57%	6.97%	7.68%	7.59%	8.01%

Note: The provisions of GASB Statement No. 34 were not adopted until fiscal year 2002, and thus information included in this schedule

TABLE 5

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

ASSESSED TAXABLE VALUE BY TYPE OF PROPERTY  
LAST TEN FISCAL YEARS (1) (UNAUDITED)

Fiscal Year	Real Estate		Personal Property		Public Service Corporations		Homestead Exempt	Total		Total Direct Tax Rate
	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual		Assessed	Estimated Actual	
2001	\$ 1,921,142,597	\$ 19,211,425,970	\$ 541,881,164	\$ 3,612,541,093	\$ 150,637,040	\$ 1,004,246,933	\$ 749,726,810	\$ 1,863,933,991	\$ 23,828,213,996	2.96
2002	1,981,373,517	19,813,735,170	538,255,199	3,588,367,993	157,501,910	1,050,012,733	751,619,260	1,925,511,366	24,452,115,896	3.03
2003	2,037,485,267	20,374,852,670	561,606,346	3,744,042,307	154,998,240	1,033,321,600	757,470,200	1,996,619,653	25,152,216,577	3.04
2004	2,100,548,350	21,005,483,300	590,918,697	3,939,457,980	156,893,420	1,045,969,467	761,202,740	2,087,159,727	25,990,910,947	3.14
2005	2,442,875,574	24,428,755,740	612,248,156	4,081,654,373	155,024,900	1,033,499,333	783,750,710	2,426,388,920	29,563,909,446	2.83
2006	2,252,924,984	22,529,249,840	620,083,578	4,133,890,520	157,445,970	1,049,639,800	743,121,180	2,287,333,352	27,712,780,160	3.80
2007	2,296,135,344	22,961,353,440	621,920,854	4,146,139,027	155,619,690	1,037,464,600	744,420,630	2,329,255,258	28,144,957,067	3.90
2008	2,505,480,025	25,054,800,250	683,224,641	4,782,572,487	151,323,670	1,059,279,690	739,284,610	2,600,745,726	30,896,652,427	3.64
2009	3,107,593,216	31,075,932,160	707,265,295	4,717,459,518	155,683,120	1,038,406,410	772,154,110	3,198,387,521	36,831,798,088	3.73
2010	3,147,426,791	31,474,267,910	710,837,873	4,738,919,153	156,425,830	1,042,838,867	766,827,201	3,247,863,293	37,256,025,930	3.96

NOTE:

(1) The assessed and taxable value for the School System is determined during the School System's fiscal year and is supplied by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. Taxable valuation for tax levy purposes is net of adjustments identified subsequent to certification.

Source: Jefferson Parish, Louisiana, Property Tax Data Book

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 6**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	Jefferson Parish Public School System				Overlapping Rates	
	General Fund	Special Revenue Funds	Debt Service Funds	Total Service	Jefferson Parish	Parish Other
2001	0.15	0.88	0.28	1.31	0.97	0.68
2002	0.13	1.10	0.21	1.44	0.89	0.70
2003	0.14	1.09	0.21	1.44	0.89	0.71
2004	0.14	1.10	0.18	1.42	1.01	0.71
2005	0.14	0.11	0.18	0.43	1.68	0.72
2006	0.13	1.02	0.18	1.33	1.73	0.74
2007	0.13	1.02	0.28	1.43	1.73	0.74
2008	0.13	1.02	0.00	1.15	1.74	0.75
2009	0.13	1.05	0.00	1.18	1.78	0.77
2010	0.11	1.20	0.00	1.31	1.85	0.80

Source: Jefferson Parish, Louisiana December 31, 2009 CAFR.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 7

PRINCIPAL TAXPAYERS (UNAUDITED)

Name of Taxpayer	2010			2009		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Entergy Services Inc.	\$ 61,950	1	1.71 %	\$ 59,296		1.79 %
BellSouth	33,730	2	0.93	35,929		1.08
Causeway Associates	30,183	3	0.83	19,983		0.60
Wal-Mart Stores East	27,550	4	0.76			
Atmos Energy Louisiana	16,832	5	0.47	15,221		0.46
Capital One	15,465	6	0.43	21,471		0.64
Avondale Shipyards, Inc	14,130	7	0.39	15,560		0.47
Cox Communications Inc.	13,897	8	0.38	14,426		0.43
Cytec Industries LLC	11,168	9	0.31			
Evonik Cyro LLC	9,060	10	0.25			
Regions Bank				16,772		0.50
Whitney National Bank				15,669		0.47
JP Morgan Chase Bank				12,977		0.39
	<u>\$ 233,965</u>		<u>6.46 %</u>	<u>\$ 227,304</u>		<u>6.82 %</u>

Source: Jefferson Parish Assessor's Office.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 8

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 22,579,160	\$ 21,300,482	94.34	\$ 231,491	\$ 21,531,973	94.86
2002	23,554,730	22,317,035	94.75	181,826	22,498,861	95.52
2003	27,561,570	25,803,168	93.62	376,514	26,179,682	94.99
2004	47,208,280	44,102,315	93.42	497,272	44,599,587	94.47
2005	55,588,613	51,618,591	92.86	383,884	52,002,475	94.00
2006	52,591,696	46,829,372	89.04	361,666	47,191,038	89.73
2007	53,363,293	48,796,239	91.44	1,523,506	50,319,746	94.30
2008	59,583,038	54,535,210	91.53	800,849	55,336,059	92.87
2009	73,275,037	69,282,527	94.55	718,047	70,000,574	95.53
2010	74,408,609	70,340,704	94.53	2,521,133	72,861,837	97.92

Source: Jefferson Parish Sheriff's Office, Property Tax Reconciliation Report.

TABLE 9

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ended June 30	Real Estate	Personal Property	Public Service Corporations	Less Homestead Exempt	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2001	\$ 1,921,142,597	\$ 541,881,164	\$ 150,637,040	\$ 749,726,810	\$ 1,803,933,991	2.96	\$ 23,828,213,996	7.82%
2002	1,981,373,517	538,255,199	157,501,910	751,619,260	1,925,511,366	3.03	24,452,115,896	7.87%
2003	2,037,485,267	561,606,346	154,998,240	757,470,200	1,996,619,653	3.04	25,152,216,577	7.94%
2004	2,100,548,350	590,918,697	156,895,420	761,202,740	2,087,159,727	3.14	25,990,910,947	8.03%
2005	2,442,875,574	612,248,156	155,024,900	783,759,710	2,426,388,920	2.83	29,543,909,446	8.21%
2006	2,252,924,984	620,083,578	157,445,970	743,121,180	2,287,333,352	3.80	27,712,780,160	8.25%
2007	2,296,135,344	621,920,854	155,619,690	744,420,630	2,329,255,258	3.90	28,144,957,067	8.28%
2008	2,505,480,025	683,224,641	151,325,670	739,284,640	2,600,745,726	3.64	30,896,652,427	8.42%
2009	2,782,719,497	661,215,634	155,683,120	772,154,110	3,198,387,521	3.73	36,831,798,088	8.68%
2010	2,378,695,340	704,120,251	165,047,702	766,827,201	2,481,036,092	3.96	37,256,025,930	6.67%

Source: Jefferson Parish, Louisiana, Grand recapitulation of the assessment roll.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 10**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST NINE FISCAL YEARS (UNAUDITED)  
(Dollars In Thousands, Except Per Capita)**

<b>Fiscal Year</b>	<b>Ad Valorem Tax Bonds</b>	<b>Sales Tax Bonds</b>	<b>LCDA Loan</b>	<b>FEMA Loan</b>	<b>Note Payable</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
2002	\$ 15,685	\$ 178,517	\$ -	\$ -		\$ 194,202	1.82%	538
2003	13,370	162,894				176,264	1.46%	441
2004	10,945	147,015	990			158,950	1.14%	348
2005	8,400	161,199	970			170,569	1.16%	373
2006	5,730	143,375	950	17,000		167,055	1.13%	364
2007	2,935	144,543	929	17,000		165,407	1.18%	374
2008		172,699	905	17,000		190,604	1.23%	443
2009	14,888	158,168	882	17,000		190,938	1.03%	431
2010	35,146	143,593	857		7,914	187,510	1.03%	422

Note: The provisions of GASB Statement No. 34 were not adopted until fiscal year 2002, and thus information included in this schedule is available for fiscal years since implementation.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 11**

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	Ad Valorem Tax Bond	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Actual Value	Net Bonded Debt Per Capita
2001	\$ 17,890,000	\$ 317,009	\$ 17,572,991	98.23	38.58
2002	15,685,000	333,247	15,351,753	97.88	33.88
2003	13,370,000	417,621	12,952,379	96.88	28.41
2004	10,945,000	476,035	10,468,965	95.65	22.92
2005	8,400,000	538,262	7,861,738	93.59	17.20
2006	5,730,000	16,532	5,713,468	99.71	12.47
2007	2,935,000	65,422	2,869,578	97.77	6.28
2008	-	-	-	-	-
2009	14,888,000	743	14,887,257	100.00	34.34
2010	35,146,000	663,566	34,482,434	98.11	77.65

TABLE 12

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Legal Debt Margin Calculation for Fiscal Year 2010										
Assessed value	\$ 4,014,690,494									
Debt limit percentage (10%)	401,469,049									
Debt applicable to limit: General Obligation Bonds	35,146,000									
Less amount set aside for repayment of general obligation debt	663,566									
Total net debt applicable to limit	\$ 34,482,434									
Legal debt margin	366,986,615									
Debt limit	\$ 401,469,049	\$ 382,166,906	\$ 334,003,034	\$ 307,367,589	\$ 303,045,453	\$ 321,014,863	\$ 284,836,247	\$ 275,408,985	\$ 267,713,063	\$ 261,336,080
Total net debt applicable to limit	34,482,434	14,887,257	-	2,869,578	5,713,468	7,861,738	10,468,965	12,952,379	15,351,753	17,572,991
Legal debt margin	\$ 366,986,615	\$ 367,279,649	\$ 334,003,034	\$ 304,498,011	\$ 297,331,985	\$ 313,153,125	\$ 274,367,282	\$ 262,456,606	\$ 252,361,310	\$ 243,763,089
Total net debt percentage applicable to the limit as a percentage of debt limit	8.59%	3.75%	%	0.93%	1.89%	2.45%	3.68%	4.70%	5.73%	6.72%

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 13**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)  
JUNE 30, 2010 (UNAUDITED)**

	Net Bonded Debt	Percentage Applicable to the System	System Share of Debt
Parish of Jefferson: (1)			
Consol. Playground Dist. #2, Sub. #1	\$ 7,065,000	100 %	\$ 7,065,000
Fire Protection District No. 7	<u>3,540,000</u>	100	<u>3,540,000</u>
Total Overlapping Parish Debt	<u>10,605,000</u>		<u>10,605,000</u>
Jefferson Parish Public School System direct debt	<u>165,239,000</u>	100	<u>165,239,000</u>
Total direct and overlapping debt	<u>\$ 175,844,000</u>		<u>\$ 175,844,000</u>

(1) Data for taxing entities other than Jefferson Parish Public School System were supplied by the respective taxing authority

TABLE 14

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN  
LAST NINE FISCAL YEARS (UNAUDITED)

	2010	2009	2008	2007	2006	2005	2004	2003	2002
General bonded debt outstanding - General Obligation bonds	\$ 187,509,691	\$ 191,701,684	\$ 190,603,949	\$ 165,407,043	\$ 167,053,000	\$ 170,569,317	\$ 158,949,705	\$ 176,254,474	\$ 194,202,493
Percentage of estimated actual property value	0.50 %	0.52 %	0.62 %	0.59 %	0.60 %	0.58 %	0.61 %	0.70 %	0.79 %
Per capita	422	431	443	374	365	373	348	387	429
Less amounts set aside to repay general debt	28,911,716	34,162,514	47,739,774	47,739,774	50,441,267	29,153,613	33,373,696	30,571,290	35,670,739
Total net debt applicable to debt limit	158,597,975	157,539,170	142,864,175	117,667,269	116,611,733	141,415,704	125,576,009	145,683,184	158,531,754
Legal Debt Limit	401,469,049	397,054,163	334,003,034	307,367,589	303,045,453	321,014,863	284,836,247	275,408,985	267,713,063
Legal Debt Margin	\$ 242,871,074	\$ 239,514,993	\$ 191,138,859	\$ 189,700,320	\$ 186,433,720	\$ 179,599,159	\$ 159,260,238	\$ 129,715,801	\$ 109,181,309
Legal Debt Margin as a percentage of the debt limit	60.5 %	60.3 %	57 %	62 %	62 %	56 %	56 %	47 %	41 %

Note: The provisions of GASB 34 were not adopted until fiscal year 2002, and thus information included in this schedule is available for fiscal year since implementation.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 15**

**DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS (UNAUDITED)**

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	School Enrollment	Unemployment Rate
2001	455,466	\$ 12,616,485	\$ 27,180	76,792	3.9
2002	453,116	13,372,891	29,613	77,724	4.6
2003	455,927	13,582,857	30,130	77,084	4.6
2004	456,779	13,777,746	30,584	77,164	4.9
2005	457,059	14,545,841	32,239	76,429	4.1
2006	458,029	10,841,515	24,047	76,278	5.4
2007	441,741	16,282,893	38,565	64,797	4.4
2008	429,994	18,498,697	42,010	63,950	3.7
2009	433,483	18,498,697 (1)	42,010 (1)	65,860	4.8
2010	444,049	18,269,996	41,088	63,173	6.5

(1) Information was not available at time of preparation, previous year information utilized for comparison.

Source: Jefferson Parish, Louisiana December 31, 2009 CAFR.

TABLE 16

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
 PRINCIPAL EMPLOYERS  
 LAST FIVE FISCAL YEARS (UNAUDITED)

Name of Employer	2010 Approximate No. of Employees	2009 Approximate No. of Employees	2008 Approximate No. of Employees	2007 Approximate No. of Employees	2006 Approximate No. of Employees
Ochsner Health System	7,517	7,462	7,462	7,462	6,225
Jefferson Parish School Board	7,000	7,000	7,000	7,000	7,000
Northrop Grumman Avondale Operations	5,400	5,400	5,200	5,450	6,071
Jefferson Parish	3,671	3,671	3,671	3,671	3,671
East Jefferson General Hospital	2,645	3,304	2,420	2,420	3,300
ACME Truck Line, Inc.	2,645	2,150	2,100		
West Jefferson Medical Center	1,501	1,817	1,450	1,579	191
Wal-Mart Stores East	1,750	1,750	1,750	1,750	1,750
Jefferson Parish Sheriff's Office	1,655	1,655	1,655	1,655	1,655
Lairam LLC		1,067		1,050	
American Nursing Services, Inc.	1,500		1,500	2,250	5,100
Universal Sodexo (USA) Inc.			1,233	1,233	1,400
Tenet Physician Group					
Advantage Nursing Services, Inc.					

Source: JEDCO, EDS Department, Jefferson Edge - Economic Profile 2010

Note: The provisions of GASB 44 were not adopted until fiscal year 2006 and thus information for ten year prior as required is not available to be presented.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	2010	2009	2008	2007	2006	2005
Airline Park (year built)					1955	
Square Feet	45,777	45,777	45,477	45,477	45,447	45,447
Capacity (students)	780	808	870	870	870	870
Enrollment	281	316	343	377	313	360
Ames					1926	
Square Feet	31,023	31,023	31,023	31,023	31,023	31,023
Capacity (students)	572	702	600	600	600	600
Enrollment	374	264	308	354	333	364
Bissonet Plaza					1959	
Square Feet	45,216	46,216	46,216	46,216	46,216	46,216
Capacity (students)	988	988	1140	1140	1140	1140
Enrollment	542	512	592	568	517	659
Bridge City					1950	
Square Feet	40,418	40,418	40,418	40,418	40,418	40,418
Capacity (students)	910	936	900	900	900	900
Enrollment	450	384	372	380	344	431
Bridgedale					1964	
Square Feet	32,739	32,739	32,739	32,739	32,739	32,739
Capacity (students)	624	676	780	780	780	780
Enrollment	446	445	363	339	307	388
Clancy					1956	
Square Feet	52,000	40,345	40,345	40,345	40,345	40,345
Capacity (students)	754	832	930	930	930	930
Enrollment	454	416	293	343	309	441
George Cox					1960	
Square Feet	39,856	39,856	39,856	39,856	39,856	39,856
Capacity (students)	572	624	930	930	930	930
Enrollment	425	395	347	343	490	472
Deckbar (site)					1927	
Square Feet	28,207	28,207	25,207	25,207	25,207	25,207
Capacity (students)	825	550	480	480	480	480
Enrollment	302	341	29	62	59	68
Dolhonde					1926	
Square Feet	43,000	39,389	39,389	39,389	39,389	39,389
Capacity (students)	676	660	660	660	660	660
Enrollment	400	346	523	485	535	541
East Jefferson					1953	
Square Feet	178,912	178,912	167,912	167,912	167,912	167,912
Capacity (students)	2079	2,220	2,220	2,220	2,220	2,220
Enrollment	1058	876	843	881	916	1,095
Riviere					1960	
Square Feet	45,993	45,993	45,993	45,993	45,993	45,993
Capacity (students)	676	728	660	660	660	660
Enrollment	422	346	312	266	264	343
Ellis					1951	
Square Feet	50,809	50,809	50,809	50,809	50,809	50,809
Capacity (students)	780	858	930	930	930	930
Enrollment	543	402	540	465	434	528
Fisher					1940	
Square Feet	41,254	41,254	41,254	41,254	41,254	41,254
Capacity (students)	1023	900	900	900	900	900
Enrollment	421	541	570	554	525	548

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 17

SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)

	2010	2009	2008	2007	2006	2005
Grand Isle					1940	
Square Feet	48,371	48,371	48,371	48,371	48,371	48,371
Capacity (students)	668	600	600	600	600	600
Enrollment	146	140	146	146	148	216
Green Park					1957	
Square Feet	46,604	46,604	46,604	46,604	46,604	46,604
Capacity (students)	884	962	990	990	990	990
Enrollment	544	441	431	419	424	442
Gretna #2					1923	
Square Feet	14,819	14,819	14,819	14,819	14,819	14,819
Capacity (students)	364	442	360	360	360	360
Enrollment	353	315	319	310	151	181
Gretna Middle					1994	
Square Feet	110,000	110,000	110,000	110,000	110,000	110,000
Capacity (students)	1452		1,260	1,260	1,260	1,260
Enrollment	675	681	907	868	791	946
Gretna Park					1965	
Square Feet	47,769	47,769	47,769	47,769	47,769	47,769
Capacity (students)	832	1,014	1,170	1,170	1,170	1,170
Enrollment	587	623	576	419	515	664
Harahan					1926	
Square Feet	41,831	41,831	41,831	41,831	41,831	41,831
Capacity (students)	806	988	900	900	900	900
Enrollment	568	446	493	533	478	523
Harris Middle					1960	
Square Feet	107,635	107,635	107,635	107,635	107,635	107,635
Capacity (students)	1683	1,045	1,620	1,620	1,620	1,620
Enrollment	766	739	714	700	627	661
Hart					1950	
Square Feet	22,995	22,995	22,995	22,995	22,995	22,995
Capacity (students)	520	494	600	600	600	600
Enrollment	311	367	330	290	227	359
Harvey K					1928	
Square Feet	14,718	147,18	14,718	14,718	14,718	14,718
Capacity (students)	208	182	210	210	210	210
Enrollment	94	109	129	115	120	138
Hazel Park					1957	
Square Feet	39,389	39,389	39,389	39,389	39,389	39,389
Capacity (students)	962	910	1,140	1,140	1,140	1,140
Enrollment	342	388	311	289	289	364
Homedale					1983	
Square Feet	24,943	24,943	24,943	24,943	24,943	24,943
Capacity (students)	364	442	510	510	510	510
Enrollment	232	233	308	288	231	278

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Jefferson Elem					1970	
Square Feet	47,457	47,457	47,457	47,457	47,457	47,457
Capacity (students)	624	624	630	630	630	630
Enrollment	334	380	390	399	453	432
Riverdale Middle					1961	
Square Feet	10,740	108,740	108,740	108,740	108,740	108,740
Capacity (students)	1353	957	1,250	1,250	1,250	1,250
Enrollment	717	553	598	595	635	552
Bunche					1960	
Square Feet	39,992	39,992	39,992	39,992	39,992	39,992
Capacity (students)	924	510	510	510	510	510
Enrollment	147	135	112	117	261	491
Live Oak					1960	
Square Feet	32,258	32,258	32,258	32,258	32,258	32,258
Capacity (students)	676	702	660	660	660	660
Enrollment	309	309	319	302	311	324
Marrero Middle					1940	
Square Feet	107,018	107,018	107,018	107,018	107,018	107,018
Capacity (students)	1386	976	1,230	1,230	1,230	1,230
Enrollment	620	604	611	628	568	955
McDonogh 26					1967	
Square Feet	45,906	45,906	45,906	45,906	45,906	45,906
Capacity (students)	702	624	720	720	720	720
Enrollment	301	333	346	396	317	271
Metairie Grammar					1924	
Square Feet	27,186	27,186	27,186	27,186	27,186	27,186
Capacity (students)	494	494	510	510	510	510
Enrollment	454	399	373	366	399	339
Haynes					1924	
Square Feet	83,972	83,972	83,972	83,972	83,972	83,972
Capacity (students)	1353	1245	1,290	1,290	1,290	1,290
Enrollment	711	572	494	375	233	470
Pitre					1960	
Square Feet	57,580	57,580	57,580	57,580	57,580	57,580
Capacity (students)	936	962	1,170	1,170	1,170	1,170
Enrollment	537	552	479	458	417	538
Riverdale High					1961	
Square Feet	161,084	161,084	161,084	161,084	161,084	161,084
Capacity (students)	2211	3,720	3,720	3,720	3,720	3,720
Enrollment	735	717	797	700	937	1,080
Waggaman					1912	
Square Feet	13,476	13,476	13,476	13,476	13,476	13,476
Capacity (students)	210	330	330	330	330	330
Enrollment	32	33	44	58	48	80

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Wall					1939	
Square Feet	51,889	51,889	51,889	51,889	51,889	51,889
Capacity (students)	858	858	1,110	1,110	1,110	1,110
Enrollment	486	557	589	412	501	571
Maggiore					1956	
Square Feet	49,863	49,863	49,863	49,863	49,863	49,863
Capacity (students)	832	884	1,110	1,110	1,110	1,110
Enrollment	420	476	416	412	344	560
West Jefferson					1953	
Square Feet	186,599	182,099	182,099	182,099	182,099	182,099
Capacity (students)	2,673	2,160	2,160	2,160	2,160	2,160
Enrollment	1,263	1,365	1,371	1,300	1,443	1,971
Westwego					1940	
Square Feet	36,314	36,314	36,314	36,314	36,314	36,314
Capacity (students)	806	676	720	720	720	720
Enrollment	421	473	404	236	288	294
Terrytown					1963	
Square Feet	37,981	37,981	37,891	37,891	37,891	37,891
Capacity (students)	676	990	990	990	990	990
Enrollment	556	500	463	424	360	545
Greenlawn					1963	
Square Feet	43,743	43,743	43,743	43,743	43,743	43,743
Capacity (students)	832	806	990	990	990	990
Enrollment	394	353	270	297	237	394
Adams					1967	
Square Feet	71,108	71,108	71,108	71,108	71,108	71,108
Capacity (students)	1,254	992	1,230	1,230	1,230	1,230
Enrollment	823	814	696	642	552	822
Strehle					1967	
Square Feet	62,808	62,808	62,808	62,808	62,808	62,808
Capacity (students)	832	884	990	990	990	990
Enrollment	494	637	420	422	385	415
Hearst					1966	
Square Feet	54,700	54,700	54,700	54,700	54,700	54,700
Capacity (students)	1,014	1,014	1,080	1,080	1,080	1,080
Enrollment	586	487	622	562	509	670
Keller					1966	
Square Feet	46,349	46,349	46,349	46,349	46,349	46,349
Capacity (students)	780	858	1,080	1,080	1,080	1,080
Enrollment	404	376	344	355	341	455
Matas					1966	
Square Feet	74,866	74,866	74,866	74,866	74,866	74,866
Capacity (students)	1,144	910	1,260	1,260	1,260	1,260
Enrollment	481	370	302	333	366	395

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	2010	2009	2008	2007	2006	2005
Ebret					1972	
Square Feet	275,136	275,136	275,136	275,136	275,136	275,136
Capacity (students)	3630	3,510	3510	3510	3510	3510
Enrollment	1662	1,854	1,824	1,916	2,096	2704
Higgins					1968	
Square Feet	156,324	156,324	156,324	156,324	156,324	156,324
Capacity (students)	2442	2,640	2,640	2,640	2,640	2,640
Enrollment	1515	1,519	1,464	1,446	1,484	1,966
Grace King					1968	
Square Feet	156,324	156,324	156,324	156,324	156,324	156,324
Capacity (students)	2475	2,080	2,070	2,070	2,070	2,070
Enrollment	1196	1,208	1,313	1,403	1,296	1,593
Ford					1970	
Square Feet	80,863	80,683	80,683	80,683	80,683	80,683
Capacity (students)	1320	978	1,380	1,380	1,380	1,380
Enrollment	549	638	631	598	650	695
Ellender					1973	
Square Feet	99,561	99,561	99,561	99,561	99,561	99,561
Capacity (students)	1254	1,228	1,470	1,470	1,470	1,470
Enrollment	760	743	737	719	734	1,013
Marrero Academy					1967	
Square Feet	34,762	34,762	34,762	34,762	34,762	34,762
Capacity (students)	780	572	1,260	1,260	1,260	1,260
Enrollment	342	219	135	406	376	520
Rillieux					1970	
Square Feet	48,448	48,448	48,448	48,448	48,448	48,448
Capacity (students)	754	858	1,020	1,020	1,020	1,020
Enrollment	219	269	359	347	309	336
Liviudais					1968	
Square Feet	83,177	83,177	83,177	83,177	83,177	83,177
Capacity (students)	1452	1223	1,350	1,350	1,350	1,350
Enrollment	579	648	554	553	700	911
Helen Cox					1967	
Square Feet	88,188	88,188	88,188	88,188	88,188	88,188
Capacity (students)	1518	1,380	1,380	1,380	1,380	1,380
Enrollment	971	926	855	834	803	1,034
John Martya					1939	
Square Feet	49,987	49,987	49,987	49,987	49,897	49,897
Capacity (students)	230	600	600	600	600	600
Enrollment	44	47		No enrollment	No enrollment	No enrollment
Solis					1984	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	806	962	1,050	1,050	1,050	1,050
Enrollment	695	706	703	716	719	895

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	2010	2009	2008	2007	2006	2005
Woodmere					1984	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	832	1,040	1,260	1,260	1,260	1,260
Enrollment	507	548	655	640	609	799
Janet					1983	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	806	910	960	960	960	960
Enrollment	661	655	557	606	574	748
Butler					1967	
Square Feet	62,555	62,555	62,555	62,555	62,555	62,555
Capacity (students)	754	962	960	960	960	960
Enrollment	495	573	617	523	465	532
Cherbonnier					1986	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	884	832	990	990	990	990
Enrollment	317	357	385	371	393	432
Boudreaux					1987	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	806	962	960	960	960	960
Enrollment	754	653	576	553	476	756
Roosevelt					1976	
Square Feet	96,750	96,750	96,750	96,750	96,750	96,750
Capacity (students)	1485	746	1,200	1,200	1,200	1,200
Enrollment	627	669	520	477	467	687
Alexander					1970	
Square Feet	61,464	61,464	61,464	61,464	61,464	61,464
Capacity (students)	780	858	900	900	900	900
Enrollment	637	653	550	574	494	612
Chateau					1985	
Square Feet	55,000	55,000	55,000	55,000	55,000	55,000
Capacity (students)	858	988	1,020	1,020	1,020	1,020
Enrollment	580	584	623	545	524	696
Pittman					1977	
Square Feet	62,298	62,298	62,298	62,298	62,298	62,298
Capacity (students)	858	806	1,050	1,050	1,050	1,050
Enrollment	559	576	607	589	592	694
Truman					1987	
Square Feet	125,000	125,000	125,000	125,000	125,000	125,000
Capacity (students)	1914	1,411	1,800	1,800	1,800	1,800
Enrollment	543	683	859	943	846	940
Audubon					1979	
Square Feet	50,000	50,000	50,000	50,000	50,000	50,000
Capacity (students)	884	988	1,050	1,050	1,050	1,050
Enrollment	395	377	374	384	365	472

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 17

SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)

	2010	2009	2008	2007	2006	2005
Birney					1968	
Square Feet	43,786	43,786	43,786	43,786	43,786	43,786
Capacity (students)	780	780	900	900	900	900
Enrollment	626	610	518	440	420	575
Leo Kerner (Jean Lafitte)					1985	
Square Feet	57,260	57,260	57,260	57,260	57,260	57,260
Capacity (students)	910	702	1,050	1,050	1,050	1,050
Enrollment	488	510	557	556	550	637
Jefferson Comm						
Square Feet	23,958	23,958	23,958			
Capacity (students)	250	250				
Enrollment	10	18	66	101	89	45
Meisler					1976	
Square Feet	103,849	103,849	103,849	103,849	103,849	103,849
Capacity (students)	1650	1,294	1,650	1,650	1,650	1,650
Enrollment	805	671	915	855	783	1,123
Bonnabel					1972	
Square Feet	314,188	314,188	314,188	314,188	314,188	314,188
Capacity (students)	3993	3,570	3,570	3,570	3,570	3,570
Enrollment	1591	1,487	1,361	1,221	1,158	1,626
Worley					1986	
Square Feet	110,000	110,000	110,000	110,000	110,000	110,000
Capacity (students)	1485	1,222	1,320	1,320	1,320	1,320
Enrollment	558	603	594	582	635	678
Estile					1969	
Square Feet	49,631	49,631	49,631	49,631	49,631	49,631
Capacity (students)	1326	1,300	1,530	1,530	1,530	1,530
Enrollment	1141	1,063	931	963	988	1,003
Schneckenburger					1977	
Square Feet	42,895	42,895	42,895	42,895	42,895	42,895
Capacity (students)	702	728	780	780	780	780
Enrollment	361	377	443	411	340	509
Woodland West					1976	
Square Feet	57,852	57,852	57,852	57,852	57,852	57,852
Capacity (students)	806	1,118	1,140	1,140	1,140	1,140
Enrollment	763	740	793	777	700	860
Middleton					1950	
Square Feet	38,077	38,077	38,077	38,077	38,077	38,077
Capacity (students)	624	650	330	330	330	330
Enrollment	374	354	294	304	385	401
Douglass					1940	
Square Feet	29,188	29,188	29,188	29,188	29,188	29,188
Capacity (students)	420	420	420	420	420	420
Enrollment	126	No enrollment	No enrollment	No enrollment	163	252

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**TABLE 17**

**SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS (UNAUDITED)**

	2010	2009	2008	2007	2006	2005
St Ville					1962	
Square Feet	30,470	30,470	30,470	30,470	30,470	30,470
Capacity (students)	990	810	810	810	810	810
Enrollment	153	134	117	115	193	344
Lincoln					1961	
Square Feet	59,530	59,530	59,530	59,530	59,530	59,530
Capacity (students)	1,200	988	1,200	1,200	1,200	1,200
Enrollment	373	225	184	214	184	353
Collier					1984	
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (students)	300	300	300	300	300	300
Enrollment		No enrollment				
Washington					1939	
Square Feet	38,936	38,936	38,936	38,936	38,936	38,936
Capacity (students)	624	676	390	390	390	390
Enrollment	254	235	226	201	202	247
Woods					1967	
Square Feet	26,921	26,921	26,921	26,921	26,921	26,921
Capacity (students)	494	416	540	540	540	540
Enrollment	187	176	204	192	197	245
Media Center					1975	
Square Feet	30,000	30,000	6,000	6,000	6,000	6,000
Administration Bldg.					1932	
Square Feet	145,000	145,000	145,000	145,000	145,000	145,000
Regional - EB					1984	
Square Feet	45,413	45,413	45,413	45,413	45,413	45,413
Regional - WB					1945	
Square Feet	25,000	25,000	25,000	25,000	25,000	25,000

Note: The provisions of GASB Statement No. 34 were not adopted until fiscal year 2002, and thus information included in this schedule is available for fiscal years since implementation.

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS  
A PROFESSIONAL CORPORATION

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

Members of the School Board of  
Jefferson Parish, Louisiana:

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

Our procedures and findings are as follows:

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

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

### 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, 2009.

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.
4. We obtained a list of principals, assistant principals, and full-time teachers by classification as of October 1, 2009 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined that the individual's education level was properly classified on the schedule.

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).

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

6. We obtained a list of principals, assistant principals, and full-time teachers by classification as of October 1, 2009 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined that the individual's experience was properly classified on the schedule.

Public Staff Data (Schedule 5)

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

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, 2009 roll books for those classes and determined that the class was properly classified on the schedule.

Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century (Schedule 7)

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

The Graduation Exit Exam for the 21<sup>st</sup> Century (Schedule 8)

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

Integrated Louisiana Educational Assessment Program (iLEAP) (Schedule 9)

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

No exceptions were found as a result of applying the above procedure.

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 information and use of management of the School System, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and is not intended to be 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.

*Retme 4 Company*

December 20, 2010

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**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 1**

**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND  
CERTAIN LOCAL REVENUE SOURCES  
AS OF JUNE 30, 2010**

General Fund Instructional and Equipment Expenditures

General fund instructional expenditures:

Teacher and student interaction activities:		
Classroom teacher salaries	\$150,411,060	
Other instructional staff activities	22,254,828	
Employee benefits	65,929,062	
Purchased professional and technical services	1,231,122	
Instructional materials and supplies	6,853,636	
Less instructional equipment	<u>344,901</u>	
Total teacher and student interaction activities		\$247,024,609
Other instructional activities		107,558
Pupil support activities	18,214,308	
Less equipment for pupil support activities		
Net pupil support activities		<u>18,214,308</u>
Instructional Staff Services	12,406,536	
Less equipment for instructional staff services	<u>3,715</u>	
Net instructional staff services		12,410,251
School Administration	32,902,854	
Less equipment for school administration		
Net School Administration		<u>32,902,854</u>
Total general fund instructional expenditures		<u>\$310,659,580</u>
Total general fund equipment expenditures		<u>\$ (348,616)</u>

Certain Local Revenue Sources

Local taxation revenue:

Constitutional ad valorem taxes	\$ 9,261,839
Renewable ad valorem tax	63,599,998
Debt service ad valorem tax	
Up to 1% of collections by the Sheriff on taxes other than school taxes	3,202,115
Sales and use taxes	<u>135,556,431</u>
Total local taxation revenue	<u>\$211,620,383</u>

Local earnings on investment in real property:

Earnings from 16th section property	\$ 31,374
Earnings from other real property	
Total local earnings on investment in real property	<u>\$ 31,374</u>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 1**

**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND  
CERTAIN LOCAL REVENUE SOURCES  
AS OF JUNE 30, 2010**

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State revenue in lieu of taxes:	
Revenue sharing—constitutional tax	\$ 456,518
Revenue sharing—other taxes	1,725,669
Revenue sharing—excess portion	
Other revenue in lieu of taxes	
Total state revenue in lieu of taxes	<u>\$ 2,182,187</u>
Nonpublic textbook revenue	<u>\$ 549,393</u>
Nonpublic transportation revenue	<u>\$ 546,700</u>

(Concluded)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 2**

**EDUCATION LEVELS OF PUBLIC SCHOOL STAFF  
AS OF OCTOBER 1, 2009**

Category	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	5	0.1%	-	-	-	-	-	-
Bachelor's Degree	2,162	69.0%	2	100.0%	-	-	-	-
Master's Degree	749	23.9%	-	-	134	65.3%	2	100.0%
Master's Degree +30	198	6.3%	-	-	67	32.7%	-	-
Specialist in Education	6	0.2%	-	-	-	-	-	-
Ph. D. or Ed. D.	15	0.5%	-	-	4	2.0%	-	-
Total	3,135	100.00%	2	100.0%	205	100.0%	2	100.0%

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 3

**NUMBER AND TYPE OF PUBLIC SCHOOLS  
FOR THE YEARS ENDED JUNE 30, 2010**

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Type	2010
	Number
Elementary	55
Middle/Jr. High	17
Secondary	14
Combination	1
Total	87

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

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

Schedule 4

**EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS  
AS OF OCTOBER 1, 2009**

	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	0.0	22.0	19.0	24.0	17.0	34.0	117.0
Principals	330.0	210.0	685.0	388.0	372.0	333.0	931.0	3249.0
Classroom Teachers	0.0	1.0	7.0	7.0	11.0	10.0	54.0	90.0
Total	331.0	211.0	714.0	414.0	407.0	360.0	1019.0	3456.0

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 5**

**PUBLIC SCHOOL STAFF DATA  
FOR THE YEARS ENDED JUNE 30, 2010**

2010	All Classroom Teachers	Classroom Teachers Excluding ROTC And Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$51,289	\$50,061
Average Classroom Teacher's Salary Excluding Extra Compensation	\$51,094	\$49,992
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	3,251	2,842

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

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 6**

**CLASS SIZE CHARACTERISTICS, 2009 - 2010  
AS OF OCTOBER 1, 2009**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	55%	3,934	32%	2,263	12%	849	1%	86
Elementary Activity Classes	41%	443	32%	345	20%	220	7%	78
Middle/Jr. High	55%	1,653	16%	492	22%	676	6%	195
Middle/Jr. High Activity Classes	81%	610	8%	59	5%	37	6%	46
High	57%	3,231	14%	800	20%	1,118	9%	534
High Activity Classes	65%	316	9%	43	10%	49	17%	81
Combination	100%	170						
Combination Activity Classes	98%	39	3%	1				

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.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 7

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP) FOR THE 21ST CENTURY

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	153	4%	112	3%	93	3%	146	4%	103	3%	138	4%
Mastery	553	15%	572	16%	651	18%	590	16%	361	10%	458	13%
Basic	1,728	46%	1,641	45%	1,596	44%	1,840	44%	1,610	44%	1,610	45%
Approaching Basic	721	19%	821	22%	720	20%	776	21%	886	24%	736	20%
Unsatisfactory	613	16%	519	14%	532	15%	617	16%	705	19%	650	18%
<b>Total</b>	<b>3,768</b>	<b>100%</b>	<b>3,665</b>	<b>100%</b>	<b>3,592</b>	<b>100%</b>	<b>3,769</b>	<b>100%</b>	<b>3,665</b>	<b>100%</b>	<b>3,592</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	65	2%	138	4%	31	1%	63	2%	81	2%	34	1%
Mastery	362	9%	402	11%	347	10%	418	11%	430	12%	460	13%
Basic	1,667	44%	1,527	42%	1,422	40%	1,923	51%	1,747	48%	1,621	45%
Approaching Basic	1,197	32%	1,045	28%	1,199	33%	817	21%	748	20%	827	23%
Unsatisfactory	490	13%	550	15%	590	16%	560	15%	654	18%	648	18%
<b>Total</b>	<b>3,781</b>	<b>100%</b>	<b>3,662</b>	<b>100%</b>	<b>3,589</b>	<b>100%</b>	<b>3,781</b>	<b>100%</b>	<b>3,660</b>	<b>100%</b>	<b>3,590</b>	<b>100%</b>

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	110	4%	45	1%	35	1%	167	5%	204	7%	73	2%
Mastery	453	14%	386	13%	359	11%	170	5%	158	5%	87	3%
Basic	1,323	41%	1,409	46%	1,255	40%	1,432	45%	1,384	46%	1,416	45%
Approaching Basic	1,040	32%	958	32%	1,103	35%	888	28%	772	25%	912	29%
Unsatisfactory	286	9%	247	8%	390	12%	554	17%	524	17%	652	21%
<b>Total</b>	<b>3,212</b>	<b>100%</b>	<b>3,045</b>	<b>100%</b>	<b>3,142</b>	<b>100%</b>	<b>3,211</b>	<b>100%</b>	<b>3,042</b>	<b>100%</b>	<b>3,140</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	50	1%	104	4%	18	1%	30	1%	51	2%	28	1%
Mastery	362	11%	409	14%	451	14%	299	9%	319	10%	243	8%
Basic	1,156	36%	1,011	33%	950	30%	1,429	44%	1,273	42%	1,159	37%
Approaching Basic	1,096	34%	1,009	33%	974	31%	857	26%	804	27%	968	31%
Unsatisfactory	589	18%	496	16%	739	24%	633	20%	575	19%	727	23%
<b>Total</b>	<b>3,253</b>	<b>100%</b>	<b>3,029</b>	<b>100%</b>	<b>3,132</b>	<b>100%</b>	<b>3,248</b>	<b>100%</b>	<b>3,022</b>	<b>100%</b>	<b>3,125</b>	<b>100%</b>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Schedule 8

THE GRADUATION EXIT EXAM FOR THE 21ST CENTURY

District Achievement Level Results	English Language Arts						Mathematics						
	2010		2009		2008		2010		2009		2008		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
<b>Grade 10</b>													
Advanced	36	2%	22	1%	20	1%	261	10%	208	8%	161	6%	
Mastery	340	13%	243	10%	189	7%	411	16%	287	12%	274	11%	
Basic	1,159	46%	1,111	45%	1,064	42%	1,090	43%	1,157	47%	934	37%	
Approaching Basic	612	24%	663	27%	719	28%	371	15%	439	18%	471	19%	
Unsatisfactory	388	15%	417	17%	540	21%	414	16%	377	15%	698	28%	
<b>Total</b>	<b>2,535</b>	<b>100%</b>	<b>2,456</b>	<b>100%</b>	<b>2,532</b>	<b>100%</b>	<b>2,547</b>	<b>100%</b>	<b>2,466</b>	<b>100%</b>	<b>2,538</b>	<b>100%</b>	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	65	3%	59	3%	20	1%	22	1%	16	1%	7	0%
Mastery	238	10%	284	12%	209	9%	141	6%	112	5%	121	5%
Basic	905	40%	871	37%	842	38%	1,140	50%	1,087	46%	1,113	50%
Approaching Basic	615	27%	640	27%	630	28%	551	24%	621	27%	560	25%
Unsatisfactory	452	20%	482	21%	544	24%	424	19%	492	21%	445	20%
<b>Total</b>	<b>2,275</b>	<b>100%</b>	<b>2,336</b>	<b>100%</b>	<b>2,245</b>	<b>100%</b>	<b>2,278</b>	<b>100%</b>	<b>2,328</b>	<b>100%</b>	<b>2,236</b>	<b>100%</b>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Integrated Louisiana Educational Assessment Program (ILEAP)

District Achievement Level Results	English						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent										
<b>Grade 3</b>												
Advanced	103	3%	79	2%	79	2%	184	5%	183	5%	148	4%
Mastery	602	17%	515	15%	419	13%	607	17%	529	15%	388	12%
Basic	1,480	42%	1,379	40%	1,380	42%	1,479	42%	1,466	42%	1,360	41%
Approaching Basic	796	22%	845	24%	813	25%	788	22%	727	21%	745	23%
Unsatisfactory	577	16%	671	19%	610	18%	501	14%	584	17%	659	20%
<b>Total</b>	<b>3,558</b>	<b>100%</b>	<b>3,489</b>	<b>100%</b>	<b>3,301</b>	<b>100%</b>	<b>3,559</b>	<b>100%</b>	<b>3,489</b>	<b>100%</b>	<b>3,300</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>												
Advanced	59	2%	62	2%	42	1%	49	1%	13	%	34	1%
Mastery	369	10%	406	12%	245	7%	378	11%	447	13%	266	8%
Basic	1,498	42%	1,364	39%	1,242	38%	1,611	45%	1,547	45%	1,516	46%
Approaching Basic	1,219	34%	1,167	33%	1,161	35%	934	26%	849	24%	925	28%
Unsatisfactory	412	12%	484	14%	609	18%	585	17%	625	18%	556	17%
<b>Total</b>	<b>3,557</b>	<b>100%</b>	<b>3,483</b>	<b>100%</b>	<b>3,299</b>	<b>100%</b>	<b>3,557</b>	<b>100%</b>	<b>3,481</b>	<b>100%</b>	<b>3,297</b>	<b>100%</b>

District Achievement Level Results	English						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent										
<b>Grade 5</b>												
Advanced	129	4%	64	2%	60	2%	211	7%	124	4%	131	5%
Mastery	525	17%	445	15%	384	14%	339	11%	286	10%	264	9%
Basic	1,308	43%	1,399	47%	1,248	44%	1,362	45%	1,356	46%	1,158	41%
Approaching Basic	703	23%	642	22%	667	24%	577	19%	614	21%	573	20%
Unsatisfactory	388	13%	406	14%	454	16%	564	18%	576	19%	686	24%
<b>Total</b>	<b>3,053</b>	<b>100%</b>	<b>2,956</b>	<b>100%</b>	<b>2,813</b>	<b>100%</b>	<b>3,053</b>	<b>100%</b>	<b>2,956</b>	<b>100%</b>	<b>2,812</b>	<b>100%</b>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 9**

**Integrated Louisiana Educational Assessment Program (ILEAP)**

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>												
Advanced	64	2%	76	3%	44	2%	138	4%	69	2%	71	3%
Mastery	408	13%	384	13%	260	9%	290	10%	335	11%	385	14%
Basic	1,308	43%	1,220	41%	1,124	40%	1,389	46%	1,527	52%	1,336	48%
Approaching Basic	960	32%	908	31%	969	34%	740	24%	643	22%	644	23%
Unsatisfactory	312	10%	367	12%	413	15%	494	16%	381	13%	375	13%
<b>Total</b>	<b>3,052</b>	<b>100%</b>	<b>2,956</b>	<b>100%</b>	<b>2,810</b>	<b>100%</b>	<b>3,051</b>	<b>100%</b>	<b>2,955</b>	<b>100%</b>	<b>2,811</b>	<b>100%</b>

District Achievement Level Results	English						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent										
<b>Grade 6</b>												
Advanced	92	3%	54	2%	26	1%	147	5%	148	5%	167	5%
Mastery	458	15%	284	9%	331	10%	316	10%	286	10%	216	6%
Basic	1,409	46%	1,290	43%	1,288	39%	1,429	47%	1,305	43%	1,324	40%
Approaching Basic	701	23%	784	26%	948	29%	611	20%	571	19%	684	21%
Unsatisfactory	410	13%	598	20%	733	22%	567	18%	702	23%	937	28%
<b>Total</b>	<b>3,070</b>	<b>100%</b>	<b>3,010</b>	<b>100%</b>	<b>3,326</b>	<b>100%</b>	<b>3,070</b>	<b>100%</b>	<b>3,012</b>	<b>100%</b>	<b>3,328</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>												
Advanced	79	3%	41	2%	44	1%	177	6%	93	3%	103	3%
Mastery	458	15%	279	9%	289	9%	296	9%	212	7%	181	5%
Basic	1,217	40%	1,168	39%	1,290	39%	1,248	41%	1,193	40%	1,255	38%
Approaching Basic	906	29%	970	32%	1,081	33%	793	26%	856	29%	915	28%
Unsatisfactory	403	13%	545	18%	614	19%	546	18%	639	21%	857	26%
<b>Total</b>	<b>3,063</b>	<b>100%</b>	<b>3,003</b>	<b>100%</b>	<b>3,318</b>	<b>100%</b>	<b>3,060</b>	<b>100%</b>	<b>2,993</b>	<b>100%</b>	<b>3,311</b>	<b>100%</b>

(Continued)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**Schedule 9**

**Integrated Louisiana Educational Assessment Program (ILEAP)**

District Achievement Level Results	English						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent										
<b>Grade 7</b>												
Advanced	134	5%	84	3%	110	4%	182	7%	162	6%	101	3%
Mastery	368	14%	319	12%	329	11%	301	11%	278	10%	180	6%
Basic	1,162	43%	1,144	42%	1,115	37%	1,240	46%	1,199	43%	1,192	40%
Approaching Basic	714	27%	807	29%	920	31%	533	20%	598	22%	745	25%
Unsatisfactory	308	11%	392	14%	525	18%	431	16%	512	19%	780	26%
<b>Total</b>	<b>2,686</b>	<b>100%</b>	<b>2,746</b>	<b>100%</b>	<b>2,999</b>	<b>100%</b>	<b>2,687</b>	<b>100%</b>	<b>2,749</b>	<b>100%</b>	<b>2,998</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>												
Advanced	74	3%	48	2%	35	1%	38	1%	49	2%	43	1%
Mastery	431	16%	395	14%	239	8%	336	13%	365	13%	261	9%
Basic	1,096	41%	1,089	40%	1,092	37%	1,336	50%	1,253	46%	1,278	43%
Approaching Basic	724	27%	772	28%	916	31%	569	21%	652	24%	720	24%
Unsatisfactory	358	13%	434	16%	698	23%	399	15%	411	15%	667	22%
<b>Total</b>	<b>2,683</b>	<b>100%</b>	<b>2,738</b>	<b>100%</b>	<b>2,980</b>	<b>100%</b>	<b>2,678</b>	<b>100%</b>	<b>2,730</b>	<b>100%</b>	<b>2,970</b>	<b>100%</b>

District Achievement Level Results	English						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent										
<b>Grade 9</b>												
Advanced	46	2%	20	1%	30	1%	239	8%	135	5%	82	3%
Mastery	309	11%	276	9%	252	9%	236	8%	257	9%	131	5%
Basic	1,282	44%	1,259	44%	1,158	41%	1,287	45%	1,201	42%	1,125	40%
Approaching Basic	854	29%	877	31%	934	33%	517	18%	593	21%	674	24%
Unsatisfactory	399	14%	431	15%	467	16%	608	21%	672	23%	823	29%
<b>Total</b>	<b>2,890</b>	<b>100%</b>	<b>2,863</b>	<b>100%</b>	<b>2,841</b>	<b>100%</b>	<b>2,887</b>	<b>100%</b>	<b>2,858</b>	<b>100%</b>	<b>2,835</b>	<b>100%</b>

(Concluded)

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**INDEPENDENT AUDITORS' REPORTS AND INFORMATION**  
**REQUIRED BY THE SINGLE AUDIT ACT AND**  
***GOVERNMENT AUDITING STANDARDS***

**For The Year Ended June 30, 2010**

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**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**INDEPENDENT AUDITORS' REPORT AND INFORMATION REQUIRED BY THE  
SINGLE AUDIT ACT AND *GOVERNMENT AUDITING STANDARDS***

**JUNE 30, 2010**

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# REBOWE & COMPANY

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CONSULTANTS

A PROFESSIONAL CORPORATION

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## **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**

Members of the School Board of  
Jefferson Parish, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Jefferson Parish Public School System (the "School System"), as of and for the year ended June 30, 2010, which collectively comprise the School System's basic financial statements and have issued our report thereon dated December 20, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

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

*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.

Our consideration of internal control over financial reporting 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 financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurances that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness. We consider the deficiency referenced as 2010-1 described below to be a material weakness.

## **FINDING 2010-1: UNRECORDED LIABILITY**

### **Government-Wide Financial Statement Adjustments**

#### **Classification – Material Weakness**

**Observation** - During the audit, we identified a \$7.8 million liability that was not recorded for government wide financial statement reporting purposes relating to a financing arrangement that was entered into with a 3rd party to finance a portion of information technology upgrade costs that were not fully covered by grant funding.

**Background** - The underlying details of the financing arrangement were not fully communicated to the accounting/finance department by the information technology department.

**Recommendation** - We recommend that management implement additional controls and policies and procedures as it relates to the review/approval of financing arrangements entered into by the School System in order to allow the finance/accounting department to appropriately reflect the transaction/related commitment appropriately in the government wide financial statements.

**Management Response** - Management agrees with the finding.

#### **Compliance and Other Matters**

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

We noted certain matters that we reported to management of the School System in a separate letter dated December 20, 2010.

The School System's response to the finding identified in our audit is described above. We did not audit the School System's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Members of School System's Board, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Rebowe & Company*

December 20, 2010

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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## **REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of the School Board of  
Jefferson Parish, Louisiana

### **Compliance**

We have audited the compliance of the Jefferson Parish Public School System (the "School System") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The School System's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School System's management. Our responsibility is to express an opinion on the School System's compliance based on our audit.

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

In our opinion, the School System complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

### **Internal Control Over Compliance**

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

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School System as of and for the year ended June 30, 2010, and have issued our report thereon dated December 20, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School System's basic financial statements. The accompanying Schedule of Federal of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Members of School System's Board, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities, and is not intended to be and should not be used by

anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Rebowe & Company*

December 20, 2010

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
 Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor/Program Title		Schedule of Expenditures of Federal Awards		Receipts or Revenue Recognized		Disbursements/Expenditures	
Federal CFDA Number	Pass-Through Grantor's Number	Federal CFDA Number	Pass-Through Grantor's Number	Receipts or Revenue Recognized	Disbursements/Expenditures	Federal CFDA Number	Pass-Through Grantor's Number
U.S. Department of Education							
Direct Programs:							
Teaching American History							
	Thomas Jefferson Liberty Fellowship	84.215X	U21SX06017	\$ 47,602	\$ 47,602		
ESEA of 1965, Title IX, Part C (P.L. 103-382)							
	Indian Education, 7/08-6/09	84.060A	S060A10096	28,380	28,380		
	Indian Education, 7/07-6/08	84.060A	S060A09096	15,139	15,139		
				43,519	43,519		
	Total Direct Programs			\$ 91,121	\$ 91,121		
Pass-Through State Department of Education:							
State Fiscal Stabilization Funds, ARRA, 7/09 - 6/10							
84.394A	(1)	28-10-AS-26		\$ 4,734,194	\$ 4,734,194		
ESEA of 1965, Title I, Part A							
Title I - Grants to Local Educational Agencies, 7/09-9/10							
84.010A	(1)	28-10-T1-26		16,516,684	16,516,684		
84.010A	(1)	28-09-TA-26		541,009	541,009		
84.377A		28-09-TC-26		170,903	170,903		
84.389A	(1)	28-09-A1-26		9,370,952	9,370,952		
84.387A		28-09-A2-26		9,033	9,033		
				26,608,581	26,608,581		
ESEA of 1965, Title I, Part B							
Even Start, 7/09-9/10							
84.213C		28-10-F1-26		90,988	90,988		
84.213C		28-09-F1-26		8,286	8,286		
				99,274	99,274		
260 IS O FOR 09-10 FY							
84.357A		28-10-RS-26		379,381	379,381		
84.357A		28-09-RS-26		24,979	24,979		
84.357A		28-08-RF-26		-	-		
				404,360	404,360		
Temporary Assistance for Needy Families							
LA 4 Program Federal, 7/09 - 6/10							
93.558		28-10-35-26		2,877,468	2,877,468		
				2,877,468	2,877,468		

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor/Program Title		Schedule of Expenditures of Federal Awards		
Federal CFDA Number	Pass-Through Grantor's Number	Receipts or Revenue Recognized	Disbursements/Expenditures	
U.S. Department of Education - Continued				
Pass-Through State Department of Education - Continued:				
ESEA of 1965, Title I, Part C				
	Migrant Education, 709-9710	\$ 56,932	\$	56,932
	Migrant Education, 708-9709	46,925		46,925
	Migrant Education, 708-9709	114,426		114,426
		<u>218,283</u>		<u>218,283</u>
ESEA of 1965, Title II, Part A (P.L. 107-110)				
	Improving Teacher Quality, 709-9710	5,453,560		5,453,560
		<u>5,453,560</u>		<u>5,453,560</u>
ESEA of 1965, Title II, Part B				
	Math & Science Partnership, 609-9710	138,699		138,699
	Math & Science Partnership, 608-9709	1,058		1,058
	Math & Science Partnership, 608-9708	6,081		6,081
		<u>165,838</u>		<u>165,838</u>
ESEA of 1965, Title II, Part D				
	Education Technology, ARRA, 709-9710	462,276		462,276
	School Technology, 709-9710	54,580		54,580
	School Technology, 708-9709	134,931		134,931
	School Technology, 707-9708	60,683		60,683
		<u>712,470</u>		<u>712,470</u>
ESEA, Title III, Part A				
	English Language Acquisition Grant, 709-9710	941,960		941,960
	English Language Acquisition Grant, 709-9710	3,815		3,815
	Student Influx			
	English Language Acquisition Grant, 708-9709	16,622		16,622
	Student Influx			
	English Language Acquisition Grant, 707-9708	24,431		24,431
	Student Influx			
		<u>986,828</u>		<u>986,828</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
 Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor/Program Title		Schedule of Expenditures of Federal Awards			Receipts or Disbursements/Expenditures	
Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through Grantor's Number	Revenue Recognized	Disbursements/Expenditures	Revenue Recognized	Disbursements/Expenditures
U.S. Department of Education - Continued: ESEA, Title IV, Part A Safe and Drug Free Schools, 709-9/10		28-10-70-26	\$ 291,959	\$ 291,959	\$ 291,959	\$ 291,959
ESEA, Title V Innovative Education Program Strategies, 7/09-9/10		28-09-80-26	32,821	32,821	32,821	32,821
Individual With Disabilities Education Act of 1990 - Part B (P.L. 101-476) IDEA-B Flow Through, 7/04-9/05 IDEA-B Flow Through, ARRA, 7/04-9/06 IDEA-B Extended School Year Program (ESYP) LASIG 2, 7/09-6/10		28-10-B1-26	13,450,575	13,450,575	13,450,575	13,450,575
			4,538,534	4,538,534	4,538,534	4,538,534
			189,922	189,922	189,922	189,922
			56,280	56,280	56,280	56,280
			<u>18,235,311</u>	<u>18,235,311</u>	<u>18,235,311</u>	<u>18,235,311</u>
IDEA-B Preschool, 10/09-9/10 IDEA-B Preschool, ARRA, 10/09-9/11		28-09-P1-26	252,780	252,780	252,780	252,780
			126,141	126,141	126,141	126,141
			<u>378,921</u>	<u>378,921</u>	<u>378,921</u>	<u>378,921</u>
ESEA of 1965, Title VII, Subtitle B Education for Homeless Children and Youth, 7/09-9/10 Education for Homeless Children and Youth, 7/08-9/09 Education for Homeless Children and Youth, (ARRA)		28-10-H1-26	75,354	75,354	75,354	75,354
			17,068	17,068	17,068	17,068
			80,215	80,215	80,215	80,215
			<u>172,637</u>	<u>172,637</u>	<u>172,637</u>	<u>172,637</u>
ESEA of 1965, Title IV, Part B. 21st Century Community Learning Centers, 6/10 - 5/11 21st Century Community Learning Centers, 5/09 - 4/10 21st Century Community Learning Centers, 1/07-12/09		28-10-7-5-26	112,375	112,375	112,375	112,375
			717,541	717,541	717,541	717,541
			347,482	347,482	347,482	347,482
			<u>1,177,398</u>	<u>1,177,398</u>	<u>1,177,398</u>	<u>1,177,398</u>
Carl D. Perkins Career Technical Education Act of 2006, Title I Career & Technical Education Grant, 7/04-9/07 o/o		28-07-02-26	815,519	815,519	815,519	815,519
			815,519	815,519	815,519	815,519
Smaller Learning Communities		V2151L05200	116,358	116,358	116,358	116,358
			<u>116,358</u>	<u>116,358</u>	<u>116,358</u>	<u>116,358</u>

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
 Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor Program Title		Schedule of Expenditures of Federal Awards		Receipts or Revenue Recognized		Disbursements/Expenditures	
Federal CFDA Number	Pass-Through Grantor's Number	Federal Number	Pass-Through Grantor's Number	Receipts or Revenue Recognized	Disbursements/Expenditures	Federal Number	Pass-Through Grantor's Number
<b>U.S. Department of Education - Continued</b>							
Passed-Through State Department of Education - Continued:							
Adult Education Act of 1966							
84.002	(1)	28-10-44-26		\$ 571,427	\$ 571,427	84.002	(1)
84.002	(1)	28-09-44-26		250,938	250,938	84.002	(1)
84.002	(1)	28-09-13-26		1,055	1,055	84.002	(1)
84.002	(1)	28-07-13-26		2,859	2,859	84.002	(1)
84.002	(1)	28-07-21-26		4,148	4,148	84.002	(1)
				<u>830,427</u>	<u>830,427</u>		
<b>Disaster Assistance</b>							
84.938		28-08-HE-26		1,098,622	1,098,622	84.938	
84.938		28-06-IR-26		223,552	223,552	84.938	
				<u>1,322,174</u>	<u>1,322,174</u>		
Total Passed-Through State Department of Education				65,634,381	65,634,381		
TOTAL U.S. DEPARTMENT OF EDUCATION				\$ 65,725,502	\$ 65,725,502		
<b>U.S. Department of Health and Human Services</b>							
Passed-Through State Department of Health and Hospitals:							
Title XIX - Early and Periodic Screening, Diagnosis, Treatment and Assessment Program (Medicaid)							
93.778		1415022		34,279	34,279	93.778	
93.778				751,300	751,300	93.778	
				<u>785,579</u>	<u>785,579</u>		
Passed-Through State Department of Health and Human Services:							
Temporary Assistance for Needy Families (TANF) (P.L. 104-193)							
93.558		27-10-28-26		4,772,986	4,772,986	93.558	
93.558		28-10-08-26		16,000	16,000	93.558	
93.558		28-09-09-26		216,127	216,127	93.558	
93.558		28-07-TW-26		5,974	5,974	93.558	
93.558		28-09-JA-42		102,855	102,855	93.558	
93.558		28-10-JA-26		30,000	30,000	93.558	
93.558		28-07-EP-26		8,283	8,283	93.558	
				<u>5,152,225</u>	<u>5,152,225</u>		
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				\$ 5,937,804	\$ 5,937,804		

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
 Year Ended June 30, 2010

Schedule of Expenditures of Federal Awards				
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Receipts or Revenue Recognized	Disbursements/Expenditures
U.S. Department of Agriculture Passed-Through State Department of Education: Food Distribution (Commodities) School Breakfast Program	10.550		(2) \$ 773,900 (3) \$ 2,251,934	
Free and Reduced Price Meals	10.555		(4) 3,342,417 (4) 3,342,417	
National School Lunch Program	10.555		(4) 11,398,757 (4) 11,398,757	
Free and Reduced Price Meals	10.559		(4) 370,780 (4) 370,780	
Summer Food Service Program for Children	10.558		(4) 99,037 (4) 99,037	
After School Snacks				
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>\$ 15,984,891</b>	<b>\$ 17,462,925</b>
U.S. Department of Homeland Security Passed Through State Department of Homeland Security: Disaster Grants - Public Assistance (Presidentially Declared)	97.036		\$ 16,178,285	\$ 16,178,285
Hurricane Recovery (Permanent)	97.036		259,089	259,089
Hurricane Recovery (Temporary)	97.036		10,075	10,075
FEMA Recovery (Temporary), 2008	97.036		629,143	629,143
FEMA Recovery (Permanent), 2008				
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>			<b>\$ 17,076,592</b>	<b>\$ 17,076,592</b>
Other Programs Passed-Through Maxwell Air Force Base: Reserve Officer Training Corp. (ROTC)	99.999	271.633	\$ 665,618	\$ 665,618
<b>TOTAL OTHER PROGRAMS</b>			<b>\$ 665,618</b>	<b>\$ 665,618</b>
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$ 105,390,407</b>	<b>\$ 106,868,441</b>

- (1) Tested as major federal program.
- (2) This amount represents the value of Commodities received by the School System during the year ended June 30, 2010.
- (3) This amount represents the value of Commodities used by the School System during the year ended June 30, 2010.
- (4) These amounts represent the cash subsidy received by the School System during the year ended June 30, 2010.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**FOOTNOTES TO THE SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**Year Ended June 30, 2010**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basic of Presentation**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School System has met the qualifications for the respective grants. Several programs are funded jointly by State of Louisiana appropriations and federal funds. Cost incurred in programs partially funded by federal grants is applicable against federal grant funds to the extent of revenue available when they properly apply to the grant. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts are presented in, or used in the preparation of, the basic financial statements.

**Accrued and Deferred Reimbursement**

Various reimbursement procedures are used for federal awards received by the School System. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year-end represented an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**A. SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unqualified opinion on the financial statements of the Jefferson Parish Public School System.
2. One (1) control deficiency was disclosed during the audit of the financial statements and is reported in the *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*. The deficiency is considered to be a material weakness (2010-1).
3. No instances of noncompliance material to the financial statements of Jefferson Parish Public School System is reported in the *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*.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance with requirements applicable to major federal award programs for the Jefferson Parish Public School System expresses an unqualified opinion.
6. The auditors' report disclosed no findings that were required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. A management letter was issued for the year ended June 30, 2010.

8. The programs tested as major programs were:

	<u>CFDA No.</u>
Title I – Part A	84.010
Title I - ARRA	84.389
21 <sup>st</sup> Century Community Learning Centers	84.287
State Fiscal Stabilization Fund	84.394
Adult Education	84.002
IDEA – Part B	84.027
IDEA – Preschool	84.173
IDEA – Part B, ARRA	84.391
IDEA – Preschool, ARRA	84.392
Education Technology	84.318
Education Technology, ARRA	84.386

9. The threshold for distinguishing between type A and type B programs was \$3,000,000.
10. Jefferson Parish Public School System was determined to be a high-risk auditee.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended June 30, 2010**

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

**MATERIAL WEAKNESS**

**2010-1: UNRECORDED LIABILITY WITHIN THE GOVERNMENT WIDE FINANCIAL STATEMENTS**

See explanation of finding in the accompanying *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*.

**C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

There were no findings required to be reported in this section.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2010**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

**MATERIAL WEAKNESS**

2009-1: CAPITALIZATION OF CONSTRUCTION IN PROGRESS      RESOLVED

**SIGNIFICANT DEFICIENCY**

2009-2: IFAS AND MAINFRAME ADMINISTRATOR ACCESS      RESOLVED

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL  
AWARD PROGRAMS**

None.

**SECTION III - MANAGEMENT LETTER**

Information Security Policies: Password Controls      Unresolved (current year comment (2))

Information Security: User Administration      Unresolved (current year comment (4))

General System Change Control Procedures      Resolved

Mainframe Change Control      Unresolved (current year comment (5))

Account Payable and Accrued Expenses      Resolved

Self Insured Liabilities      Unresolved (current year comment (8))

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM  
CORRECTIVE ACTION PLAN  
Year Ended June 30, 2010**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

**MATERIAL WEAKNESS**

**2010-1: UNRECORDED LIABILITY WITHIN THE GOVERNMENT WIDE FINANCIAL STATEMENTS**

See management's corrective action plan in the accompanying *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*.

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

None.

# Jefferson Parish Public School System

Report to Management for the  
Year Ended June 30, 2010

**Deloitte & Touche LLP**

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New Orleans, LA 70139  
(504) 581-2727

**Rebowe & Company CPAs, APC**

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(504) 837-9116

December 20, 2010

Mrs. Raylyn Stevens  
Honorable Board Members  
Jefferson Parish Public School System  
501 Manhattan Boulevard  
Harvey, LA 70058

Dear Mrs. Stevens & Honorable Board Members:

In planning and performing our audit of the financial statements of the Jefferson Parish Public School System (the "School System") as of and for the year ended June 30, 2010 (on which we have issued our report dated December 31, 2010), in accordance with auditing standards generally accepted in the United States of America, we considered the School System's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School System's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, in connection with our audit, we have identified, and included in the attached Appendix, a certain matters involving the School System's internal control over financial reporting that we consider to be a material weakness under standards established by the American Institute of Certified Public Accountants.

The definitions of a deficiency and a material weakness are also set forth in the attached Appendix.

Although we have included management's written response to our comments in the attached Appendix, such responses have not been subjected to the auditing procedures applied in our audit and, accordingly, we do not express an opinion or provide any form of assurance on the appropriateness of the responses or the effectiveness of any corrective actions described therein.

A description of the responsibility of management for establishing and maintaining internal control over financial reporting and of the objectives of and inherent limitations of internal control over financial reporting, is set forth in the attached Appendix II and should be read in conjunction with this report.

This report is intended solely for the information and use of the School Board, management, others within the organization, the State of Louisiana Legislative Auditor, and officials of applicable Federal and State agencies, and is not intended to be, and should not be, used by anyone other than these specified parties.

Yours truly,

Dubois & Touche LLP

Rehne & Company

**SECTION I — MATERIAL WEAKNESS**

We consider the following deficiency in the Company's internal control over financial reporting to be a material weakness as of June 30, 2010:

**(1) Unrecorded Liability within the Government Wide Financial Statements**

**Classification:** Material Weakness

**Observation** — During the audit, we identified a \$7.8M liability that was not recorded for government wide financial statement reporting purposes relating to a financing arrangement that was entered into with a 3<sup>rd</sup> party to finance a portion of information technology upgrade costs that were not fully covered by grant funding.

**Background** — The underlying details of the financing arrangement were not fully communicated to the accounting/finance department by the information technology department.

**Recommendation** — We recommend that management implement additional controls and policies and procedures as it relates to the review/approval of financing arrangements entered into by the School System in order to allow the finance/accounting department to appropriately reflect the transaction/related commitment appropriately in the government wide financial statements.

**Management Response** — Management agrees with the finding.

**SECTION II — DEFICIENCIES**

We identified, and have included below, control deficiencies involving the Company's internal control over financial reporting as of June 30, 2010, that we wish to bring to your attention:

**(2) Information Security: Password Controls**

**Classification:** Deficiency

**Observation** — Strong password settings (i.e., complexity, expiration, history) are not enforced for the IBM Mainframe environment and the IFAS system. Password lockout, lockout duration, complexity requirements, and minimum length have not been configured for IBM Mainframe and IFAS. The Data Processing team requests that users change their password once a month; however, such requests are not validated by Data Processing Team. Further, security logs are not maintained or regularly reviewed by appropriate IT personnel to monitor inappropriate access to the IFAS application and the IBM Mainframe.

**Note** — Management plans to phase out the IBM Mainframe in FY2011 once the Payroll module is transitioned to IFAS.

**Risk** — Lack of password restrictions or poorly controlled password requirements to financial applications increases the risk that a password may be guessed or obtained by an unauthorized internal or external individual and used to gain access to the system.

**Recommendation** — Management should consider enforcing strong password parameters to ensure appropriate access and protection of the IFAS application and IBM Mainframe. Management should work with the IFAS vendor, SunGard, to develop and enforce password requirements at the IFAS level. If management chooses to not enforce password complexity, as a mitigating control, management should consider reviewing security logs on a periodic basis to monitor access to computer applications and data. The IBM Mainframe system has the ability to log security related events such as unauthorized access attempts and the use of sensitive transactions and resources. System Access Reports can also be generated and reviewed on a regular basis for appropriateness by IBM Mainframe security management. Management may implement the logging capabilities of the IBM Mainframe system and ensure that security logs capture sensitive activity or access to restricted accounts. Management can also work with SunGard to develop regular system reporting and monitor and review logs of system and transactional activity.

**Management Response** — Management agrees with the finding.

### (3) Information Security: Policies and Procedures

This observation is carried-forward from prior year.

**Classification:** Deficiency

**Observation** — There are no written information security policies and procedures or any user awareness programs to communicate JPPSS end users of the unwritten security policies, procedures or practices.

**Risk** — If IS policies and procedures are not explicitly defined, sensitive information may not receive adequate protection. Without specific guidance from management relating to information security and mitigation of risk, there is an increased chance that the integrity, confidentiality and availability of operational and financial information may be compromised. Unwritten security policies and procedures increase the likelihood that administrative procedures will be inconsistently applied creating an environment that may be more susceptible to inappropriate access.

**Recommendation** — Written data security standards aid an organization in implementing and administering data security. Management should develop comprehensive written data security policies and procedures. In addition to existing procedures for granting and modifying user's access privileges, the procedures should include, at a minimum:

- Security monitoring and violation reporting procedures
- Security configurations (including password policies)
- Procedures to address misuse of systems and technology
- Procedures covering the prompt reporting of employee resignations, terminations or transfers to the security officer
- Procedures for the periodic review of user access authorities by departmental management
- Procedures detailing physical access restrictions to the facility and IS areas.

Policies and procedures should then be reviewed periodically to ensure their applicability as the environment and risks change.

**Management Response** — Management agrees with the finding.

**(4) Information Security: User Administration**

This observation is carried-forward from prior year.

**Classification:** *Deficiency*

**Observations** — The system administrators for the IBM Mainframe, Novell network, and IFAS application require that all new employee access requests be approved by the employee's supervisor; however, related documentation is not consistently maintained. As a result, employee access verification/approval cannot be determined.

There are no formal and consistent procedures for the System Administrators to be notified of employee terminations and transfers and there is an increased risk that user access is not modified or removed in a timely manner.

Additionally, documentation of a regular review of access granted to JPPSS employees within the IBM Mainframe, IFAS, and Novell environments is not maintained. There is also no formal Segregation of Duties review of potential conflicts within the Mainframe and IFAS.

**Note** — Management plans to phase out the IBM Mainframe in FY2011 once the Payroll module is transitioned to IFAS.

**Risk** — The risk of inappropriate access to financial systems and data increases when access is granted or removed without documented evidence. Inappropriate access can jeopardize the integrity, accuracy, and completeness of financial data. Untimely removal of terminated users from financial applications increases the risk of unauthorized access by terminated employees and/or current employees. A lack of documented periodic reviews of user access to financially relevant applications, network, and systems software increases the risk of users gaining unauthorized access to change or manipulate data and system resources.

**Recommendation** — Management should establish and implement information security policies and procedures around maintaining documentation of access approvals for all relevant financial systems. Application administrators should only grant access after receiving documented approvals from defined data owners and such documentation should be retained. Additionally, documentation for removal of access and periodic access reviews to ensure all users have appropriate access based on job function should be maintained. Regular reviews of transactional and administrator access to the systems should be implemented to ensure only appropriate, active employees have access to the critical systems and that their access is commensurate with their job responsibilities.

**Management Response** — Management agrees with the finding.

**(5) Mainframe Change Control**

This observation is carried-forward from prior year.

**Classification:** Deficiency

**Observation** — There are only two individuals who have the programming knowledge of the financial reporting application code and any knowledge of the system. They are also responsible for moving changes to production. JPPSS does not maintain a separate Mainframe test environment. Changes are made in production and backups are relied on in the event of an implementation error. Additionally, adequate change management documentation for changes made to the Mainframe is not retained, including change requestor and approval, testing scripts/ plans and results, developer assigned, person responsible for migration, and user acceptance prior to implementation.

**Note** — Management plans to phase out the IBM Mainframe in FY2011 once the Payroll module is transitioned to IFAS.

**Risk** — Program and infrastructure changes that are not subjected to proper testing, review, and approvals prior to production deployment increase the risk that improper or unintended changes will be introduced into the JPPSS system environment, which could adversely impact normal business activities or underlying financial data.

**Recommendation** — Management should develop formal change management procedures for developing, approving, and implementing changes to the Mainframe environment to ensure that only authorized changes are being moved to production with appropriate approval. To monitor the SOD issue as the same two personnel have access to develop and migrate changes in the Mainframe, management should consider logging and reviewing changes to the environment.

**Management Response** — Management agrees with the finding.

**(6) IFAS and Mainframe Administrator Access**

This observation is carried-forward from prior year but updated for specific findings.

**Classification:** Deficiency

**Observation** — We noted that there are three users with unrestricted access to the IFAS accounting system. The three accounting personnel have access which grants them the ability to modify all pages within IFAS (described as “super user” access). Additionally, there are 24 Payroll and Human Resource department users within the Mainframe environment who have inappropriate security administrator access.

**Note** — Management plans to phase out the IBM Mainframe in FY2011 once the Payroll module is transitioned to IFAS.

**Risk** — Granting a business owner the authority to administer security may create a segregation of duties conflict. Not appropriately segregating access or granting full user access relating to technology and business responsibilities increases the susceptibility of the application to unauthorized changes to programs, data, or security configurations. Such changes could directly impact management’s ability to rely on the computer system’s processing as it relates to information

security; as well as, result in changes to financial applications or data which could impact the integrity of the reporting of financial data.

**Recommendation** — Management should consider working with SunGard to further develop user security within IFAS and segregate the required transaction functions from the ability to administer security for these users. Further, management should reconsider the use of the all access functions and remove access to all pages for end-users and information technology personnel. To limit the number of users with access to administer security within the Mainframe and reduce the possibility of inappropriate access, management should revise the list of users with access to user provisioning functions within the Mainframe.

**Management Response** — Management agrees with the finding.

#### **(7) Review of Material and/or Unusual Journal Entries**

**Classification:** Deficiency

**Observation** — We identified an audit adjustment totaling \$2.8 million that was recorded as an increase to revenue and cash that should have been recorded as a transfer between funds which was the result of a clerical error.

**Risk** — There did not appear to be an appropriate level of review as it related to the classification of the transfer of funds (e.g. the appropriate level of review of journal entries prepared or a more detailed review of the operating activity for a specific period). The error identified resulted in the improper recognition of revenue in the financial statements.

**Recommendation** — Additional Controls relating to review of the proper accounting for fund transfers should be adopted and implemented.

**Management Response** — Management agrees with the finding.

#### **(8) Self- Insured Liabilities**

**Classification:** Deficiency

**Observation** — As communicated in prior years, the School System is currently self-insured for workers compensation, general liability, and property insurance. Under the full accrual method of accounting required by Governmental Accounting Standard (GASB) No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*, the School System is required to report claims which have occurred but have not yet been reported to the School System. The School System currently has a rudimentary process to estimate these reserves to adjust traditional governmental accounting to full-accrual accounting, but this could be improved.

**Background** — Due to the extended lag period on some of these open claims (e.g. from an industry perspective, workers' compensation liabilities potentially have a run-off period of approximately 3 years up to 10 years), the nature of these liabilities are such that it is recommended an outside actuary develop an estimate or a range of estimates for the outstanding liabilities as of the reporting date.

**Recommendation** — Management should monitor balance of the liabilities. If these items become material to the financial statements, the School System should consider obtaining the assistance of an actuary to measure the self-insured liability reserve.

**Management Response** — Management intends to continue to monitor the balance and activity of these liabilities and evaluate, on a periodic basis, evaluate the need to engage actuarial services to estimate these liabilities.

**(9) Potential Fraud at Bissonet Plaza Elementary School**

**Classification:** Deficiency

**Observation** — Internal Audit of the School System performed an audit of certain of Bissonet Plaza Elementary School's accounting records from February 2010 through June 2010 which originated as a result of the identification of a potential fraud involving an accounting clerk at the school. The audit report findings noted that the clerk may have embezzled over \$3,000 from the Bissonet School Activity Funds. The accounting clerk admitted wrongdoing and subsequently promised restitution but the School System has not received payment as of this date. The School System failed to immediately notify the Louisiana Legislative Auditor's office of the misappropriation of public funds in accordance with Louisiana State Law (R.S. 24:523).

**Management Response** — Management agrees with the finding.

**(10) Payroll Fraud Embezzlement (Carryover from prior year due to overlapping period from fiscal 2009 to 2010 of when the fraud occurred)**

**Classification:** Deficiency

**Observation** — As previously reported in the fiscal 2009 management letter, during July 2009 the Payroll Coordinator at Jefferson Parish School Board discovered unusual activity with respect to certain electronic payroll deposits and reported this activity to management of the School System. This activity was investigated both by management and internal audit and it was confirmed in late 2009 that a payroll fraud scheme had taken place totaling approximately \$180,000 of embezzled funds involving five Jefferson Parish School System employees which transpired during 2008 and 2009. For both the years ended June 30, 2010 and 2009, these related amounts were deemed to be inconsequential to the audits of the financial statements of the School System in accordance with *Government Auditing Standards*. The Louisiana Legislative Auditor's Office conducted an investigation of these allegations in October 2009 and provided recommendations to the School System relating to internal control enhancements. In addition, it was noted that the School System failed to immediately notify the Louisiana Legislative auditors' office of the misappropriation of public funds in accordance with Louisiana state law (R.S. 24:523).

**Management Response** — Management has since implemented these internal control enhancements, and will continue to enhance the overall control structure in order to prevent and detect further instances of fraud and has implemented a policy to ensure compliance with the notification of misappropriation of public funds in accordance with Louisiana state law (R.S. 24:523).

## SECTION III — OTHER MATTERS

We identified, and have included below, other observations involving the System's operations as of June 30, 2010, that we wish to bring to your attention:

### (11) Deterioration in Fund Balances —

#### (A) General Fund

**Observation** — As communicated to the members of the School Board in our prior year fiscal 2009 audit presentation, the School System has continued to experience significant annual operating deficits in its changes in fund balance in the general fund as well as other various governmental funds/programs. As it relates to the General Fund alone, for fiscal 2008 and 2009 combined alone yielded a 27% or (\$42.4 million) decline from fiscal 2007. Further fiscal 2010 has experienced a (\$16 million) decline. Overall, the general fund balance has decreased from \$157 million at June 30, 2007 to \$99.6 million at June 30, 2010 in the General Fund as a result of the School system's recurring expenditures exceeding its recurring revenues in the last three years. Of these fund balance amounts the undesignated portion of fund balance (which is the amount available for appropriation with no external or internal limitations) in the general fund represents \$37.6 million (on the budgetary basis) of the \$99.6 million (June 30, 2010).

**Discussion** — In many of the years leading up to and including fiscal 2007, management intentionally continued to build up a healthy surplus in fund balance to cover deficiencies in future years where dedicated tax revenues and state funding resulted in a shortfall. Further, the budget adopted for the current year (fiscal 2011) is a (\$6 million) operating deficit.

The fund balance position is a measure of an entity's financial flexibility to meet essential services during periods of limited liquidity. Conservative business practices support the concept that ongoing expenditures should be financed by recurring revenue streams versus erosion of the fund balance to cover recurring operating expenditures. Rating agencies consider an adequate fund balance to be a credit strength. Although the Sales Tax School Refinancing Bonds Series 2010 issued during fiscal 2010 received a healthy rating from S&P rated of "AA", continued erosion of the fund balance in the general fund, will limit the School System's future ability to obtain favorable credit ratings on future financing arrangements we all as limit its ability to react in times of adverse economic conditions.

In addition, with the introduction of GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which is effective for the School System for the fiscal year ended June 30, 2011, fund balance reporting will shift from "the availability of fund resources for budgeting" to "the extent to which the governmental entity is bound to honor constraints on the specific purposes for which amounts in the fund can be spent". This shift in reporting will further restrict amounts previously classified as "undesignated fund balance" amounts. Specifically, this new GASB creates a further disaggregation of fund balance from the previous categorical presentation breakdown by Reserved, Unreserved and Designated Fund Balance to Nonspendable, Restricted, Committed, Assigned, and Unassigned fund balance which further limits the availability or liquidity which is attributable to unassigned/undesignated resources available.

Many rating agencies have indicated that the appropriate level of fund balance is measured relative to the level of expenditures in any one year and believe that a threshold of 10% of expenditures is an adequate level. However, a smaller balance may be justified by a long-term trend of annual budget surplus, while a larger balance may be warranted, particularly if budgeted revenue and expenses are volatile, economically sensitive or otherwise not easily forecasted.

**Recommendation** — The School System’s fund balance at June 30, 2010 of \$99.6 million, exceeds this industry suggested 10% benchmark of \$20 million (\$405 million in general fund expenses x 10% = \$40.5 million benchmark). However, given the magnitude of the operating deficits in the past three years before considering other financing sources/uses (which include debt issuance proceeds and transfers from other funds) ((\$33 million) in 2010 and (\$32 million) in 2009) a 10% benchmark may not prove to be a conservative enough measure. Additionally, given increased state budget cuts and the continued depressed state of the economy combined with increased operating expenditures, the continued deterioration in fund balance will continue to negatively impact the long-term financial security of the School System. We acknowledge that the School System passed an amendment to “balance the budget in fiscal 2011” and has recently finalized the 2011 budget which yields a \$(6 million) deficit and is working towards this goal. Further, the School System has previously adopted a formal Fund Balance Policy which can only be overridden by a supermajority of the board members and has been from time to time. We recommend that the School System revisit the provisions of this Fund Balance Policy to provide a more conservative, controlled, disciplined process to recognize the financial importance of maintaining an appropriate level of undesignated fund balance. This fund balance level should consider operating characteristics, diversity of tax base, reliability of non-tax revenue sources, working capital needs and impact on bond ratings, state and local economic outlooks, emergency and disaster risks and other contingencies.

**Management Response** — Management agrees with the finding. The fiscal 2010-2011 budgeted deficit was also further reduced by \$20 million. Management intends to continue to address this issue with the board in fiscal 2011.

## **(B) Business Type Activities Fund**

**Observation** —The School System has experienced continuing operating losses in the Business Type Activities Fund (the Lunch Fund) and as of June 30, 2010 has accumulated a significant deficit in fund balance totaling (\$2,830,384).

**Discussion** —The School System needs to develop and implement a plan for funding this fund balance deficit (e.g. through budgeted future annual operating surpluses or to fund the deficit with General Fund monies). Additionally, an integral part of this future plan should be to ensure that operating losses are eliminated.

**Recommendation** —The School System should carefully review expenditures in these funds to see if any reductions are possible. The School system should also consider ways to enhance revenues or transfers from the General Fund to cover operating losses.

**Management Response** —Management agrees with the finding.

## SECTION IV — DEFINITIONS

The definitions of a deficiency and a material weakness that are established in AU 325, *Communicating Internal Control Related Matters Identified in an Audit*, are as follows:

A *deficiency* in internal control over financial reporting 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 deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when (a) a properly designed control does not operate as designed, or (b) the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control over financial reporting, 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.

**MANAGEMENT'S RESPONSIBILITY FOR, AND THE OBJECTIVES AND LIMITATIONS OF, INTERNAL CONTROL OVER FINANCIAL REPORTING**

The following comments concerning management's responsibility for internal control over financial reporting and the objectives and inherent limitations of internal control over financial reporting are adapted from auditing standards generally accepted in the United States of America.

**Management's Responsibility** — The School System's management is responsible for the overall accuracy of the financial statements and their conformity with generally accepted accounting principles. In this regard, management is also responsible for establishing and maintaining effective internal control over financial reporting.

**Objectives of Internal Control Over Financial Reporting** — Internal control over financial reporting is a process effected by those charged with governance, management, and other personnel and designed to provide reasonable assurance about the achievement of the entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control over the safeguarding of assets against unauthorized acquisition, use, or disposition may include controls related to financial reporting and operations objectives. Generally, controls that are relevant to an audit of financial statements are those that pertain to the entity's objective of reliable financial reporting (i.e., the preparation of reliable financial statements that are fairly presented in conformity with generally accepted accounting principles).

**Inherent Limitations of Internal Control Over Financial Reporting** — Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**

**STATUS OF PRIOR YEAR'S RECOMMENDATIONS  
YEAR ENDED JUNE 30, 2010**

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Information Security Policies, Procedures, and Password Controls and User Administration	Comment repeated in the current year.
IFAS and Mainframe Administrator Access.	Comment repeated in the current year.
Mainframe Change Control	Comment repeated in the current year.
Self-Insured Liabilities	Comment repeated in the current year.