

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2006**

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 1/17/07

Stuart Hayes
President

Rita Mann, M. Ed.
Superintendent

C. Randall Brown, CPA
Director of Finance

Prepared by the Department of Finance

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Comprehensive Annual Financial Report
As of and for the Year Ended June 30, 2006

TABLE OF CONTENTS

	Statement	Page
INTRODUCTORY SECTION		
Transmittal Letter		i
GFOA Certificate of Achievement for Excellence in Financial Reporting		vii
Organizational Chart		viii
Elected Officials		ix
Selected Administrative Officials		x
FINANCIAL SECTION		
Independent Auditors' Report		1
Required Supplementary Information – Management's Discussion and Analysis		3
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	16
Statement of Activities	B	17
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	20
Reconciliation of the Government Funds Balance Sheet to the Statement of Net Assets	D	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	22
Reconciliation of the Government Funds Statement Of Revenues, Expenditures, and Changes in Fund Balances to Statement of Activities	F	23
Proprietary Funds:		
Statement of Net Assets	G	24
Statement of Revenues, Expenses, and Changes in Net Assets	H	25
Statement of Cash Flows	I	26
Fiduciary Fund:		
Statement of Assets and Liabilities – Agency Fund	J	27
Notes to the Financial Statements		30

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Comprehensive Annual Financial Report
As of and for the Year Ended June 30, 2006

TABLE OF CONTENTS (CONTINUED)

	Exhibit	Page
Required Supplementary Information:		
Budgetary Comparison Schedule-General Fund	1	50
	Schedule	Page
Supplemental Information Schedules:		
Nonmajor Governmental Funds by Type:		
Combining Balance Sheet	1	52
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	2	53
Nonmajor Special Revenue Funds:		
Combining Balance Sheet	3	56
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	4	57
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) And Actual	5	58
Nonmajor Debt Service Fund:		
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) And Actual	6	58
Major Capital Projects Fund:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) And Actual	7	61
Nonmajor Capital Projects Funds:		
Combining Balance Sheet- Nonmajor Capital Projects Funds	8	63
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	9	64
Agency Fund:		
Schedule of Changes in Assets and Liabilities	10	66
Schedule of Changes in Deposits Due Others – School Activity Agency Funds	11	67
Capital Assets Used in the Operation of Governmental Funds:		
Schedule by Source	12	68
Schedule by Function	13	69
Schedule of Changes by Function	14	70
Schedule of Compensation Paid Board Members	15	71

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Comprehensive Annual Financial Report
As of and for the Year Ended June 30, 2006

TABLE OF CONTENTS (CONCLUDED)

	Table	Page
STATISTICAL SECTION (UNAUDITED)		
Net Assets	1	73
Change in Net Assets	2	74
Fund Balances, Governmental Funds	3	75
Change in Fund Balances, Governmental Funds	4	76
Property Tax Levies and Collections	5	78
Assessed Value and Actual Value of Taxable Property	6	79
Principal Property Tax Payers	7	80
Direct and Overlapping Parish Millage Rates	8	81
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita	9	82
Computation of Direct and Overlapping Bonded Debt	10	83
Legal Debt Margin Information	11	84
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures	12	85
Principal Employers	13	86
Demographic and Economic Statistics	14	87
Attendance Data	15	88
Enrollment by Grade	16	89
School Board Employees by Function	17	90
Operating Statistics	18	91
Teacher Base Salaries	19	92
School Board Asset Information	20	93
General Fund Instructional and Support Expenditures And Certain Local Revenue Sources	21	94
Education Levels of Public School Staff	22	95
Number and Type of Public Schools	23	96
Experience of Public Principals and Full-time Classroom Teachers	24	97
Public School Staff Data	25	98
Class Size Classifications	26	99
Louisiana Educational Assessment Program (LEAP) For the 21 st Century	27	100
The Graduate Exit Exam for the 21 st Century	28	101
The Iowa Tests	29	102

INTRODUCTORY SECTION



Beauregard Parish School Board

202 W. Third Street · P.O. Drawer 938
DeRidder, Louisiana 70634
Ph. (337) 463-5551 · Fax (337) 463-6735

Stuart Hayes, President

Jimmy Barrett, Vice President

Rita Mann, M. Ed., *Superintendent*

December 22, 2006

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

To the Honorable President, Members of the School Board, and Citizens of Beauregard Parish:

Louisiana Revised Statutes require that the School Board issue annually a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by an independent firm of certified public accountants in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Beauregard Parish School Board (School Board) for the year ended June 30, 2006.

The comprehensive annual financial report consists of three parts: introductory, financial, and statistical. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart, and a list of the School Board's principal elected and appointed officials. The financial section includes the basic financial statements, required supplementary information, and the combining non-major fund statements and schedules, as well as the independent auditor's report on these financial statements and schedules. Management's Discussion and Analysis (discussed later) is also included in the financial section. The statistical section, which is unaudited, includes selected financial and demographic information of Beauregard Parish, generally presented on a multi-year basis for the past ten years. In addition, as a result of the passage of Louisiana Revised Statute 24:514 during the Regular Session of 2001, certain performance and statistical data of the School Board are also presented.

This report consists of management's representations concerning the finances of the School Board. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the School Board has established internal controls designed to both protect the School Board's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's activities have been included.

The School Board's financial statements have been audited by Langley, Williams & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the School Board for the fiscal year ended June 30, 2006, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the School Board's financial statements for the fiscal year ended June 30, 2006, are fairly presented in conformity with GAAP.

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

The independent audit of the financial statements of the School Board was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this Single Audit includes the Schedule of Expenditures of Federal Awards, a schedule of findings and questioned costs, if applicable, and the auditor's reports on internal control and compliance with applicable laws and regulations. The Single Audit report is issued separately from this comprehensive annual financial report.

In 1999, the Governmental Accounting Standards Board (GASB) released its long-anticipated comprehensive changes in state and local government financial reporting, GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement brought major changes in the way state and local governments present financial information to the public. Under the new standard, the governmental entity is required to present government-wide financial information using the same basis of accounting as for-profit business organizations.

The Beauregard Parish School Board implemented GASB Statement No. 34 in the fiscal year ending June 30, 2003.

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

Governmental Profile

The School Board, incorporated in 1913, is located in Southwestern Louisiana, bordering the state of Texas. The parish has a land area of 1,160 square miles and a population of 34,750.

The School Board is a political subdivision created under the authority of Louisiana Revised Statutes. The School Board has the authority to adopt policies that are consistent with the laws of Louisiana and the regulations of the State Board of Elementary and Secondary Education and the Louisiana Department of Education.

The School Board consists of ten members elected from single member districts. Each member serves a concurrent four-year term. The School Board is separately elected, legally separate, and fiscally independent as defined in Governmental Accounting Standards Board (GASB) Statement No. 14; therefore, it is considered a primary government under the provisions of this Statement. The School Board has no component units nor is it a component unit of any other entity. The School Board is responsible, among other things, for passing resolutions, adopting the budget, appointing committees and hiring the School Board's superintendent. The superintendent is responsible for carrying out the policies of the School Board and for overseeing the day-to-day operations of the school system.

The School Board is responsible for providing complete educational services to Beauregard Parish public school students from pre-school through twelfth grade. This includes regular and special educational services, adult education, vocational education, and alternative educational programs. The school system serves over 6,000 students at 5 elementary schools, 1 middle school, 3 secondary schools, and 4 combination schools. Most of the schools were constructed 20 – 30 years ago, with two new high schools constructed in the last four years. For additional information, visit our website at www.beau.k12.la.us.

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

The annual budget serves as the foundation for the School Board's financial planning and control. Beginning in April, all supervisors are given information on the current year's financial activity for their department. Each supervisor is required to review this information and submit a budget request for the next fiscal year based on the needs of schools and programs. The finance department compiles these requests and, after considering projected revenues and priorities of the School Board, prepares the budget document for review by the School Board finance committee. In August, after allowing for public review and holding an official public hearing, the final budget is adopted. Louisiana Revised Statutes require parish school systems to adopt the budget no later than September 15th of each year.

To ensure compliance with the annual budgetary appropriations, the administration reviews periodic budget reports that include information on the adopted and/or amended budget and the remaining budget available. If necessary, an amended budget is prepared. All amended budgets are approved by the School Board. Throughout the year, financial reports are presented to the School Board, which provide revenue and expenditure details.

Factors Affecting Financial Condition

Local Economy. Amerisafe (insurance), Ampacet (chemical manufacturing), Boise (paper manufacturing), MeadWestvaco (specialty chemicals), and Wal-Mart (consumer goods), along with other businesses representing a vast array of industries, including farming, construction, timber, transportation, finance and local governments, continue to contribute to the growing economy of the parish. Beauregard Parish's unemployment rate has decreased from 6.9% in June 2005 to 5.3% in June 2006. Local tax revenues, including property and sales taxes, increased 7.4% from last year to this year.

Boise remains the largest property taxpayer in the parish, with an assessed valuation of \$41,779,481 for 2006. Another major source of property tax is the oil and gas industry. Four major producers have a presence in Beauregard Parish, including Transcontinental Gas Pipeline, Centennial Pipeline, Trunkline Gas Company, and Texas Eastern Transmission. Their combined assessed valuation for 2006 is \$10,202,030.

In July 2004, Boise sold its paper, forest products, and timberland assets to Madison Dearborn Partners LLC, a private equity investment firm located in Chicago. The local Boise pulp and paper mill and local timberland were included in this sale. In December 2004, Madison Dearborn Partners LLC sold its timberland assets to Forest Capital Partners LLC of Boston. The local timberland assets were included in this sale. The operation of the local Boise pulp and paper mill continues to have a major positive impact on our local economy.

Past and Current Initiatives. The administrative staff continues to further the vision of the School Board, undertaking projects that reflect the School Board's dedication to a positive and productive educational process.

All schools have developed and implemented a Comprehensive School Improvement Plan to provide direction for future curriculum, staff development, assessment, and technology improvements and to determine skill strengths and weaknesses in each subject area and grade. Throughout the year, teachers incorporate instruction to enhance the school's identified strengths and to alleviate the school's weaknesses. To support these comprehensive school plans, the central office staff has developed a system-wide improvement plan. Progress continues to be made in meeting the objectives addressed in these plans.

A great variety of strategies are being used in all schools to continue improvement in scores for all areas of curriculum, including whole group faculty study, extended-day remediation, school-wide analysis of data (LEAP, GEE, iLEAP, and DIBELS), emphasis on small group instruction, mandated parent conferences during the fall and spring, and frequent visits and staff development conducted by supervisors to support teachers.

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

Beauregard Parish schools continue to rank high in Louisiana's School Accountability System. The state's system is a comprehensive plan which focuses on high academic standards and assessments, student and parent responsibility, and school and district accountability. In this program, each public school earns a School Performance Score which is derived through a complex formula combining LEAP, GEE, and ILEAP Test scores, as well as student attendance and drop-out data. Monetary awards are presented by the Louisiana Department of Education to schools achieving the greatest score increases. These schools must earn the growth target set by the state. In 2005-2006, five of twelve Beauregard Parish schools met the state requirements to be eligible for monetary awards. Two of these schools were honored for 'Exemplary' growth and three were honored for 'Recognized' growth. **All Beauregard Parish schools are academically above the state average and all achieved Adequate Yearly Progress as monitored by the state.** The most recent District Performance Scores (DPS) released by the Louisiana Department of Education indicate that Beauregard Parish placed 9th out of 66 Louisiana school districts, with a score of 102.6, a growth of 1.4 points from last year. The state average score was 87.4. **Beauregard was one of fourteen systems to earn the DPS label of 'Three Stars', the highest rating earned by any parish in the state.** Last year, Beauregard Parish ranked 7th, with a score of 101.2. The state average was 82.6. Two years ago, Beauregard Parish ranked 7th, with a score of 99. The state average was 80.6.

In 2003-2004, the state added an additional category to the DPS formula to measure the percentage of teachers in each district who are certified in their instructional areas. In 2004-2005, Beauregard Parish ranked 7th in the state with 98.7 percent of all teachers certified, earning the highest label of 'Highly Responsive.'

The link between the community and schools continues to be strong. Beauregard Parish citizens care about education and have exhibited a tradition of pride in their schools. That tradition continues through a commitment of economic resources to further innovation in learning programs. The School Board continues to pursue new methods to ensure success for every student.

In 2004, a reassessment of millage rates occurred. The School Board's 4.3 mill property tax authorized by the Constitution of Louisiana was increased to 4.37 mills. Based on current taxable values, this tax generates approximately \$635,000 annually.

In 2001, Beauregard Parish voters approved the renewal of a 7.9 mill property tax dedicated to the maintenance and operation of school facilities. This tax millage was increased to 8.03 mills during the 2004 reassessment process. This tax was originally passed in 1981 and has been renewed every ten years. Based on current taxable values, the tax generates approximately \$1,170,000 annually.

In November 2003, the voters of Beauregard Parish approved the renewal of a 19.15 mill property tax, also dedicated to the maintenance and operation of school facilities. This tax was originally passed in 1963 and has been renewed every ten years. Based on current taxable values, the tax generates approximately \$2,790,000 annually.

In 1997, the voters of Beauregard Parish approved a \$22,000,000 bond issue, with all proceeds to be utilized for constructing and equipping educational facilities in the parish. During the 2000-2001 school year, construction was completed on a new \$2,400,000 facility at our East Beauregard location. During the 2002-2003 school year, construction was completed on a new \$5,000,000 facility at our South Beauregard location. During the 2004-2005 school year, a \$500,000 gym/athletic facility was completed at Singer High School. During the 2005-2006 school year, construction was completed on new classrooms at Pinewood Elementary (\$400,000) and a band hall/relocation of tennis courts at DeRidder High School (\$750,000). As part of the bond issue, \$5,000,000 was pledged to keep pace with the ever-changing technology demands of our global society. The School Board continues to utilize these bond proceeds to purchase computers, software, and other related materials for instructional purposes, with \$3,500,000 expended for technology to date.

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

Employee pay is a priority for the School Board. During the 2000-2001 school year, an early signing incentive program for teachers was instituted (\$1,000 per teacher). In addition, professional employees receive annual pay increases based on one-half of the growth in state equalization funding. In the 2001-2002 school year, a one-time payment incentive program for support employees program was instituted (\$500 per support employee). In addition, support personnel received pay raises in the 2002-2003 school year and the 2003-2004 school year. In 2005-2006, a 13th year experience step increase was added to the support salary schedule.

Beauregard Parish now employs two National Board Certified Counselors, two National Board Certified Psychologists, and five National Board Certified Teachers. Pay supplements are being paid to each of these employees who, through a voluntary process, have achieved National Board Certified standards.

The School Board recognizes that teacher attendance is a critical component of student achievement. Teacher absenteeism reduces student productivity, and valuable time for preparing students for state content standards is lost. In 2003-2004, a teacher attendance incentive program was initiated, providing US Savings Bonds to classroom teachers who utilize no more than three (3) sick and/or personal leave days during the school year. This continues to be a well-received program, with 61 participants in 2003-2004, 55 participants in 2004-2005, and 65 participants in 2005-2006.

Future Initiatives. The School Board will continue its focus on accountability scores and each school's performance scores, and will continue to direct its resources to meet these objectives.

Updated technology must continue to be provided for and resources will be directed to address this need. The School Board understands the necessity of properly equipping both students and faculty to address the demands of an expanding, global society. The implementation of the Louisiana Education Accountability Data System (LEADS) has integrated each parish school with the administrative office, allowing for 'real time' viewing of school data. LEADS has also worked to link students with teachers, capture more complete and accurate staff-related data, and provide the framework for future collection of other class-level data.

The early signing incentive program for teachers will be continued in the coming school year, with \$500,000 designated for this purpose. Also, the one-time payment to support employees program will be continued with \$250,000 designated for this purpose. In addition, effective in the 2006-2007 school year, the support employee salary schedule will be expanded to include a 14th year experience step increase and a \$500 pay raise. Also, teachers will receive a \$2,196 pay raise in the 2006-2007 school year.

The Board will continue to encourage participation in the National Board Certified program, understanding that the attainment of higher standards by our employees will greatly benefit the students of Beauregard Parish.

Funds have been budgeted in 2006-2007 for continuation of the teacher attendance incentive program.

The effects of Hurricane Katrina (August 2005) and Hurricane Rita (September 2005) on the Beauregard Parish school system were great. Approximately 300 displaced students were enrolled in Beauregard Parish schools after Hurricane Katrina. The financial resources of the Board were strained as the educational needs of these students were met. After Hurricane Rita, approximately 150 displaced students remained in Beauregard Parish schools. In December 2005, the Louisiana Department of Education provided additional funding of \$1,250 per displaced student to offset the additional expenditures incurred. The federal government has also addressed additional funding for these displaced students. On December 22, 2005, Congress approved \$1.6 billion in hurricane relief for schools and colleges, including reimbursement to schools that enroll displaced students of \$6,000 per student, or \$7,500 for each student with special needs. The Beauregard Parish school system has received \$587,200 as part of this federal impact aid.

As additional funds become available, either through redirected expenditures, increased state equalization payments, or increased local tax revenues, the School Board is prepared to address the ongoing objective of improved student achievement with targeted expenditures. After study and analysis, those expenditures, which will result in achieving our objective, will be implemented.

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

Cash Management. Cash temporarily idle during the year was invested in money market accounts and certificates of deposit with local financial institutions and the Louisiana Asset Management Pool (LAMP), administered by the State Treasurer.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, instruments issued by the United States Government or federal government agencies created by an act of Congress or insured by the Federal Deposit Insurance Corporation collateralize deposits in financial institutions.

Risk Management. The School Board is covered for most risks, such as liability, errors and omissions, and property damage, through commercial insurance. The School Board maintains a combination of self-insurance and stop-loss coverage for workers' compensation insurance. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$250,000.

Awards and Acknowledgements

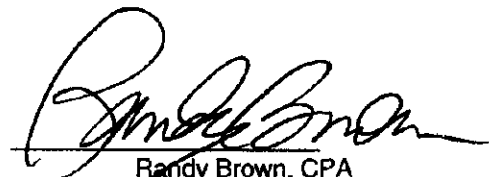
Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Beauregard Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2005. This was the fourth consecutive year that the government 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.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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



Rita Mann, M. Ed.
Superintendent



Randy Brown, CPA
Director of Business/Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Beauregard Parish School Board, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

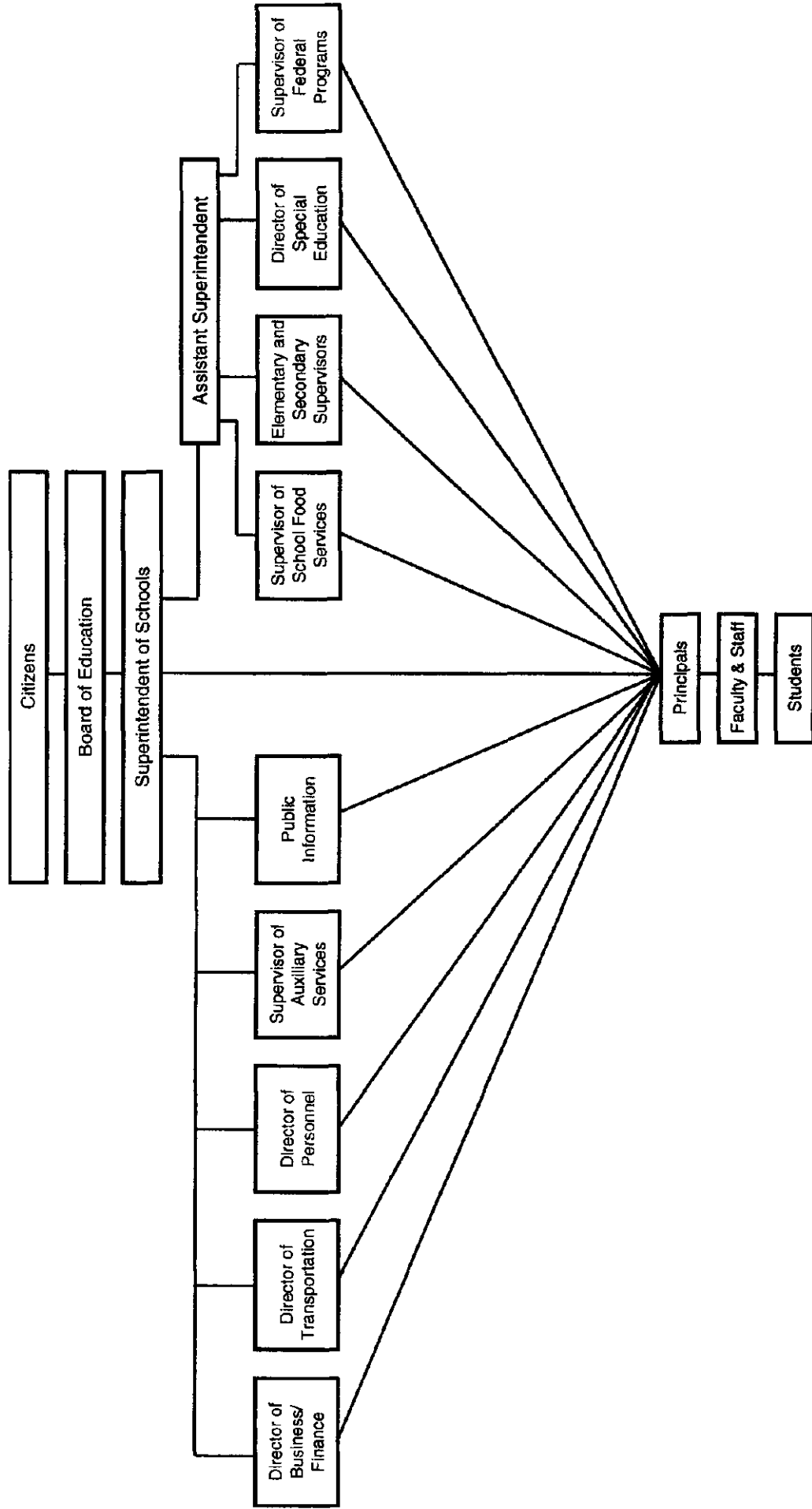
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Organizational Chart
June 30, 2006



BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Elected Officials
June 30, 2006

<u>Board Member:</u>	<u>District:</u>
Russell Havens	1
James Eaves	2
Marvin Simmons	3A
Jimmy Barrett	3B
Jim Rudd	3C
Frances Jouban	3D
Stuart Hayes	3E
Darrin Manuel	4A
Bill Coleman	4B
Don Gray	5

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Selected Administrative Officials
June 30, 2006

Rita Mann M.Ed.	Superintendent
Ron Hebert	Assistant Superintendent
James Herrington	Director of Personnel
MacArthur Spikes	Director of Special Education
Karen Cunningham	Director of Curriculum
Sandra Hubbard	Director of Federal Programs
Steve Newsom	Director of Transportation
Randy Brown, CPA	Director of Finance
Molly Poe	Supervisor of Food Services

FINANCIAL SECTION



Langley, Williams & Company, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
205 W. COLLEGE STREET
LAKE CHARLES, LOUISIANA 70605-1625
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FAX (337) 478-8418

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TEXAS STATE BOARD
OF PUBLIC ACCOUNTANCY
PUBLIC COMPANY
ACCOUNTING OVERSIGHT BOARD
CENTER FOR PUBLIC
COMPANY AUDIT FIRMS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
MICHAEL F. CALLOURA
PHILLIP D. ABSHIRE, JR.
DAPHNE B. CLARK
J. AARON COOPER

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish School Board (the School Board) as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish School Board as of June 30, 2006, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with generally accepted accounting principles of the United States of America.

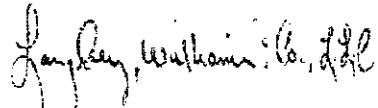
In accordance with *Government Auditing Standards*, we have also issued under separate cover our report dated December 22, 2006, on our consideration of the Beauregard Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Beauregard Parish School Board

Page 2

The Management's Discussion and Analysis on pages 3 through 14 and the budgetary comparison information on page 48 are not a required part of the basic financial statements but are supplementary information required by the Governmental Auditing Standards Board. 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 performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplementary information identified as Supplemental Information Schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Beauregard Parish School Board. Such supplementary 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. The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the basic financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



Lake Charles, Louisiana
December 22, 2006

Beauregard Parish School Board DeRidder, Louisiana

Management's Discussion and Analysis

Introduction

We offer readers of the Beauregard Parish School Board's (School Board) financial statements this narrative overview and analysis of the financial activities of the School Board for the year ended June 30, 2006. It is important that the reader consider the information presented here in conjunction with our letter of transmittal and our notes to the financial statements.

Management's Discussion and Analysis (MD&A) is a required component specified in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The purpose of the MD&A is to provide users of the School Board's basic financial statements with a narrative introduction, overview, and analysis of these statements. Certain comparative information between the current year (2005-2006) and the prior year (2004-2005) is required to be presented in the MD&A. Previous year information is disclosed in cases where the information was readily available and it was feasible to show such information without expending excessive resources to present the data.

Financial Highlights

- The assets of the School Board exceeded its liabilities at the close of the fiscal year by \$11,033,261 (net assets). Of this amount, \$4,339,381 was invested in capital assets (net of related debt); \$1,763,312 was restricted to future salary payments to employees; \$3,541,943 was restricted for future debt service and future capital projects; and \$1,388,625 was unrestricted.
- The School Board's net assets increased by \$86,793 over last year.
- As of the close of the fiscal year, the School Board's governmental funds reported combined ending fund balances of \$9,258,349, a decrease of \$627,357 in comparison with the prior year. Of this total, \$743,782 is unreserved and undesignated. The General Fund accounted for \$5,538,176 of the total, with \$743,782 unreserved and undesignated.
- The School Board's total debt decreased by \$1,049,000 during the fiscal year. This is attributable to current payments reducing the balance of general obligation bonds and certificates of indebtedness.
- The General Fund experienced an excess of revenues and other sources over expenditures and other uses of \$11,271. This is a decrease of \$274,394 in comparison with the prior year.
- The General Fund experienced an increase in property tax collections of \$184,459. This is attributable to a normal increase in taxable assessed property values.
- The General Fund experienced an increase in sales tax collections of \$864,663.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private-sector enterprise. These statements include all assets and liabilities using the accrual basis of accounting, which records all current year revenue and expenditures, regardless of when received or paid.

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

The statement of activities presents information showing how the School Board'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 fiscal periods. Earned but unused personal leave time and accrued interest expense are examples of such items.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been restricted for specific activities or objectives. The School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds.*

Governmental funds. Governmental funds are used to account for most of the services provided by the School Board. Governmental fund financial statements focus on the in-flow and out-flow of expendable resources as well as the balance of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is different than that of the government-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The reconciliation of the governmental funds balance sheet to the statement of net assets is provided as part of this document to facilitate this comparison between governmental funds and governmental activities.

The School Board maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the 1997 Parishwide Construction Fund, both of which are considered to be major funds. Data from the other remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts an annual appropriated budget for all governmental funds, except non-major capital projects funds. Budgetary comparison statements for these governmental funds have been provided to demonstrate compliance with the adopted budget.

Proprietary funds. The School Board maintains two different types of proprietary funds. Enterprise funds are used to report activities that are similar to a private enterprise. Also, an internal service fund is used to accumulate and allocate costs internally among the School Board's various functions for its worker's compensation self-insured program. Both proprietary funds are considered governmental activities and are included as such in the government-wide financial statements.

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 statements because the resources for those funds are not available to support the School Board's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The School Board has one fiduciary fund, the School Activity Agency Fund.

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.

Government-wide Financial Analysis

As noted earlier in this discussion, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School Board, assets exceeded liabilities by \$11,033,261 at the close of the fiscal year. Of this amount, \$4,339,381 or 39%, represents the School Board's investment in capital assets (i.e., land, buildings, furniture, and equipment), less any outstanding debt used to acquire those assets.

Additionally, \$5,305,255 or 48% of the School Board's net assets represent resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net assets (\$1,388,625) may be used to further the School Board's educational objectives at its discretion.

Beauregard Parish School Board's Net Assets		
	Governmental Activities	
	2006	2005
Current and other assets	\$ 15,555,240	\$ 16,150,621
Capital assets, net of accumulated depreciation	20,735,493	20,752,030
Total assets	36,290,733	36,902,651
Long-term liabilities outstanding	19,059,153	18,821,424
Other liabilities	6,198,319	7,134,760
Total liabilities	25,257,472	25,956,184
Net assets:		
Invested in capital assets, net of related debt	4,339,381	4,403,778
Restricted	5,305,255	5,245,446
Unrestricted	1,388,625	1,297,243
Total net assets	\$ 11,033,261	\$ 10,946,467

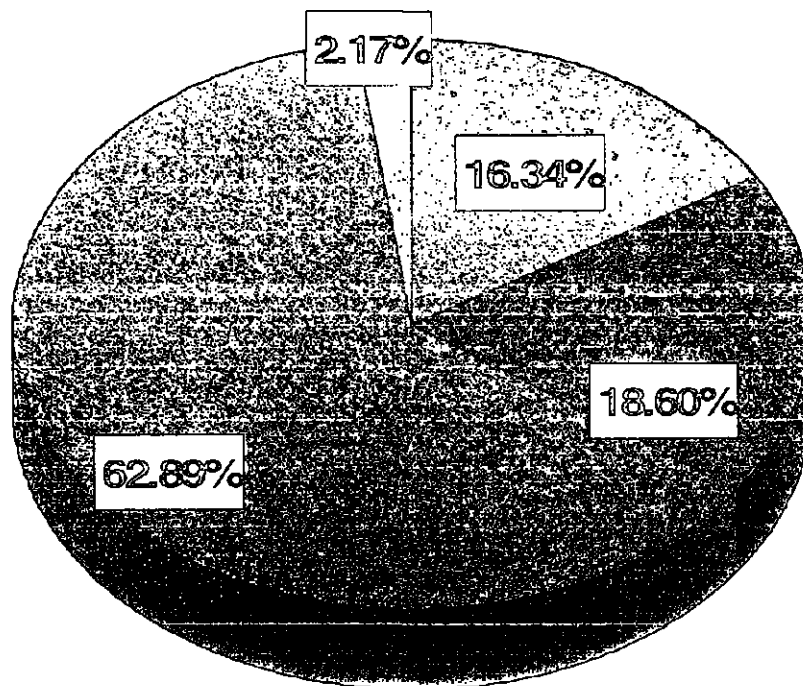
Governmental activities. All financial activities of the School Board are considered governmental activities. Governmental activities increased the School Board's net assets by \$86,793.

Beauregard Parish School Board's Changes in Net Assets		
	Governmental activities	
	2006	2005
Revenues		
General Revenues		
Property taxes	\$ 7,252,925	\$ 7,057,171
Sales taxes	8,252,361	7,379,799
State equalization (MFP)	26,371,020	26,006,733
Other general revenues	2,600,552	2,199,423
Program Revenues		
Charges for services	445,861	568,218
Federal and state grants	6,375,172	4,767,244
Total revenues	51,197,931	46,978,588
Function/Program Expenses		
Instruction		
Regular programs	19,565,825	16,369,910
Special programs	5,384,591	6,052,561
Vocational programs	1,528,667	1,360,789
Other instructional programs	2,704,079	2,118,448
Support Services		
Student services	2,208,099	2,022,384
Instructional staff support	2,927,178	2,634,956
General administration	1,167,820	1,117,245
School administration	3,105,885	2,901,481
Business services	607,497	383,838
Plant services	4,403,689	3,928,305
Student transportation services	2,808,021	2,883,218
Central services	868,065	375,005
Food services	2,977,176	2,880,414
Community service programs	16,693	15,000
Self-insurance expenses	364,803	388,664
Food processing expenses	56,033	55,504
Interest on long-term debt	1,015,107	893,766
Total expenses	51,114,168	47,042,666
Change in net assets	86,793	(64,298)
Net assets - beginning of year	10,946,468	11,010,765
Net assets - end of year	\$ 11,033,261	\$ 10,946,467

- Property tax revenue increased by \$195,754 (2.7%) during the year. Most of this increase is attributable to increased assessment values by the Beauregard Parish Tax Assessor.
- Sales tax revenue increased by \$872,582 (11.8%) during the year. After-hurricane rebuilding and local economy expansion fueled this growth.
- State MFP revenue increased by \$1,364,287 (5.5%) over last year, due to increased student enrollment and additional state funding for teacher pay raises.
- Increased salaries and benefits related to a \$2,196 per teacher pay raise accounted for a major portion of the \$2,267,454 increase (8.4%) in instructional expenditures.

General Revenues by Source

Governmental Activities

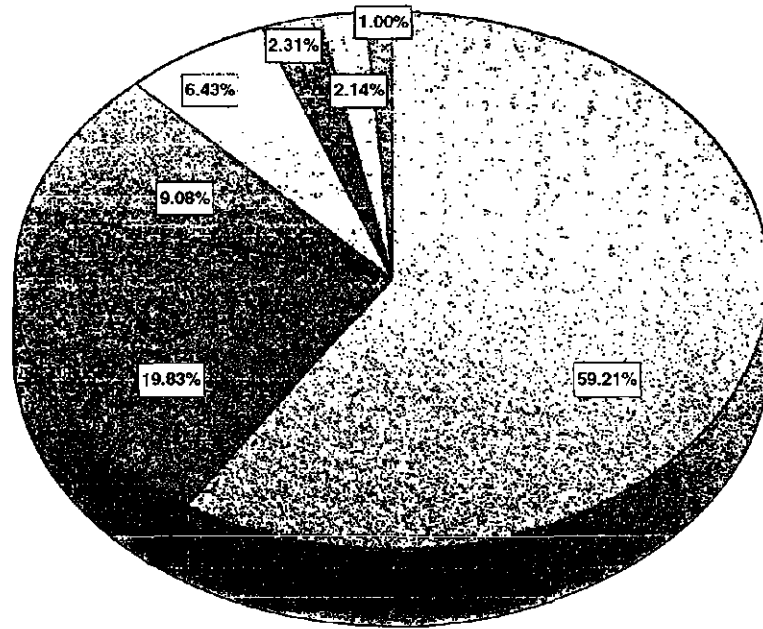


■ Local Property Taxes - \$7,252,925
□ Local Sales Taxes - \$8,252,381
□ State Funding - \$27,910,085
■ Interest & Other - \$361,487

- The largest source of revenue to the School Board is state funding which accounts for \$27,910,085 or 62.89% of total funding. The state's Minimum Foundation Program (MFP) comprises the vast majority of state funding to the School Board. The MFP is a system of allocating state educational funds to school districts across the state, in an effort to provide a minimum level of educational processes in each district.
- Other sources of revenue to the School Board include sales taxes (18.6% of total revenue) and property taxes (16.34% of total revenue).

Functional Expenses

(Net of Program Revenues)
Governmental Activities



☐	Instruction - \$25,771,539
☐	Support Services - \$9,132,921
☐	Plant Services - \$4,179,527
☐	Student Transportation - \$2,804,792
☐	Food Services - \$1,003,992
☐	Interest - \$1,015,107
☐	Other - \$382,207

- The School Board's largest category of functional expenses is related to the direct instruction of regular education, special education and other students. Instructional expenditures, net of program revenues such as federal grants and charges for services, comprised \$25,771,539 or 58.19% of the total. These costs include teacher salaries and benefits, textbooks, and supplies used in instruction.
- Plant services is another large category of net functional expenses, with \$4,179,527 or 9.44% expended. These costs include maintenance employee salaries and benefits, property insurance, supplies, and utilities.

Financial Analysis of the Government's Funds

As discussed earlier, the School Board uses fund accounting to control and measure revenue and expenditures of a particular activity to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the School Board's governmental funds reported combined ending fund balances of \$9,258,349. Approximately 57%, or \$5,337,415, of this total constitutes reserved funds that have been committed to various obligations of the School Board. Of the total fund balance, \$1,800,365 has been reserved by the School Board for future capital projects, \$1,741,578 has been reserved for future debt service payments, \$1,763,312 has been reserved for future salaries to be paid from sales tax proceeds, and \$32,160 has been reserved for federal program purposes. The School Board has designated \$2,066,133 of fund balances as an emergency contingency, \$133,369 for school food service activities, and \$977,650 for other purposes. The remainder of the total fund balance (\$743,782) is available as a source of funds to guard against economic uncertainties and potential reductions in revenue or increases in expenditures. This amount is used to fund school board operations during the school year, offsetting numerous grant expenditures, which are funded on a reimbursement basis. This amount is also utilized throughout the year, as a large portion of revenue, including property tax revenue, is received only at calendar year end.

The General Fund is the chief operating fund of the School Board. At the end of the current fiscal year, unreserved and undesignated fund balance of the General Fund was \$743,782, while total fund balance was \$5,538,176. Unreserved and undesignated fund balance represents 1.8% of the total General Fund expenditures, while total fund balance represents 13.3% of General Fund expenditures. This comparison may be useful for determining the General Fund's liquidity.

The fund balance of the School Board's General Fund increased by \$11,271 during the current fiscal year. Key factors affecting this increase are as follows:

- An increase in local tax revenue, including an increase of \$184,459 in property tax revenue. Sales tax revenue increased by \$864,663. However, sales tax revenue is dedicated to employee salaries; therefore, the additional revenue corresponds to increased salary and benefit expenditures.
- A \$1,364,287 increase in state MFP funding. However, a major portion of the state MFP funding increase was utilized to fund state-mandated teacher salary increases, which accounts for a portion of the \$1,932,084 increase in instructional expenditures.
- Increased utility costs, especially costs for electricity, accounts for most of the \$494,107 plant services expenditures increase.

	General Fund		
	2006	2005	Increase/ (Decrease)
Revenues			
Local:			
Property taxes	\$ 4,751,524	\$ 4,567,065	\$ 184,459
Sales taxes	7,871,961	7,007,298	864,663
Interest	203,859	128,585	75,274
Other	92,723	176,717	(83,994)
State:			
Equalization	26,071,020	24,706,733	1,364,287
Other	1,539,065	1,285,118	253,947
Federal	768,648		768,648
Total	41,298,800	37,871,516	3,427,284
Expenditures			
Instruction:			
Regular education	18,011,613	16,470,209	1,541,404
Special education	4,373,303	4,016,133	357,170
Vocational education	1,460,805	1,385,074	75,731
Adult education	31,499	43,504	(12,005)
Other education	1,158,567	1,188,783	(30,216)
Support:			
Pupil	1,844,168	1,713,176	130,992
Staff	2,099,754	2,025,154	74,600
General administration	1,162,174	1,038,688	123,486
School administration	3,066,524	2,876,988	189,536
Business services	406,526	402,665	3,861
Plant services	4,362,154	3,868,047	494,107
Transportation	2,721,431	2,482,476	238,955
Central services	364,774	372,454	(7,680)
Community service programs	5,493	3,000	2,493
Facilities acquisition and construction	345,716	609,371	(263,655)
Debt service	154,093	158,784	(4,691)
Total	41,568,594	38,654,506	2,914,088
Excess of revenues over expenditures	\$ (269,794)	\$ (782,990)	\$ 513,196

The 1997 Parishwide Construction Fund has a total fund balance of \$1,779,661, all of which is reserved for future capital projects. The fund balance decreased by \$1,114,300 during the current fiscal year. This decrease is a direct result of the expenditure of prior year bond proceeds for technology (computers and software) and various capital projects (building construction).

Proprietary funds. The School Board maintains two proprietary funds. An internal service fund is used to account for the activities of the Worker's Compensation Self-Insurance Program and an enterprise fund is used to account for the activities of the East Beauregard Food Processing Center.

Workers' Compensation Self-Insurance Fund			
	2006	2005	Increase/ (Decrease)
Revenues:			
Interest	\$ 23,682	\$ 17,953	\$ 5,729
Insurance proceeds		50,064	(50,064)
Total	23,682	68,017	(44,335)
Expenses:			
Workers' compensation claims	305,050	336,123	(31,073)
Contract services	10,000	10,000	
Excess insurance premiums	32,222	28,592	3,630
Other	17,531	11,949	5,582
Total	364,803	386,664	(21,861)
Excess (deficiency) of revenues over (under) expenditures	\$ (341,121)	\$ (318,647)	\$ (22,474)

- No workers' compensation claims exceeded the Board's retention amount of \$250,000 in 2006. The excess workers' compensation insurance carrier reimbursed the Board for those claims expenses exceeding the retention amount in 2005.
- Fewer workers' compensation cases were settled in 2006 than in 2005, resulting in a decrease in claims expenses.

Total net assets of the Worker's Compensation Self-Insurance Fund at the end of the year amounted to \$237,396. All of this balance is designated for future workers' compensation claims.

Total net assets of the East Beauregard Food Processing Fund totaled \$6,037 at the end of the year. All of this balance is unrestricted and available as an expendable resource.

General Fund Budgetary Highlights

Differences between actual revenues and expenditures and the final amended budget amounts included a \$531,185 increase in revenue and a \$286,472 decrease in appropriations. These differences can be summarized as follows:

- \$ 71,524 additional property tax revenue
- \$378,039 less sales tax revenue
- \$103,859 additional interest revenue
- \$284,478 additional federal impact aid revenue
- \$ 83,540 less instructional expenditures
- \$106,793 less instructional staff support expenditures
- \$ 10,871 less business administration expenditures
- \$ 99,539 additional plant services expenditures
- \$ 2,493 additional community service program expenditures
- \$221,784 less facility acquisition and construction expenditures

Normal variances in property tax collections accounted for the difference between budgeted and actual amounts received. Sales tax collections were lower than anticipated in the last few months of the year, accounting for the variance. Higher than anticipated interest yields accounted for the increased interest earnings. Federal impact aid revenue (due to Hurricanes Katrina and Rita) was greater than expected. Also, the general fund expenditures for instruction, instructional staff support, and business administration were less than the final amended budget amounts primarily due to normal attrition of experienced employees and less than anticipated increases in health insurance and retirement expenditures. The re-scheduling of two major projects (elevator replacement and school track renovation) from 2005 to a future date, created less than budgeted expenditures in construction expenditures.

The anticipated need to use a portion of the available fund balance was realized, but not to the extent as budgeted. Revenues were slightly greater than budgeted estimates and expenditures were less than budgeted estimates.

Major revisions were made to the 2005-2006 general fund original budget. Budgeted revenues were increased by \$2,558,428 primarily due to the following:

- \$1,450,000 increase in sales tax revenue estimates to account for increased collections and absence of refund requests from taxpayers
- \$484,170 increase in federal impact aid funding estimates due to Hurricane Katrina and Hurricane Rita costs

Budgeted expenditures were increased by \$1,336,456 primarily to account for an expected increase in sales tax supplemental salary payments to employees and an additional salary increase of \$2,196 per teacher in FYE 2006. All sales tax revenue is dedicated to employee salaries, therefore increased sales tax revenue results in increased salary expenditures.

Capital Assets and Debt Administration

Capital assets. The School Board's investment in capital assets as of June 30, 2006 amounts to \$20,735,493 (net of accumulated depreciation). This investment in capital assets includes land (1.9%), buildings and improvements (87.6%), and furniture and equipment (10.5%).

Beauregard Parish School Board's Capital Assets (Net of depreciation)			
		Governmental activities	
		2006	2005
Land	\$	397,739	\$ 351,223
Buildings and improvements		18,159,624	16,146,967
Improvements other than buildings			863,265
Furniture and equipment		2,178,130	2,146,632
Construction in progress			1,243,943
Total	\$	20,735,493	\$ 20,752,030

Major capital asset events during the year included the following:

- Bond proceeds of \$470,748 were expended to purchase technology equipment (computers and software) for instructional purposes.
- During the June 30, 2006 fiscal year, capital projects were completed at DeRidder High School (\$750,000 for band hall/relocation of tennis courts) and Pinewood Elementary (\$400,000 for new classrooms).

Additional information on capital assets may be found in Notes to the Financial Statements at Note 1. K. and Note 6.

Long-term debt. At the end of the current fiscal year, the School Board had total debt outstanding of \$17,935,000. All of this amount is comprised of general obligation bonds, backed by the full faith and credit of the School Board.

Beauregard Parish School Board's Outstanding Debt			
		Governmental activities	
		2006	2005
General obligation bonds	\$	17,935,000	\$ 18,835,000
Certificates of indebtedness			149,000
Total	\$	17,935,000	\$ 18,984,000

The School Board maintains an "Aa" rating from Moody's for general obligation debt.

Louisiana Revised Statutes limit the amount of long-term bonded debt that may be incurred by the School Board to 35% of its total assessed valuation. The current debt limitation for the School Board is \$69,811,339, which is significantly in excess of the School Board's outstanding long-term general obligation bonded debt of \$17,935,000.

Additional information on long-term obligations may be found in the Notes to the Financial Statements at Note 10.

Economic Factors and Next Year's Budget

- The Beauregard Parish Tax Assessor continues to increase property valuations annually, to reflect market conditions. This should result in increased property tax collections for the future.
- Sales tax revenue continues to increase annually, as the local economy continues to expand as new retail establishments locate in Beauregard Parish. Sales tax activity has increased dramatically since 2005, as the rebuilding continues after Hurricanes Katrina and Rita.
- Health insurance premiums for both active employees and retirees continue to rise, with 5% increases expected. The Board now pays 75% of an active employee's premium.
- The teacher retirement system (TRSL) employer contribution percentage was increased from 15.5% in FYE 2005 to 15.9% in FYE 2006. The employer contribution rate for FYE 2007 has been decreased slightly to 15.8%.
- The school employee retirement system (LSERS) employer contribution percentage was increased from 14.8% in FYE 2005 to 18.4% in FYE 2006. The employer contribution rate for FYE 2007 has been increased to 19.6%.

These factors and others were considered in preparing the School Board's budget for the 2007 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Beauregard Parish School Board's finances for all interested persons. Additional information about the School Board can be found by accessing our website at www.beau.k12.la.us. Questions concerning any of the information provided in this report or requests for additional information should be address to:

Randy Brown, CPA
Director of Business/Finance
Beauregard Parish School Board
P.O. Drawer 938
DeRidder, LA 70634

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

Statement A

**Statement of Net Assets
June 30, 2006**

	Governmental Activities
ASSETS	
Cash and interest-bearing deposits	\$ 7,540,986
Investments	5,979,257
Receivables	1,436,921
Inventory	301,305
Prepaid expenses	296,771
Capital assets (net of accumulated depreciation):	
Land	397,739
Buildings	17,296,358
Improvements other than buildings	863,265
Furniture and equipment	2,178,131
	<hr/>
Total assets	36,290,733
LIABILITIES	
Accounts, salaries, and other payables	5,318,170
Contracts payable	256,147
Estimated workers' compensation claims	333,810
Unearned revenue	28,715
Interest payable	261,477
Long-term liabilities:	
Due within one year	1,474,000
Due in more than one year	17,585,153
Total liabilities	<hr/> 25,257,472
NET ASSETS	
Invested in capital assets, net of related debt	4,339,381
Restricted for:	
Debt service	1,741,578
Future salaries from sales tax proceeds	1,763,312
Capital projects	1,800,365
Unrestricted	1,388,625
	<hr/>
TOTAL NET ASSETS	\$ 11,033,261

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2006

	Expenses	Program Revenues		Governmental Activities - Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
FUNCTIONS/PROGRAMS				
<i>Governmental activities:</i>				
<i>Instruction:</i>				
Regular programs	\$ 19,565,825	\$ -	\$ 866,412	\$ (18,699,413)
Special education programs	5,384,591	-	964,368	(4,420,223)
Vocational programs	1,528,667	-	67,889	(1,460,778)
All other programs	2,704,079	-	1,512,954	(1,191,125)
<i>Support services:</i>				
Student services	2,208,099	-	306,711	(1,901,388)
Instructional staff support	2,927,178	-	728,915	(2,198,263)
General administration	1,167,820	-	-	(1,167,820)
School administration	3,105,885	-	-	(3,105,885)
Business services	507,407	-	115,907	(391,500)
Plant services	4,403,889	-	224,162	(4,179,527)
Student transportation services	2,808,021	-	3,229	(2,804,792)
Central services	368,065	-	-	(368,065)
Food services	2,977,176	388,559	1,584,625	(1,003,992)
Community service programs	18,893	-	-	(18,893)
Self-insurance expenses	384,803	-	-	(384,803)
Food processing	56,033	57,322	-	1,289
Interest on long-term debt	1,015,107	-	-	(1,015,107)
Total governmental activities	\$ 51,111,138	\$ 445,881	\$ 6,375,172	(44,290,085)
<i>Taxes:</i>				
Property taxes, levied for general purposes				4,751,524
Property taxes, levied for debt services				2,501,401
Sales and use taxes, levied for general purposes				8,252,381
State revenue sharing, unrestricted				292,688
<i>Grants and contributions not restricted to specific purposes:</i>				
Minimum Foundation Program				26,371,020
Other state funding				1,246,377
Interest and investment earnings				351,820
Miscellaneous				540,520
Gain on disposal of assets				69,147
Total general revenues and special items				44,376,878
Excess of revenues over expenses				86,793
Net assets - beginning of year				10,946,468
Net assets - end of year				\$ 11,033,261

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

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FUND FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement C

Balance Sheet - Governmental Funds
June 30, 2006

	General Fund	1997 Parishwide Construction Fund	Other Governmental Funds	Total Governmental Funds
Assets and other debits:				
Assets:				
Cash and interest-bearing deposits	\$ 5,907,410	\$ -	\$ 1,627,817	\$ 7,535,027
Investments	2,459,786	2,420,418	435,560	5,315,764
Receivables	550,698	-	886,222	1,436,920
Interfund receivable	1,527,336	-	65,070	1,592,406
Inventory	244,074	-	57,231	301,305
Prepaid items	138,803	-	-	138,803
Total assets	\$ 10,828,107	\$ 2,420,418	\$ 3,071,700	\$ 16,320,225
Liabilities and fund balances				
Liabilities:				
Accounts, salaries, and other payables	\$ 5,223,310	\$ 750	\$ 94,293	\$ 5,318,353
Contracts payable	1,064	255,063	-	256,147
Interfund payable	65,070	384,944	1,008,647	1,458,661
Unearned revenues	467	-	28,248	28,715
Total liabilities	5,289,931	640,757	1,131,188	7,061,876
Fund balances:				
Reserved for:				
Debt service	-	-	1,741,578	1,741,578
Capital improvements	-	1,779,661	20,704	1,800,365
Federal programs	-	-	32,160	32,160
Future salaries from sales tax proceeds	1,763,312	-	-	1,763,312
Unreserved:				
Designated for:				
Contingencies	2,066,133	-	-	2,066,133
Contingencies - Special Revenue Funds	-	-	133,369	133,369
Special Revenue Funds	-	-	12,701	12,701
Future purchases	964,949	-	-	964,949
Unreserved, undesignated	743,782	-	-	743,782
Total fund balances	5,538,176	1,779,661	1,940,512	9,258,349
Total liabilities and fund balances	\$ 10,828,107	\$ 2,420,418	\$ 3,071,700	\$ 16,320,225

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement D

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2006

Total fund balances at year end - governmental funds		\$	9,258,349
Amounts reported for governmental activities in the Statement of Net Assets are different because:			
Prepaid interest reported as an other use in the governmental funds, net of accumulated amortization			116,518
Capital assets are not financial resources and, therefore, not reported in the funds.			
Cost of capital assets at year end	64,771,995		
Less - accumulated depreciation at year end:			
Buildings and improvements	(32,421,106)		
Movable property	<u>(11,618,456)</u>		20,732,433
Long-term liabilities are not due and payable in the current period and are not reported in the funds.			
Long-term liabilities at year end:			
Compensated absences	(1,120,995)		
Bonds payable	(17,935,000)		
Accrued interest payable	<u>(261,477)</u>		(19,317,472)
Net assets of proprietary funds - governmental activities			<u>243,433</u>
Net assets at year end - governmental activities		\$	<u>11,033,261</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement E

**Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2006**

	General Fund	1997 Parishwide Construction Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Ad valorem taxes	\$ 4,751,524	\$ -	\$ 2,501,401	\$ 7,252,925
Sales and use taxes	7,871,961	-	380,420	8,252,381
Interest earnings	203,859	106,448	17,834	328,141
Food services	-	-	388,559	388,559
Other	92,723	-	111,866	204,589
State sources:				
Equalization	26,071,020	-	300,000	26,371,020
Other	1,539,065	-	-	1,539,065
Federal sources	768,648	-	5,606,524	6,375,172
Total revenues	<u>41,298,800</u>	<u>106,448</u>	<u>9,306,604</u>	<u>50,711,852</u>
Expenditures:				
Instruction:				
Regular programs	18,011,613	362,896	395,460	18,769,969
Special education programs	4,373,303	-	944,831	5,318,134
Vocational educational programs	1,460,805	-	67,889	1,528,694
Other instructional programs	777,781	1,695	117,312	896,788
Special programs	380,786	-	1,390,617	1,771,403
Adult and continuing education programs	31,499	-	42,220	73,719
Support services:				
Student services	1,844,168	-	317,949	2,162,117
Instructional staff support	2,099,754	-	753,763	2,853,517
General administration	1,162,174	(2,311)	562	1,160,425
School administration	3,066,524	-	-	3,066,524
Business administration	406,526	87,917	-	494,443
Plant services	4,362,154	19,995	42,816	4,424,965
Student transportation services	2,721,431	-	3,229	2,724,660
Central services	364,774	-	-	364,774
Food services	-	-	2,835,368	2,835,368
Community service programs	5,493	-	-	5,493
Facilities acquisition and construction	345,716	750,556	-	1,096,272
Debt service	154,093	-	1,873,232	2,027,325
Total expenditures	<u>41,568,594</u>	<u>1,220,748</u>	<u>8,785,248</u>	<u>51,574,590</u>
Excess (deficiency) of revenues over (under) expenditures	(269,794)	(1,114,300)	521,356	(862,738)
Other financing sources (uses):				
Proceeds from sale of capital assets	69,451	-	-	69,451
Proceeds from issuance of debt	-	-	6,795,000	6,795,000
Payment to escrow agent	-	-	(6,791,008)	(6,791,008)
Insurance proceeds	161,938	-	-	161,938
Transfers in	115,907	-	66,231	182,138
Transfers out	(66,231)	-	(115,907)	(182,138)
Total other financing sources (uses)	<u>281,065</u>	<u>-</u>	<u>(45,684)</u>	<u>235,381</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	11,271	(1,114,300)	475,672	(627,357)
Fund balances - beginning of year	<u>5,526,905</u>	<u>2,893,961</u>	<u>1,464,840</u>	<u>9,885,706</u>
Fund balances - end of year	<u>\$ 5,538,176</u>	<u>\$ 1,779,661</u>	<u>\$ 1,940,512</u>	<u>\$ 9,258,349</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2006

Total net change in fund balances - governmental funds \$ (627,357)

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

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

Depreciation expense	\$ (2,439,522)	
Capital outlays	<u>2,424,320</u>	(15,202)

Add accumulated depreciation on capital assets retired during the year	339,321	
Less cost basis of capital assets retired during the year	<u>(339,625)</u>	(304)

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

Principal payments		1,219,000
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In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This is the amount by which the amounts earned exceeds the amount actually paid:

Compensated absences earned	(362,297)	
Compensated absences paid	<u>249,569</u>	(112,728)

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

Change in accrued interest payable	16,698	
Prepaid interest amortized	<u>(53,482)</u>	(36,784)

Change in net assets of proprietary funds		<u>(339,832)</u>
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Change in net assets of governmental activities	\$	<u>86,793</u>
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The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement G

Statement of Net Assets - Proprietary Funds
June 30, 2006

	Internal Service Fund - Workers' Compensation Self-Insurance Fund	Enterprise Fund - East Beauregard Food Processing Fund*	Total - Governmental Activities
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ -	\$ 5,960	\$ 5,960
Investments	663,492	-	663,492
Prepaid expenses	41,450	-	41,450
Total current assets	704,942	5,960	710,902
Capital assets (net of accumulated depreciation):			
Furniture and equipment	-	3,060	3,060
Total assets	\$ 704,942	\$ 9,020	\$ 713,962
LIABILITIES			
Current liabilities:			
Accounts, salaries, and other payables	\$ (295)	\$ 111	\$ (184)
Interfund payables	134,031	(286)	133,745
Total current liabilities	133,736	(175)	133,561
Estimated workers' compensation claims	333,810	-	333,810
Compensated absences payable	-	3,158	3,158
Total liabilities	467,546	2,983	470,529
NET ASSETS			
Net assets, invested in capital assets	-	3,060	3,060
Unrestricted	237,396	2,977	240,373
Total net assets	237,396	6,037	243,433
TOTAL LIABILITIES AND NET ASSETS	\$ 704,942	\$ 9,020	\$ 713,962

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

Statement H

**Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds
For the Year Ended June 30, 2006**

	<i>Internal Service Fund - Workers' Compensation Self-Insurance Fund</i>	<i>Enterprise Fund - East Beauregard Food Processing Fund*</i>	<i>Total - Governmental Activities</i>
Operating revenues:			
Charges for services - food processing income	\$ -	\$ 57,322	\$ 57,322
Total operating revenues	-	57,322	57,322
Operating expenses:			
Salaries and related benefits	-	27,715	27,715
Materials and supplies	-	12,936	12,936
Utilities	-	12,045	12,045
Repairs	-	2,305	2,305
Workers' compensation claims	305,050	-	305,050
Contract services	10,000	-	10,000
Stop-loss premiums	32,222	-	32,222
Other	17,531	-	17,531
Depreciation	-	1,032	1,032
Total operating expenses	364,803	56,033	420,836
Operating loss	(364,803)	1,289	(363,514)
Non-operating revenues			
Interest income	23,682	-	23,682
Change in net assets	(341,121)	1,289	(339,832)
Net assets - beginning of year	578,517	4,748	583,265
Net assets - end of year	\$ 237,396	\$ 6,037	\$ 243,433

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement I

Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2006

	Internal Service Fund - Workers' Compensation Self-Insurance Fund	Enterprise Fund - East Beauregard Food Processing Fund*
	<u>Fund</u>	<u>Fund*</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ -	\$ 57,322
Payments to vendors	(63,793)	(28,385)
Payments to or on behalf of employees	-	(27,715)
Payments made on workers' compensation claims	(165,856)	
Payment of interfund payable	<u>(127,235)</u>	<u>(395)</u>
Net cash provided by (used in) operating activities	(356,884)	827
Cash flows from investing activities:		
Interest income	23,682	-
Net proceeds from sales of investments	350,000	-
Purchase of investments	<u>(16,798)</u>	<u>-</u>
Net cash provided by investing activities	356,884	-
Net change in cash and cash equivalents	-	827
Cash and cash equivalents at beginning of year	<u>-</u>	<u>5,132</u>
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 5,959</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operations		
Operating income (loss)	\$ (364,803)	\$ 1,289
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	-	1,032
Changes in operating assets and liabilities:		
Accounts payable	(4,040)	(1,099)
Interfund payable	(127,235)	(395)
Estimated workers' compensation claims	<u>139,194</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>\$ (356,884)</u>	<u>\$ 827</u>

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement J

Statement of Assets and Liabilities - Agency Fund
June 30, 2006

	<u>School Activity Fund</u>
Assets	
Cash and cash equivalents	\$ 524,609
Investments	<u>303,976</u>
Total assets	<u>\$ 828,585</u>
Liabilities	
Deposits due others	<u>\$ 828,585</u>
Total liabilities	<u>\$ 828,585</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

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NOTES TO THE FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2006

INTRODUCTION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 - A. BASIS OF PRESENTATION
 - B. REPORTING ENTITY
 - C. FUND ACCOUNTING
 - D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING
 - E. BUDGETS
 - F. ENCUMBRANCES
 - G. CASH AND INTEREST-EARNING DEPOSITS
 - H. INVESTMENTS
 - I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES
 - J. INVENTORIES AND PREPAID ITEMS
 - K. CAPITAL ASSETS
 - L. COMPENSATED ABSENCES
 - M. RESTRICTED NET ASSETS
 - N. FUND EQUITY
 - O. INTERFUND TRANSACTIONS
 - P. SALES AND USE TAXES
 - Q. ESTIMATES
2. LEVIED TAXES
3. DEPOSITS
4. INVESTMENTS
5. RECEIVABLES
6. CAPITAL ASSETS
7. ACCOUNTS, SALARIES, AND OTHER PAYABLES
8. RETIREMENT SYSTEMS
9. INTERFUND ACTIVITIES
10. LONG-TERM OBLIGATIONS
11. RESERVED AND DESIGNATED FUND BALANCES
12. RISK MANAGEMENT
13. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES
14. COMMITMENTS
15. OTHER POST-EMPLOYMENT BENEFITS
16. SUBSEQUENT EVENTS
17. BOND REFUNDINGS
18. NEW PRONOUNCEMENTS

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

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

The School Board operates 13 schools within the parish with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB No. 14 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

C. FUND ACCOUNTING

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

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

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

Governmental Funds

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

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

Proprietary Funds

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

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

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

Fiduciary Funds

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

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

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

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

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

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

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

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

Allocation of Indirect Expenses - The school board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

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

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

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The School Board reports the general fund and the 1997 Parishwide Construction capital projects fund as its major governmental funds. The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The 1997 Parishwide Construction fund accounts for bonds issued under authority of a 1997 voter referendum to be used for capital projects and instructional equipment. The school board reports the Workers' Compensation Self-Insurance Fund, an internal service fund, as a major proprietary fund. This fund is used to accumulate funds by charging other funds a fee to be used to administer its self-insurance program for workers' compensation claims.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The school board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Expenditures

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

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

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

Other Financing Sources (Uses)

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

Unearned Revenues

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

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

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

E. BUDGETS

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

1. The proposed budget for the fiscal year ended June 30, 2006, was published June 22, 2005. The budget was available for viewing from that date until the date of the public hearing July 7, 2005. The budget was formally adopted on July 7, 2005, by the School Board. The budget must be adopted no later than September 15th and submitted to the Louisiana Department of Education no later than September 30th each year for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

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

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

F. ENCUMBRANCES

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

G. CASH AND INTEREST-BEARING DEPOSITS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. INVESTMENTS

Investments are limited by R.S. 33:2955 and the School Board's investment policy. These laws and policies are designed to minimize credit risk. The School Board's investments include certificates of deposit with maturities greater than 90 days and deposits held by the Louisiana Asset Management Pool (LAMP). LAMP is a statewide investment pool in which the School Board participates and operates in accordance with appropriate state laws and regulations. The fair value of the School Board's position in the pool is the same as the value of the pool shares. LAMP is a component unit of the State of Louisiana and its operations are regulated by state law and are overseen by a board consisting of the state treasurer and members elected from the pool participants.

Deposits with LAMP are recorded at fair value and certificates of deposit are recorded at cost, which approximates fair value.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

J. INVENTORIES AND PREPAID ITEMS

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

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

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

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

K. CAPITAL ASSETS

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

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

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

L. COMPENSATED ABSENCES

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

Annual Leave

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

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

Accumulated annual leave is capped at 48 days.

Sick Leave

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

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

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

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

Emergency Leave

Emergency leave shall be granted for the following reasons:

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

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

Excess leave

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

Sabbatical Leave

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

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

M. RESTRICTED NET ASSETS

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

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

N. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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

O. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

P. SALES AND USE TAXES

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

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

Q. ESTIMATES

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

2. LEVIED TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes			
Constitutional	4.37	4.37	N/A
Maintenance and operations	8.03	8.03	2011
District taxes			
Maintenance and operations – Instructional	19.15	19.15	2013
Bond and Interest	17.80	17.80	N/A

The only taxpayer with assessed valuation in excess of 5% of total assessments was Boise Cascade Corporation. Boise's total assessed valuation was approximately \$41,800,000 generating approximately \$2,100,000 in ad valorem taxes.

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

3. DEPOSITS

At June 30, 2006, the School Board has cash and interest-bearing deposits (book balances) as follows:

	Governmental Activities	Fiduciary Funds	Total
Interest-bearing demand deposits	\$ 7,540,831	\$ 524,609	\$ 8,065,440
Cash on hand	155	-	155
Total	\$ 7,540,986	\$ 524,609	\$ 8,065,595

Additionally, the School Board has certificates of deposit totaling \$2,550,000 on deposit in local banks which are presented as investments in the financial statements. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2006, the School Board has \$11,611,274 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$1,268,694 of federal deposit insurance (GASB Custodial Credit Risk Category 1) and \$10,342,580 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Custodial Credit Risk Category 3).

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

4. INVESTMENTS

Investments consisted of the following at June 30, 2006:

	Governmental Activities	Fiduciary Funds	Total
Certificates of deposit	\$ 2,550,000	\$ -	\$ 2,550,000
Deposits with LAMP	3,429,257	303,976	3,733,233
Total	\$ 5,979,257	\$ 303,976	\$ 6,283,233

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

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

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

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

5. RECEIVABLES

The receivables of \$1,419,121 at June 30, 2006, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total</u>
Taxes:				
Ad valorem	\$ 7,737	\$ -	\$ 4,365	\$ 12,102
Intergovernmental - grants:				
Federal	313,500	881,577	-	1,195,077
State	209,807	-	-	209,807
Accounts	19,654	281	-	19,935
Total	<u>\$ 550,698</u>	<u>\$ 881,858</u>	<u>\$ 4,365</u>	<u>\$ 1,436,921</u>

6. CAPITAL ASSETS

The changes in capital assets follow:

<u>Governmental Activities</u>	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance, End of Year</u>
Capital assets not being depreciated:					
Land	\$ 351,223	\$ 46,516	\$ -	\$ -	\$ 397,739
Construction in progress	1,243,943	-	-	(1,243,943)	-
	1,595,166	46,516	-	(1,243,943)	397,739
Capital assets being depreciated:					
Buildings and improvements	48,300,427	1,036,360	-	1,243,943	50,580,730
Furniture and equipment	12,844,595	1,341,445	(339,625)	-	13,846,415
	61,145,022	2,377,805	(339,625)	1,243,943	64,427,145
Less accumulated depreciation:					
Buildings and improvements	(31,290,195)	(1,130,911)	-	-	(32,421,106)
Furniture and equipment	(10,697,963)	(1,309,643)	339,321	-	(11,668,285)
	(41,988,158)	(2,440,554)	339,321	-	(44,089,391)
Total capital assets being depreciated, net	19,156,864	(62,749)	(304)	1,243,943	20,337,754
Governmental activities capital assets, net	<u>\$ 20,752,030</u>	<u>\$ (16,233)</u>	<u>\$ (304)</u>	<u>\$ -</u>	<u>\$ 20,735,493</u>

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

Depreciation expense of \$2,440,554 for the year ended June 30, 2006, was charged to the following governmental functions:

Instruction:	
Regular Education	\$ 1,491,583
Special Education	313,391
Support Services:	
Student Services	54,909
Instructional Staff Support	122,237
General Administration	4,612
School Administration	27,117
Business Services	11,339
Plant Services	37,633
Student Transportation Services	213,056
Central Services	2,118
School Food Services	161,527
Proprietary fund activities	1,032
	<hr/>
Total	\$ 2,440,554
	<hr/> <hr/>

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

Accounts, salaries, and other payables of \$5,318,170 at June 30, 2006, consists of the following:

	General Fund	Special Revenue Funds	Capital Projects Funds	Internal Service Fund	Enterprise Fund	Total
Salaries, net	\$ 1,835,828	\$ -	\$ -	\$ -	\$ -	\$ 1,835,828
Benefits and						
Withholdings	2,857,510	-	-	-	-	2,857,510
Accounts	529,971	94,294	750	(295)	111	624,832
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 5,223,309	\$ 94,294	\$ 750	\$ (295)	\$ 111	\$ 5,318,170
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. RETIREMENT SYSTEMS

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

A. Teachers' Retirement System of Louisiana (TRS)

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

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

Funding Policy. Plan members are required to contribute 8.0%, 9.1%, and 5.0% of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.9% of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. The School Board's contributions to the TRS for the years ending June 30, 2006, 2005, and 2004, were \$3,563,710, \$3,470,898, and \$3,011,869, respectively, equal to the required contributions for each year.

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Actuarial value of assets as percentages of actuarial accrued liability	67.5%	64.6%	63.1%
Unfunded actuarial accrued liability as percentages of covered payroll	217.9%	211.3%	220.7%
Employer contributions as percentages of covered payroll	18.3%	16.5%	14.7%

B. Louisiana School Employees' Retirement System (LSERS)

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

Funding Policy. Plan members are required to contribute 7.5% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 18.4% of annual covered payroll. Contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is set by state statute at the greater of 6% or the actuarially determined required rate. Since the statutory rate has been significantly greater than the actuarially required rate in recent years, employers have accumulated a contribution credit. The Public Retirement System's Actuarial Committee recommended during fiscal 2003 that employer contributions be made from past accumulated credits. During fiscal 2005, the contribution rate was 18.4%. As such, the School Board's contributions to the LSERS for the years ending June 30, 2006, 2005, and 2004, were \$528,753, \$423,172, and \$227,727, respectively, which is equal to the required contributions each year.

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Actuarial value of assets as percentages of actuarial accrued liability	79.1%	75.3%	75.8%
Employer contributions as percentages of covered payroll	18.2%	14.6%	10.8%

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

C. Louisiana Parochial Employees' Retirement System (LPERS)

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

Funding Policy. Plan members are required to contribute 9.5% of their annual salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 12.75% of covered payroll. The School Board's contributions to the LPERS for the years ending June 30, 2006, 2005, and 2004, were \$1,071, \$1,029, and \$819, respectively, equal to the required contributions each year.

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Actuarial value of assets as percentages of actuarial accrued liability	94.3%	93.5%	92.8%
Employer contributions as percentages of covered payroll	13.7%	12.5%	8.3%

9. INTERFUND ACTIVITIES

The following is a summary of interfund receivables and payables at June 30, 2006:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Title I, Migrant & Consolidated	\$ 473,333
General Fund	Specially-funded	340,563
General Fund	School Food Service	194,751
General Fund	1997 Parishwide Construction Fund	384,944
General Fund	Workers' Compensation Self-insurance Fund	134,031
General Fund	East Beauregard Food Processing Fund	(286)
		<u>\$ 1,527,336</u>
 Specially-funded	 General Fund	 <u>\$ 65,070</u>

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

The following is a summary of interfund transfers for the year ended June 30, 2006:

<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
<i>Indirect cost:</i>		
General Fund	Title I, Migrant & Consolidated	\$ 42,895
General Fund	Specially-funded	73,012
		<u>\$ 115,907</u>
<i>Reimbursement:</i>		
School Food Service	General Fund	\$ 1,161
Specially-funded	General Fund	65,070
		<u>\$ 66,231</u>

Generally, interfund transfers result from the 1) reimbursement of indirect costs from federal programs to the General Fund, or 2) reimbursement to other funds for expenditures paid on behalf of the General Fund.

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

10. LONG-TERM LIABILITIES

The following is a summary of the long-term obligation transactions for the year ended June 30, 2006:

	Bonded Debt	Certificates of Indebtedness	Compensated Absences	Total
Long-term obligations at beginning of year	\$ 18,835,000	\$ 149,000	\$ 1,011,424	\$ 19,995,424
Additions	6,795,000	-	362,298	7,157,298
Deductions	(7,695,000)	(149,000)	(249,569)	(8,093,569)
Long-term obligations at end of year	<u>\$ 17,935,000</u>	<u>\$ -</u>	<u>\$ 1,124,153</u>	<u>\$ 19,059,153</u>
Due within one year	<u>\$ 1,105,000</u>	<u>\$ -</u>	<u>\$ 369,000</u>	<u>\$ 1,474,000</u>

General Obligation Bonds

All School Board bonds outstanding at June 30, 2006, are general obligation bonds with maturities from 2007 to 2021 and interest rates from 2.5% to 5.5%. Bond principal and interest payable in the next fiscal year are \$1,105,000 and \$1,026,744 respectively. The individual issues are as follows:

Bond Issue	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
Series 1998	10,000,000	4.6-5.1%	2010	641,240	905,000
Series 1999	5,000,000	4.3-4.8%	2019	1,441,980	4,025,000
Series 2001	2,000,000	4.5-5.5%	2021	711,750	1,725,000
Series 2004	5,000,000	3.3-4.3%	2024	1,896,581	4,695,000
Series 2005A	6,450,000	3.8%	2018	1,908,048	6,410,000
Series 2005B	345,000	3.8%	2007	6,668	175,000
	<u>\$ 28,795,000</u>			<u>\$ 6,606,267</u>	<u>\$ 17,935,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish (or other as indicated). At June 30, 2006, the School Board has accumulated \$1,741,578 in the debt service fund for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2007	\$ 1,105,000	\$ 1,026,744	\$ 2,131,744
2008	985,000	976,946	1,961,946
2009	1,035,000	642,136	1,677,136
2010	1,085,000	597,977	1,682,977
2011	1,135,000	553,008	1,688,008
2012-2016	6,570,000	2,031,473	8,601,473
2017-2021	4,920,000	691,378	5,611,378
Thereafter	1,100,000	86,605	1,186,605
Total	<u>\$ 17,935,000</u>	<u>\$ 6,606,267</u>	<u>\$ 24,541,267</u>

In accordance with R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2006, the statutory limit is \$69,811,339.

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

Certificates of Indebtedness

During fiscal years 1996 and 2001 the School Board issued certificates of indebtedness to provide for equipment used for general School Board operations. The certificates of indebtedness had interest rates of 5.25%. Principal and interest payments were made from the general fund. As of June 30, 2006, the remaining principal and interest was paid in full.

11. RESERVED AND DESIGNATED FUND BALANCES

It is the Board's policy to reserve/designate a portion of fund balance in the general fund for subsequent year expenditures and contingencies. These reservations/designations were recorded in the general fund at June 30, 2006. Total fund balance in the debt service fund is reserved for debt service. Total fund balances in the capital projects funds have been reserved for capital projects.

12. RISK MANAGEMENT

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

An internal service fund was established to fund workers' compensation claims through interfund premiums, which are based primarily on the individual fund's payroll. Rates are determined by the School Board in consultation with its insurance expert. These premiums are reported as expenditures in the individual funds. No premiums were paid by the various funds during the year as it was determined that the self-insurance fund maintained adequate reserves. An insurance policy covers individual claims in excess of \$175,000. There were no instances during the past three years where settlements exceeded insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate, in consultation with its insurance expert, based on analysis of the known claims and historical loss data.

Changes in the liability for estimated workers' compensation claims for the year ended June 30, 2006 is as follows:

	<u>2006</u>	<u>2005</u>
Liability at beginning of year	\$ 194,616	\$ 175,958
Claims accrued	305,050	336,123
Claims paid	<u>(165,856)</u>	<u>(317,465)</u>
Liability at end of year	<u>\$ 333,810</u>	<u>\$ 194,616</u>

13. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES

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

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

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

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

14. COMMITMENTS

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2006, the School Board had outstanding purchase orders in the amount of approximately \$500,000. Additionally, the School Board is committed under contract to general contractors for various construction projects. Commitments under contracts for construction totaled approximately \$168,000 as of June 30, 2006. The remaining commitment on these contracts is included in the reservation of fund balance in the Capital Projects Fund.

15. OTHER POST-EMPLOYMENT BENEFITS

In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through Office of Group Benefits, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was approximately \$2,489,000 for 336 retirees and \$1,340,000 for 326 retirees during the year ended June 30, 2006 and 2005.

16. SUBSEQUENT EVENTS

In September 2005, Beauregard Parish was affected by Hurricane Rita. Some School Board property was damaged, however, uninsured losses were insignificant. Some additional costs were incurred by the school system as there was an influx of students from areas hit harder by Rita, as well as from areas affected by Hurricane Katrina. Additional funds from federal and state agencies largely offset the additional cost from the increase in census.

17. BOND REFUNDINGS

The School Board issued \$6,450,000 of general obligation bonds (Series 2005A) to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the Series 1998 General Obligation Bonds. Concurrently, the School Board issued \$345,000 of general obligation bonds (Series 2005B) and used the proceeds to call a portion of the outstanding Series 1993 General Obligation Bonds. The outstanding balance of \$6,285,000 of the 1998 General Obligation Bonds is considered to be legally defeased and such liability has been removed from the financial statements of the School Board. These refundings resulted in a net economic gain of \$203,410.

As a result of the refundings, costs totaling \$170,000 were recorded as prepaid interest in the government-wide financial statements. For the year ended June 30, 2006, amortization of \$53,482 was charged to interest expense, leaving an unamortized balance of prepaid interest in the amount of \$116,518.

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

18. NEW PRONOUNCEMENTS

The GASB has issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, which will change the accounting for post-employment benefits (e.g., payments made by School Board for retiree insurance). Management does not plan to implement the new standard until the year ending June 30, 2009, when it is required to do so. The effect of this pronouncement has not yet been determined, however, it is anticipated that it will significantly increase benefits expense in the government-wide financial statements.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 1

Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Ad valorem taxes	\$ 4,500,000	\$ 4,680,000	\$ 4,751,524	\$ 71,524
Sales and use taxes	6,800,000	8,250,000	7,871,961	(378,039)
Interest earnings	100,000	100,000	203,859	103,859
Other	150,260	150,260	92,723	(57,537)
State sources:				
Equalization	25,433,323	25,753,802	26,071,020	317,218
Other	1,225,604	1,349,383	1,539,065	189,682
Federal sources				
	-	484,170	768,648	284,478
Total revenues	38,209,187	40,767,615	41,298,800	531,185
Expenditures:				
Instruction:				
Regular programs	17,141,067	17,905,888	18,011,613	105,725
Special education programs	4,533,244	4,482,283	4,373,303	(108,980)
Vocational educational programs	1,462,554	1,442,041	1,460,805	18,764
Other instructional programs	775,023	793,062	777,781	(15,281)
Special programs	382,312	398,865	380,786	(18,079)
Adult and continuing education programs	43,657	43,657	31,499	(12,158)
Support services:				
Student services	1,795,155	1,845,426	1,844,168	(1,258)
Instructional staff support	2,191,232	2,206,547	2,099,754	(106,793)
General administration	1,060,080	1,112,434	1,162,174	49,740
School administration	3,039,543	3,070,942	3,066,524	(4,418)
Business administration	426,487	417,397	406,526	(10,871)
Plant services	3,970,080	4,262,615	4,362,154	99,539
Student transportation services	2,536,767	2,721,017	2,721,431	414
Central services	370,785	374,768	364,774	(9,994)
Community service programs	3,000	3,000	5,493	2,493
Facilities acquisition and construction	580,000	567,500	345,716	(221,784)
Debt service	154,093	154,093	154,093	-
Total expenditures	40,465,079	41,801,535	41,568,594	(232,941)
Excess (deficiency) of revenues over (under) expenditures	(2,255,892)	(1,033,920)	(269,794)	817,657
Other financing sources (uses)				
Proceeds of sale of capital assets	81,102	70,000	69,451	(549)
Insurance proceeds	-	-	161,938	
Operating transfers in	195,881	195,881	115,907	(79,974)
Operating transfers out	(95,000)	(127,000)	(66,231)	60,769
Total other financing sources (uses)	181,983	324,191	281,065	(80,523)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,073,909)	(709,729)	11,271	737,134
Fund balances - beginning of year	5,526,905	5,526,905	5,526,905	-
Fund balances - end of year	\$ 3,452,996	\$ 4,817,176	\$ 5,538,176	\$ 737,134

SUPPLEMENTAL INFORMATION SCHEDULES

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 1

Combining Balance Sheet - Nonmajor Governmental Funds by Type
June 30, 2006

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets and other debits:				
Assets:				
Cash and interest-bearing deposits	\$ -	\$ 1,627,590	\$ 27	\$ 1,627,617
Investments	305,260	109,623	20,877	435,560
Receivables	881,857	4,365	-	886,222
Interfund receivable	65,070	-	-	65,070
Inventory	57,231	-	-	57,231
Total assets	\$ 1,309,418	\$ 1,741,578	\$ 20,704	\$ 3,071,700
Liabilities and fund balances				
Liabilities:				
Accounts, salaries, and other payables	\$ 94,293	\$ -	\$ -	\$ 94,293
Interfund payable	1,008,647	-	-	1,008,647
Unearned revenues	28,248	-	-	28,248
Total liabilities	1,131,188	-	-	1,131,188
Fund balances:				
Reserved for:				
Debt service	-	1,741,578	-	1,741,578
Capital improvements	-	-	20,704	20,704
Federal programs	32,160	-	-	32,160
Designated for contingencies	133,369	-	-	133,369
Designated for School Food Service	12,701	-	-	12,701
Total fund balances	178,230	1,741,578	20,704	1,940,512
Total liabilities and fund balances	\$ 1,309,418	\$ 1,741,578	\$ 20,704	\$ 3,071,700

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 2

**Combining Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2006**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Local sources:				
Ad valorem taxes	\$ -	\$ 2,501,401	\$ -	\$ 2,501,401
Sales and use taxes	380,420	-	-	380,420
Interest earnings	12,612	4,481	741	17,834
Food services	388,559	-	-	388,559
Other	111,866	-	-	111,866
State sources:				
Equalization	300,000	-	-	300,000
Federal sources	5,806,524	-	-	5,806,524
Total revenues	6,799,981	2,505,882	741	9,306,604
Expenditures:				
Instruction:				
Regular programs	395,460	-	-	395,460
Special education programs	944,831	-	-	944,831
Vocational educational programs	67,889	-	-	67,889
Other instructional programs	117,312	-	-	117,312
Special programs	1,390,617	-	-	1,390,617
Adult and continuing education programs	42,220	-	-	42,220
Support services:				
Student services	317,949	-	-	317,949
Instructional staff support	753,763	-	-	753,763
General administration	-	562	-	562
Plant services	42,816	-	-	42,816
Student transportation services	3,229	-	-	3,229
Food services	2,835,368	-	-	2,835,368
Debt service	-	1,873,232	-	1,873,232
Total expenditures	6,911,454	1,873,794	-	8,785,248
Excess (deficiency) of revenues over (under) expenditures	(111,473)	632,088	741	521,356
Other financing sources (uses):				
Proceeds from the issuance of bonds	-	6,795,000	-	6,795,000
Payment to escrow agent	-	(6,791,008)	-	(6,791,008)
Operating transfers in	66,231	-	-	66,231
Operating transfers out	(115,907)	-	-	(115,907)
Total other financing sources (uses)	(49,676)	3,992	-	(45,684)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(161,149)	636,080	741	475,672
Fund balances - beginning of year	339,379	1,105,498	19,963	1,464,840
Fund balances - end of year	\$ 178,230	\$ 1,741,578	\$ 20,704	\$ 1,940,512

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

School Food Service

School Food Service is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

Title I, Migrant and Consolidated Programs:

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

Migrant Education. Federal program that provides educational enhancement to migrant students (determined by occupation of household). Serves all migrant students at any school.

Title V. Federal program that provides funds for the acquisition of instructional and educational materials used to improve the overall quality of instruction. Serves all schools and grades.

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

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

Title VII. Federal program that provides funds for the Native American student population. Serves Native American student population in all grades and all schools.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Nonmajor Special Revenue Funds (concluded)

Specially-Funded Programs:

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

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

Preschool Set Aside. Federal program that provides funds for instructional activities and services to ensure that children with disabilities are served in a preschool setting with typically developing peers. Serves special education students age 3-5 at all K-12 schools and K R Hanchey Elementary.

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

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

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

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

Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2006

	School Food Service	Federal Programs		Totals
		Title I, Migrant & Consolidated	Specialty- Funded	
Assets				
Investments	\$ 305,260	\$ -	\$ -	\$ 305,260
Receivables	281	528,234	353,342	881,857
Interfund receivable	-	-	65,070	65,070
Inventory	57,231	-	-	57,231
Total assets	\$ 362,772	\$ 528,234	\$ 418,412	\$ 1,309,418
Liabilities and fund equity				
Liabilities:				
Accounts, salaries, and other payables	\$ 1,073	\$ 54,182	\$ 39,038	\$ 94,293
Interfund payable	194,751	473,333	340,563	1,008,647
Unearned revenues	20,878	-	7,370	28,248
Total liabilities	216,702	527,515	386,971	1,131,188
Fund equity:				
Fund balances:				
Reserved for federal programs	-	719	31,441	32,160
Designated for contingencies	133,369	-	-	133,369
Unreserved, undesignated	12,701	-	-	12,701
	146,070	719	31,441	178,230
Total liabilities and fund equity	\$ 362,772	\$ 528,234	\$ 418,412	\$ 1,309,418

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 4

**Combining Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Nonmajor Special Revenue Funds
 For the Year Ended June 30, 2006**

	School Food Service	Federal Projects		Totals
		Title I, Migrant & Consolidated	Specialty- Funded	
Revenues:				
Local sources:				
Sales and use taxes	\$ 380,420	\$ -	\$ -	\$ 380,420
Interest earnings	12,612	-	-	12,612
Food services	388,559	-	-	388,559
Other	-	37,430	74,436	111,866
State sources:				
Equalization	300,000	-	-	300,000
Federal sources	1,584,625	2,206,734	1,815,165	5,606,524
Total revenues	<u>2,666,216</u>	<u>2,244,164</u>	<u>1,889,601</u>	<u>6,799,981</u>
Expenditures:				
Instruction:				
Regular programs	-	381,606	13,854	395,460
Special education programs	-	-	944,831	944,831
Vocational educational programs	-	-	67,889	67,889
Other instructional programs	-	-	117,312	117,312
Special programs	-	1,384,525	6,092	1,390,617
Adult and continuing education programs	-	-	42,220	42,220
Support services:				
Student services	-	93,474	224,475	317,949
Instructional staff support	-	292,081	461,682	753,763
Plant services	-	40,875	1,941	42,816
Student transportation services	-	237	2,992	3,229
Food services	2,835,368	-	-	2,835,368
Total expenditures	<u>2,835,368</u>	<u>2,192,798</u>	<u>1,883,288</u>	<u>6,911,454</u>
Excess (deficiency) of revenues over (under) expenditures	(169,152)	51,366	6,313	(111,473)
Other financing sources (uses):				
Operating transfers in	1,161	-	65,070	66,231
Operating transfers out	-	(42,895)	(73,012)	(115,907)
Total other financing sources (uses)	<u>1,161</u>	<u>(42,895)</u>	<u>(7,942)</u>	<u>(49,676)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(167,991)	8,471	(1,629)	(161,149)
Fund balances - beginning of year	<u>314,061</u>	<u>(7,752)</u>	<u>33,070</u>	<u>339,379</u>
Fund balances - end of year	<u>\$ 146,070</u>	<u>\$ 719</u>	<u>\$ 31,441</u>	<u>\$ 178,230</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

**Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2006**

	School Food Service				Title I, Migrant & Consolidated Federal Projects			
	Original Budget	Final Budget	Actual	Variance Over/ (Under)	Original Budget	Final Budget	Actual	Variance Over/ (Under)
Revenues:								
Local sources:								
Sales and use taxes	\$ 365,000	\$ 365,000	\$ 380,420	\$ 15,420	\$ -	\$ -	\$ -	\$ -
Interest earnings	5,000	11,000	12,612	1,612	-	-	-	-
Food services	560,000	406,350	388,559	(17,791)	-	-	-	-
Other	30	30	-	(30)	28,100	17,783	37,430	19,647
State sources:								
Equalization	300,000	300,000	300,000	-	-	-	-	-
Federal sources	1,415,324	1,551,441	1,584,625	33,184	1,512,239	2,315,678	2,206,734	(108,944)
Total revenues	2,645,354	2,833,821	2,866,218	32,395	1,540,339	2,333,461	2,244,164	(89,297)
Expenditures:								
Instruction:								
Regular programs	-	-	-	-	16,226	336,447	381,606	(45,159)
Special education programs	-	-	-	-	-	-	-	-
Vocational educational programs	-	-	-	-	-	-	-	-
Other instructional programs	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	958,993	1,324,444	1,384,525	(60,081)
Adult and continuing education programs	-	-	-	-	-	-	-	-
Support services:								
Student services	-	-	-	-	123,637	136,146	93,474	42,672
Instructional staff support	-	-	-	-	271,604	386,216	292,081	94,135
Plant services	-	-	-	-	40,015	28,923	40,875	(11,952)
Student transportation services	-	-	-	-	-	-	237	(237)
Central services	-	-	-	-	-	2,000	-	2,000
Food services	2,770,082	2,812,442	2,835,368	(22,926)	-	-	-	-
Total expenditures	2,770,082	2,812,442	2,835,368	(22,926)	1,410,475	2,214,176	2,192,798	21,378
Excess (deficiency) of revenues over (under) expenditures	(124,728)	(178,621)	(169,152)	9,469	129,864	119,285	51,366	(67,919)
Other financing sources (uses):								
Operating transfers in	500	500	1,161	661	-	-	-	-
Operating transfers out	-	-	-	-	(130,615)	(119,453)	(42,895)	76,558
Total other financing sources (uses)	500	500	1,161	661	(130,615)	(119,453)	(42,895)	76,558
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(124,228)	(178,121)	(167,991)	10,130	(751)	(168)	8,471	8,639
Fund balances - beginning of year	314,061	314,061	314,061	-	(7,752)	(7,752)	(7,752)	-
Fund balances - end of year	\$ 189,833	\$ 135,940	\$ 146,070	\$ 10,130	\$ (8,503)	\$ (7,920)	\$ 719	\$ 8,639

Schedule 5

<u>Specialty-Funded Federal Projects</u>			
<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/ (Under)</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
27,000	60,000	74,436	14,436
-	-	-	-
<u>1,442,137</u>	<u>1,823,070</u>	<u>1,815,165</u>	<u>(7,905)</u>
<u>1,469,137</u>	<u>1,883,070</u>	<u>1,889,601</u>	<u>6,531</u>
-	33,128	13,854	19,274
713,063	672,982	944,831	(271,849)
73,606	78,103	67,889	10,214
266,852	123,762	117,312	6,450
-	-	6,092	(6,092)
41,589	39,421	42,220	(2,799)
252,870	258,896	224,475	34,421
79,731	551,323	461,682	89,641
1,000	10,500	1,941	8,559
-	3,580	2,992	588
-	-	-	-
-	-	-	-
<u>1,428,711</u>	<u>1,771,695</u>	<u>1,883,288</u>	<u>(111,593)</u>
40,426	111,375	6,313	(105,062)
-	-	65,070	65,070
<u>(65,266)</u>	<u>(120,406)</u>	<u>(73,012)</u>	<u>47,394</u>
<u>(65,266)</u>	<u>(120,406)</u>	<u>(7,942)</u>	<u>112,484</u>
(24,840)	(9,031)	(1,629)	7,402
<u>33,070</u>	<u>33,070</u>	<u>33,070</u>	<u>-</u>
<u>\$ 8,230</u>	<u>\$ 24,039</u>	<u>\$ 31,441</u>	<u>\$ 7,402</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 6

**Combining Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget (GAAP Basis) and Actual
 Nonmajor Debt Service Fund
 For the Year Ended June 30, 2006**

	Original Budget	Final Budget	Actual	Variance Over/ (Under)
Revenues:				
Local sources:				
Ad valorem taxes	\$ 2,465,000	\$ 2,495,000	\$ 2,501,401	\$ 6,401
Interest earnings	2,400	10,000	4,481	(5,519)
Total revenues	<u>2,467,400</u>	<u>2,505,000</u>	<u>2,505,882</u>	<u>882</u>
Expenditures:				
Support services:				
General administrative	-	85,000	562	84,438
Debt service	-	1,862,528	1,873,232	(10,704)
Total expenditures	<u>-</u>	<u>1,947,528</u>	<u>1,873,794</u>	<u>73,734</u>
Excess of revenues over expenditures	2,467,400	557,472	632,088	74,616
Other financing sources (uses):				
Proceeds from the issuance of bonds	-	-	6,795,000	6,795,000
Payment to escrow agent	-	-	(6,791,008)	(6,791,008)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,992</u>	<u>3,992</u>
Fund balance - beginning of year	<u>1,105,498</u>	<u>1,105,498</u>	<u>1,105,498</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,572,898</u>	<u>\$ 1,862,970</u>	<u>\$ 1,741,578</u>	<u>\$ 78,608</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - Major Capital Projects Fund
For the Year Ended June 30, 2006**

	1997 Parishwide Construction			Variance Over (Under)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Local sources:				
Interest earnings	\$ 75,000	\$ 115,000	\$ 106,448	\$ (8,552)
Total revenues	<u>75,000</u>	<u>115,000</u>	<u>106,448</u>	<u>(8,552)</u>
Expenditures:				
Instruction:				
Regular programs	500,000	-	362,896	(362,896)
Other instructional programs	-	-	1,895	
Instructional staff support	-	370,000	-	370,000
General administration	-	-	(2,311)	2,311
Business administration	-	-	87,917	
Plant services	-	-	19,995	
Facilities acquisition and construction	<u>1,060,000</u>	<u>785,000</u>	<u>750,556</u>	<u>34,444</u>
Total expenditures	<u>1,560,000</u>	<u>1,155,000</u>	<u>1,220,748</u>	<u>43,859</u>
Excess (deficiency) of revenues over (under) expenditures	(1,485,000)	(1,040,000)	(1,114,300)	35,307
Fund balances - beginning of year	<u>2,893,961</u>	<u>2,893,961</u>	<u>2,893,961</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,408,961</u>	<u>\$ 1,853,961</u>	<u>\$ 1,779,661</u>	<u>\$ 35,307</u>

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Nonmajor Capital Projects Funds**

The Beauregard Parish School Board uses capital projects funds to account for proceeds of bonds or other debt to be used for construction projects.

DeRidder Elementary

This fund was used to account for a renovation project for DeRidder Elementary. This project has been completed; the fund balance in this account represents funds remaining on the project after all expenditures have been made.

Honeywell Projects

This fund was used to account for a HVAC installation at DeRidder High School as well as some parishwide equipment replacement to increase efficiency thereby reducing utility costs. This project has been completed; the fund balance in this account represents funds remaining on the project after all expenditures have been made.

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

Schedule 8

**Combining Balance Sheet - Nonmajor Capital Projects Funds
June 30, 2006**

	<u>DeRidder Elementary</u>	<u>Honeywell Project</u>	<u>Totals</u>
Assets			
Cash and cash equivalents	\$ -	\$ 27	\$ 27
Investments	<u>18,561</u>	<u>2,116</u>	<u>20,677</u>
Total assets	<u>\$ 18,561</u>	<u>\$ 2,143</u>	<u>\$ 20,704</u>
Fund equity			
Fund balances - reserved for capital projects	<u>\$ 18,561</u>	<u>\$ 2,143</u>	<u>\$ 20,704</u>
Total fund equity	<u>\$ 18,561</u>	<u>\$ 2,143</u>	<u>\$ 20,704</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 9

**Combining Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Nonmajor Capital Projects Funds
 For the Year Ended June 30, 2006**

	<u>DeRidder Elementary</u>	<u>Honeywell Projects</u>	<u>Totals</u>
Revenues:			
Local sources:			
Interest earnings	<u>\$ 665</u>	<u>\$ 76</u>	<u>\$ 741</u>
Change in fund balances	665	76	741
Fund balances - beginning of year	<u>17,896</u>	<u>2,067</u>	<u>19,963</u>
Fund balances - end of year	<u><u>\$ 18,561</u></u>	<u><u>\$ 2,143</u></u>	<u><u>\$ 20,704</u></u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Agency Fund

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

School Activity Funds

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

Schedule of Changes in Assets and Liabilities - Agency Fund
June 30, 2006

	STUDENT ACTIVITY FUND			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Assets				
Cash and interest-bearing deposits	\$ 441,056	\$ 2,197,168	\$ (2,113,615)	\$ 524,609
Investments	283,448	20,776	(248)	303,976
Total assets	\$ 724,504	\$ 2,217,944	\$ (2,113,863)	\$ 828,585
Liabilities				
Deposits due others	\$ 724,504	\$ 2,217,944	\$ (2,113,863)	\$ 828,585
Total liabilities	\$ 724,504	\$ 2,217,944	\$ (2,113,863)	\$ 828,585

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 11

Schedule of Changes in Deposits Due Others -
School Activity Agency Fund
For the Year Ended June 30, 2006

<u>School</u>	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at End of Year</u>
Beauregard Alternative School	\$ 12,958	\$ 6,648	\$ (2,296)	\$ 17,310
G.W. Carver Elementary School	30,299	80,472	(82,736)	28,035
DeRidder High School	130,206	509,401	(485,206)	154,401
DeRidder Junior High School	33,091	214,070	(206,786)	40,375
East Beauregard Elementary School	15,193	84,384	(71,791)	27,786
East Beauregard High School	135,258	267,874	(260,228)	142,904
Hyatt High School	29,376	78,167	(76,891)	30,652
K.R. Hanchey Elementary School	27,900	58,618	(57,872)	28,646
Merryville High School	64,895	259,844	(238,678)	86,061
Pinewood Elementary School	76,791	99,006	(89,480)	86,317
Singer High School	46,610	79,323	(87,607)	38,326
South Beauregard Elementary School	23,280	78,743	(73,076)	28,947
South Beauregard High School	98,647	401,394	(381,216)	118,825
	<u>\$ 724,504</u>	<u>\$ 2,217,944</u>	<u>\$ (2,113,863)</u>	<u>\$ 828,585</u>

**Schedule of Capital Assets Used in the Operation
of Governmental Funds by Source ¹**
June 30, 2006

Capital Assets:	
Land and improvements	\$ 1,390,504
Buildings and improvements	49,587,966
Furniture and equipment	<u>13,793,525</u>
Total Capital Assets	<u>\$ 64,771,995</u>
Investment in Capital Assets:	
General obligation bonds	\$ 52,203,053
General Fund	8,339,019
Special Revenue Funds:	
Federal and state grants	3,334,417
School Food Service	<u>895,506</u>
Total Investment in Capital Assets	<u>\$ 64,771,995</u>

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in proprietary funds are excluded from the above amounts. The capital assets of proprietary funds are included as governmental activities in the statement of net assets. This schedule also excludes construction in progress.

**Schedule of Capital Assets Used in the Operation of
 Governmental Funds by Function ¹
 June 30, 2006**

Function	Total	Land	Buildings and Improvements	Furniture and Equipment
Regular education	\$ 47,127,989	\$ 923,758	\$ 40,760,584	\$ 5,443,647
Special education	8,165,448	152,219	6,186,349	1,826,880
Other instructional	280,897	-	257,936	22,961
Student services	481,877	-	448,280	33,597
Instructional staff support	1,179,256	11,400	585,009	582,847
General administration	932,983	8,850	839,969	84,164
School administration	292,683	-	-	292,683
Business services	164,354	-	-	164,354
Plant services	631,564	290,140	86,399	255,025
Student transportation services	4,185,624	4,137	423,440	3,758,047
Central services	49,920	-	-	49,920
Food services	1,279,400	-	-	1,279,400
Total General Fixed Assets	\$ 64,771,995	\$ 1,390,504	\$ 49,587,966	\$ 13,793,525

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in proprietary funds are excluded from the above amounts. The capital assets of proprietary funds are included as governmental activities in the statement of net assets. This schedule also excludes construction in progress.

**Schedule of Changes in Capital Assets Used in the Operation
of Governmental Funds by Function ¹
For the Year Ended June 30, 2006**

Function	Balance, July 1, 2005	Additions	Deletions	Balance, June 30, 2006
Regular education	\$ 44,495,015	\$ 2,767,503	\$ (134,529)	\$ 47,127,989
Special education	7,580,461	608,389	(23,402)	8,165,448
Other instructional	280,897	-	-	280,897
Student services	502,561	14,152	(34,836)	481,877
Instructional staff support	1,130,856	57,469	(9,069)	1,179,256
General administration	932,983	-	-	932,983
School administration	300,750	6,846	(14,913)	292,683
Business services	159,124	5,230	-	164,354
Plant services	583,021	49,952	(1,409)	631,564
Student transportation services	4,178,229	127,072	(119,677)	4,185,624
Central services	49,920	-	-	49,920
Food services	1,249,538	31,652	(1,790)	1,279,400
Total General Fixed Assets	<u>\$ 61,443,355</u>	<u>\$ 3,668,265</u>	<u>\$ (339,625)</u>	<u>\$ 64,771,995</u>

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in proprietary funds are excluded from the above amounts. The capital assets of proprietary funds are included as governmental activities in the statement of net assets. This schedule also excludes construction in progress.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 15

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2006

<u>MEMBERS</u>	<u>AMOUNT</u>
Jimmy Barrett	\$ 8,400
Bill Coleman	8,400
James Eaves	9,000
Don Gray	8,400
Russell Havens	8,400
Stuart Hayes	9,000
Frances Jouban	8,400
Darrin Manuel	8,400
James Rudd	8,400
Marvin Simmons	8,400
	<u>8,400</u>
	<u>\$ 85,200</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

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STATISTICAL SECTION

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Net Assets
Fiscal Years Ended June 30, 2006, 2005, 2004, and 2003

Table 1

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 3,025,441	\$ 4,010,979	\$ 4,403,778	\$ 4,339,381
Restricted	2,170,908	6,737,691	5,245,446	5,305,255
Unrestricted	5,849,014	262,095	1,297,243	1,388,625
Total net assets	\$ 11,045,363	\$ 11,010,765	\$ 10,946,467	\$ 11,033,261

Source: Comprehensive Annual Financial Report

Notes: The Beauregard Parish School Board began to report accrual information when it implemented GASB Statement 34 in FYE 2003.

BEAUREGARD PARISH SCHOOL BOARD

Table 2

DeRidder, Louisiana

Change in Net Assets

Fiscal Years Ended June 30, 2006, 2005, 2004, and 2003

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses				
Governmental activities:				
Instruction:				
Regular programs	\$ (16,360,687)	\$ (17,372,091)	\$ (18,363,910)	\$ (19,565,825)
Special education programs	(3,874,323)	(4,292,816)	(5,052,561)	(5,384,591)
Vocational programs	(1,205,148)	(1,393,363)	(1,380,789)	(1,528,667)
All other programs	(2,052,432)	(1,941,047)	(2,118,448)	(2,704,079)
Support services:				
Student services	(1,769,367)	(1,927,563)	(2,022,384)	(2,208,099)
Instructional staff support	(2,404,620)	(2,536,010)	(2,634,356)	(2,927,178)
General administration	(1,153,176)	(1,210,242)	(1,117,245)	(1,167,820)
School administration	(2,493,687)	(2,745,953)	(2,901,481)	(3,105,885)
Business services	(396,475)	(420,048)	(383,836)	(507,407)
Plant services	(3,419,858)	(3,767,987)	(3,828,305)	(4,403,689)
Student transportation services	(2,349,104)	(2,525,034)	(2,683,218)	(2,808,021)
Central services	(469,309)	(496,066)	(375,005)	(368,065)
Food services	(2,513,220)	(2,674,996)	(2,830,414)	(2,977,176)
Community service programs	(3,000)	(3,000)	(15,000)	(18,693)
Self-insurance expenses	(215,682)	(220,625)	(386,664)	(364,803)
Food processing	(49,747)	(44,256)	(55,504)	(56,033)
Interest on long-term debt	(860,145)	(829,425)	(893,766)	(1,015,107)
Total government expenses	\$ (41,589,980)	\$ (44,400,522)	\$ (47,042,886)	\$ (51,111,138)
Program Revenues				
Governmental activities:				
Charges for services:				
Food services	527,034	507,308	525,565	388,559
Food processing	50,958	42,241	42,653	57,322
Operating grants and contributions	3,511,008	4,001,515	4,767,244	6,375,172
Total government program revenues	4,089,000	4,551,064	5,335,462	6,821,053
Net (Expense)/Revenue	(37,500,980)	(39,849,458)	(41,707,424)	(44,290,085)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	4,518,933	4,383,776	4,567,065	4,751,524
Property taxes, levied for debt services	2,286,404	2,404,655	2,490,106	2,501,401
Sales and use taxes, levied for general purposes	6,234,624	6,926,099	7,379,799	8,252,381
State revenue sharing	292,827	291,964	291,162	292,688
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program	23,085,172	24,461,881	25,006,733	26,371,020
Other state funding	1,053,053	949,449	993,956	1,246,377
Interest and investment earnings	208,761	136,084	234,070	351,820
Miscellaneous	439,725	269,633	584,198	540,520
Special item - gain/(loss) on sale/disposal of as	43,237	(8,677)	96,037	69,147
Total general revenues and special items	38,162,736	39,814,864	41,643,126	44,376,878
Change in Net Assets	\$ 661,756	\$ (34,594)	\$ (64,298)	\$ 86,793

Source: Comprehensive Annual Financial Report

Notes: The School Board began to report accrual information when it implemented GASB Statement 34 in FYE 2003.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Fund Balances, Governmental Funds
Fiscal Years Ended June 30, 2006, 2005, 2004, and 2003

Table 3

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund				
Reserved	\$ 349,416	\$ 1,049,544	\$ 1,226,024	\$ 1,763,312
Unreserved	5,251,339	4,763,026	4,300,881	3,774,864
Total general fund	<u>\$ 5,600,755</u>	<u>\$ 5,812,570</u>	<u>\$ 5,526,905</u>	<u>\$ 5,538,176</u>
All Other Governmental Funds				
Reserved	\$ 1,509,414	\$ 5,792,830	\$ 4,044,740	\$ 3,574,103
Unreserved	772,870	508,346	314,061	146,070
Total all other governmental funds	<u>\$ 2,282,284</u>	<u>\$ 6,301,176</u>	<u>\$ 4,358,801</u>	<u>\$ 3,720,173</u>

Source: Comprehensive Annual Financial Report

Table 4

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Revenues by Source										
Revenue from local sources:										
Taxes:										
Ad Valorem	\$ 5,227,244	\$ 5,473,894	\$ 5,663,216	\$ 5,791,190	\$ 5,838,461	\$ 5,876,739	\$ 6,805,337	\$ 6,768,431	\$ 7,057,171	\$ 7,252,925
Sales and use	6,180,303	6,475,482	6,433,336	6,573,901	6,782,231	6,625,726	6,234,624	6,926,099	7,378,799	8,252,381
Earnings on investments	376,812	522,015	646,508	833,725	646,854	281,781	185,189	125,917	216,115	328,141
Food services	497,678	501,144	527,981	543,526	538,811	548,956	527,034	507,308	525,565	388,559
Other	168,291	165,760	151,745	152,868	193,210	279,954	246,530	229,830	225,596	204,589
Total revenues from local sources	12,450,328	13,138,295	13,422,786	13,895,210	13,998,567	13,623,136	13,998,714	14,577,685	15,404,246	16,426,595
Revenues from state sources	18,199,100	19,816,536	20,456,006	20,792,749	21,942,317	22,953,318	24,431,052	25,703,294	26,291,851	27,910,085
Revenues from federal sources	2,691,421	2,980,238	3,066,002	3,070,922	3,191,320	3,459,491	3,690,486	4,001,515	4,767,244	6,375,172
Total revenues	\$ 33,340,849	\$ 35,935,069	\$ 36,944,794	\$ 37,758,881	\$ 39,133,204	\$ 40,035,945	\$ 42,120,252	\$ 44,282,394	\$ 46,463,341	\$ 50,711,852
General Expenditures by Function										
Instruction:										
Regular programs	\$ 11,994,732	\$ 13,211,868	\$ 14,010,336	\$ 13,255,774	\$ 13,451,688	\$ 14,619,134	\$ 15,396,497	\$ 16,528,853	\$ 17,451,387	\$ 18,769,969
Special education programs	3,227,291	3,336,345	3,319,448	3,490,230	3,724,328	3,870,377	3,608,935	4,212,243	4,837,983	5,318,134
Vocational programs	931,891	921,587	1,022,314	1,082,156	1,130,754	1,220,177	1,253,514	1,393,363	1,451,600	1,528,694
Special programs	663,367	908,665	1,104,057	1,207,420	1,059,806	1,132,741	1,257,778	999,791	867,846	896,788
Adult/continuing education programs	126,533	130,192	122,052	57,831	80,858	146,772	79,905	90,272	1,352,818	1,771,403
Other instructional programs	577,158	596,457	668,479	700,711	732,478	725,637	729,579	855,315	87,994	73,719
Support services:										
Student services	1,290,966	1,271,300	1,501,199	1,502,373	1,503,750	1,640,453	1,767,492	1,958,072	2,076,265	2,162,117
Instructional staff support	1,736,329	2,084,273	1,977,271	1,998,488	2,101,294	2,001,439	2,377,123	2,490,978	2,626,456	2,853,517
General administration	759,860	785,299	830,903	854,175	982,736	1,032,880	1,143,921	1,207,369	1,126,740	1,160,425
School administration	1,839,003	1,882,711	2,057,166	2,076,694	2,129,206	2,304,186	2,482,085	2,735,124	2,876,988	3,066,524
Business services	337,330	366,304	424,421	373,217	400,024	402,693	393,496	419,764	402,665	494,443
Plant services	2,762,198	2,866,077	3,130,923	3,001,283	3,135,293	3,169,837	3,460,551	3,767,556	3,911,199	4,424,965
Student transportation services	2,575,503	2,134,525	2,702,126	2,483,798	2,337,511	2,039,191	2,026,666	2,338,588	2,482,971	2,724,660
Central services	267,936	287,982	312,610	324,406	306,362	332,101	482,703	493,472	372,893	364,774
Food services	2,197,858	2,096,654	2,183,597	2,187,971	2,223,835	2,330,090	2,410,163	2,547,267	2,741,723	2,835,368
Community service programs	3,000	3,000	2,369	3,477	2,017	3,000	3,000	3,000	3,000	5,493
Capital outlay	1,831,418	2,253,313	2,117,522	3,337,256	4,678,933	1,782,304	207,354	268,687	1,939,620	1,086,272
Debt Service:										
Principal retirement	1,782,258	4,038,755	1,268,000	1,627,000	1,696,000	1,880,000	1,874,000	1,953,000	1,611,000	1,012,218
Interest and bank charges	665,128	573,706	842,511	1,036,646	993,078	1,040,399	861,631	821,446	883,868	1,015,107
Total expenditures	\$ 35,549,759	\$ 39,749,013	\$ 39,597,304	\$ 40,600,905	\$ 42,668,931	\$ 41,673,411	\$ 41,816,393	\$ 45,082,190	\$ 49,105,016	\$ 51,574,590

	7.26%	12.30%	5.63%	7.15%	7.08%	7.32%	6.57%	6.19%	5.29%	4.02%
<i>Debt service expenditures as a percentage of noncapital expenditures</i>										
Excess of revenues over (under) expenditures	\$ (2,208,910)	\$ (3,813,944)	\$ (2,652,510)	\$ (2,842,024)	\$ (3,535,727)	\$ (1,637,466)	\$ 303,859	\$ (799,796)	\$ (2,641,675)	\$ (862,738)
Other Financing Sources (Uses)										
Proceeds of bonds	-	10,000,000	5,000,000	-	2,000,000	-	-	5,000,000	-	3,992
Proceeds of certificates of indebtedness	485,000	-	750,000	345,000	280,000	5,000	-	-	-	-
Proceeds of sale of capital assets	2,882	-	-	-	-	61,038	51,331	698	106,077	69,451
Other	4,699	13,845	5,625	29,711	104,778	-	13,717	39,803	307,558	161,938
Operating transfers in	14,552	1,404	144,860	136,896	197,448	206,400	227,566	224,319	313,581	182,138
Operating transfers out	(93,747)	(95,818)	(173,787)	(147,196)	(235,380)	(208,974)	(234,302)	(234,319)	(313,581)	(182,138)
Total other financing sources (uses)	413,386	9,919,431	5,726,698	366,411	2,346,846	63,464	58,312	5,030,501	413,635	235,381
Net Change in Fund Balances	\$ (1,795,524)	\$ 6,105,487	\$ 3,074,188	\$ (2,475,613)	\$ (1,188,881)	\$ (1,574,002)	\$ 362,171	\$ 4,230,705	\$ (2,228,040)	\$ (627,357)

Source: Comprehensive Annual Financial Report

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 5

<u>Year</u>	<u>Taxable Assessed Valuation (1)</u>	<u>Number of Mils Levied (1)</u>	<u>Total Taxes Levied (1)</u>	<u>Total Taxes Collected (2)</u>	<u>Difference</u>	<u>Percent Difference</u>
1997	110,625,794	48.61	5,135,585	5,367,289	231,704	104.51%
1998	114,408,041	48.61	5,377,518	5,550,202	172,684	103.21%
1999	117,199,723	48.61	5,561,374	5,675,839	114,465	102.06%
2000	118,455,738	48.61	5,697,077	5,720,292	23,215	100.41%
2001	125,457,587	49.15	5,822,099	5,751,231	(70,868)	98.78% (3)
2002	131,132,390	49.15	6,166,248	6,666,977	500,729	108.12%
2003	133,104,040	49.15	6,542,064	6,631,392	89,328	101.37%
2004	140,345,671	49.35	6,926,064	6,905,963	(20,101)	99.71%
2005	145,614,533	49.35	7,186,083	7,096,090	(89,993)	98.75%
2006	155,094,988	49.35	7,653,944	N/A	N/A	N/A

Sources: (1) Beauregard Parish Tax Assessor

(2) Beauregard Parish Sheriff Office-Tax Collection Division

Notes: (1) Property taxes are collected by the Beauregard Parish Sheriff's Office Tax Collection Division. Information was not provided which separates current and delinquent taxes collected. If tax collections exceed 100% of assessment, delinquent taxes from prior year as well as distribution of prior year taxes paid under protest must be included in current year collections.

(2) Taxes are levied on a calendar year basis, and become due and payable on December 1st of each year. Taxes become delinquent if not paid by December 31st of the calendar year.

(3) Increase in uncollected taxes in 2001 and 2002 is the result of a significant amount of property taxes paid under protest. Taxes paid under protest are not distributed by the tax collector until the protest is settled.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Table 6

Calendar Year	Total Actual Value	Total Assessed Value	Homestead Exemptions	Taxable Assessed Value	% Increase in Total Assessed Value	Total Direct Rate (1)
1997	\$ 1,078,329,490	\$ 140,617,581	\$ 29,991,787	\$ 110,625,794	5.39%	\$ 48.61
1998	1,110,756,027	145,444,240	31,036,199	114,408,041	3.43%	48.61
1999	1,141,375,437	149,655,094	32,455,371	117,199,723	2.90%	48.61
2000	1,191,085,313	154,006,424	35,550,686	118,455,738	2.91%	49.15
2001	1,248,231,083	162,035,028	36,577,441	125,457,587	5.21%	49.15
2002	1,297,312,697	168,836,615	37,704,225	131,132,390	4.20%	49.15
2003	1,324,014,950	171,692,808	38,588,768	133,104,040	1.69%	49.15
2004	1,403,641,120	180,678,671	40,333,020	140,345,651	5.23%	49.35
2005	1,483,111,220	187,876,783	42,262,250	145,614,533	3.98%	49.35
2006	1,578,186,217	199,460,969	44,365,981	155,094,988	6.17%	49.35

Classification Analysis - Assessed Value

Calendar Year	Total Assessed Value	Real Estate (2)	Personal Property (2)	Public Service Property (2)
1997	\$ 140,617,581	\$ 61,491,381	\$ 55,091,580	\$ 24,034,620
1998	145,444,240	62,845,520	56,964,730	25,633,990
1999	149,655,094	64,701,899	57,953,875	26,999,320
2000	154,006,424	69,586,434	59,077,880	25,342,110
2001	162,035,028	71,741,213	63,616,385	26,677,430
2002	168,836,615	74,246,235	66,183,310	28,407,070
2003	171,692,808	76,333,333	67,216,395	28,143,080
2004	180,678,691	81,304,810	72,411,561	26,962,320
2005	187,876,783	90,650,784	70,387,269	26,838,730
2006	199,460,969	95,859,263	76,945,036	26,656,670

Classification Analysis - Actual Value

Calendar Year	Total Actual Value	Real Estate (2)	Personal Property (2)	Public Service Property (2)
1997	1,078,329,490	614,913,810	367,277,200	96,138,480
1998	1,110,756,027	628,455,200	379,764,867	102,535,960
1999	1,141,375,437	647,018,990	386,359,167	107,997,280
2000	1,191,085,313	695,864,340	393,852,533	101,368,440
2001	1,248,231,083	717,412,130	424,109,233	106,709,720
2002	1,297,312,697	742,462,350	441,222,067	113,628,280
2003	1,324,014,950	763,333,330	448,109,300	112,572,320
2004	1,403,641,120	813,048,100	482,743,740	107,849,280
2005	1,483,111,220	906,507,840	469,248,460	107,354,920
2006	1,578,186,217	958,592,630	512,966,907	106,626,680

Source: Beauregard Parish Tax Assessor

- Notes: (1) Per \$1,000 of assessed value
(2) Real estate is assessed at 10% of actual value.
Personal property is assessed at 15% of actual value.
Public service property is assessed at 25% of actual value.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Principal Property Tax Payers
Current Year and Nine Years Ago

Table 7

Taxpayer	Type of Business	2006 Assessed Valuation	Rank	Percent of Total Assessed Valuation	1997 Assessed Valuation	Rank	Percent of Total Assessed Valuation
Boise Packaging - Plant	Paper Manufacturing	\$41,779,481	1	20.95%	\$35,059,080	1	24.93%
MeadWestvaco Corporation	Chemicals	5,035,757	2	2.52%	1,997,600	9	1.42%
CLECO	Electric Utility	4,516,640	3	2.26%	4,618,560	3	3.28%
Beauregard Electric Cooperative	Electric Utility	4,196,050	4	2.10%	2,974,980	5	2.12%
Temple-Inland	Timber	3,929,758	5	1.97%	3,411,143	4	2.43%
Transcontinental Gas	Oil/gas	3,456,220	6	1.73%	2,601,800	7	1.85%
Ampacet Corporation	Chemicals	2,536,920	7	1.27%	2,067,070	8	1.47%
Meriwether Louisiana	Timber	2,384,693	8	1.20%	-	-	0.00%
Trunkline Gas Company	Oil/gas	2,357,760	9	1.18%	4,796,350	2	3.41%
Centennial Pipeline, LLC	Oil/gas	2,286,110	10	1.15%	-	-	0.00%
Bellsouth	Telecommunications	2,217,120	11	1.11%	2,722,200	6	1.94%
Texas Eastern Transmission	Oil/gas	<u>2,101,940</u>	12	<u>1.05%</u>	-	-	<u>0.00%</u>
Sub-total		76,798,449		38.50%	60,248,783		42.85%
All other taxpayers		<u>78,296,539</u>		<u>39.25%</u>	<u>50,377,011</u>		<u>35.83%</u>
Total taxable assessed valuation		155,094,988		77.76%	110,625,794		78.67%
Homestead Exemptions (1)		<u>44,365,981</u>		<u>22.24%</u>	<u>29,991,787</u>		<u>21.33%</u>
Total assessed valuation		\$ 199,460,969		100.00%	\$ 140,617,581		100.00%

Source: Beauregard Parish Tax Assessor

Note: (1) Homestead exemptions may be granted for up to \$75,000 of assessed valuation. For 2006, there were 9,701 homesteads, of which 7,117, or 73.37% were totally exempt.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Direct and Overlapping Parish Millage Rates
Last Ten Fiscal Years

Table 8

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
PARISHWIDE TAXES										
School Board Direct Rates:										
Constitutional	4.23	4.23	4.23	4.30	4.30	4.30	4.30	4.37	4.37	4.37
Maintenance & Operation	7.76	7.76	7.76	7.90	7.90	7.90	7.90	8.03	8.03	8.03
Maintenance & Operation	18.82	18.82	18.82	19.15	19.15	19.15	19.15	19.15	19.15	19.15
Bonded Debt	17.80	17.80	17.80	17.80	17.80	17.80	17.80	17.80	17.80	17.80
Total School Board Direct Rate:	48.61	48.61	48.61	49.15	49.15	49.15	49.15	49.35	49.35	49.35
Parish Overlapping Rates:										
Civic Center	1.10	1.10	1.10	1.12	2.24	1.12	1.12	1.14	1.14	1.14
Health Unit	2.20	2.20	2.20	2.24	2.24	2.24	2.24	2.28	2.28	2.28
Library Maintenance	6.99	6.99	6.99	7.11	7.11	7.11	7.11	7.22	7.22	7.22
Assessment District	1.82	3.82	3.82	3.89	3.89	3.89	3.89	3.95	3.95	3.95
Law Enforcement	8.26	8.26	8.26	8.40	8.40	8.40	8.40	8.53	8.53	8.53
Law Enforcement	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.80	5.80	5.80
Hospital Bonds	3.55	-	-	-	-	-	-	-	-	-
Parish Tax (inside municipalities)	1.70	1.70	1.70	1.73	1.73	1.73	1.73	1.73	1.73	1.73
Parish Tax (outside municipalities)	3.41	3.41	3.41	3.47	3.47	3.47	3.47	3.47	3.47	3.47
DISTRICT TAXES										
Fire District #1	6.00	5.80	5.50	5.91	5.91	6.21	6.31	6.21	5.91	5.71
Fire District #2	8.68	7.93	7.93	8.14	8.34	9.39	9.14	7.24	8.14	9.14
Fire District #3	-	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Fire District #3A	-	-	15.00	14.47	14.47	14.47	14.47	-	-	-
Fire District #4	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
Road District #1	30.72	25.72	28.72	28.09	28.09	28.59	28.59	27.85	26.85	26.85
Road District #2	19.44	19.44	16.56	16.60	15.60	15.60	15.60	15.70	17.20	5.70
Road District #3	5.06	5.06	5.06	5.06	5.06	5.06	5.06	5.06	5.06	5.06
Road District #4	41.96	37.96	37.96	40.36	40.36	40.86	40.86	40.36	40.36	35.36
Road District #5	30.52	16.52	26.93	26.47	25.06	25.06	25.06	24.56	24.56	24.56
Road District #6	40.00	30.00	37.65	39.25	39.25	38.60	36.85	35.67	35.67	35.67
Road District #7	25.00	25.00	25.00	24.14	24.14	24.14	24.14	24.14	24.14	24.14
Road District #8	25.00	25.00	25.00	23.20	23.20	23.20	23.20	23.20	23.20	23.20
Sub Road #1/Water #3	21.00	15.00	15.00	15.00	16.50	18.00	18.00	16.00	16.00	16.00
Waterworks District #2	22.00	22.00	22.00	22.02	22.02	22.02	22.02	22.02	22.02	22.02
MUNICIPAL TAXES										
Town of Merryville	-	7.58	7.58	7.48	7.58	7.58	7.58	7.56	7.58	7.58
City of DeRidder	9.75	9.75	9.75	9.86	9.83	9.83	9.83	9.83	9.83	9.83
City of DeRidder-Green Acres	9.75	9.75	9.75	9.86	9.83	9.83	9.83	9.83	9.83	9.83

Source: Beauregard Parish Tax Assessor

Table 9

BEAUREGARD PARISH SCHOOL BOARD

DeRidder, Louisiana

**Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt per Capita
Last Ten Fiscal Years**

Year Ended June 30	Population (1)	Personal Income (1)	Taxable Assessed Valuation (2)	Gross Bonded Debt (3)	Less: Debt Service Funds (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Taxable Assessed Valuation	Net Bonded Debt per Capita	Net Bonded Debt as Percentage of Personal Income
1997	31,342	\$ 548,290,000	110,625,794	7,585,000	897,418	6,687,582	6.05%	\$ 213	1.22%
1998	31,440	556,640,000	114,408,041	16,505,000	1,429,488	15,075,512	13.18%	480	2.71%
1999	31,164	568,820,000	117,199,723	20,390,000	1,574,579	18,815,421	16.05%	604	3.31%
2000	31,907	582,300,000	118,455,738	19,125,000	1,456,704	17,668,296	14.92%	554	3.03%
2001	32,986	592,760,000	125,457,587	19,805,000	1,311,019	18,493,981	14.74%	561	3.12%
2002	32,880	603,320,000	131,132,390	18,385,000	963,504	17,421,496	13.29%	530	2.89%
2003	33,032	608,110,000	133,104,040	16,875,000	1,066,714	15,808,286	11.88%	479	2.60%
2004	33,750	614,480,000	140,345,671	20,300,000	1,019,739	19,280,261	13.74%	571	3.14%
2005	33,850	629,400,000	145,614,533	18,835,000	1,101,774	17,733,226	12.18%	524	2.82%
2006	34,750	639,150,000	155,094,988	17,935,000	1,737,213	16,197,787	10.44%	466	2.53%

Sources: (1) Louisiana Department of Economic Development, Woods & Poole Economics

(2) Beauregard Parish Tax Assessor

(3) School Board internal records

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Computation of Direct and Overlapping Bonded Debt
June 30, 2006

Table 10

<u>Name of Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to This Unit</u>	<u>School Board's Share of Debt (2)</u>
Beauregard Parish School Board	\$ 16,197,787	100%	\$ 16,197,787
Beauregard Parish Police Jury	2,620,000	100%	2,620,000
City of DeRidder	415,000	100%	415,000
Town of Merryville	314,375	100%	314,375

Source: Local government's annual financial report

Notes: (1) Various small taxing districts exist within Beauregard Parish that do not carry significant bonded debt. These districts' debt is not included.

(2) All property within Beauregard Parish must bear the debt of the Beauregard Parish School Board; therefore, all other parish taxing entities fall within the School Board's tax base.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Legal Debt Margin Information
Last Ten Fiscal Years

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Assessed valuations:										
Taxable assessed value	\$ 155,094,988	\$ 145,614,533	\$ 140,345,651	\$ 133,104,040	\$ 131,132,390	\$ 125,457,587	\$ 118,455,738	\$ 117,199,723	\$ 114,408,041	\$ 110,625,794
Add back: exempt real property	44,365,981	42,262,250	40,333,020	38,588,768	37,704,225	36,577,441	35,550,686	32,455,371	31,036,199	29,991,787
Total assessed value	199,460,969	187,876,783	180,678,671	171,692,808	168,836,615	162,035,028	154,006,424	149,655,094	145,444,240	140,617,581
Legal debt margin:										
Debt limitation -										
35% of total assessed value	69,811,339	65,756,874	63,237,535	60,092,483	59,092,815	56,712,260	53,902,248	52,379,283	50,905,484	49,216,153
Debt applicable to limitation:										
Total bonded debt	17,935,000	18,885,000	20,300,000	16,875,000	18,385,000	19,805,000	19,125,000	20,390,000	16,505,000	7,585,000
Less: Amount available for repayment in debt service fund	(1,737,213)	(1,101,774)	(1,019,739)	(1,066,714)	(963,504)	(1,311,019)	(1,456,704)	(1,574,579)	(1,429,488)	(897,418)
Total debt applicable to limitation	16,197,787	17,783,226	19,280,261	15,808,286	17,421,496	18,493,981	17,668,296	18,815,421	15,075,512	6,687,582
Legal debt margin	\$ 53,613,552	\$ 48,023,648	\$ 43,957,274	\$ 44,284,197	\$ 41,671,319	\$ 38,218,279	\$ 36,233,952	\$ 33,563,862	\$ 35,829,972	\$ 42,528,571

Total net debt applicable to the limit as a percentage of debt limit 23.20% 26.97% 30.49% 26.31% 29.48% 32.61% 32.78% 35.92% 29.61% 13.59%

Source: Beauregard Parish Tax Assessor

Notes: (1) Legal Debt for School Boards per State Law is 35% of Total Assessed Valuation

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt (1)
to Total General Governmental Expenditures
Last Ten Fiscal Years

Table 12

<u>Year Ended June 30</u>	<u>Principal Retirement</u>	<u>Interest Charges (2)</u>	<u>Total Debt Service Expenditures</u>	<u>Total General Governmental Expenditures (3)</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1997	1,335,000	419,243	1,754,243	35,549,759	4.9%
1998	1,080,000	345,610	1,425,610	39,748,415	3.6%
1999	1,115,000	777,330	1,892,330	39,609,823	4.8%
2000	1,265,000	941,542	2,206,542	40,600,905	5.4%
2001	1,320,000	902,820	2,222,820	42,668,931	5.2%
2002	1,425,000	960,336	2,385,336	41,667,974	5.7%
2003	1,510,000	810,338	2,320,338	41,899,448	5.5%
2004	1,575,000	749,913	2,324,913	45,082,188	5.2%
2005	1,465,000	868,169	2,333,169	47,042,886	5.0%
2006	1,070,000	795,349	1,865,349	51,111,137	3.6%

Source: School Board internal records

Notes: (1) Only bonded debt reported in the general long-term debt account group is included.

(2) Excludes bond issuance and other costs

(3) Includes general, special revenue, debt service, and capital projects funds

BEAUREGARD PARISH SCHOOL BOARD

DeRidder, Louisiana

Principal Employers

Current Year and Five Years Ago

Table 13

Name of Business	Type of Business	2006			2002		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Beauregard Parish School Board	Education	893	1	6.60%	900	1	7.08%
Boise Cascade Corp.	Paper manufacturing	720	2	5.32%	720	2	5.66%
Amerisafe, Inc.	Insurance	500	3	3.69%	500	3	3.93%
Wal-Mart Stores, Inc.	Retail sales	400	4	2.95%	400	5	3.14%
Beauregard Memorial Hospital	Medical services	400	5	2.95%	500	4	3.93%
MeadWestvaco Corp.	Chemicals	184	6	1.36%	177	6	1.39%
Ampacet Corp.	Plastic coloring	166	7	1.23%	166	7	1.31%
Beauregard Parish Police Jury	Parish government	150	8	1.11%	150	8	1.18%
Beauregard Parish Sheriff Department	Law enforcement	125	9	0.92%	125	9	0.98%
Beauregard Electric Co-op	Electric utility	110	10	0.81%	110	10	0.86%
BE&K Construction Co., Inc.	Commercial contractor	110	11	0.81%	110	11	0.86%

Sources: Greater Beauregard Chamber of Commerce; Louisiana Department of Economic Development

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Demographic and Economic Statistics
Last Ten Calendar Years

Table 14

Calendar Year	Population (1)	Personal Income (1)	Per Capita Income (1)	Median Age (1)	Unemployment Rate (2)	School Enrollment (3)
1997	31,342	\$ 548,290,000	\$ 16,459	34.42	7.3%	6,224
1998	31,440	556,640,000	16,670	34.82	7.4%	6,134
1999	31,164	568,820,000	17,935	35.26	6.6%	6,078
2000	31,907	582,300,000	17,921	35.57	6.0%	6,041
2001	32,986	592,760,000	18,140	35.96	6.9%	6,027
2002	32,880	603,320,000	18,353	36.31	8.1%	6,062
2003	33,730	608,110,000	18,029	36.29	7.1%	6,075
2004	33,750	614,480,000	18,202	36.16	8.8%	6,103
2005	33,850	629,400,000	19,164	36.38	6.9%	6,167
2006	34,750	639,150,000	22,509	36.48	5.3%	6,195

Sources: (1) Louisiana Department of Economic Development, Woods & Poole Economics

(2) Louisiana Department of Labor

(3) Louisiana Department of Education, Annual Financial and Statistical Report; School Board internal records

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Attendance Data
Fiscal Years Ended June 30, 1996 through June 30, 2005

Table 15

<u>Fiscal Year</u>	<u>Number of Graduates</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>		
			<u>Amount</u>	<u>Percent of Change</u>	<u>Percent of Membership</u>
1996	353	6,302.2	5,923.4	-2.40%	93.99%
1997	347	6,304.6	5,918.5	-0.08%	93.88%
1998	383	6,163.8	5,767.1	-2.56%	93.56%
1999	386	6,090.9	5,745.2	-0.38%	94.32%
2000	351	6,062.3	5,726.1	-0.33%	94.45%
2001	382	6,010.0	5,655.6	-1.23%	94.10%
2002	371	5,996.7	5,681.8	0.46%	94.75%
2003	329	6,007.7	5,676.0	-0.10%	94.48%
2004	344	6,076.3	5,725.5	0.87%	94.23%
2005	355	6,102.0	5,767.7	0.74%	94.52%

Source: Louisiana Department of Education, Annual Financial and Statistical Report

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Enrollment by Grade
As of October 1 of each School Year

Table 16

<u>Grade</u>	<u>1995</u> <u>-1996</u>	<u>1996</u> <u>-1997</u>	<u>1997</u> <u>-1998</u>	<u>1998</u> <u>-1999</u>	<u>1999</u> <u>-2000</u>	<u>2000</u> <u>-2001</u>	<u>2001</u> <u>-2002</u>	<u>2002</u> <u>-2003</u>	<u>2003</u> <u>-2004</u>	<u>2004</u> <u>-2005</u>
Pre-K	39	40	36	60	59	60	77	90	122	119
K	526	534	458	511	472	442	468	477	532	494
1	512	545	520	473	534	476	438	448	450	488
2	489	455	501	474	460	479	454	429	426	432
3	455	499	462	496	484	453	492	468	437	448
4	485	459	480	468	488	489	480	491	486	472
5	512	483	454	453	476	485	478	469	489	475
6	504	480	481	471	472	480	504	539	485	508
7	522	501	463	488	464	476	475	502	517	479
8	490	517	491	445	467	491	468	473	526	543
9	567	479	537	514	461	456	477	475	423	510
10	495	500	429	454	447	434	445	438	457	419
11	401	444	441	377	403	402	378	399	399	390
12	378	370	417	405	354	397	393	358	378	376
Non-graded	37	46	54	45	37	21	-	2	-	-
Total Enrollment	6,412	6,352	6,224	6,134	6,078	6,041	6,027	6,058	6,127	6,153
Increase (Decrease) over Prior Year	123	(60)	(128)	(90)	(56)	(37)	(14)	31	69	26
% Increase (Decrease)	1.96%	-0.94%	-2.02%	-1.45%	-0.91%	-0.61%	-0.23%	0.51%	1.14%	0.42%

Source: Louisiana Department of Education, Annual Financial and Statistical Report

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
School Board Employees by Function
Fiscal Years Ended June 30, 1996 through June 30, 2005

Table 17

	<u>1995</u> <u>-1996</u>	<u>1996</u> <u>-1997</u>	<u>1997</u> <u>-1998</u>	<u>1998</u> <u>-1999</u>	<u>1999</u> <u>-2000</u>	<u>2000</u> <u>-2001</u>	<u>2001</u> <u>-2002</u>	<u>2002</u> <u>-2003</u>	<u>2003</u> <u>-2004</u>	<u>2004</u> <u>-2005</u>
Instruction -										
Classroom Teachers	408	407	419	400	418	420	422	415	408	406
Student Services -										
Counselors/ Librarians /Other Professional	148	139	135	147	119	120	122	119	127	114
School Administration	20	20	19	20	22	21	22	22	22	21
General Administration	8	8	9	8	8	10	8	9	8	8
Support Staff	303	280	295	287	287	290	295	281	292	292
Total Enrollment	887	854	877	862	854	861	869	846	857	841

Source: Louisiana Department of Education, Annual Financial and Statistical Report

Note: Information presented above excludes substitute employees.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Operating Statistics
Fiscal Years Ended June 30, 1996 through June 30, 2005

Table 18

Fiscal Year	Student Enrollment	<u>School Food Service</u>						
		Average Expenditure Per Student (1)	Percent Change	Teaching Staff	Average Pupil-Teacher Ratio (2)	Percentage of Students Eligible for Free/Reduced Lunch	Average Number of Breakfasts Served Daily	Average Number of Lunches Served Daily
1996	6,412	\$ 4,478	2.21%	408	15.7	N/A	1,428	4,093
1997	6,352	4,646	3.75%	407	15.6	N/A	1,342	3,958
1998	6,224	5,090	9.56%	419	14.9	N/A	1,381	3,929
1999	6,134	5,413	6.35%	400	15.3	N/A	1,331	4,022
2000	6,078	5,462	0.91%	418	14.5	42.23%	1,380	4,162
2001	6,041	5,675	3.90%	420	14.4	43.11%	1,308	4,102
2002	6,027	6,002	5.76%	422	14.3	43.85%	1,368	4,156
2003	6,058	6,296	4.90%	415	14.6	44.22%	1,385	4,129
2004	6,127	6,658	5.75%	408	15.0	47.25%	1,359	4,103
2005	6,153	7,067	6.14%	406	15.2	46.11%	1,409	4,176

Source: Louisiana Department of Education, Annual Financial and Statistical Report

Notes: (1) Average Expenditure Per Student - All expenditures divided by student enrollment count.

(2) Average Pupil-Teacher Ratio - Student enrollment count divided by teaching staff count.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Teacher Base Salaries
Last Ten Fiscal Years

Table 19

<u>Fiscal Year</u>	<u>Parish Minimum Classroom Teacher's Salary (1)</u>	<u>Parish Maximum Classroom Teacher's Salary (1)</u>	<u>Parish Average Classroom Teacher's Salary (2)</u>	<u>State Average Classroom Teacher's Salary (2)</u>
1997	\$ 19,929	\$ 30,297	\$ 28,168	\$ 29,025
1998	20,929	31,297	30,734	31,131
1999	23,399	33,767	31,014	32,404
2000	23,672	34,040	31,151	33,109
2001	24,232	34,600	33,014	33,615
2002	24,832	35,200	35,010	36,328
2003	25,059	35,754	35,021	37,166
2004	26,113	36,808	36,308	37,918
2005	26,735	37,430	37,463	39,022
2006	27,269	37,964	38,122	39,218

Sources: Louisiana Department of Education, Annual Financial and Statistical Report;
School Board internal records

Notes: (1) Teacher Salary Schedule, Bachelor degree, excluding extra compensation.

(2) Average of actual salaries, excluding sabbatical staff, rehired retirees,
and JROTC instructors.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
School Board Asset Information
Last Ten Fiscal Years

Table 20

	1996 <u>-1997</u>	1997 <u>-1998</u>	1998 <u>-1999</u>	1999 <u>-2000</u>	2000 <u>-2001</u>	2001 <u>-2002</u>	2002 <u>-2003</u>	2003 <u>-2004</u>	2004 <u>-2005</u>	2005 <u>-2006</u>
School										
Elementary										
<i>K.R. Hanchey Elementary</i>										
Square feet	51,988	51,988	51,988	51,988	51,988	51,988	51,988	51,988	51,988	51,988
Enrollment	550	479	493	493	427	421	439	457	475	534
<i>Carver Elementary</i>										
Square feet	52,736	52,736	52,736	52,736	55,736	55,736	55,736	55,736	55,736	55,736
Enrollment	438	436	468	445	415	426	401	408	391	399
<i>Pinewood Elementary</i>										
Square feet	68,529	68,529	68,529	68,529	68,529	68,529	68,529	68,529	68,529	73,057
Enrollment	474	438	405	435	465	471	445	454	438	457
<i>East Beauregard Elementary</i>										
Square feet	N/A	N/A	N/A	39,223	39,223	74,991	74,991	74,991	74,991	74,991
Enrollment	N/A	N/A	N/A	460	429	405	387	403	421	418
<i>South Beauregard Elementary</i>										
Square feet	53,245	53,245	53,245	53,245	53,245	53,245	95,811	95,811	95,811	95,811
Enrollment	549	557	566	602	621	629	665	641	638	626
Middle										
<i>DeRidder Junior High</i>										
Square feet	92,729	92,729	92,729	92,729	92,729	92,729	92,729	92,729	92,729	92,729
Enrollment	712	658	656	633	615	624	672	710	673	682
High										
<i>DeRidder High</i>										
Square feet	143,692	143,692	143,692	143,692	152,192	152,192	152,192	152,192	152,192	156,392
Enrollment	851	901	836	775	799	779	777	749	774	801
<i>East Beauregard High</i>										
Square feet	110,672	110,672	110,672	71,449	71,449	64,019	64,019	64,019	64,019	64,019
Enrollment	910	907	936	475	482	459	457	469	490	509
<i>South Beauregard High</i>										
Square feet	95,304	95,304	95,304	95,304	95,304	95,304	112,738	112,738	112,738	112,738
Enrollment	661	674	643	642	673	654	667	636	676	683
Combination										
<i>Beauregard Alternative</i>										
Square feet	N/A	N/A	37,724	37,724	37,724	37,724	37,724	37,724	37,724	37,724
Enrollment	N/A	N/A	37	22	21	22	31	32	38	21
<i>Hyatt</i>										
Square feet	41,855	41,855	41,855	41,855	41,855	41,855	41,855	41,855	41,855	41,855
Enrollment	159	163	165	185	166	184	198	169	159	139
<i>Merryville</i>										
Square feet	107,486	107,486	107,486	107,486	107,486	107,486	107,486	107,486	107,486	107,486
Enrollment	639	635	581	589	585	572	533	554	569	564
<i>Singer</i>										
Square feet	71,976	71,976	71,976	71,976	71,976	71,976	71,976	71,976	71,976	71,976
Enrollment	364	340	348	358	364	344	358	355	336	311
Administrative										
Square feet	83,275	83,275	83,275	83,275	83,275	83,275	83,275	83,275	83,275	83,275
Transportation										
Buses	81	84	80	81	82	80	76	76	75	72

Source: School Board internal records; Louisiana Department of Education

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2006

Table 21

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 15,414,247	
Other Instructional Staff Activities	1,425,411	
Employee Benefits	6,783,075	
Purchased Professional and Technical Services	213,538	
Instructional Materials and Supplies	817,239	
Instructional Equipment	<u>106,379</u>	
Total Teacher and Student Interaction Activities		\$ 24,759,889

Other Instructional Activities 275,898

Pupil Support Activities	1,844,168	
Less: Equipment for Pupil Support Activities	<u>(2,200)</u>	
Net Pupil Support Activities		1,841,968

Instructional Staff Services	2,099,754	
Less: Equipment for Instructional Staff Services	<u>(13,066)</u>	
		<u>2,086,688</u>

Total General Fund Instructional Expenditures \$ 28,964,443

Total General Fund Equipment Expenditures \$ 121,645

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 635,828
Renewable Ad Valorem Taxes	3,954,653
Debt Service Ad Valorem Taxes	2,501,401
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	161,042
Sales and Use Taxes	<u>8,252,382</u>
Total Local Taxation Revenue	<u>\$ 15,505,306</u>

Local Earnings on Investment in Real Property:

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

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	56,371
Revenue Sharing - Other Taxes	236,317
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 292,688</u>

Nonpublic Textbook Revenue	\$ -
Nonpublic Transportation Revenue	<u>\$ -</u>

BEAUREGARD PARISH SCHOOL BOARD
 DeRidder, Louisiana
 Education Levels of Public School Staff
 As of October 1, 2005

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bachelor's Degree	312	71.56%	3	100.00%	0	0.00%	0	0.00%
Master's Degree	85	19.50%	0	0.00%	11	45.83%	0	0.00%
Master's Degree + 30	30	6.88%	0	0.00%	9	37.50%	0	0.00%
Specialist in Education	8	1.83%	0	0.00%	4	16.67%	0	0.00%
Ph. D. or Ed. D.	1	0.23%	0	0.00%	0	0.00%	0	0.00%
Total	436	100.00%	3	100.00%	24	100.00%	0	0.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Number and Type of Public Schools
For the Year Ended June 30, 2006

Table 23

Type	Number
Elementary	5
Middle/Jr. High	1
Secondary	3
Combination	4
Total	13

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2005

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	3	1	4	2	10
Principals	0	0	0	2	2	2	8	14
Classroom Teachers	42	30	123	50	58	55	81	439
Total	42	30	123	55	61	61	91	463

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Public School Staff Data
For the Year Ended June 30, 2006

Table 25

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 37,603	\$ 37,277
Average Classroom Teacher's Salary Excluding Extra Compensation	\$ 36,870	\$ 36,511
Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries	422.82	404.39

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.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Class Size Characteristics
As of October 1, 2005

Table 26

School Type	Class Size Range											
	1 - 20			21 - 26			27 - 33			34+		
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	26.49%	752.00	54.86%	302.00	11.11%	6.00	0.00%	-				
Elementary Activity Classes	1.15%	26.00	3.02%	27.00	7.14%	21.00	31.03%	2.00				
Middle/Jr. High	3.36%	86.00	7.88%	74.00	19.44%	28.00	0.00%	-				
Middle/Jr. High Activity Classes	0.20%	5.00	0.76%	9.00	3.57%	10.00	31.03%	5.00				
High	30.21%	628.00	21.92%	201.00	50.00%	79.00	6.90%	2.00				
High Activity Classes	6.92%	142.00	2.27%	16.00	2.38%	5.00	31.03%	7.00				
Combination	27.55%	519.00	8.21%	65.00	5.16%	1.00	0.00%	-				
Combination Activity Classes	4.11%	77.00	1.08%	10.00	1.19%	-	0.00%	-				
Total	100.00%	2,235.00	100.00%	704.00	100.00%	150.00	100.00%	16.00				

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

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Years Ended June 30, 2006; 2005; and 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	18	3.01%	14	3.04%	15	3.15%	23	3.85%	9	1.95%	14	2.94%
Mastery	119	19.87%	111	24.08%	121	25.42%	132	22.07%	97	21.04%	86	18.07%
Basic	309	51.59%	207	44.90%	206	43.28%	290	48.49%	221	47.94%	228	47.90%
Approaching Basic	89	14.86%	97	21.04%	91	19.12%	115	19.23%	92	19.96%	86	18.07%
Unsatisfactory	64	10.68%	32	6.94%	43	9.03%	38	6.35%	42	9.11%	62	13.03%
Total	599	100.00%	461	100.00%	476	100.00%	598	100.00%	461	100.00%	476	100.00%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	12	0.00%	5	0.00%	0	0.00%	6	0.00%	5	0.00%	0	0.00%
Mastery	68	11.35%	86	18.30%	103	21.02%	56	9.33%	57	12.13%	55	11.22%
Basic	289	48.25%	175	37.23%	191	38.98%	334	55.67%	218	46.38%	232	47.35%
Approaching Basic	177	29.55%	133	28.30%	137	27.96%	124	20.67%	104	22.13%	138	28.16%
Unsatisfactory	53	8.85%	71	15.11%	59	12.04%	80	13.33%	86	18.30%	65	13.27%
Total	599	98.00%	470	98.94%	490	100.00%	600	99.00%	470	98.94%	490	100.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
 DeRidder, Louisiana
 The Graduate Exit Exam for the 21st Century
 For the Years Ended June 30, 2006; 2005; and 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	8	1.14%	4	1.03%	13	3.09%	58	8.30%	20	5.13%	37	8.83%
Mastery	91	13.00%	66	16.92%	84	19.95%	143	20.46%	90	23.08%	104	24.82%
Basic	387	55.29%	211	54.10%	168	39.90%	311	44.49%	179	45.90%	150	35.80%
Approaching Basic	125	17.86%	82	21.03%	97	23.04%	120	17.17%	51	13.08%	62	14.80%
Unsatisfactory	89	12.71%	27	6.92%	59	14.01%	67	9.59%	50	12.82%	66	15.75%
Total	700	100.00%	390	100.00%	421	100.00%	699	100.00%	390	100.00%	419	100.00%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	17	2.43%	15	3.93%	12	3.11%	4	0.57%	4	1.05%	3	0.78%
Mastery	84	12.02%	64	16.75%	70	18.13%	35	4.99%	34	8.90%	30	7.77%
Basic	287	41.06%	178	46.60%	175	45.34%	423	60.26%	214	56.02%	224	58.03%
Approaching Basic	187	26.75%	80	20.94%	82	21.24%	143	20.37%	76	19.90%	80	20.73%
Unsatisfactory	124	17.74%	45	11.78%	47	12.18%	97	13.82%	54	14.14%	49	12.69%
Total	699	100.00%	382	100.00%	386	100.00%	702	100.00%	382	100.00%	386	100.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The Iowa Tests
For the Years Ended June 30, 2005; and 2004

Table 29

	Composite	
	2005	2004
Test of Basic Skills (ITBS)		
Grade 3	68	68
Grade 5	65	63
Grade 6	51	52
Grade 7	57	53
Tests of Educational Development (ITED)		
Grade 9	57	57

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

BEAUREGARD PARISH SCHOOL BOARD

**Compliance with Single Audit Act Amendment
Of 1996 and Other Information
For the Year Ended June 30, 2006**

TABLE OF CONTENTS

	PAGE
Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	3
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance In Accordance with OMB Circular A-133	5
Schedule of Expenditures of Federal Awards	7
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Prior Year Findings	9
Schedule of Findings and Questioned Costs	10
Corrective Action Plan for Current Year Findings	11



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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

Beauregard Parish School Board
DeRidder, Louisiana

We have audited the financial statements of Beauregard Parish School Board as of and for the year ended June 30, 2006, and have issued our report thereon dated December 22, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

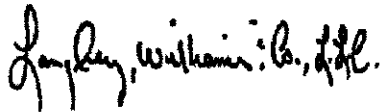
In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting.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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance 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*.

Beauregard Parish School Board
Page 2

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

A handwritten signature in cursive script that reads "James W. Williams, III".

Lake Charles, Louisiana
December 22, 2006



Langley, Williams & Company, L.L.C.

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

Beauregard Parish School Board
DeRidder, Louisiana

Compliance

We have audited the compliance of the Beauregard Parish School Board with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. Beauregard Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Beauregard Parish School Board's management. Our responsibility is to express an opinion on Beauregard Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards, 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 Beauregard Parish School Board's compliance with those requirements and performing such other procedures as we consider 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 Beauregard Parish School Board's compliance with those requirements.

In our opinion, the Beauregard Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Beauregard Parish School Board

Page 2

Internal Control Over Compliance

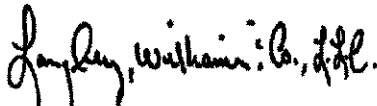
The management of Beauregard Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Beauregard Parish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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Beauregard Parish School Board as of June 30, 2006, and have issued our report thereon dated December 22, 2006. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended for the information of the Beauregard Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Lake Charles, Louisiana
December 22, 2006

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child Nutrition Cluster:*			
National School Lunch Program	10.555	N/A	\$ 1,135,754
School Breakfast Program	10.553	N/A	304,267
Passed through Louisiana Department of Agriculture and Forestry:			
Food Distribution	10.550	N/A	144,604
Total United States Department of Agriculture			<u>1,584,625</u>
United States Department of Education			
Passed through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002	03244-06	42,937
Title I Grants to Local Educational Agencies	84.010	03-T1-06	1,725,249
Migrant Education - Basic State Grant Program	84.011	03-M1-27	9,059
Special Education Cluster:			
Individuals with Disabilities Education Act	84.027	03-B1-06	1,516,090
Preschool grants	84.173	03-P1-06	53,727
Impact Aid*	84.041	N/A	587,200
Vocational Education - Basic Grants to States	84.048	N/A	83,683
Federal, state, and local Partnerships for Educational Improvements (Title VI)	84.151	03-00-06	16,912
Eisenhower Mathematics and Science Education State Grants (Title II)	84.164	03-50-06	405,791
Drug Free Schools and Communities - State Grants (Title IV)	84.186	03-70-06	49,724
Indian Education (Title VII)	84.080	N/A	6,092
Enhancing Education Through Technology	84.318	N/A	23,187
Reading First	84.357	28-05-RD-06	3,514
Total United States Department of Education			<u>4,523,165</u>
United States Department of Homeland Security			
Passed through Louisiana Department of Military Affairs:			
Disaster Grants - Public Assistance	97.036	N/A	181,448
United States Department of Defense			
JROTC	12.609	N/A	<u>85,934</u>
Total Expenditures of Federal Awards			<u>\$ 6,375,172</u>

* Denotes major Federal program

See accompanying notes.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

NOTE 1 – GENERAL

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

NOTE 2 – BASIS OF ACCOUNTING

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

**NOTE 3 – RELATIONSHIP TO GENERAL-PURPOSE
FINANCIAL STATEMENTS**

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

General Fund	\$ 768,648
Special Revenue:	
School Food Service	1,584,625
Title I, Migrant and Consolidated Programs	2,206,734
Specially-funded Programs	<u>1,815,165</u>
Total	\$ <u>6,375,172</u>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

NOTE 5 – MATCHING REVENUES

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

NOTE 6 – NONCASH PROGRAMS

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Prior Year Findings
For the Year Ended June 30, 2006

There were no findings in the prior year.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
• Material weaknesses identified?	None
• Reportable conditions identified that are not considered to be material weaknesses?	None
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over financial reporting:	
• Material weaknesses identified?	None
• Reportable conditions identified that are not considered to be material weaknesses?	No
Type of auditors' report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	No
Identification of major programs: Child Nutrition Cluster Impact Aid	
Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Corrective Action Plan for Current Year Findings
For the Year Ended June 30, 2006

No current year findings.

BEAUREGARD PARISH SCHOOL BOARD
PERFORMANCE MEASURES SCHEDULES

For the Year Ended June 30, 2006
With Independent Accountants' Report
on Applying Agreed-Upon Procedures



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OF PUBLIC ACCOUNTANCY
PUBLIC COMPANY
ACCOUNTING OVERSIGHT BOARD
CENTER FOR PUBLIC
COMPANY AUDIT FIRMS

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Beauregard Parish School Board
DeRidder, Louisiana

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

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

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

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

No exceptions were noted during the performance of these procedures.

Education Levels of Public School Staff (Schedule 2)

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

No exceptions were noted during the performance of these procedures.

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

No exceptions were noted during the performance of these procedures.

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

No exceptions were noted during the performance of these procedures.

Number and Type of Public Schools (Schedule 3)

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

No exceptions were noted during the performance of these procedures.

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

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

No exceptions were noted during the performance of these procedures.

Public Staff Data (Schedule 5)

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

No exceptions were noted during the performance of these procedures.

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

No exceptions were noted during the performance of these procedures.

Class Size Characteristics (Schedule 6)

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

Beauregard Parish schools were closed October 1, 2005, due to Hurricane Rita. Per instruction of the state Department of Education, March 1 roll books were selected for this procedure. No exceptions were noted during the performance of these procedures.

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

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

No exceptions were noted during the performance of these procedures.

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

11. 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 Beauregard Parish School Board.

No exceptions were noted during the performance of these procedures.

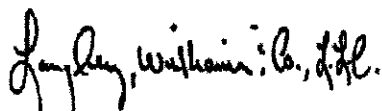
The Iowa Tests (Schedule 9)

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

No exceptions were noted during the performance of these procedures.

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

This report is intended solely for the use of management of Beauregard Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



December 22, 2006

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2006**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 15,414,247	
Other Instructional Staff Activities	1,425,411	
Employee Benefits	6,783,075	
Purchased Professional and Technical Services	213,538	
Instructional Materials and Supplies	817,239	
Instructional Equipment	<u>106,379</u>	
Total Teacher and Student Interaction Activities		\$ 24,759,889

Other Instructional Activities 275,898

Pupil Support Activities	1,844,168	
Less: Equipment for Pupil Support Activities	<u>(2,200)</u>	
Net Pupil Support Activities		1,841,968

Instructional Staff Services	2,099,754	
Less: Equipment for Instructional Staff Services	<u>(13,066)</u>	
		<u>2,086,688</u>

Total General Fund Instructional Expenditures \$ 28,964,443

Total General Fund Equipment Expenditures \$ 121,645

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 635,828
Renewable Ad Valorem Taxes	3,954,653
Debt Service Ad Valorem Taxes	2,501,401
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	161,042
Sales and Use Taxes	8,252,382
Total Local Taxation Revenue	<u>\$ 15,505,306</u>

Local Earnings on Investment in Real Property:

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

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	56,371
Revenue Sharing - Other Taxes	236,317
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 292,688</u>

Nonpublic Textbook Revenue	<u>\$ -</u>
Nonpublic Transportation Revenue	<u>\$ -</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Education Levels of Public School Staff
As of October 1, 2005

Schedule 2

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bachelor's Degree	312	71.56%	3	100.00%	0	0.00%	0	0.00%
Master's Degree	85	19.50%	0	0.00%	11	45.83%	0	0.00%
Master's Degree + 30	30	6.88%	0	0.00%	9	37.50%	0	0.00%
Specialist in Education	8	1.83%	0	0.00%	4	16.67%	0	0.00%
Ph. D. or Ed. D.	1	0.23%	0	0.00%	0	0.00%	0	0.00%
Total	436	100.00%	3	100.00%	24	100.00%	0	0.00%

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Number and Type of Public Schools
For the Year Ended June 30, 2006

Schedule 3

Type	Number
Elementary	5
Middle/Jr. High	1
Secondary	3
Combination	4
Total	13

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2005

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	3	1	4	2	10
Principals	0	0	0	2	2	2	8	14
Classroom Teachers	42	30	123	50	58	55	81	439
Total	42	30	123	55	61	61	91	463

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Public School Staff Data
For the Year Ended June 30, 2006

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 37,603	\$ 37,277
Average Classroom Teacher's Salary Excluding Extra Compensation	\$ 36,870	\$ 36,511
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	422.82	404.39

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.

BEAUREGARD PARISH SCHOOL BOARD
 DeRidder, Louisiana
 Class Size Characteristics
 As of October 1, 2005

School Type	Class Size Range											
	1 - 20			21 - 26			27 - 33			34+		
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	26.49%	752.00	54.86%	302.00	11.11%	6.00	0.00%	-				
Elementary Activity Classes	1.15%	26.00	3.02%	27.00	7.14%	21.00	31.03%	2.00				
Middle/Jr. High	3.36%	86.00	7.88%	74.00	19.44%	28.00	0.00%	-				
Middle/Jr. High Activity Classes	0.20%	5.00	0.76%	9.00	3.57%	10.00	31.03%	5.00				
High	30.21%	628.00	21.92%	201.00	50.00%	79.00	6.90%	2.00				
High Activity Classes	6.92%	142.00	2.27%	16.00	2.38%	5.00	31.03%	7.00				
Combination	27.55%	519.00	8.21%	65.00	5.16%	1.00	0.00%	-				
Combination Activity Classes	4.11%	77.00	1.08%	10.00	1.19%	-	0.00%	-				
Total	100.00%	2,235.00	100.00%	704.00	100.00%	150.00	100.00%	16.00				

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

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

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 7

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Years Ended June 30, 2006; 2005; and 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	18	3.01%	14	3.04%	15	3.15%	23	3.85%	9	1.95%	14	2.94%
Mastery	119	19.87%	111	24.08%	121	25.42%	132	22.07%	97	21.04%	86	18.07%
Basic	309	51.59%	207	44.90%	206	43.28%	290	48.49%	221	47.94%	228	47.90%
Approaching Basic	89	14.86%	97	21.04%	91	19.12%	115	19.23%	92	19.96%	86	18.07%
Unsatisfactory	64	10.68%	32	6.94%	43	9.03%	38	6.35%	42	9.11%	62	13.03%
Total	599	100.00%	461	100.00%	476	100.00%	598	100.00%	461	100.00%	476	100.00%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	12	0.00%	5	0.00%	0	0.00%	6	0.00%	5	0.00%	0	0.00%
Mastery	68	11.35%	86	18.30%	103	21.02%	56	9.33%	57	12.13%	55	11.22%
Basic	289	48.25%	175	37.23%	191	38.98%	334	55.67%	218	46.38%	232	47.35%
Approaching Basic	177	29.55%	133	28.30%	137	27.96%	124	20.67%	104	22.13%	138	28.16%
Unsatisfactory	53	8.85%	71	15.11%	59	12.04%	80	13.33%	86	18.30%	65	13.27%
Total	599	98.00%	470	98.94%	490	100.00%	600	99.00%	470	98.94%	490	100.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

**The Graduate Exit Exam for the 21st Century
For the Years Ended June 30, 2006; 2005; and 2004**

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	8	1.14%	4	1.03%	13	3.09%	58	8.30%	20	5.13%	37	8.83%
Mastery	91	13.00%	66	16.92%	84	19.95%	143	20.46%	90	23.08%	104	24.82%
Basic	387	55.29%	211	54.10%	168	39.90%	311	44.49%	179	45.90%	150	35.80%
Approaching Basic	125	17.86%	82	21.03%	97	23.04%	120	17.17%	51	13.08%	62	14.80%
Unsatisfactory	89	12.71%	27	6.92%	59	14.01%	67	9.59%	50	12.82%	66	15.75%
Total	700	100.00%	390	100.00%	421	100.00%	699	100.00%	390	100.00%	419	100.00%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	17	2.43%	15	3.93%	12	3.11%	4	0.57%	4	1.05%	3	0.78%
Mastery	84	12.02%	64	16.75%	70	18.13%	35	4.99%	34	8.90%	30	7.77%
Basic	287	41.06%	178	46.60%	175	45.34%	423	60.26%	214	56.02%	224	58.03%
Approaching Basic	187	26.75%	80	20.94%	82	21.24%	143	20.37%	76	19.90%	80	20.73%
Unsatisfactory	124	17.74%	45	11.78%	47	12.18%	97	13.82%	54	14.14%	49	12.69%
Total	699	100.00%	382	100.00%	386	100.00%	702	100.00%	382	100.00%	386	100.00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The Iowa Tests
For the Years Ended June 30, 2005; and 2004

Schedule 9

	Composite	
	2005	2004
Test of Basic Skills (ITBS)		
Grade 3	68	68
Grade 5	65	63
Grade 6	51	52
Grade 7	57	53
Tests of Educational Development (ITED)		
Grade 9	57	57

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



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DAPHNE B. CLARK
J. AARON COOPER

To the Members of the
Beauregard Parish School Board

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

Our procedures and findings are as follows:

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

No exceptions were noted.

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

No exceptions were noted.

3. We will ensure that the proper balances were carried over from the previous year for each school.

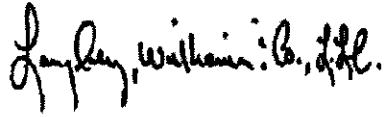
No exceptions were noted.

4. We will compare the ending balances per the schools' accounting system to the annual financial report

No exceptions were noted.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, 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 the Beauregard Parish School Board and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink, appearing to read "Jayson W. Walker, Esq." with a stylized flourish at the end.

Lake Charles, Louisiana
December 22, 2006