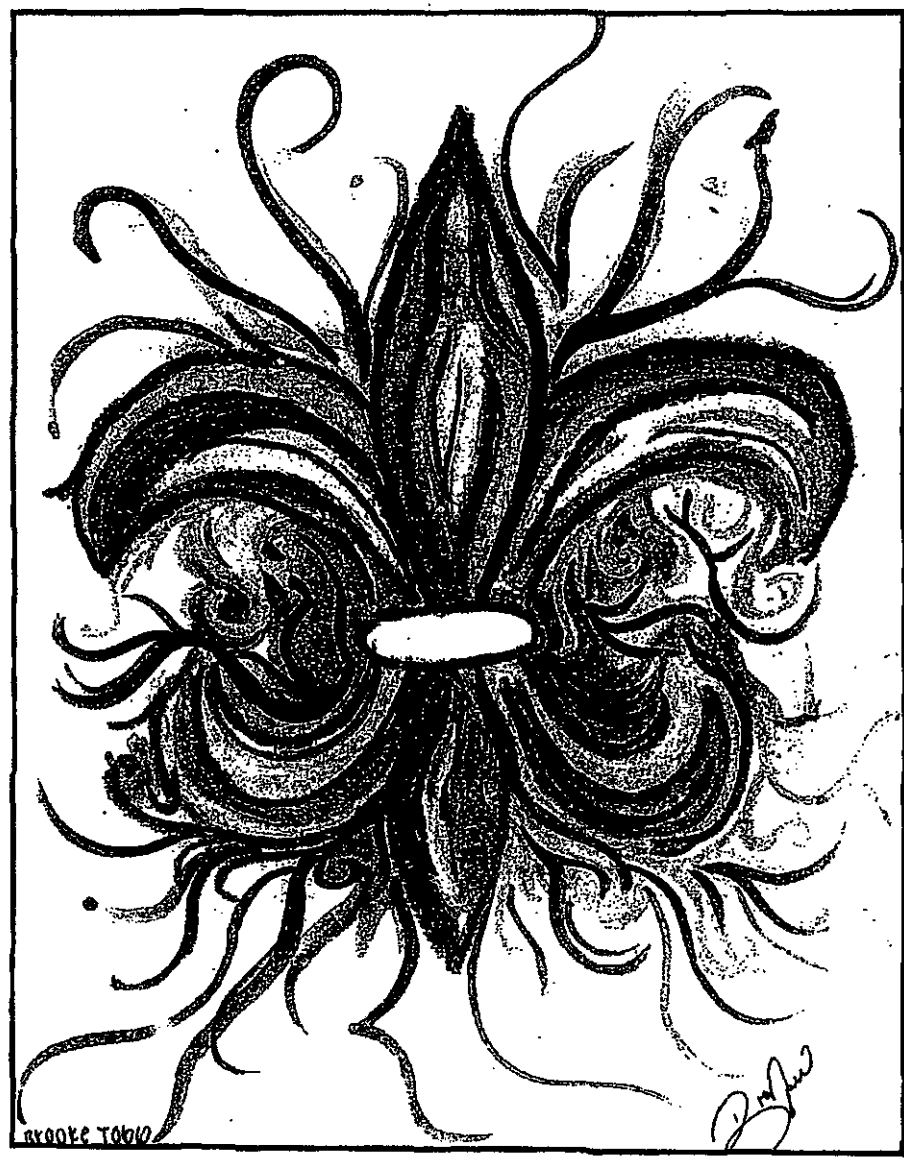


COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
June 30, 2010



ST. TAMMANY PARISH SCHOOL BOARD Covington, Louisiana

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 1/12/11

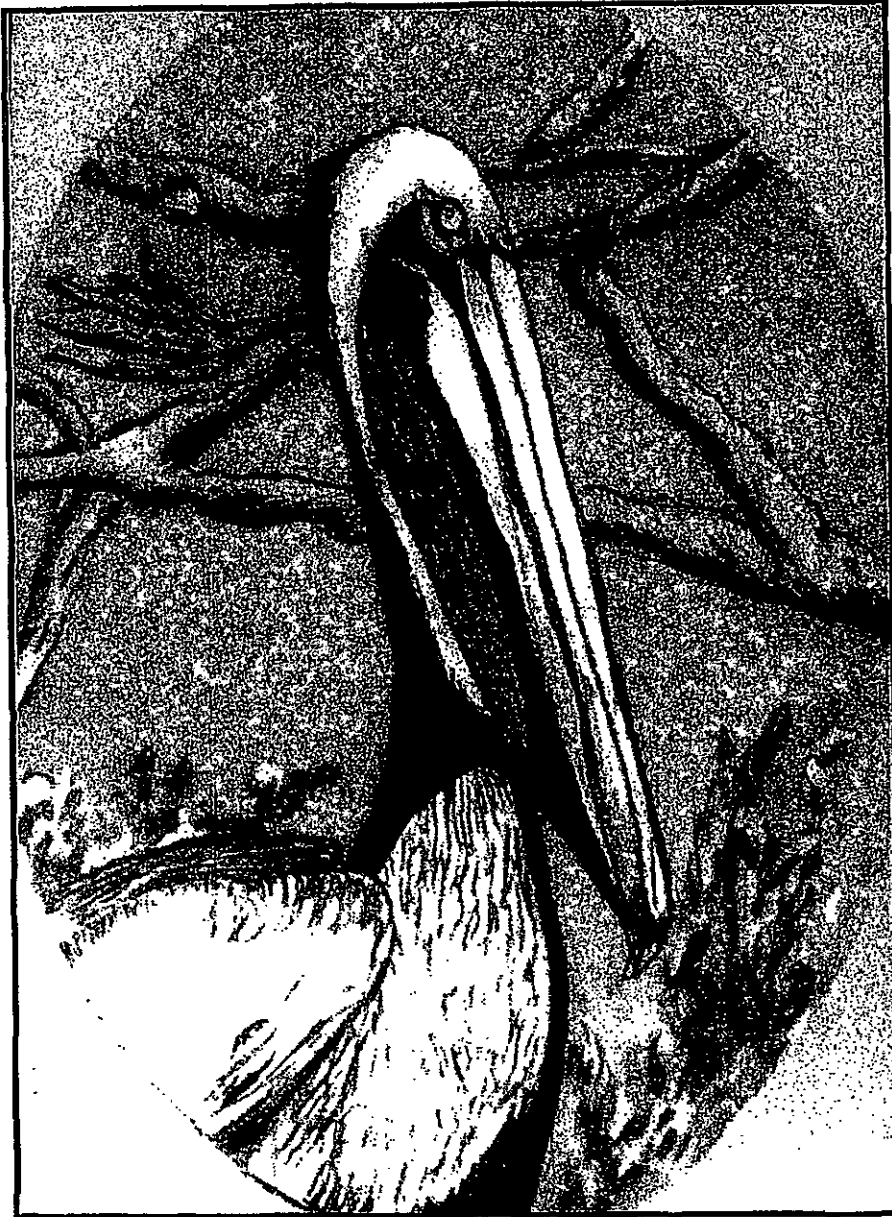
FRONT COVER

by Brooke Todd
8th Grade - Fontainebleau Jr. High
Teacher: Adair Watkins

**ST. TAMMANY PARISH
SCHOOL BOARD
Covington, Louisiana**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
For the fiscal year ended
June 30, 2010**

**Prepared by:
DEPARTMENT OF BUSINESS AFFAIRS
Terri Fortenberry, CPA, Director of Business Affairs**



"Proud Pelican"
Maddie Mickal - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010**

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ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

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ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

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ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

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ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Comprehensive Annual Financial Report
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"Bluebird"

Jeremy Powel - Grade 5
Darlene Powell - Teacher
Abney Elementary



W. L. "Trey" Folse, III
Superintendent

District	Board Members
13	John C. Lamarque, President
4	Stephen J. "Jack" Loup, III, Vice President
1	Neal M. Hennegan
2	Elizabeth B. Heintz
3	Michael J. Dirmann
5	Charles T. Harrell
6	Roanne V. Tipton
7	Willie B. Jeter
8	Daniel G. Zechenelly
9	Robin P. Mullett
10	Ronald "Ron" Beltencourt
11	Robert R. "Bob" Womack
12	James "Ronnie" Panks, Sr.
14	Roy A. Alfred
15	Mary K. Bellisario

December 16, 2010

The Members of the
St. Tammany Parish School Board
And The Citizens of St. Tammany Parish
Covington, Louisiana

The comprehensive annual financial report of the St. Tammany Parish School Board for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

Postlethwaite & Netterville, Certified Public Accountants, have issued an unqualified (clean) opinion on the St. Tammany Parish School Board's financial statements for the year ended June 30, 2010. The independent auditors' report is located at the front of the financial section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133, are included in the single audit section of this report which begins on page 139.

Learning to Last a Lifetime.®

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of St. Tammany Parish, Louisiana. A fifteen-member board governs the School System with each member serving a concurrent four-year term. The current board's term will expire in 2010.

PROFILE OF SCHOOL BOARD

It is the responsibility of the School Board to make public education available to the residents of St. Tammany Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children and vocational education. The school system has a current enrollment of 36,441 which includes 1,327 pre-kindergarten students.

The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity. See footnote A for more information.

ECONOMIC CONDITION AND OUTLOOK

St. Tammany Parish is one of the southeastern parishes (counties) of Louisiana and covers an area of 1,141 square miles. St. Tammany Parish is located directly north of New Orleans on the north shore of Lake Pontchartrain. The Parish's population and economic base continues to expand. The population for St. Tammany Parish is estimated at 235,200.

The economy of St. Tammany Parish is primarily residential, which has brought an influx of *retail and service establishments, offices and shopping centers. However, there is a unique blend* of residents employed in a variety of diverse industries ranging from agriculture to space-aged technology.

The Parish has seen significant changes due to the widespread effects of Hurricane Katrina. Overall unemployment in the Parish has increased slightly as the number of new jobs has decreased due to the current economic downturn. Also, new and existing home sales in St. Tammany Parish had decreased significantly due to the current economic downturn. In spite of the economic downturn, St. Tammany Parish provides a quality place to live and work which results in a sizable contribution to local taxes, property values, and taxes associated with property. School Board enrollment continues to increase each year.

The School Board suffered significant damage to its facilities from Hurricane Katrina. The School Board continues to refurbish, repair and rebuild its damaged infrastructure.

The population growth, economic downturn, and storm recovery noted above present both opportunities and challenges for the School Board in the coming years.

MAJOR INITIATIVES

In 2005-2006, the School Board began work on some new educational initiatives. These initiatives are designed to continue moving our schools towards higher achievement and expand on safety in our schools.

Some of the programs started in 2005-2006 and continuing through 2009-2010 are the School Board's implementation of the guaranteed curriculum, increased elementary planning time, safe and caring schools, and higher pay for our teachers. The cost of these programs is relatively low when compared to the positive impact that is expected from these programs.

The School Board also started an energy conservation effort throughout the District. By educating our employees on the need to conserve energy and presenting them with ways to do so, the School Board has saved a significant amount of money spent on heating, cooling and lighting. Thus far, the amount saved on utilities exceeds \$6,900,000. The school safety plan and technology initiative were funded by a bond issue passed by the voters in March 2008. In the past two years, the School Board and its facilities received several distinguished awards and recognitions, such as 2010 Grand Prize Magna Award Winner for our efforts in energy conservation, Named Top 100 School Systems by Money Magazine, 7 schools named National Schools of Excellence by the U.S. Department of Education, SchoolWatch What Parents Want Award Winner, Food Service Selected for National Awards by U.S. Department of Agriculture and National Food Service Association, 14 Teachers chosen for Presidential Awards for Excellence in Mathematics and Science Teaching by National Science Foundation, Energy Milestone Award, and Energy Star-Leader Certificate Recipient.

The School Board continues to make progress on its major capital expansion programs of its existing school facilities. This expansion program started in 1996 and continues today. The School Board will have spent in excess of \$381 million on this initiative and an additional \$120 million is planned for the next three years with the addition of two new elementary school and extended learning center.

This expansion project has enabled the School Board to reduce the student/teacher ratio for all classrooms. The majority of pre-kindergarten through third grade classrooms have on average no more than 20 students per classroom.

Student/teacher ratios are just one piece of the puzzle when it comes to achieving higher levels of success through student achievement. The School Board has over time become a magnet for attracting highly skilled, experienced, certified teachers and administrators. Virtually all of the School Board's nearly 2,616 full-time teachers are certificated and more than 42 percent of our teachers hold an advanced level degree. 60 percent of our teachers have more than 10 years teaching experience and all of our principals and assistant principals hold both a masters degree and teacher certification.

The school system has experienced significant gains in student achievement levels by lowering the student teacher ratios across the board, retaining more qualified teachers and administrators,

and dedicating our staff to reach higher goals. St. Tammany Parish School Board was ranked the number one District in the State of Louisiana for District Performance Scores (DPS) from 2003-2005 and continues to be consistently in the top 5 in the state.

Currently, the Southern Association of Colleges and Schools (SACS) have accredited all schools within the St. Tammany Parish School District. The St. Tammany Parish School System became the first school district in Louisiana to earn "district-wide" accreditation in 2005 and continues to be one of only a few in the nation to have such accreditation. The school system received reaccreditation in 2010.

Not all of our successes can be attributed to our staff and teachers though. The School Boards Parent Involvement Program is utilized in every school in the system. The goal of this program is to involve parents in the child's education in whatever capacity the parents offer (first aid assistant, library aide, classroom tutor, parenting workshop, etc.). In each year, our parent volunteers donate the equivalent of millions of dollars in volunteer hours.

FINANCIAL INFORMATION

Internal Controls. Management of the School Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School Board are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2010 provided no instances of material weaknesses in internal controls. The single audit did note one instance of noncompliance relating to applicable laws and regulations regarding budgets. The report for this year is located on pages 139-152.

Budgeting Controls. In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all subsequent amendments, approved by the School Board. Activities of the General Fund, major Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function or project level within the individual funds. The School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control throughout the year.

Encumbered amounts in all funds lapse at year-end; however, encumbrances generally are reappropriated as part of the next year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

Debt Administration. At June 30, 2010 the School Board had a number of debt issues outstanding, totaling \$243.8 million. Not included in the School Board's long-term debt are \$73.4 million in defeased debt. The Notes to the Financial Statements contain more detailed information on these bonds.

The School Board is limited by state statute from issuing sales tax bonds in excess of seventy-five percent of the anticipated sales tax revenues. As of June 30, 2010, the School Board had paid off all of its outstanding sales tax bonds. Meanwhile, sales tax collections exceeded \$72 million dollars in 2010. The one-cent sales and use tax of which a portion was dedicated to service the bonds was made permanent in April 2004.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of Postlethwaite and Netterville, APAC performed the fiscal year 2010 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended and related OMB Circular A-133. The independent auditors' report on the financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the Single Audit Act are included in the Single Audit Section which begins on page 139.

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 St. Tammany Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2009.

In order to be awarded a *Certificate of Achievement*, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The St. Tammany Parish School Board was also awarded a Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2009 by the Association of School Business Officials, International (ASBO).


The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. The St. Tammany Parish School Board has received both certificates for the last nineteen consecutive years. We believe our current comprehensive annual financial report continues to conform to the program requirements of both organizations and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.


Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Affairs Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, our gratitude is extended to the Arts Department for their valuable assistance in the design of this report and to the students whose art is displayed throughout the report.

In closing, without the leadership and support of the Members of the School Board, both individually and collectively, preparation of this report would not have been possible.

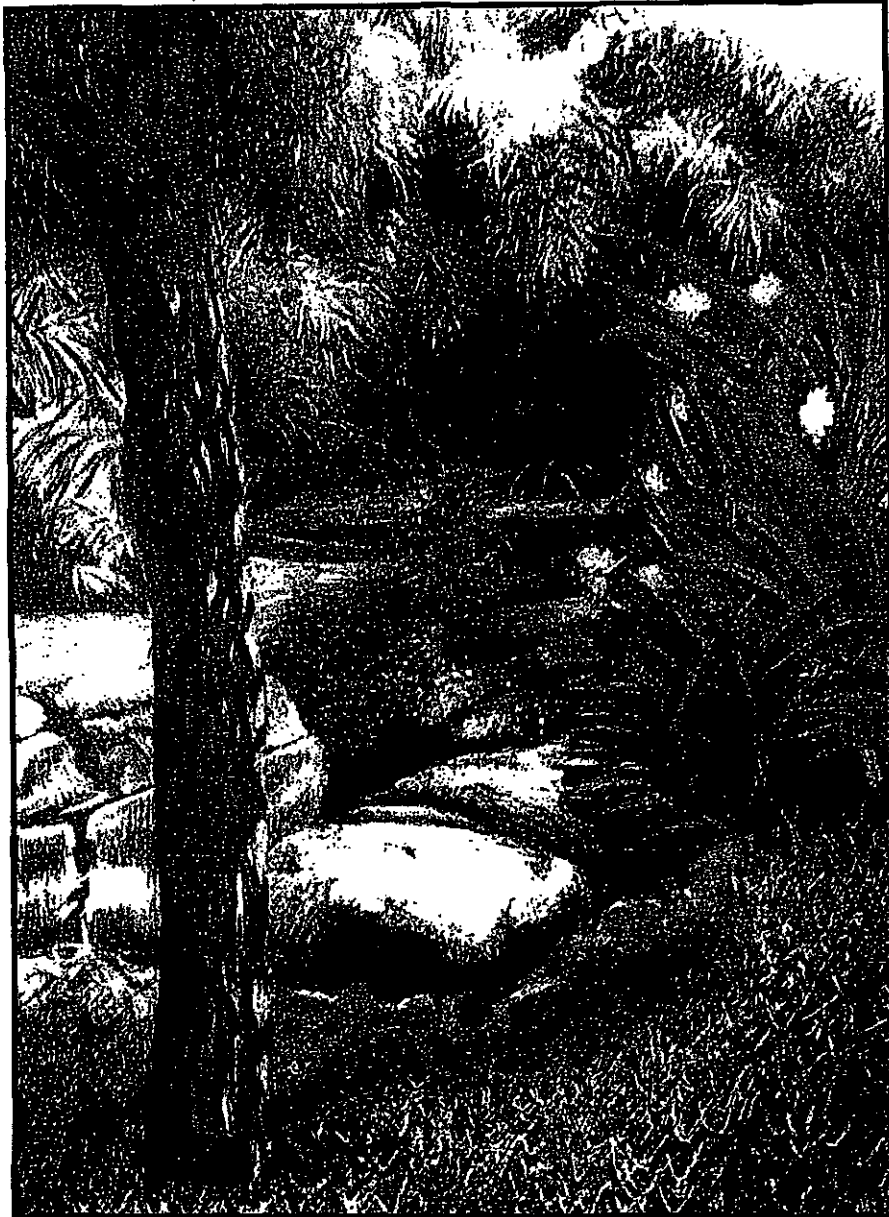
Respectfully submitted,



William L. Trey Folse
Deputy Superintendent



Terri Fortenberry, CPA
Director of Business Affairs



"Shady Spot"
April Curan - Grade 12
Fernanda Cristiani - Teacher
Mandeville High

Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Tammany Parish
School Board, Louisiana

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

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



President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

ST. TAMMANY PARISH SCHOOL BOARD

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2009

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

Evan Green

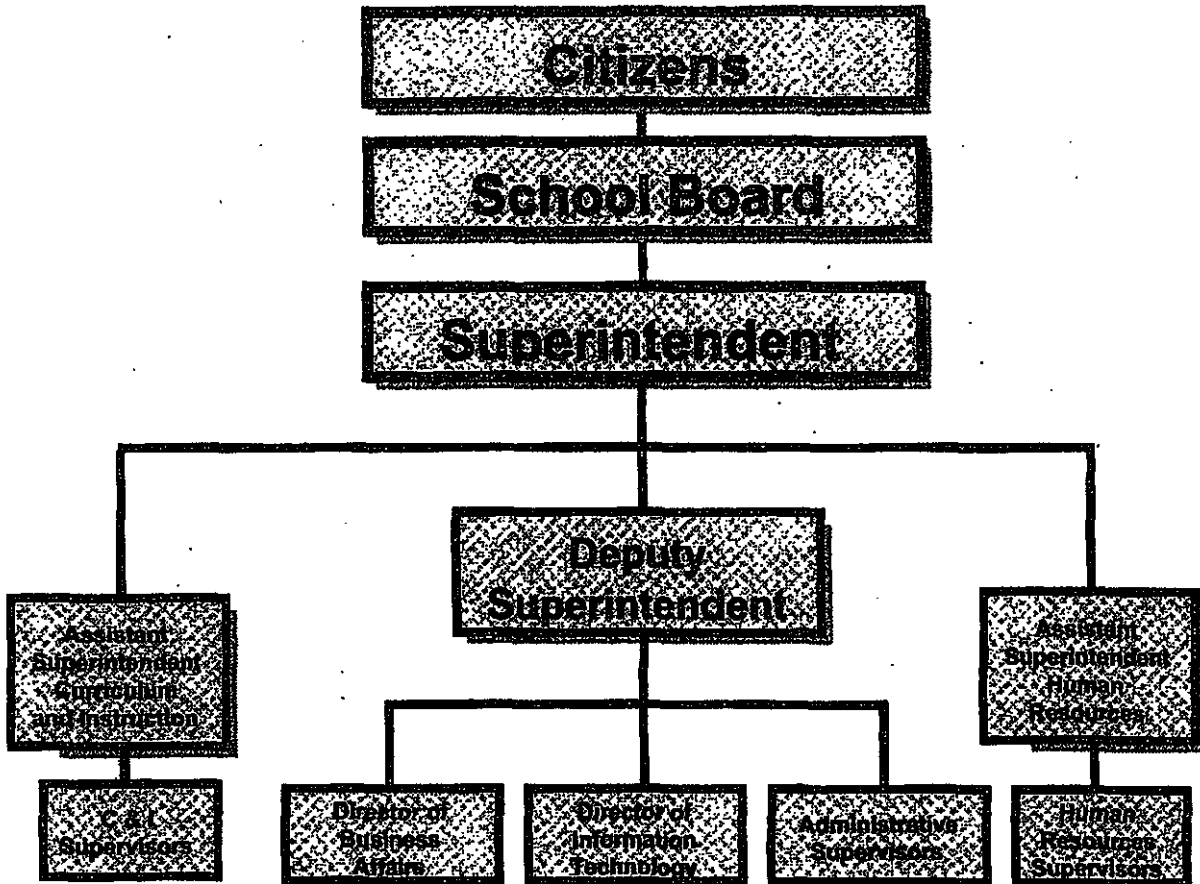
President

John D. Russo

Executive Director



St. Tammany Parish Public School System



St. Tammany Parish School Board

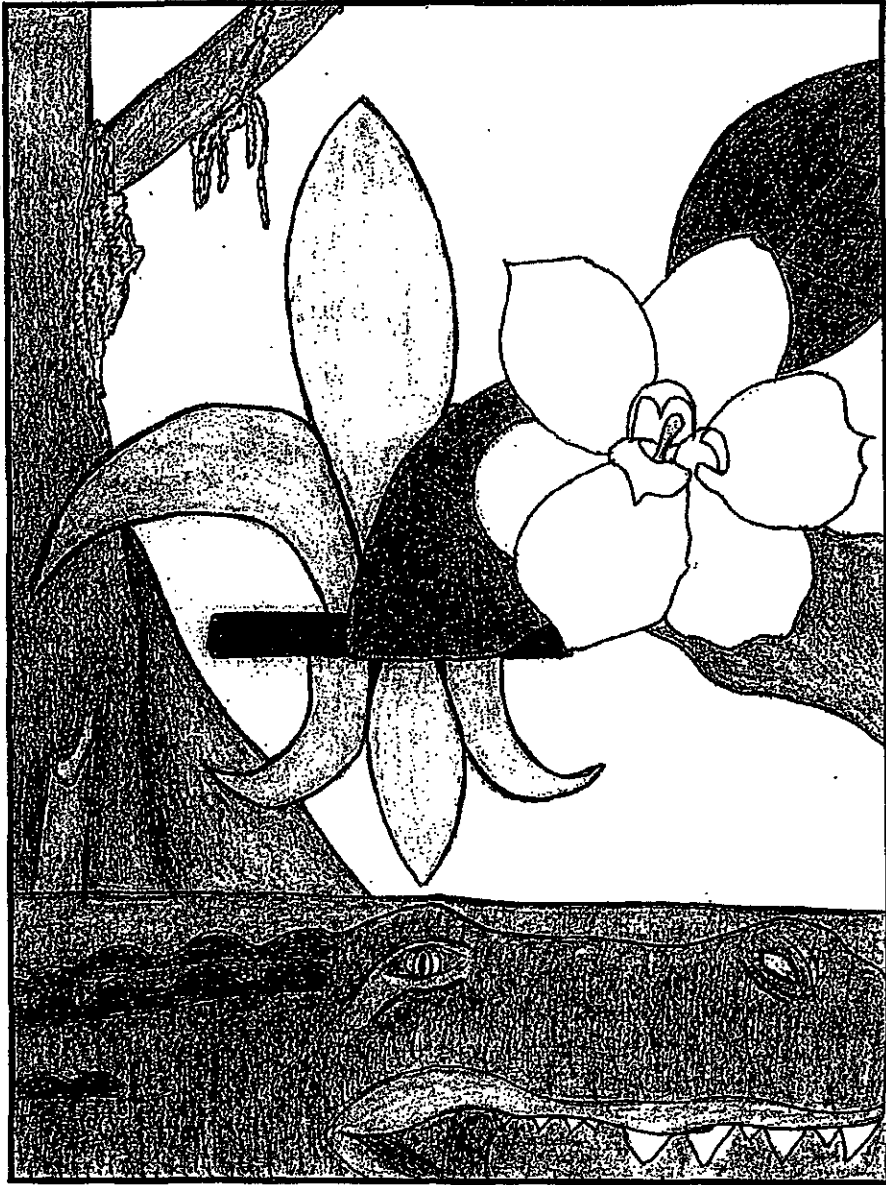
Principal Officials

School Board Members

John C. Lamarque - <i>President</i>	District 13
Stephen J. "Jack" Loup, III - <i>Vice-President</i>	District 4
Neal M. Hennegan	District 1
Elizabeth B. Heintz	District 2
Michael J. Dirmann	District 3
Charles T. Harrell	District 5
Roanne V. Tipton	District 6
Judy Palmer	District 7
Daniel "Dan" G. Zechenelly	District 8
Robin P. Mullett	District 9
Ronald "Ron" L. Bettencourt	District 10
Robert R. "Bob" Womack	District 11
James "Ronnie" Panks, Sr.	District 12
Ray A. Alfred	District 14
Mary K. Bellisario	District 15

Administrative Officials

Gayle Sloan, *Superintendent*
William "Trey" Folse, III, *Deputy Superintendent-Administration*
Cheryl Arabie, *Asst. Superintendent-Curriculum & Instruction*
Peter J. Jabbia, *Asst. Superintendent-Human Resources*
Terri Fortenberry, *CPA Director of Business Affairs*
Louis Boullion, *Director of Information Technology*



"Symbols of Louisiana"
Blake Villars - Grade 7
Tonya Hendon - Teacher
Monteleone Junior High



A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

Independent Auditor's Report

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2010, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls 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 *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 60 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's financial statements taken as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Postlethwaite & Nettlevold

Metairie, Louisiana
December 16, 2010

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY
INFORMATION**

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



"Cypress at the Dock"
Lauren Trahan - Grade 11
Fernanda Cristiani - Teacher
Mandeville High

ST. TAMMANY PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2010

As management of the St. Tammany Parish School Board, we offer readers of the St. Tammany Parish School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vi through xi and the School Board's financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

The financial highlights for the St. Tammany Parish School Board for fiscal year ended June 30, 2010 were:

- The School Board's general fund expended \$357 million dollars on a budgetary basis in fiscal year ended June 30, 2010 on education for St. Tammany Parish. Nearly 70 percent of the expenditures were spent on instructional and support programs and 15 percent spent on administration, operation and maintenance of schools.
- Certified teachers received a salary increase of \$1,000 in 2010 bringing the beginning teacher salary to \$43,284.
- The School Board's general fund revenues on a budgetary basis for fiscal year ending June 30, 2010 were approximately \$262 million. The largest single sources of non-federal funds were from the State of Louisiana Minimum Foundation Program (\$179.8 million) and ad valorem taxes (\$72.9 million).
- The assets of the St. Tammany Parish School Board exceeded its liabilities at the close of the year by \$238.7 million down from \$241.7 in 2009.
- The St. Tammany Parish School Board's net assets decreased by \$2.9 million. The majority of this decrease was caused by funding of three year cumulative deficit in the self-insured health plan fund of \$18 million offset by increases in state funding and ad valorem revenues. Also, expenses by function for 2010 were \$18.5 million more when compared to 2009.
- The School Board's governmental funds reported combined ending fund balances of \$197.3 million, a decrease of \$57.6 million in comparison of prior year. Increase in property values in St. Tammany Parish increased revenue received from advalorem taxes and revenues received per student were increased in 2010. Expenditures for capital projects with bond proceeds received in the prior year accounts for \$38 million of the decrease. Funding of self-insured health plan deficit of \$18 million was also part of the decrease. Across the board pay raises of \$1,000 also accounted for increase in expenditures.
- The School Board expended approximately \$86 million on capital projects in 2009-10. The majority of these expenditures were on reconstruction, additional classrooms and renovations to existing schools and the construction of two new elementary schools slated to open in 2011. Also, disaster recovery expenditures continued on existing facilities.
- The School Board's general fund on a budgetary basis had an increase in fund balance of \$1.4 million. The increase was a result of increases in ad valorem tax

ST. TAMMANY PARISH SCHOOL BOARD
Management's Discussion and Analysis
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revenue, increased funding from the Louisiana Department of Education and transfers from the Community Disaster Loan Proceeds account. These increases were offset by across the board pay raises and associated benefits and the funding of cumulative three year deficit in the self-insured health plan fund.

- The School Board was authorized to issue \$167 million in new debt in March of 2008. The first issue of these bonds was completed in July 2008 for \$66.33 million. The second issue of these bonds was completed in May 2009 for \$20 million. The third issue of these bonds was completed in March 2010 for \$25 million. The School Board was authorized to issue \$5,000,000 in Qualified School Construction Bonds in December 2009. As of June 30, 2010, the School Board had \$248.8 million in bonds outstanding.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements include the Statement of Net Assets and the Statement of Activities (on pages 14 and 15, respectively); they provide information about the financial position of the School Board as a whole and present a longer-term view of the School Board's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the School Board's operations in more detail than the government-wide statements by providing information about the School Board's most significant funds. The fiduciary fund statements provide financial information about activities for which the School Board acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in his independent auditors' report, located immediately preceding this management discussion and analysis (MD&A), that the Basic Financial Statements are fairly stated. The auditor has also provided varying degrees of assurance regarding the required supplementary information and other supplementary information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the financial statements.

The School Board assumes full responsibility for the accuracy of the Introductory and Statistical Sections as they were prepared without the association of the independent auditors.

ST. TAMMANY PARISH SCHOOL BOARD
Management's Discussion and Analysis
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Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 59 of this report.

Other information

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 73 through 103 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis of the School Board as a whole begins on page 14. One of the most important questions asked about the School Board's finances is, "Is the School Board as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and about activities in a way that helps answer the question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's *net assets* and changes in them. You can think of the School Board's net assets—the difference between assets and liabilities—as one way to measure the School Board's financial health, or *financial position*. Over time, *increase or decreases* in the School Board's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the School Board's property tax base and the condition of the Schools, to assess the *overall financial health* of the School Board.

In 2009-10, the School Board's financial position decreased with its net assets decreasing \$2.9 million from \$241.7 million in 2008-09 to \$238.7 million. \$22.6 million of the School Board's net assets is restricted to debt service leaving a deficit of \$38.9 million in unrestricted net assets.

In the Statement of Net Assets and the Statement of Activities, the School Board's can be divided into two kinds of activities:

Governmental Activities – Most of the School Board's basic services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program ("MFP") Funds, and state and federal grants finance most of these activities. In the internal service funds, the School Board charges

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fees to departments to help cover the costs of certain services it provides by being self insured. The School Board's general liability, workers' compensation, and health insurance programs are accounted for here.

Business-type activities – Business-type activities are those activities which are conducted by the School Board whereas the fees/charges for those services provided are intended to be sufficient to realize a profit. The School Board did not have any such activities.

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the School Board's governmental activities.

TABLE 1
SUMMARY OF NET ASSETS
(in thousands)

	Governmental Activities	
	<u>2010</u>	<u>2009</u>
Assets:		
Current and other assets	\$260,986	\$307,484
Capital Assets	<u>432,793</u>	<u>355,285</u>
Total Assets	<u>\$693,779</u>	<u>\$662,769</u>
Liabilities:		
Long-term debt outstanding	\$382,921	\$352,619
Other liabilities	<u>72,109</u>	<u>68,500</u>
Total Liabilities	<u>\$455,030</u>	<u>\$421,119</u>
Net Assets:		
Invested in capital assets, net of related debt	\$255,099	\$202,533
Restricted	22,595	19,620
Unrestricted	<u>(38,945)</u>	<u>19,497</u>
Total Net Assets	<u>\$238,749</u>	<u>\$241,650</u>

By far the largest portion of the School Board's net assets (107 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide services to public; consequently, these assets are not available for future spending. Although, the School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net assets (9 percent) represent resources to be used to pay the remaining amount of outstanding debt. The remaining balance of unrestricted net assets is a deficit balance of \$38.9 million may be used to meet the School Board's ongoing obligations to the public and creditors.

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At the end of June 30, 2010, the School Board is not able to report positive balances in all three categories of net assets. The School Board was able to report positive balances in all three categories of net assets in all prior years. Increases in the liability for post employment benefits, increases in claims liability for workers compensation, and health insurance claims payable contributed to the deficit in unrestricted net assets.

The School Board's net assets decreased by \$2.9 million. The majority of this decrease was caused by funding of three year cumulative deficit in the self-insured health plan fund of \$18 million offset by increases in state funding and ad valorem revenues. Also, expenses by function for 2010 were \$17.3 million more when compared to 2009.

TABLE 2
SUMMARY OF CHANGES IN NET ASSETS
(In Thousands)

	<u>Governmental</u> <u>Activities</u>	
	<u>2010</u>	<u>2009</u>
Revenues		
Program Revenues:		
Charges for services	\$ 4,461	\$ 5,976
Operating grants and contributions	44,057	31,956
Capital grants and contributions	25,865	35,401
General revenues:		
Property taxes	101,670	99,814
Sales taxes	72,079	77,360
State Equalization (MFP)	181,813	180,116
Other general revenues	6,590	19,525
Special item- change in capitalization policy	-	8,883
Total revenues	<u>436,535</u>	<u>450,148</u>
Program expenses		
Regular programs	149,435	142,642
Special education programs	76,656	74,326
Vocational education	6,094	5,804
Other instructional programs	13,829	14,882
Special programs	13,144	11,244
Adult education programs	355	406
Pupil support	19,782	15,700
Instructional staff support	16,559	15,435
General administration	7,978	7,926
School administration	23,384	22,142
Business administration	2,884	2,609
Operation and maintenance of plant	34,724	34,273
Pupil transportation	32,459	31,604
Central services	7,294	8,280
Food services	21,286	20,628
Community services programs	1,357	1,441
Interest on long-term debt	12,216	11,609
Total expenses	<u>439,436</u>	<u>420,951</u>

ST. TAMMANY PARISH SCHOOL BOARD
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Increase (decrease) in net assets	(2,901)	38,080
Beginning net assets	<u>241,650</u>	<u>203,570</u>
Ending net assets	<u>\$238,749</u>	<u>\$241,650</u>

Revenues decreased 3 percent or approximately \$13.6 million. The largest decreases were as a result of continuing decreases in sales taxes as a result of downturn in the economy and reduction in grant funds received from FEMA for disaster related construction costs.

Student enrollment had an increase from 35,878 students in 2009 to 36,441 students in 2010. MFP funding increased as a result of this growth.

Expenses increased 4 percent or approximately \$18.5 million in 2010. Salary and benefits costs account for nearly 91 percent of general fund expenditures for the School Board. There was an increase in salaries and related benefit due to across the board local raises in General Fund. Most of the increase was a caused by the funding of the three year cumulative deficit in the self-insured health plan. Cost cutting measures were implemented in all expense categories for 2010 to offset some of this increase.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

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

Our analysis of the School Board's major funds begins on page 60. The fund financial statements begin on page 16 and provide detailed information about the most significant funds – not the School Board as a whole. Some funds are required to be established by State law or by bond covenants. However, the School Board establishes other funds to help it control and manage financial resources for particular purposes or to demonstrate that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The School Board's three types of funds – governmental, proprietary and fiduciary funds – use different accounting approaches.

Governmental Funds – most of the School Board's basic services are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between

ST. TAMMANY PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2010

governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on pages 18 and 21.

The School Board's governmental funds reported combined ending fund balances of \$197.3 million, a decrease of \$57.6 million (see Statements C & E) in comparison with the prior year. The component of this decrease is described below.

The General Fund balance increased by \$1.4 million from prior year to \$51.4 million as of June 30, 2010. General Fund expenditures before transfers and other financing uses increased by 6 percent or \$19 million. General Fund revenue before transfers and other financing sources increased 1.5 percent or \$3.8 million. Transfers, mostly from the sales tax funds and grants increased \$23.8 million from 2010. Operating expenditures increased mainly due to salary increases given locally plus benefits and the funding of the three cumulative self-insured health fund deficit. These increases were offset by revenue increases. Revenues increased as a result of increases in the Minimum Foundation Program grant for 2010 and for increases in ad valorem taxes as a result of increased property values. Transfers increased due to transfers of Community Disaster Loan proceeds to cover health insurance cost increases.

The 1966 Sales Tax Fund had revenues of nearly \$36 million in 2009-10. The 1966 Sales Tax Fund accounts for the collection for the 1966 sales taxes for the School Board. Sales taxes decreased approximately \$2.6 million in 2010. These sales tax declines are a result of downturn in economy. The disbursements from this fund are transfers out to applicable funds to cover operational cost as the revenue bonds previously funded with a portion of these taxes were paid off in prior years. This fund acts similar to a conduit for sales tax collections.

The 1977 Sales Tax Fund had revenues of nearly 36 million in 2009-10. The 1977 Sales Tax Fund accounts for the collection for the 1977 sales taxes for the School Board. Sales taxes decreased approximately \$2.6 million in 2010. These sales tax declines are a result of downturn in economy. The disbursements from this fund are transfers out to applicable funds to cover operational cost as the revenue bonds previously funded with a portion of these taxes were paid off in prior years. This fund acts similar to a conduit for sales tax collections.

The Katrina Fund accounts for the revenue and expenditures relating to the recovery from Hurricane Katrina. Revenues from hurricane recovery grants decreased in 2010 by approximately \$16 million or 43 percent. Expenditures relating to hurricane recovery decreased by 15 percent or approximately \$5 million. Disaster related projects are nearing completion resulting in the decreases. All disaster related construction is expected to be completed in fiscal year 2011.

The 2008 Construction Fund accounts for the expenditures of the \$167 million in general obligation bonds approved by voters to finance \$15 million in technology, \$2.1 million in security cameras, and \$149.9 million in capital improvements for new construction and

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Management's Discussion and Analysis
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improvements to existing facilities. Expenditures for capital projects in this fund increased by \$26.3 million or 2 percent in 2010. Projects relating to security cameras were substantially completed in 2010. Technology projects are ongoing but are also substantially complete. Construction projects related to this bond issue are ongoing for various school improvements and the construction of a new elementary school. This school is expected to open in the 2010-2011 school year.

Proprietary Funds – When the School Board charges for the services it provides – whether to outside sources or to other units of the School Board – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and Statement of Activities. The School Board maintains three internal service (proprietary) funds. An internal service fund accumulates and allocates costs internally among the School Board's various functions. The School Board maintains separate internal service funds to account for its self-insured portion of its general liability, employee workers' compensation, and health insurance programs. Because the services provided in these funds benefit governmental rather than business-type functions, they have been included as governmental activities in the government-wide financial statements.

Fiduciary Funds - The School Board is trustee, or fiduciary, for its student activity funds that are under the control and administration of the Board. All of the School Board's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities on page 25 of this section. These funds are not available to the School Board to finance its operations, and therefore not included in the government-wide financial statements. The School Board is responsible for ensuring that the assets reported by these funds are used for their intended purposes.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget can be briefly summarized as follows:

\$195,156 decrease in projected revenues as follows:

- \$3.8 million decrease in minimum foundation program as stimulus funds were originally allocated as part of these funds. After budget was prepared, the \$5.6 million stimulus funds was moved to a federal fund as required by the Department of Education.
- \$2.4 million increase in ad valorem taxes due to increase in property added to the tax rolls within the Parish.
- \$452,000 decrease in interest earned due to decline in cash balances and decline in market values.
- \$2.1 increase in Medicaid revenues as a result of increased participation in Medicaid reimbursement programs.

\$2 million increase in projected expenditures as follows:

- \$2 million increase in salaries and benefits and related expenditures as a result of local pay raises.

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Management's Discussion and Analysis
June 30, 2010

Differences between the final amended budget and actual results can be briefly summarized as follows:

\$1 million variance with Final Budget as follows:

- \$2.4 million increase in ad valorem taxes due to the receipt of proceeds from Sheriff sale for property sales on 2008 tax roll.
- \$1 million decrease in interest earnings due to cash balance decline and decline in market values.

\$26.5 million variance with Final Budget as follows:

- \$18 million increase in health insurance costs as a result of the funding of the three year cumulative deficit in the self-insured health plan.
- \$5 million increase in health insurance costs from unanticipated health plan overages related to summer claims after budget revision was completed.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2010, the School Board invested in broad range of capital assets, including land, school facilities, and equipment totaling \$432.8 million. (See Table 4 below) The net increase (including additions and deductions) in capital assets in 2010 was higher over the past year. The School Board changed its capitalization policy effective July 1, 2008 from \$1,000 to \$5,000. This change was mandated by the Louisiana Department of Education. More detailed information of capital assets can be found in footnote 5.

TABLE 4
CAPITAL ASSETS AT YEAR-END
(Net of Depreciation, in Thousands)

	Governmental	
	Activities	
	<u>2010</u>	<u>2009</u>
Land	\$ 17,144	\$ 13,018
Land Improvements	7,419	7,690
Buildings & Improvements	356,820	252,071
Equipment	6,851	5,523
Construction in progress	<u>44,559</u>	<u>76,983</u>
Total	<u>\$432,793</u>	<u>\$355,285</u>

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Management's Discussion and Analysis
June 30, 2010

The projects for 2009-2010, in addition to the completion of a new elementary school and a new high school, were mainly for classroom additions, reconstruction and renovations throughout the Parish.

Long-Term Obligations

As of June 30, 2010, the School Board had \$382.9 million in long-term debt outstanding and other liabilities an increase of \$30.3 million or 9 percent over the amount of June 30, 2009 – as shown in Table 5.

TABLE 5
LONG TERM OBLIGATIONS AT YEAR-END
(in Thousands)

	<u>Governmental</u>	
	<u>Activities</u>	
	<u>2010</u>	<u>2009</u>
General obligation bonds (backed by the School Board)	\$245,037	\$236,920
Qualified School Construction Bonds	5,000	-
Federal Disaster Loans	67,844	67,844
Other Post Employment Benefits	46,863	30,999
Compensated Absences	<u>18,177</u>	<u>16,857</u>
Totals	<u>\$382,921</u>	<u>\$352,620</u>

The School Board continued to pay down its outstanding debt issues and borrowed an additional \$25 million through issuance of general obligation bonds in 2009-10. This is the third installment in a series totaling \$167 million authorized. The School Board also borrowed \$5 million in Qualified School Construction Bonds in 2009-2010 through a program managed by the Louisiana Department of Education.

The School Board's bond rating in 2009-10 was AA by *Standard & Poors*. The State constitution limits the amount of general obligation debt that the School Board can issue to 35 percent of the assessed value of all taxable property within the school district. The School Board's outstanding general obligation debt of \$245,037 million is below the current \$463 million limit.

The School Board initiated a risk management program for general liability, workers' compensation and health insurance in prior years. The School Board purchases commercial insurance for claims in excess of coverage provided through its self-insurance funds. The School Board had \$14.2 million and \$14.9 million in claims and judgments outstanding for fiscal year ending June 30, 2010 and 2009, respectively. Other obligations include accrued vacation pay and sick leave. More detailed information about the School Board's long-term liabilities is presented in Notes 6, 7, and 8 to the financial statements.

ST. TAMMANY PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2010

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

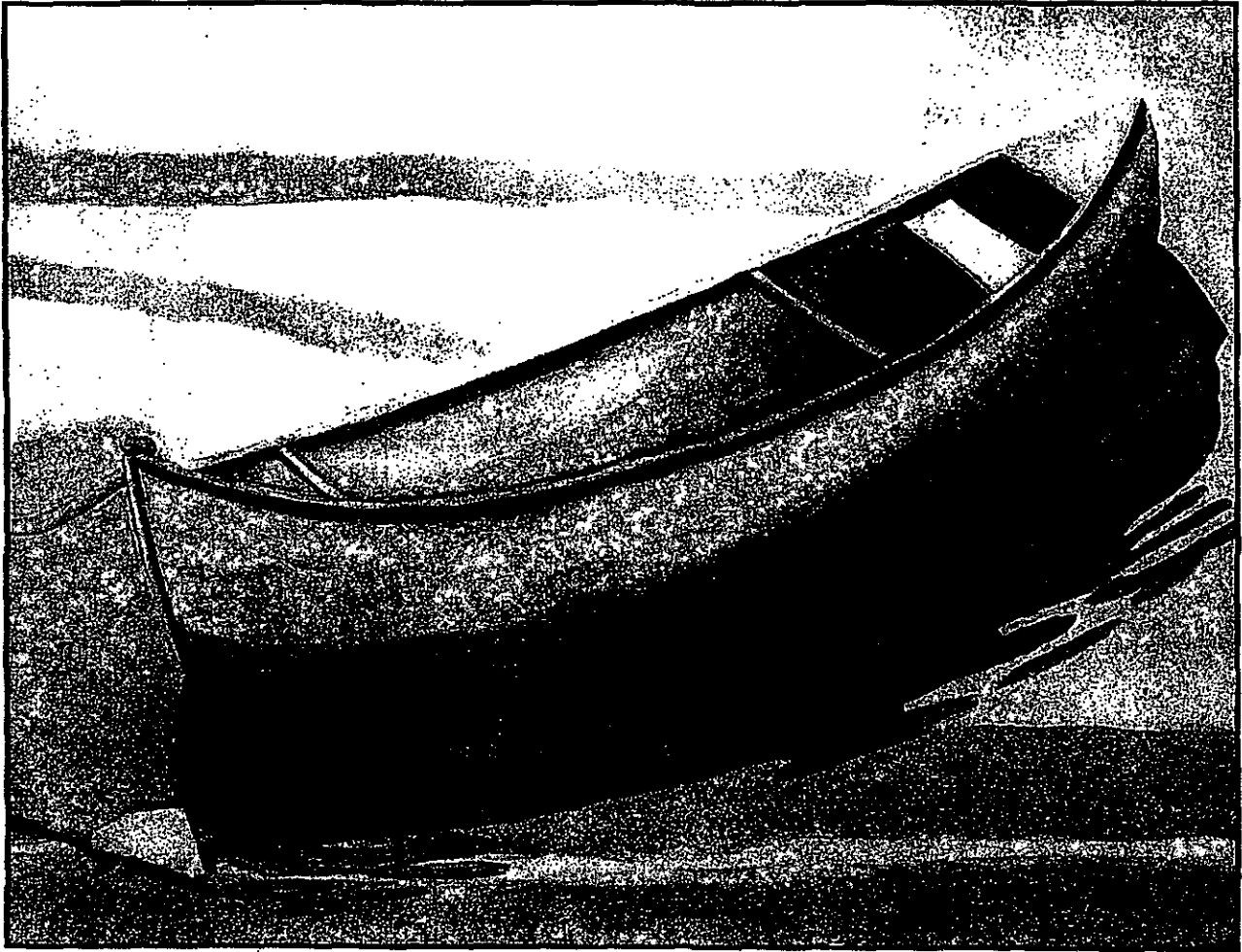
The following are currently known St. Tammany Parish economic factors considered into the 2010-11 fiscal year:

- Sales taxes rate of growth is projected to resume a modest growth. St. Tammany Parish remains one of the wealthiest parishes in the State of Louisiana and the continuing effects from Hurricane Katrina have become a minimal level.
- The School Board's student attendance is expected to continue to increase for the next couple of years. Enrollment as of October 1, 2010 was 37,112 for an increase of students of 671 over October 1, 2009.
- Retirement system contributions were increased significantly effective July 1, 2010. Teachers' Retirement System increased the employer contribution from 15.5% to 20.2%. School Employees Retirement System increased the employer contribution from 17.6% to 24.2%. This increase in employer contributions is expected to cost the School Board an additional \$12 million for 2011.
- The School Board's fiscal year 2011 budget for capital projects is expected to increase with completion of two new schools and construction planned as part of the 2008 referendum.
- The Louisiana Department of Education has discontinued funding for several mandates for 2011 including funding for Non Public transportation, National Board Certified Stipends, and Leap remediation.
- Projected ad valorem taxes for 2010-2011 indicate increases of approximately \$4.5 million due to increases in property values.

All of these factors were considered in preparing the St. Tammany Parish School Board's budget for the 2010-11 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Terri Fortenberry, Director of Business Services at the St. Tammany Parish Public School System, P.O. Box 940, Covington, LA 70434-0940 or by calling (985) 898-3217 during regular business hours, Monday through Friday, from 8:30 a.m. to 4:30 p.m., central standard time.



"Waiting Pirogue"
Aaron Rasmussen - Grade 12
Sherryl Alack - Teacher
Fontainebleau High

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

BASIC FINANCIAL STATEMENTS:

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

ST TAMMANY PARISH SCHOOL BOARD
 Covington, Louisiana
 Statement of Net Assets
 June 30, 2010

Statement A

		<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS		
Cash and cash equivalents	\$	155,850,623
Investments		4,953,635
Receivables (Net):		
Taxes:		
Ad valorem		2,619,137
Sales and use		12,329,774
Intergovernmental :		
Federal		9,063,462
State		997,183
Other Receivables		1,652,228
Prepaid expenses		394,582
Inventory		442,265
Deferred charges		340,087
Restricted cash and cash equivalents		72,299,354
Restricted investments		43,432
Capital assets not being depreciated:		
Land		17,144,025
Construction in progress		44,559,258
Capital assets net of accumulated depreciation		
Land improvements		7,418,792
Buildings and improvements		356,820,348
Furniture and equipment		6,850,739
TOTAL ASSETS	\$	<u>693,778,924</u>
LIABILITIES		
Salaries & wages payable	\$	27,976,513
Payroll deductions and withholdings payable		6,643,321
Accounts payable		6,460,258
Accrued interest payable		3,407,232
Retainages payable		4,721,615
Unearned revenues		756,471
Other liabilities		158,811
Long-term liabilities:		
Due within one year:		
Bonds payable		19,533,333
Compensated absences		5,516,033
Claims and judgments		4,045,091
Due in more than one year:		
Bond payable payable plus unamortized premium		230,503,213
Community Disaster Loan payable		67,843,971
Accrued interest payable		7,797,024
Compensated absences		12,661,598
Claims and judgments		10,142,575
Other post employment benefits		46,862,943
TOTAL LIABILITIES	\$	<u>455,030,002</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$	255,099,402
Restricted for debt service		22,595,295
Unrestricted		<u>(38,945,775)</u>
TOTAL NET ASSETS	\$	<u>238,748,922</u>

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

Statement B

ST. TAMMANY PARISH SCHOOL BOARD
Covington, LouisianaStatement of Activities
For the Year Ended June 30, 2010

	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
FUNCTIONS/PROGRAMS					
<i>Governmental Activities:</i>					
<i>Instruction:</i>					
Regular Programs	\$ 149,434,835	\$ 269,807	\$ 6,292,953	\$ -	\$ (142,872,075)
Special Education Programs	76,655,867	-	7,704,884	-	(68,950,983)
Vocational Educational Programs	6,093,611	-	260,999	-	(5,832,612)
Other Instructional Programs	13,829,209	-	1,329,103	-	(12,500,106)
Special Programs	13,143,735	-	2,485,419	-	(10,658,316)
Adult Educational Programs	355,165	-	220,326	-	(134,839)
<i>Support Services:</i>					
Pupil Support	19,781,955	-	3,790,189	-	(15,991,766)
Instructional Staff Support	16,559,444	-	3,731,608	-	(12,827,836)
General Administration	7,978,436	-	1,345,755	-	(6,632,681)
School Administration	23,383,836	-	-	-	(23,383,836)
Business Administration	2,884,197	-	-	-	(2,884,197)
Operation and Maintenance of Plant	34,723,590	-	18,242	25,843,675	(8,861,673)
Pupil Transportation	32,459,145	-	930,758	-	(31,528,387)
Central Services	7,293,744	-	50,597	-	(7,243,147)
Food Services	21,285,705	3,023,636	15,895,863	21,290	(2,344,916)
Community Service Programs	1,356,639	1,167,220	-	-	(189,419)
Interest on Long-term Debt	12,216,768	-	-	-	(12,216,768)
Total Governmental Activities	\$ 439,435,881	\$ 4,460,663	\$ 44,056,696	\$ 25,864,965	(365,053,557)
<i>Unrestricted General Revenues (expenses):</i>					
<i>Taxes:</i>					
Ad Valorem (Property) Taxes					101,670,428
Sales and Use Taxes					72,079,382
State Revenue Sharing					1,953,133
<i>Grants and Contributions not Restricted to</i>					
Specific Programs - Minimum Foundation Program					181,812,673
Interest and Investment Earnings					1,439,649
Miscellaneous					3,197,434
Total General Revenues					362,152,699
Changes in Net Assets					(2,900,858)
Net Assets, Beginning					241,649,780
Net Assets, Ending					\$ 238,748,922

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



"Louisiana Bobcat"
Brice Bivona - Grade 11
Sherryl Alack - Teacher
Fontainebleau High

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)**

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Governmental Funds - Balance Sheet

June 30, 2010

With Comparative Totals for June 30, 2009

	Major Fund Types			
	General	1966 Sales Tax	1977 Sales Tax	Katrina Funds
Assets				
Cash and cash equivalents	\$ 44,653,701	\$ 131	\$ 131	\$ 70,093,941
Investments	3,734,598	-	-	15,136
Receivables:				
Taxes:				
Ad valorem	1,725,718	-	-	-
Sales and use	12,329,774	-	-	-
Intergovernmental:				
Federal	319,592	-	-	665,910
State	392,489	-	-	-
Interest	17,690	-	-	-
Other	1,261,468	-	-	-
Prepaid expenses	6,544	-	-	-
Due from other funds	29,228,692	-	-	-
Inventory	-	-	-	-
Total Assets	\$ 93,670,266	\$ 131	\$ 131	\$ 70,774,987
Liabilities and Fund Balances				
Liabilities:				
Salaries and wages payable	\$ 27,976,513	\$ -	\$ -	\$ -
Payroll deductions and withholdings payable	6,643,321	-	-	-
Accounts payable	1,097,127	131	131	715,976
Contracts and retainages payable	-	-	-	3,028,290
Due to other funds	6,001,288	-	-	20,004,398
Other liabilities	158,811	-	-	-
Unearned revenues	418,161	-	-	-
Total Liabilities	42,295,221	131	131	23,748,664
Fund Balances:				
Reserved for:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved/designated for:				
Designated for bond rating	20,854,282	-	-	-
Unreserved, undesignated reported in:				
General fund	30,520,763	-	-	-
Special revenue funds	-	-	-	47,026,323
Capital projects funds	-	-	-	-
Total Fund Balances	51,375,045	-	-	47,026,323
Total Liabilities and Fund Balances	\$ 93,670,266	\$ 131	\$ 131	\$ 70,774,987

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

Statement C

		Non-Major Fund Types		Totals	
				2010	2009
2008	Other				
<u>Construction Fund</u>	<u>Governmental</u>				
\$ 49,503,644	\$ 34,769,721	\$ 219,021,269	\$ 256,701,256		
37,227	134,163	3,921,124	4,075,513		
-	749,357	2,475,075	2,804,188		
-	-	12,329,774	12,848,744		
-	8,077,960	9,063,462	13,132,052		
-	604,694	997,183	1,622,480		
-	-	17,690	35,012		
-	4,423	1,261,891	779,547		
-	2,266	8,810	-		
-	425,739	29,654,431	28,844,396		
-	442,265	442,265	455,820		
<u>\$ 49,540,871</u>	<u>\$ 65,210,588</u>	<u>\$ 279,196,974</u>	<u>\$ 321,299,008</u>		
\$ -	\$ -	\$ 27,976,513	\$ 28,105,502		
-	-	6,643,321	3,747,138		
3,326,220	1,278,940	6,418,525	8,425,154		
1,314,883	378,442	4,721,615	3,558,786		
-	9,224,294	35,229,980	21,759,288		
-	-	158,811	101,014		
-	338,310	756,471	729,184		
<u>4,641,103</u>	<u>11,219,986</u>	<u>81,905,236</u>	<u>66,426,066</u>		
-	442,265	442,265	455,820		
-	22,595,295	22,595,295	19,619,889		
-	-	20,854,282	20,854,282		
-	-	30,520,763	29,080,989		
-	1,436,790	48,463,113	98,098,249		
<u>44,899,768</u>	<u>29,516,252</u>	<u>74,416,020</u>	<u>86,763,714</u>		
<u>44,899,768</u>	<u>53,990,602</u>	<u>197,291,738</u>	<u>254,672,942</u>		
<u>\$ 49,540,871</u>	<u>\$ 65,210,588</u>	<u>\$ 279,196,974</u>	<u>\$ 321,299,008</u>		

Statement D

ST. TAMMANY PARISH SCHOOL BOARD

Covington, Louisiana

Reconciliation of the Governmental Funds Balance Sheet

to the Statement of Net Assets

as of June 30, 2010

For the Year Ended June 30, 2010

\$ 197,291,738

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

Cost of capital assets	\$ 667,136,324	
Accumulated depreciation	<u>(234,343,162)</u>	\$ 432,793,162

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

\$ 340,087

Elimination of interfund assets and liabilities

Interfund assets	\$ (29,654,431)	
Interfund liabilities	<u>35,229,980</u>	\$ 5,575,549

Change in revenue accruals - Under modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

\$ 144,062

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement less interfund balances eliminated in the consolidation into the governmental activities.

Total net assets	\$ 2,305,220	
Interfund balances	<u>(5,575,549)</u>	\$ (3,270,329)

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

Balances at June 30, 2010 are:

Accrued interest payable	\$ (11,204,256)	
Bonds payable	(248,825,000)	
Unamortized Bond Premium	(1,211,546)	
Community Disaster Loan	(67,843,971)	
Other Post Employment benefits	(46,862,943)	
Compensated absences	<u>(18,177,631)</u>	\$ (394,125,347)

Net assets - governmental activities

\$ 238,748,922

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



"Alligator Smile"
Brandon Black - Grade 12
Sherryl Alack - Teacher
Fontainebleau High

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009

	Major Fund Types				
	General	1966 Sales Tax Fund	1977 Sales Tax Fund	Karlson Funds	2003 Construction Fund
Revenues					
Local sources:					
Taxes:					
Ad valorem	\$ 72,852,354	\$ -	\$ -	\$ -	\$ -
Sales and use	-	36,039,691	36,039,691	-	-
Tuition	269,807	-	-	-	-
Earnings on investments	304,234	8,526	8,526	400,662	414,984
Food service	-	-	-	-	-
Other	3,624,689	-	-	-	-
State sources:					
Milken Foundation program	179,787,673	-	-	-	-
Contributions to					
Teachers' Retirement	45,712	-	-	-	-
Revenue sharing	(653,133)	-	-	-	-
Professional Improvement Program	342,311	-	-	-	-
Other	1,883,127	-	-	-	-
Federal sources	461,540	-	-	20,045,002	-
Total Revenues	<u>361,528,080</u>	<u>36,048,217</u>	<u>36,048,217</u>	<u>20,446,564</u>	<u>414,984</u>
Expenditures					
Current:					
Instruction:					
Regular education programs	141,575,240	-	-	-	-
Special education programs	66,511,757	-	-	-	-
Vocational education programs	5,624,915	-	-	-	-
Other instructional programs	12,028,745	-	-	-	-
Special programs	1,944,184	-	-	-	-
Adult education programs	172,350	-	-	-	-
Support services:					
Pupil support	15,317,509	-	-	-	-
Instructional staff support	12,263,416	-	-	-	-
General administration	5,771,159	379,366	379,366	-	56,250
School administration	22,586,811	-	-	-	-
Business administration	2,785,891	-	-	-	-
Operation and maintenance of plant	27,724,037	-	-	-	-
Pupil transportation	30,878,619	-	-	-	-
Central services	6,994,544	-	-	-	-
Food service	4,643,040	-	-	-	-
Community service programs	41,372	-	-	-	-
Facilities acquisition and construction	530,933	-	-	29,793,736	38,413,266
Debt service:					
Legal fees	-	-	-	-	-
Election expenses	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Principal retirement	-	-	-	-	-
Interest and bank charges	-	-	-	-	-
Total Expenditures	<u>357,414,722</u>	<u>379,366</u>	<u>379,366</u>	<u>29,793,736</u>	<u>38,469,516</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(95,886,642)</u>	<u>35,668,851</u>	<u>35,668,851</u>	<u>(9,347,172)</u>	<u>(38,054,532)</u>
Other Financing Sources (Uses)					
Transfers in	103,714,946	-	-	4,597	124,364
Transfers out	(6,388,579)	(35,668,851)	(35,668,851)	(39,449,998)	(18,400,000)
Insurance proceeds	-	-	-	-	-
Premiums received on bonds issued	-	-	-	-	-
Bonds issued	-	-	-	-	25,000,000
Total Other Financing Sources and Uses	<u>97,326,417</u>	<u>(35,668,851)</u>	<u>(35,668,851)</u>	<u>(39,445,401)</u>	<u>6,724,364</u>
Net Change in Fund Balances	<u>1,439,775</u>	<u>-</u>	<u>-</u>	<u>(48,792,573)</u>	<u>(31,330,168)</u>
Fund Balances, Beginning of Year	<u>49,935,270</u>	<u>-</u>	<u>-</u>	<u>95,818,896</u>	<u>76,229,936</u>
Fund Balances, End of Year	<u>\$ 51,375,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,026,323</u>	<u>\$ 44,899,768</u>

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

Statement E

Non-major Fund Types	Total	
	2010	2009
Other Governmental		
\$ 30,802,524	\$ 103,654,878	\$ 97,645,368
-	72,079,382	77,359,837
1,167,220	1,437,027	1,528,919
300,717	1,439,649	2,721,493
3,023,636	3,023,636	3,078,385
143,215	3,769,904	3,248,160
2,025,000	181,812,673	180,116,316
-	45,712	48,495
-	1,953,133	1,971,376
-	342,811	369,618
4,937,127	6,819,254	12,143,910
41,633,972	62,141,414	62,162,333
<u>14,033,411</u>	<u>438,519,673</u>	<u>442,535,512</u>
2,764,189	144,341,429	133,335,707
7,531,336	74,043,093	69,487,215
260,999	5,835,314	5,426,641
1,328,303	13,357,848	13,913,227
10,751,554	12,693,738	10,511,773
276,789	343,659	379,963
3,790,169	19,107,598	14,678,246
3,731,608	15,993,024	14,429,702
1,120,354	7,706,495	7,409,765
-	22,586,811	20,700,322
-	2,783,891	2,439,633
5,816,018	33,540,035	32,041,391
474,194	31,332,793	29,545,881
50,597	7,045,341	7,741,955
15,917,153	20,560,193	19,285,342
1,268,826	1,310,398	1,346,808
17,733,170	16,491,305	15,418,654
102,078	102,078	1,625
-	-	3,022
17,249	17,249	31,447
14,095,000	18,095,000	12,593,000
10,012,977	10,012,977	8,830,790
<u>100,939,283</u>	<u>527,375,889</u>	<u>489,625,227</u>
(16,905,872)	(88,856,516)	(47,089,735)
37,791,336	141,283,245	90,170,641
(6,008,014)	(141,283,243)	(90,170,841)
-	-	10,676,835
1,275,312	1,275,312	1,432,361
5,000,000	30,000,000	86,330,000
<u>38,007,634</u>	<u>31,275,312</u>	<u>98,439,194</u>
21,101,762	(57,581,204)	51,349,479
<u>32,888,840</u>	<u>254,872,942</u>	<u>203,423,463</u>
\$ 53,990,602	\$ 197,291,738	\$ 254,872,942

ST. TAMMANY PARISH SCHOOL BOARD
 Covington, Louisiana
**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, 2010

Total net changes in fund balances -- governmental funds \$ (57,581,204)

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

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

Capital outlays	\$ 95,495,750	
Depreciation expense	<u>(17,987,296)</u>	77,508,454

New debt/bonds issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal and capital leases is expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount that the amount issued exceeded repayments.

Bonded Debt Repayments	\$ 18,095,000	
Bond proceeds	(30,000,000)	
Bond premium	(1,211,546)	
Bond issuance costs	100,765	
Accrued interest	<u>(2,248,995)</u>	(15,264,776)

Revenues for sales tax, ad valorem, and federal funds in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (1,984,450)

In the Statement of Activities, compensated absences 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 year, vacation and sick time earned (\$6,836,986) exceeded the amounts used (\$3,516,033) by \$1,320,953. (1,320,953)

In the Statement of Activities, Post Employment benefits 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) (15,863,649)

All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Net Assets		<u>\$ 11,605,720</u>
Change in net assets of governmental activities		<u>\$ (2,900,858)</u>

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

Statement G

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Fund
Statements of Net Assets
For the Year Ended June 30, 2010
With Comparative Totals for June 30, 2009

	<u>2010</u>	<u>2009</u>
Current Assets		
Cash and cash equivalents	\$ 9,128,708	\$ 9,247,684
Investments	1,075,943	1,075,738
Prepaid expenses	385,772	-
Accounts receivable	368,647	2,338,407
Due from other funds	5,575,549	247,135
Total Assets	<u>\$ 16,534,619</u>	<u>\$ 12,908,964</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 41,733	\$ 27,556
Due to other funds	-	7,332,243
Liability for self-insurance losses	3,769,207	2,959,992
Claims liability	275,884	325,411
Total Current Liabilities	<u>4,086,824</u>	<u>10,645,202</u>
Long Term Liabilities		
Liability for self-insurance losses	9,131,223	11,311,142
Claims liability	1,011,352	253,120
Total Long Term Liabilities	<u>10,142,575</u>	<u>11,564,262</u>
Net Assets		
Restricted for employee benefits	2,193,873	5,557,104
Unrestricted	111,347	(14,857,604)
Total Net Assets	<u>2,305,220</u>	<u>(9,300,500)</u>
Total Liabilities and Net Assets	<u>\$ 6,392,044</u>	<u>\$ 1,344,702</u>

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

Statement H

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type- Internal Service Fund
Statements of Revenues, Expenses, and
Changes in Net Assets
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues		
Employer contributions	\$ 89,840,246	\$ 64,815,782
Total Operating Revenues	<u>89,840,246</u>	<u>64,815,782</u>
Operating Expenses		
Administrative	372,030	365,157
Contractual services	4,970,279	2,990,197
Premium payments	1,937,596	1,738,701
Benefit Payments	71,344,660	66,380,483
Claims	351,360	1,508,170
Decrease in provision for self-insurance losses	<u>(661,999)</u>	<u>(664,515)</u>
Total Operating Expenses	<u>78,313,926</u>	<u>72,318,193</u>
Operating Income (Loss)	11,526,320	(7,502,411)
Non-Operating Revenues		
Earnings on investments	79,400	142,884
Total Non-Operating Revenues	<u>79,400</u>	<u>142,884</u>
Changes in Net Assets	11,605,720	(7,359,527)
Total Net Assets - Beginning of Year	<u>(9,300,500)</u>	<u>(1,940,973)</u>
Total Net Assets - End of Year	<u>\$ 2,305,220</u>	<u>\$ (9,300,500)</u>

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

Statement I

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Funds
Statements of Cash Flows
For the Year Ended June 30, 2010
With Comparative Totals For June 30, 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities		
Receipts from employer and employee contributions	\$ 91,810,007	\$ 62,961,607
Payments for benefits and claims	(84,599,099)	(62,038,662)
Payments for insurance premiums	(1,937,596)	(1,738,701)
Payments for administrative and contractual services	(5,471,483)	(3,367,053)
Net Cash Used by Operating Activities	<u>(198,171)</u>	<u>(4,182,809)</u>
Cash Flows from Investing Activities		
Earnings on investments	79,400	142,884
Net Cash Provided by Investing Activities	<u>79,400</u>	<u>142,884</u>
Net Decrease in Cash, Cash Equivalents and Investments	(118,771)	(4,039,925)
Cash, Cash Equivalents and Investments at Beginning of Year	<u>10,323,422</u>	<u>14,363,347</u>
Cash, Cash Equivalents and Investments at End of Year	<u>\$ 10,204,651</u>	<u>\$ 10,323,422</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:		
Operating income (loss)	\$ 11,526,320	\$ (7,502,411)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Decrease in provision for self insurance losses	(661,999)	(664,515)
Increase in receivables	(3,358,654)	(1,890,056)
Increase in prepaids	(385,772)	-
Increase (decrease) in payables	(7,318,066)	5,874,173
Net cash used by operating activities	<u>\$ (198,171)</u>	<u>\$ (4,182,809)</u>

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

Statement J

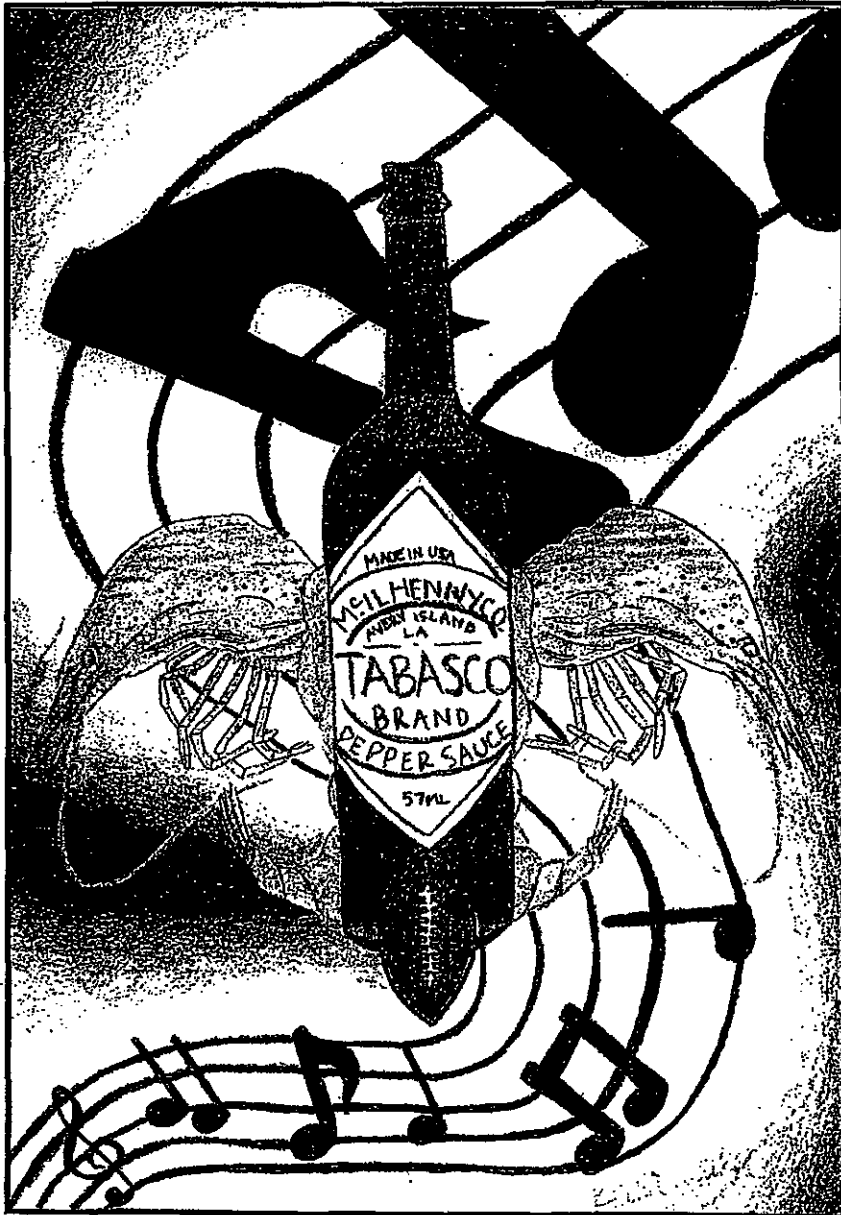
ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Agency/Fiduciary Fund
Comparative Statement of Fiduciary Assets and Liabilities - School Activity Funds
For the Year Ended June 30, 2010
With Comparatives Totals for June 30, 2009

	<u>2010</u>	<u>2009</u>
Assets		
Cash and cash equivalents	\$ 4,488,115	\$ 3,031,949
Accounts receivable	66,066	100,676
Investments	<u>949,134</u>	<u>2,177,859</u>
Total Assets	<u>\$ 5,503,315</u>	<u>\$ 5,310,484</u>
Liabilities		
Accounts payable	\$ 118,433	\$ 140,875
Due to schools	<u>5,384,882</u>	<u>5,169,609</u>
Total Liabilities	<u>\$ 5,503,315</u>	<u>\$ 5,310,484</u>

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





"Spicy Sounds of the South"
Kayla Walker - Grade 10
Mary White - Teacher
Slidell High School

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 - A. Reporting Entity
 - B. Basis of Presentation-Fund Accounting
 - C. Basis of Accounting-Measurement Focus
 - D. Budget Practices
 - E. Encumbrances
 - F. Cash, Cash Equivalents, and Investments
 - G. Receivables
 - H. Short-Term Interfund Receivables/Payables
 - I. Inventory
 - J. Restricted Assets
 - K. Capital Assets
 - L. Long-Term Obligations
 - M. Compensated Absences
 - N. Sales and Use Taxes
 - O. Restricted Net Assets – Government-wide Financial Statements
 - P. Reserves of Fund Balance – Fund Financial Statements
 - Q. Claims and Judgments
 - R. Comparative Data and Total Columns on Combined Statements
2. AD VALOREM TAXES
3. CASH, CASH EQUIVALENTS, AND INVESTMENTS
4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS
5. PROPERTY, PLANT, AND EQUIPMENT
6. RISK MANAGEMENT
7. CHANGES IN LONG-TERM DEBT
8. DEFEASED DEBT
9. TAX ARBITRAGE REBATE
10. RETIREMENT PLANS
11. CHANGES IN AGENCY DEPOSITS DUE OTHERS
12. LITIGATION AND CLAIMS
13. EXCESS OF EXPENDITURES OVER APPROPRIATIONS
14. NET ASSETS DEFICIT IN INTERNAL SERVICE FUNDS
15. HURRICANE KATRINA
16. GASB STATEMENT NO. 45 "ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POST EMPLOYMENT BENEFITS OTHER THAN PENSION"
17. SUBSEQUENT EVENTS

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The St. Tammany Parish School Board (the School Board) was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within St. Tammany Parish, Louisiana. The School Board is authorized by LRS 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 authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is comprised of 15 members who are elected from 15 districts for concurrent terms of four years expiring in December 2010.

The School Board operates 55 schools within the parish with a total enrollment of 36,441 students. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

For financial reporting purposes, the School Board includes all funds and activities for which the School Board exercises financial accountability. The School Board members are elected by the public, have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. Certain units of local government, over which the School Board exercises no financial accountability, such as the parish council, other independently elected parish officials and municipalities within the parish, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units that require inclusion in the financial statements.

B. BASIS OF PRESENTATION-FUND ACCOUNTING

Government Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in GWFS. Fiduciary funds

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are reported only in the Statement of Assets and Liabilities at the fund financial statement level. For the most part, the effect of interfund activity has been removed from these statements.

Internal Activities: The workers' compensation, risk management and health/life insurance funds provide services to the governmental funds. Accordingly, these funds were included in the government activities. Pursuant to GASB 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

Program Revenues: Program revenues include: 1) charges for services provided, 2) operating grants and contributions and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from food sales and tuition. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of Indirect Expenses: The School Board reports all direct expense by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identifiable by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Other indirect expenses including compensated absences and GASB 45 adjustments are allocated.

Fund Financial Statements (FFS)

Fund financial statements report detailed information about the School Board. The focus of the governmental and enterprise fund financial statements is on the major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported by the School Board for the year ended June 30, 2010 are as follows:

- General Fund, accounts for the day to day operations of the School Board.
- 1966 Sales Tax Fund, accounts for the collection for the 1966 sales taxes for the School Board
- 1977 Sales Tax Fund, accounts for the collection for the 1977 sales taxes for the School Board
- Katrina Funds, accounts for the revenue and expenditures relating to the recovery from Katrina
- 2008 Construction Fund, accounts for the expenditures of the \$167 million in general obligation bonds approved by the voters to finance \$15 million in technology, \$2.1 million in security cameras, and \$149.9 million in capital improvements for new construction and improvements to existing facilities.

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Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary funds statements.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs and special district funds established for various educational objectives.

Debt Service Funds

Debt Service Funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). Separate capital project funds are maintained to account for the proceeds of general obligation bonds and other financing proceeds.

Proprietary Funds are used to account for the School Board's ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School Board's proprietary fund type is limited to Internal Service Funds as follows:

Internal Service Funds

The Internal Service Funds are used to account for the accumulation of resources for and the payment of benefits by the School Board's self-insurance programs. The School Board maintains the following self-insurance funds:

Workers' Compensation Fund - This fund is used to account for the payment of workers' compensation benefits.

Risk Management Fund - This fund is used to account for general liability, which is fully insured for FYE June 30, 2010 with a deductible of \$250,000 per occurrence, and property damage, which is insured at the fiscal year end June 30, 2009 with a deductible of \$5,000,000 per occurrence.

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Health/Life Insurance Fund - This fund is used to account for the expenditures for health and life insurance claims for the School Board.

Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of self-insurance amounts, (2) estimated claim losses resulting from self-insurance programs which include estimated liabilities for claims incurred but not yet reported at year end and (3) operating expenses. Non-operating income includes interest income.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the School Board in a trustee or agency capacity. The School Board maintains one fiduciary fund type, an agency fund. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

C. BASIS OF ACCOUNTING-MEASUREMENT FOCUS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes (ad valorem) are recognized as revenue in the year they are levied and grant revenues are recognized as soon as all eligibility requirements are met. Revenues not earned are reported as unearned revenues.

The governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School Board considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

The proprietary fund type is accounted for accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expense generally result from providing services in connection with a proprietary fund's principal ongoing operations. The operating revenue of the propriety funds are employer contributions. The operating expenses for the proprietary funds include the cost of insurance

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premiums, claims and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary fund types (agency fund) are reported in the financial statements on the accrual basis of accounting. Under the accrual basis, revenues are recorded when they are earned. Revenues not considered earned are recorded as unearned revenues. The following practices in recording revenues and expenditures have been used for the governmental funds.

The School Board applies all applicable FASB pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

Revenues

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. For this purpose, the Board considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on November 15 of each year and become delinquent on December 31. An enforceable lien attaches to the property as of November 15. The taxes were levied by the School Board on May 28, 2009. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. Tammany Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School Board considers them available (60 days) to finance current year obligations and are collected by the St. Tammany Parish Tax Collector. Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period generally except in cases where the employee opted to be paid over nine months. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as a liability on the government-wide financial statements. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due. All other

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

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Unearned Revenues

Unearned revenues arise when resources are received before the School Board has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures, when tuition is received in advance of the commencement of classes, taxes paid in protest or when there is an inventory of donated food commodities at year end. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Prepays

Prepaid expenditures are recorded in the year that the expenditure is accrued using the consumption method.

D. BUDGET PRACTICES

The proposed budgets for fiscal year 2009-2010 were completed and made available for public inspection at the School Board office on July 30, 2009. A public hearing was held on August 13, 2009 for suggestions and comments from taxpayers. The proposed fiscal year 2009-2010 budgets were formally adopted by the School Board on September 10, 2009 and amended on May 13, 2010. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Capital Projects Funds were published in the official journal ten days prior to the public hearings. The budget and amendments are reported on the major funds in the Budgetary Comparison Schedules in the Other Required Supplementary Information Section of this report.

The budgets for all Funds for the fiscal year 2010 were prepared on a modified accrual basis, consistent with generally accepted accounting principles (GAAP).

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions which are directly related to the prior year's budget are not included in the budget for the current year.

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The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds, at the project level for the Capital Projects Funds and at the individual debt issue level for the Debt Service Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

Because the budgets are prepared on a modified accrual basis, no differences in budget basis and GAAP basis occurs. Additional information on the original and final budgets can be found in the Budgetary Comparison Schedules in the Other Required Supplementary Information Section of this report.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded, is employed by all funds during the year as a budgetary tool. Encumbrances outstanding at year-end are liquidated.

F. CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less at date of acquisition are considered to be cash equivalents in the Internal Service Funds. Investments are stated at cost, which approximates fair value, and is the same as the value of the investment pool shares.

G. RECEIVABLES

Intergovernmental receivables consist of receivables for reimbursement of expenditures under various state and federal programs and grants. All amounts are expected to be collected within the next twelve months.

Other receivables include all trade and other receivables considered to be received within one year. No allowance for uncollectible accounts has been established as all receivables are considered collectable.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the normal course of operations, numerous transactions occur between funds for goods provided or services rendered. Activities between the funds that are representative of

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lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds" (i.e. the current portion) or "advances to/from other funds" (i.e. the non-current portion). These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

I. INVENTORY

Inventory of the School Food Service 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 Education. The commodities are recorded as revenues and expenditures when consumed. The purchased food is recorded as expenditures when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

J. RESTRICTED ASSETS

Certain proceeds to the School Board general obligation bonds are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Bond proceeds from the 2004 Construction Fund, the 2008 Construction Fund and the QSCB Construction Fund are reported as restricted assets.

K. CAPITAL ASSETS

Land, land improvements, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their estimated market value on the date of donation. Approximately 95 percent of capital assets are valued at historical cost, while the remaining 5 percent are valued at estimated cost, based on the historical cost of like items. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000.

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

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Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Assets	Years
Land	-
Land Improvements	20
<i>Buildings and Improvements:</i>	
Fixed Buildings and Improvements	30
Temporary Buildings (Portables)	20
<i>Furniture and Equipment:</i>	
Heavy Equipment	10
Office Equipment	5 -10
Furniture and Fixtures	5
Computers, Electronics and Video Equipment	3

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts if material, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, when material, are reported as deferred charges and amortized over the term of the related debt.

M. COMPENSATED ABSENCES

All 12-month non-school administrative employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. A maximum of five days of vacation leave may be carried forward to the next calendar year. Upon termination, earned vacation leave is paid to the employee at the employee's current rate of pay.

All School Board employees earn from 10 to 13 days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement, a maximum of 25 days of unused sick leave is paid to the employee at the employee's current rate of pay, and all unused sick leave is used in the retirement benefit computation as earned service. 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. Leave may be

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granted for medical purposes and professional and cultural improvement. All employees are eligible for extended sick leave of up to ninety days in each six year period of employment which may be used for personal illness or illness of an immediate family member providing that the employee has no remaining regular sick leave balance. The employee on extended sick leave is paid sixty-five percent of their salary at the time the extended sick leave begins.

The cost of compensated absence privileges (unused sick leave) is recognized as current year expenditures in the General Fund when leave is actually taken or when employees are paid for accrued leave upon retirement or death. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

At June 30, 2010, employees of the School Board have accumulated and vested \$18,177,631 of compensated absence benefits in salary and salary related payments.

N. SALES AND USE TAXES

On June 25, 1966, the voters of St. Tammany Parish approved a one percent sales and use tax which, after payment of necessary costs and expenses of collecting the tax, is dedicated for payments of salaries of teachers and other school personnel and for other operating expenses. On September 18, 1976, the voters of St. Tammany Parish approved a one percent sales tax to be levied on behalf of the St. Tammany Parish School Board for a period of 15 years. In April 2004, the voters of the parish designated this tax as permanent.

The proceeds are dedicated for the purposes of capital improvements, maintenance, and operating expenses of the School Board. The sales and use taxes are collected by the St. Tammany Parish Tax Collector for a percentage of the monthly collections.

O. RESTRICTED NET ASSETS - GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

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P. RESERVES OF FUND BALANCE – FUND FINANCIAL STATEMENTS

Reserves on the governmental funds represent portions of fund balances that are not available for appropriations for expenditures or have been legally segregated for future use. *Reserved for Inventory* represents an offset against an asset inventory, because it does not constitute an available, spendable resource of the fund. *Reserved for Debt Service* represents the amount of fund balance available to pay the remaining amounts of outstanding debt.

Q. CLAIMS AND JUDGMENTS

The School Board provides for losses and anticipated expenses resulting from claims and judgments including claim adjustment expenditures/expense, salvage and subrogation. Losses resulting from claims and judgments are estimated by utilizing a case by case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50.

The liability for such losses is recorded in the Internal Service Funds. Incurred but not reported claims as of June 30, 2010 have been considered in determining the accrued liability.

R. COMPARATIVE DATA AND TOTAL COLUMNS ON STATEMENTS

Comparative total data for the prior year has been presented in the basic financial statements in order to provide an understanding of changes in the School Board's financial position and operations of these funds. However, comparative data (i.e., presentation of prior year total by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. In the fund financial statements interfund eliminations have not been made in the aggregation of this data, and there are certain reconciling items which are further explained in Statements D and F.

2. AD VALOREM TAXES

The following is a summary of authorized and levied parish-wide ad valorem taxes for the fiscal year ended June 30, 2010:

	<u>Mills</u>	<u>Year of</u> <u>Expiration</u>
Constitutional	3.80	N/A
Additional Support	4.84	2013
Construction, Maintenance and Operations	3.44	2013
Improve, Maintain and Operating	35.47	2013
Bond and Interest - District No. 12	<u>20.90</u>	N/A
Total millage	<u>68.45</u>	

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3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

For reporting purposes, cash and cash equivalents includes, savings, demand deposits, time deposits and certificates of deposit. Deposits in bank accounts are stated at cost, which approximates market. Further, the School Board may invest in time certificates of deposit in state banks organized under the laws of Louisiana, national banks having their principal of office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions. Cash balances of all funds are combined. Interest earned on deposits is distributed to the individual funds based on the invested balances of the participating funds during the year. Interest is recorded when earned.

Under state law, the bank balances of these deposits 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 or exceed the amount on deposit with the fiscal agent. These pledged securities must be held in the name of the School Board or the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasury.

At June 30, 2010, the School Board's carrying value of its deposits excluding fiduciary cash balances was \$228,149,977 and the bank balance was \$234,017,205. Of the bank balance, \$234,017,205 was covered by federal depository insurance or secured by bank owned securities specifically pledged to the School Board and held in joint custody by an independent custodian bank or trust department. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. At June 30, 2010, none of the School Board's deposits were exposed to custodial credit risk representing uninsured deposits collateralized by a pledging bank's trust department, but not in the School Board's name. Restricted cash and cash equivalents are reported on the Statement of Net Assets in the amount of \$72,299,354 for the year ended June 30, 2010. These restricted assets represent certain proceeds of general obligation bonds of the School Board, and their use is limited by applicable bond covenants.

In addition, at year-end, the individual schools held cash, cash equivalents and investments of \$5,437,249 in various accounts. The balances of these accounts are collateralized with either FDIC insurance and/or pledged securities in the School Board's name. Because these accounts are not assets of the School Board (Agency Funds), the balances are not reflected in the fund financial statement or the government-wide financial statements.

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Investments

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

Under state law, the School Board may invest in United States bonds, treasury notes and bills, or certificates and time deposits of state banks organized under Louisiana law, and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool rated "AAA". Investments are stated at cost, which approximates fair value, and is the same as the value of the pool shares.

Investments of \$4,997,067 (\$3,921,124 in the governmental funds and \$1,075,943 in the proprietary funds) at June 30, 2010 include \$1,950,000 in certificates of deposits, and \$3,047,067 in LAMP.

At year-end, the School Board's investment balances were as follows:

	<u>Maturities in Years</u>			Reported
	<u>Less than One</u>	<u>One to Five</u>	<u>Five to Ten</u>	Amount/Fair Value
Certificates of Deposits	\$ 1,950,000	\$ -	\$ -	\$ 1,950,000
Investments not subject to Categorization:				
Louisiana Asset Management Pool				3,047,067
Total Investments	<u>\$ 1,950,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,997,067</u>

Interest Risk. Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rates. One indicator of the measurement of interest rate risk is the dispersion of maturity dates of debt instruments. The above table shows the School Board's investments and maturities in actively managed accounts at June 30, 2010. The School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Risk. The School Board has no investments that are exposed to custodial credit risk.

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Credit Risk State law limits investments to the following:

1. Direct United States Treasury obligations
2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America
3. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are *federally sponsored*
4. Direct security repurchase agreements of any federal book entry only securities
5. Time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks
6. Mutual or trust fund institutions which are registered with the SEC and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies
7. Guaranteed investment contracts issued by a bank, financial, insurance company, or other entity having one of the highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service
8. Investment grade commercial paper of domestic United States corporations
9. LAMP

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by rule 2-a7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized costs and market value. For purposes of determining participant's shares, investments are valued at amortized cost that approximates fair value. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

The School Board's investment policy complies with state law and does not further limit its investment choices.

Concentration of Credit Risk. The School Board places no limit on the amount the School Board may invest in any one issuer. The School Board's investment in certificates of deposit and LAMP are 39% and 61%, respectively.

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The School Board's investments are valued at cost, which closely approximates the market value (less than 1% difference).

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

As of June 30, 2010, individual balances due from/to other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non Major Governmental	\$ 9,224,294
	Katrina	20,004,398
Non Major Governmental funds	General Fund	<u>425,739</u>
	Total Governmental Funds	29,654,431
Internal Service	General Fund	<u>5,575,549</u>
	Total	<u>\$ 35,229,980</u>

The School Board's lending/borrowing activities referred to as "due to/due from" are further explained in the summary of significant accounting policies (Note 1(H)). The General Fund loaned money to various funds for the payment of expenditures prior to receipt of funds from federal, state and local sources through reimbursement. Federal loans and grants in the Katrina Funds were transferred to offset cost associated with the recovery from the Hurricane Katrina Disaster. All other inter-fund lending was for normal operating activities.

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For the year ended June 30, 2010, individual transfers are as follows:

Transfer Out (Fund):	General	Katrina	2008 Const.	Nonmajor Governmental	Total
*General	\$ -	\$ 4,597	\$ 124,364	\$ 6,259,568	\$ 6,388,529
*1966 Sales Tax	34,585,851	-	-	1,083,000	35,668,851
*1977 Sales Tax	32,691,518	-	-	2,977,333	35,668,851
*Katrina	34,449,998	-	-	5,000,000	39,449,998
*2008 Construction	-	-	-	18,400,000	18,400,000
Nonmajor Governmental	1,987,579	-	-	4,021,435	6,009,014
	<u>\$ 103,714,946</u>	<u>\$ 4,597</u>	<u>\$ 124,364</u>	<u>\$ 37,741,336</u>	<u>\$ 141,585,243</u>

*Indicates major fund

The School Board transfers funds between funds as part of the normal operating of fund activity throughout the year to account for payment of expenditures and receipt of revenues. The 1966 & 1977 Sales Tax Funds transfer monthly to the General Fund and other funds the balances of sales tax collections. The General Fund transfers MFP monies to the School Food Service Fund and general revenues to the capital project funds and to various other funds throughout the year as the budget prescribes. All other transfers were for other normal operating activities.

ST. TAMMANY PARISH SCHOOL BOARD
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Notes to the Basic Financial Statements
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5. PROPERTY, PLANT AND EQUIPMENT

A summary of changes in capital assets are as follows:

Governmental activities:	Balance June 30 2009	Additions	Deletions	Balance June 30 2010
Non depreciable assets:				
Land	\$ 13,018,458	\$ 4,125,567	\$ -	\$ 17,144,025
Construction in progress	76,983,236	87,823,888	120,247,866	44,559,258
Depreciable assets:				
Land improvements	10,879,232	207,910	-	11,087,142
Buildings and improvements	453,134,408	120,144,677	-	573,279,085
Furniture and equipment	17,651,790	3,441,574	-	21,066,814
Total	<u>571,667,124</u>	<u>215,743,616</u>	<u>120,247,866</u>	<u>667,136,324</u>
Less accumulated depreciation:				
Land improvements	3,189,297	479,053	-	3,668,350
Buildings and improvements	201,063,926	15,394,811	-	216,458,737
Furniture and equipment	12,129,193	2,113,432	-	14,216,075
Total accumulated depreciation	<u>216,382,416</u>	<u>17,987,296</u>	<u>-</u>	<u>234,343,162</u>
Governmental activities				
Capital assets, net	<u>\$ 355,284,708</u>	<u>\$ 197,756,320</u>	<u>\$ 120,247,866</u>	<u>\$ 432,793,162</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 6,291,686
Special programs	3,227,458
Vocational education programs	256,561
Other instructional programs	582,254
Special programs	553,393
Adult/continuing education programs	14,954
Pupil support	832,884
Instructional staff support	697,206
General administration	335,918
School administration	984,535
Business administration	121,434
Operation and maintenance of plant	1,461,975
Pupil transportation	1,366,634
Central services	307,090
Food services	896,196
Community service programs	57,118
Total depreciation expense	<u>\$ 17,987,296</u>

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Construction in progress at June 30, 2010 is composed of the following:

Project Location	Project Authorization	Incurred as of June 30, 2010	Committed
Abita Springs Elementary	\$ 5,874,273	2,926,280	\$ 2,947,993
Abney Elementary	6,878,129	2,300,941	4,577,188
Alton Elementary	4,765,000	706,915	4,058,085
Bayou Lacombe	4,751,226	264,823	4,486,403
Bonne Ecole Elementary	35,239	6,267	28,972
Boyet Junior High	2,385,590	525,972	1,859,618
Brock Elementary	35,586	33,933	1,653
Carolyn Park	1,146,909	600,088	546,821
Covington High	449,401	224,905	224,496
Educational Center	169,369	7,892	161,477
Fifth Ward	9,105,516	3,881,582	5,223,934
Florida Avenue Elementary	135,000	78,737	56,263
Folsom Junior High	3,813,007	160,530	3,652,477
Fontainebleau Junior High	5,656,923	3,797,440	1,859,483
Harrison Curriculum Center	7,961,250	99,974	7,861,276
Henry Mayfield Elementary	20,518,214	5,781,507	14,736,707
Lancaster Elementary	23,398,103	11,343,190	12,054,913
Lee Road Junior High	2,984,156	2,715,202	268,954
Mandeville Jr. High	49,372	12,811	36,561
Mandeville High	4,382,701	1,033,439	3,349,262
Northshore High	396,274	282,621	113,653
Pearl River High	23,767	23,767	-
Pitcher Junior High	11,118,750	4,323,481	6,795,269
Portable Projects	2,369,568	2,369,568	-
Slidell High	1,233,371	127,015	1,106,356
Technology Center	77,965	52,379	25,586
Whispering Forest	2,085,246	784,155	1,301,091
Woodlake Elementary	3,192,608	93,844	3,098,764
Total	\$ 124,992,513	\$ 44,559,258	\$ 80,433,255

ST. TAMMANY PARISH SCHOOL BOARD
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Notes to the Basic Financial Statements
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6. RISK MANAGEMENT

Workers' Compensation

The School Board has had a risk management program for workers' compensation since 1988. Premiums are paid into the Workers' Compensation Internal Service Fund by all funds from which salaries are paid and are available to pay claims, claim reserves, and administrative costs of the program. During fiscal year 2010, a total of \$3,196,304 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$250,000. As of June 30, 2010, \$36,961 is due to the School Board from its insurance provider. An amount for self-insurance losses of \$6,617,909 has been accrued as a liability based upon an actuary's estimate as of June 30, 2010. Interfund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds.

Risk Management

In addition, the School Board is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. During fiscal year 1990, the School Board established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Risk Management Fund provides coverage up to a maximum of \$250,000 for each general liability claim and \$5,000,000 for each property damage claim. The School Board purchases commercial insurance for claims in excess of coverage provided by the Fund. In 2010, the School Board paid claims in excess of coverage of \$351,360 to claimants in excess of the \$250,000 maximum. The General Fund makes payments to the Risk Management Fund based on estimates of the amounts needed to pay claims and to accumulate funds for future catastrophic losses. At June 30, 2010, \$111,347 of fund equity is designated for future catastrophic losses and claims liabilities are \$1,287,236.

Health/Life

In 2007, the School Board became self-insured for health care benefits offered to its employees and retirees. The plan is managed by a third-party administrator and excess cost coverage is purchased by the School Board to limit its liability.

Changes in the claims liability amount in previous fiscal years and balances expected to be paid in the next year are as follows:

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

ST. TAMMANY PARISH SCHOOL BOARD
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	<u>Balance Beginning of Year</u>	<u>Claims and Changes in Estimates</u>	<u>Payments and Claims</u>	<u>Balance End of Year</u>
Workers Compensation				
2008-09	\$ 4,391,183	\$ 2,304,491	\$ 2,671,733	\$ 4,023,941
2009-10	4,023,941	5,432,697	2,838,729	6,617,909
Risk-Management				
2008-09	\$ 1,365,050	\$ 721,651	\$ 1,508,170	\$ 578,531
2009-10	578,531	1,060,065	351,360	1,287,236
Health/Life Insurance				
2008-09	\$ 9,757,946	\$ 64,197,997	\$ 63,708,710	\$ 10,247,233
2009-10	10,247,233	64,541,219	68,505,931	6,282,521

7. CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2010:

	<u>Balance 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 2010</u>	<u>Due Within One Year</u>
General Obligation Bonds	\$ 236,920,000	\$ 25,000,000	\$ 18,095,000	\$ 243,825,000	\$ 19,200,000
Unamortized premium	-	1,275,312	63,766	1,211,546	-
Qualified School Construction Bonds	-	5,000,000	-	5,000,000	333,333
Community Disaster Loan	67,843,971	-	-	67,843,971	65,843,971
Compensated Absences	16,856,678	6,836,986	5,516,033	18,177,631	5,516,033
Total Long-Term Liabilities	\$ 321,620,649	\$ 38,112,298	\$ 23,674,799	\$ 336,058,148	\$ 90,893,337

In 2005 and 2006, the School Board borrowed \$51,857,990 and \$15,985,981, respectively, from the federal government through the Community Disaster Loan Program resulting in total Community Disaster Loans of \$67,843,971. During 2010, no additional funds were received. The interest rate on these loans is fixed and ranges from 2.67% to 3.12%. Balloon payments of principle and interest are due on January 8, 2011, June 27, 2011 and August 27, 2011. No other payments are required until 2011 and the Board has the option of requesting an extension of five years. The School Board requested an extension in November 2010, but has not received approval for the extension. As of June 30, 2010, this loan has accrued interest of \$7,797,024 leaving a total due of \$75,640,995.

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In July 2008, the School Board was authorized to issue \$67,000,000 in general obligation bonds with a final maturity date of March 1, 2028. These bonds are the first installment issue of the total \$167,000,000 approved by the citizens of St. Tammany Parish via the election on March 8, 2008. The bond proceeds will be used to finance \$15,000,000 in technology, \$2,100,000 in security cameras, and \$149,900,000 in capital improvements for new construction and improvements to existing facilities. In June 2008, the School Board received a good faith deposit for this bond issue in the amount of \$670,000 which was included in bonds payable in the financial statements for the year ended June 30, 2008. The remaining bond proceeds of \$66,330,000 were received in July 2008.

In February 2009, the School Board was authorized to issue \$20,000,000 in general obligation bonds with a final maturity date of March 1, 2029. These bonds are the second installment issue of the total \$167,000,000 issue. The bond proceeds were received in May 2009.

In December 2009, the School Board was authorized to issue \$25,000,000 in general obligation bonds with a final maturity date of March 1, 2030. These bonds are the third installment issue of the total \$167,000,000 issue. The bond proceeds were received in March 2010.

In December 2009, the School Board was authorized to issue \$5,000,000 in Quality School Construction Bonds with a final maturity of December 16, 2024. The Department of Education gave the School Board a \$5,000,000 allocation of the national qualified school construction bonds. These bond proceeds will be used for construction, rehabilitation, and repair of schools.

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A schedule of the individual issues outstanding as of June 30, 2010 is as follows:

	Original	Interest	Payment	to	Principal
	Issue	Rate	Due	Maturity	Outstanding
General Obligation Bonds:					
1998B	\$ 14,480,000	4.5-5.0%	1999-2011	\$ 50,250	\$ 1,005,000
2003	9,185,000	2.2-3.6%	2004-2013	234,133	3,290,000
2004	17,645,000	2.0-5.0%	2005-2016	1,832,655	11,180,000
2005	35,690,000	3.0-4.25%	2006-2016	5,631,200	29,320,000
2006	25,000,000	4.0-4.375%	2007-2026	7,250,000	20,000,000
2002	47,410,000	3.5-5.0%	2003-2022	5,552,203	22,555,000
2004	30,000,000	3.75-5.0%	2005-2024	9,357,171	24,275,000
2005	30,000,000	3.25-5.0%	2006-2025	9,051,779	25,150,000
2008	67,000,000	4.75-5.0%	2007-2028	27,919,988	63,050,000
2009	20,000,000	3.5-5.0%	2008-2029	7,327,250	19,000,000
2010	25,000,000	4.117%	2009-2030	10,806,250	25,000,000
Qualified School Construction Bonds:					
2010	5,000,000	1.12%	2011-2024	837,356	5,000,000
Total	\$ 326,410,000			\$ 85,850,235	\$ 248,825,000

All principal and interest requirements on General Obligation Bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. The Qualified School Construction Bonds are to be repaid from constitutional ad valorem tax revenues in the General Fund. At June 30, 2010, the School Board has accumulated \$22,595,295 in the general obligation bonds debt service fund for future debt service requirements.

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The general obligation and Qualified School Construction bonds are due as follows:

Year Ending June 30,	Principal Bond Payments	Interest Payments	Total
2011	\$ 19,533,333	\$ 10,453,598	\$ 29,986,931
2012	19,263,333	9,683,433	28,946,766
2013	19,563,334	8,912,430	28,475,764
2014	16,668,333	8,098,616	24,766,949
2015	17,288,333	7,409,798	24,698,131
2016-2020	75,421,667	26,352,282	101,773,949
2021-2025	56,556,667	13,002,963	69,559,630
2026-2030	24,530,000	1,937,113	26,467,113
	<u>\$ 248,825,000</u>	<u>\$ 85,850,233</u>	<u>\$ 334,675,233</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded solely by ad valorem taxes in excess of 35 percent of the assessed value of taxable property. At June 30, 2010, the statutory limit is \$689,664,032 and the legal debt margin is \$463,434,327. Outstanding bonded debt payable from ad valorem taxes at June 30, 2010 totaled \$284,825,000.

8. DEFEASED DEBT

The School Board defeased the following General Obligation Bonds and Sales Tax Bonds: An irrevocable trust fund was created for each defeasance. New debt was issued and the proceeds were used to purchase U.S. Government Securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt is considered defeased and therefore removed as a liability from the School Board. As of June 30, 2010 the following outstanding bonds are considered defeased:

General Obligation Bonds:		Outstanding	Defeasance	Maturity Date
\$ 7,415,000	1997 Series	\$ 3,395,000	July 16, 2006	June 1, 2010
\$ 5,000,000	1992 Series	2,315,000	April 1, 2002	April 1, 2012
\$ 13,195,000	1993 Series	6,995,000	March 1, 2003	March 1, 2013
\$ 25,000,000	1996 Series	16,380,000	April 1, 2004	March 1, 2016
\$ 34,580,000	1998A Series	34,590,000	June 1, 2005	March 1, 2018
\$ 47,410,000	2002 Series	9,700,000	April 1, 2007	October 1, 2019
		<u>\$ 73,375,000</u>		

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9. TAX ARBITRAGE REBATE

Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). For fiscal year 2010, no arbitrage was due to the IRS.

10. RETIREMENT PLANS

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. Fringe benefits and salaries for the School Board's employees were recognized as revenues and expenditures/expenses during the year ended June 30, 2010. Pertinent information, as required by the Governmental Accounting Standards Board Statement No. 27, relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

Plan Description: The School Board participates in two membership plans of the TRS, the Regular Plan and Plan A. 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 of 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.

Funding Policy: Plan members are required to contribute 8.0 percent and 9.1 percent of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.5 percent of annual covered payroll for both 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 to 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 ended June 30, 2010, 2009, and 2008, were \$30,219,745, \$32,023,255, and \$31,134,501, respectively, equal to the required contributions for each year. 2010 contributions are lower as a result of a credit taken from prior years.

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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: For fiscal years 2010, 2009, and 2008, the employees' share and School Board's share was 25.6, 25.6, and 19.6, respectively. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The Actuary has determined what the School Board should contribute on behalf of the membership plan. The School Board's employer contributions of \$3,623,476 for 2010, \$3,890,951 for 2009, and \$3,525,094 for 2008 for the LSERS are funded by the State of Louisiana through annual appropriations and by remittances from the School Board. The School Board's contributions to LSERS were equal to the required contributions for each year.

11. CHANGES IN AGENCY DEPOSITS DUE OTHERS

A summary of changes in the School Activity Agency Fund's deposits due others are as follows:

Balance at Beginning of Year	\$ 5,169,609
Additions	15,423,543
Deductions	<u>(15,208,270)</u>
Balance at End of Year	<u>\$ 5,384,882</u>

12. LITIGATION AND CLAIMS

At June 30, 2010, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board. As a result of the review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," or "remote," as defined by the Governmental Accounting Standards Board. Amounts of claims classified as "probable" have been accrued in the claims liability and the liability for self-insurance losses, as explained in Note 7. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits except for amounts accrued in the

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financial statements would not have a material adverse effect on the School Board's financial position.

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 2010, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

13. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For those funds for which a budget-to actual comparison was made that are not major funds, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	<u>Expenditures</u> <u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u> <u>Variance</u>
IDEA Special Revenue Fund			
Support services - Pupil Support	\$ 2,414,989	\$ 3,261,044	\$846,015
TANF Special Revenue Fund			
Instruction - Regular Education	-	9,960	9,960
Support services - Instructional Staff	78,233	160,271	82,038
Support services - General Admin.	-	8	8
Vocational Education Special Revenue Fund			
Support services - Pupil Support	-	794	794
Miscellaneous Programs Special Revenue Funds			
Support services - General Admin	91,821	94,238	2,417
Support services - Operation Plant	5,632,607	5,797,776	165,169
Support services - Food Service	-	664	664
School Food Service Special Revenue Fund			
Transfers Out	220,000	220,136	136
Community Education Special Revenue Fund			
Transfers out - General Fund	-	470,520	470,520
Debt Service Fund			
Debt Service-Bond Issuance Costs	17,156	17,249	93
2004 Construction Capital Project Fund			
Equipment	200,000	289,558	89,558
Building Improvements	-	435,605	435,605

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	<u>Expenditures</u>		<u>Unfavorable</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Reroofing Construction Capital Project Fund			
Other	\$ 5,000	\$ 11,104	\$ 6,104
Property Acquisition Capital Project Fund			
Land Acquisition	4,100,000	4,184,080	84,080
Parishwide Construction Capital Project Fund			
Building and Site Improvements	1,950,000	1,972,655	22,655
Other	-	6,523	6,523
QSCB Construction Capital Project Fund			
Other	10,000	14,823	4,823

14. NET ASSETS DEFICIT IN INTERNAL SERVICE FUNDS

The Internal Service Funds had a deficit in net assets for the year ended June 30, 2009 in the amount of \$9,300,500. This total deficit in net assets was caused by deficit in net assets in the Health and Life Insurance Fund in the amount of \$17,216,656. The School Board's rates for its self insured employee health insurance program are calculated to enable the fund to be adequately funded and remain solvent. The rates in effect as of June 30, 2009 were determined by our third party administrator based upon the existing level of participation and claim payment history prior to and up to date the self insurance program was implemented in January 2007.

A committee of administrators, employees, and representatives from the third party administrator meet quarterly and review the premiums collected and the claims paid to ensure sufficient funding as well as other administrative tasks. The committee has completed its analysis of the year ended June 30, 2009 and has made a recommendation to establish new rates and other benefit changes to the School Board's health insurance program. These changes in rates will be effective as of July 1, 2009. The recommendation of the committee are expected to establish rates and other changes that will be sufficient to eliminate the yearly deficit in the Health and Life Insurance Fund based upon the analysis and recommendation of the third party administrator. Any deficit not eliminated at June 30, 2010 will be funded by a permanent transfer from the General Fund. Any cash shortfall in this fund is expected to be financed by the General Fund until the new rates are implemented and benefit changes eliminate the deficit.

As of June 30, 2010, the deficit had been eliminated through additional contributions to the fund.

15. HURRICANE KATRINA

On August 29, 2005, Hurricane Katrina devastated the Gulf Coast area. The damage caused by the hurricane significantly damaged much of the Parish's taxable property particularly in the

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southeastern quadrant. The School Board also received damage in excess of \$110 million to its facilities.

The School Board continues to work with FEMA to recover funds needed to repair and rebuild its damaged facilities. As of June 30, 2010, the School Board had spent in excess of \$118 million on repair costs. Most of the repairs have been substantially completed including the rebuilding of Salmen High School and the Brooks Curriculum Center. All construction projects should be completed by the end of fiscal year June 30, 2011. There are sufficient funds available to cover all losses.

16. GASB STATEMENT NO. 45 "ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POST EMPLOYMENT BENEFITS OTHER THAN PENSION"

Plan Description: The St. Tammany Parish School Board participates in a self insured health insurance administered by Blue Cross Blue Shield. The Board sponsors two health and life insurance plans. This plan is a single employer post employment benefit plan.

The "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. The remainder of employees are covered by the Louisiana School Employees' Retirement System (LSER) whose retirement eligibility (D.R.O.P entry) provisions are the same as TRSL except that they are also eligible to retire at age 60 and 10 years of service instead of age 65 and 20 years of service.

Basic and supplemental life insurance coverage is provided to retirees according to three schedules (based on age brackets) and also based on the annual earnings at time of retirement. The three age brackets are below age 65, age 65 through age 69, and greater than or equal to age 70. Basic life amounts are \$5,000, \$4,000 and \$3,000, respectively, for the three age brackets and the salary related schedules have maximum amounts of basic plus supplemental coverage of \$50,000, \$38,000, and \$25,000, respectively. AD&D coverage ceases at age 70.

The current rate schedule is "blended" by age and the blended rate is \$.30 per \$1,000 of insurance. Since GASB 45 requires the use of "unblended" rates, we have used the 95GAR mortality table described above to unblend the rates so as to reproduce the same composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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June 30, 2010

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

Fund Policy: Until Fiscal Year Ending June 30, 2008, the St. Tammany Parish School Board recognized the cost of providing post-employment medical and life benefits (the St. Tammany Parish School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the Fiscal Year beginning July 1, 2008, the St. Tammany Parish School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In Fiscal Year Ending June 30, 2010, the St. Tammany Parish School Board's portion of health care funding cost for retired employees totaled \$15,943,705 and life totaled \$278,309. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the table on the following page.

Annual Required Contribution: St. Tammany Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2009 is \$31,374,995 for medical, and \$552,411 for life, as set forth below:

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 8,526,804	\$ 129,499
30-Year UAL Amortization Amount	22,848,191	422,912
Annual Required Contribution (ARC)	<u>\$ 31,374,995</u>	<u>\$ 552,411</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

Net Post-employment Benefit Obligation (Asset): The table below shows St. Tammany Parish School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2010:

	<u>Medical</u>	<u>Life</u>
Beginning Net OPEB Obligation (Asset) 7/1/2009	\$ 30,492,002	\$ 1,231,179
Annual Required Contribution (ARC)	31,374,995	552,411
Interest on Net OPEB Obligation (Asset)	1,219,680	49,247
ARC Adjustment	<u>(1,763,359)</u>	<u>(71,199)</u>
OPEB Cost	30,831,316	530,459
Contribution	-	-
Current Year Retiree Premium	<u>(15,943,705)</u>	<u>(278,309)</u>
Change in Net OPEB Obligation	<u>14,887,611</u>	<u>252,150</u>
Ending Net OPEB Obligation (Asset) 6/30/2010	<u>\$ 45,379,613</u>	<u>\$ 1,483,329</u>

The total OPEB obligation recorded in the government-wide financial statements was \$46,862,943.

The following table shows St. Tammany Parish School Board's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

<u>Post Employment Benefit</u>	<u>Fiscal Year Ended</u>	<u>Annual OPEB Costs</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net PEB Liability (Asset)</u>
Medical	June 30, 2009	\$ 23,030,886	60.20%	\$ 29,772,217
Life	June 30, 2009	\$ 663,345	11.54%	\$ 1,227,077
Medical	June 30, 2010	\$ 30,831,316	51.71%	\$ 45,379,614
Life	June 30, 2010	\$ 530,549	52.47%	\$ 1,483,329

Funded Status and Funding Progress: In the fiscal year ending June 30, 2010, St. Tammany Parish School Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2010, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$395,091,838 (medical) and \$7,314,825 (life), which is defined as that portion, as determined by a particular actuarial cost method (St. Tammany Parish School Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

by normal cost. Since the plan was not funded in fiscal year 2009/2010, the entire actuarial accrued liability of \$395,091,838 (medical) and \$7,314,825 (life) was unfunded (Unfunded Actuarial Accrued Liability or UAAL). The covered payroll of active plan members was approximately \$255,810,577. The UAAL as a percentage of covered payroll for medical and life is 154.45% and 2.86% respectively.

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

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

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

Actuarial Value of Plan Assets: There are no assets. It is anticipated that in future valuations a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate: An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 8%.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18 - 25	20.00%
26 - 40	12.00%
41 - 54	8.00%
55+	6.00%

Post employment Benefit Plan Eligibility Requirements: It is assumed that entitlement to benefits will commence six years after earliest eligibility to enter the D.R.O.P. as described on the first page of this letter under the heading "Plan Description". This consists of a three year D.R.O.P. period plus an additional three year delay. Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. The remainder of employees are covered by the Louisiana School Employees' Retirement System (LSERS) whose retirement (D.R.O.P. entry) eligibility provisions are the same as TRSL except that they are also eligible to retire at age 60 and 10 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate): GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

Health Care Cost Trend Rate: The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Zero trend has been assumed for valuing life insurance.

Mortality Rate: The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Basic Financial Statements
June 30, 2010

GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

Method of Determining Value of Benefits: The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The rates provided are "unblended" rates for active and retired as required by GASB 45 for valuation purposes. It has been assumed that 60% of retirees elect the HMO Medicare Advantage program and 40% elect the PFFS Medicare Advantage program upon Medicare eligibility.

17. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 16, 2010, and determined that there were no subsequent events requiring disclosure except for as follows:

As of December 16, 2010, the School Board is in the process of finalizing authorization for a \$20,000,000 in general obligation bonds with a final maturity date of March 1, 2031. These bonds are the fourth installment issue of the total \$167,000,000 issue disclosed in Note 7.

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY
INFORMATION - OTHER**

**BUDGETARY COMPARISON
SCHEDULES**

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund
Budget Comparison Schedule
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 53,186,890	\$ 49,935,270	\$ 49,935,270	\$ -
Resources (Inflows)				
Local Sources:				
Ad valorem taxes	68,058,902	70,469,059	72,852,354	2,383,295
Tuition:				
Summer school/Drivers education	235,000	160,000	269,807	109,807
Earnings on investments	1,700,000	1,248,000	306,234	(941,766)
Medical services	800,000	2,931,000	2,644,515	(286,485)
Other	1,197,770	1,184,530	982,174	(202,356)
Total Resources From Local Sources	71,991,672	75,992,589	77,055,084	1,062,495
State Sources:				
Equalization	183,575,000	179,787,673	179,787,673	-
Contributions to				
Teachers' Retirement	89,815	50,000	45,712	(4,288)
Revenue sharing	1,971,376	1,971,376	1,953,133	(18,243)
Professional Improvement Program	571,503	370,000	342,811	(27,189)
Special education	204,724	194,466	173,548	(20,918)
Adult education	80,777	49,617	49,617	-
Non-public students	676,470	623,415	653,428	30,013
Miscellaneous	1,014,740	970,090	1,005,534	35,444
Total Resources From State Sources	188,184,405	184,016,637	184,011,456	(5,181)
Federal Sources:				
ROTC	385,025	461,540	461,540	-
Adult education	104,820	-	-	-
Total Resources From Federal Sources	489,845	461,540	461,540	-
Total Resources	260,665,922	260,470,766	261,528,080	1,057,314
Other Financing Sources				
Transfers in:				
1966 Sales Tax Fund	38,815,000	32,513,500	34,585,851	2,072,351
1977 Sales Tax Fund	36,754,000	30,452,500	32,691,518	2,239,018
Katrina Funds	-	15,750,419	34,350,419	18,600,000
School Food Service Fund	228,270	220,000	220,136	136
Community Education	-	-	470,520	470,520
Indirect costs	950,000	950,000	1,396,502	446,502
Total Other Financing Sources	76,747,270	79,886,419	103,714,946	23,828,527
Amounts Available for Appropriations	390,600,082	390,292,455	415,178,296	24,885,841

(continued)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund
Budget Comparison Schedules
For the Year Ended June 30, 2010

(Continued)

Expenditures	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Current:				
Instruction:				
Regular Ed programs	\$ 127,349,230	\$ 130,598,507	\$ 141,575,241	\$ (10,976,734)
Special Ed programs	62,436,944	62,175,475	66,511,757	(4,336,282)
Vocational Ed programs	5,300,801	5,135,426	5,624,915	(489,489)
Other instructional programs	11,678,435	10,991,131	12,028,745	(1,037,614)
Special programs	1,548,956	1,534,741	1,944,184	(409,443)
Adult Ed programs	548,290	74,161	172,350	(98,189)
Support Services:				
Pupil support	12,409,834	12,707,860	15,317,509	(2,609,649)
Instructional staff support	11,276,051	11,372,619	12,263,416	(890,797)
General administration	5,273,455	5,401,104	5,771,159	(370,055)
School administration	20,619,343	21,490,470	22,586,811	(1,096,341)
Business administration	2,863,287	2,596,892	2,785,891	(188,999)
Operation and maintenance of plant	31,284,427	25,843,994	27,724,037	(1,880,043)
Pupil transportation	29,179,555	28,754,866	30,878,619	(2,123,753)
Central services	7,654,446	7,646,428	6,994,544	651,884
Food service	2,973,590	3,986,921	4,643,040	(656,119)
Community service programs	42,531	42,231	41,572	659
Facilities acquisition and construction	496,415	535,743	550,933	(15,190)
Transfers out	4,771,000	6,449,342	6,388,528	60,814
Total Charges to Appropriations	337,706,590	337,337,911	363,803,251	(26,465,340)
Budgetary Fund Balance, Ending	\$ 52,893,492	\$ 52,954,544	\$ 51,375,045	\$ (1,579,499)

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

1966 Sales Tax Fund
Budget Comparison Schedule
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 5,000	\$ -	\$ -	\$ -
Resources (Inflows)				
Local sources:				
Taxes-sales and use	40,300,000	34,000,000	36,039,691	2,039,691
Earnings on investments	50,000	8,500	8,526	26
Amounts Available for Appropriations	40,355,000	34,008,500	36,048,217	2,039,717
Charges to Appropriations (Outflows)				
Support services-general administration	452,000	412,000	379,366	32,634
Transfers out	39,898,000	33,596,500	35,668,851	(2,072,351)
Total Charges to Appropriations	40,350,000	34,008,500	36,048,217	(2,039,717)
Budgetary Fund Balance, End of Year	\$ 5,000	\$ -	\$ -	\$ -

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

1977 Sales Tax Fund
Budget Comparison Schedule
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ 5,000	\$ -	\$ -	\$ -
Resources (Inflows)				
Local sources:				
Taxes-sales and use	40,300,000	34,000,000	36,039,691	2,039,691
Earnings on investments	50,000	8,500	8,526	26
Amounts Available for Appropriations	40,355,000	34,008,500	36,048,217	2,039,717
Charges to Appropriations (Outflows)				
Support services-general administration	452,000	412,000	379,366	32,634
Transfers out	39,898,000	33,596,500	35,668,851	(2,072,351)
Total Charges to Appropriations	40,350,000	34,008,500	36,048,217	(2,039,717)
Budgetary Fund Balance, End of Year	\$ 5,000	\$ -	\$ -	\$ -

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Katrina Funds
Budget Comparison Schedule
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, Beginning of Year	\$ -	\$ 10,932,143	\$ 95,818,896	\$ 84,886,753
Resources (Inflows)				
Local sources:				
Transfers In	-	10,972,858	10,977,455	4,597
Earnings on investments	-	-	400,662	400,662
Federal Sources				
CDBG Federal Grant	5,000,000	-	-	-
FEMA Disaster Recovery	25,000,000	29,027,142	20,045,902	(8,981,240)
Amounts Available for Appropriations	30,000,000	50,932,143	127,242,915	76,310,772
Charges to Appropriations (Outflows)				
Disaster Recovery	30,000,000	40,000,000	29,793,736	10,206,264
Transfers out	-	10,932,143	50,422,856	(39,490,713)
Total Charges to Appropriations	30,000,000	50,932,143	80,216,592	(29,284,449)
Budgetary Fund Balance, End of Year	\$ -	\$ -	\$ 47,026,323	\$ 47,026,323

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

2008 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$ 375,000	\$ 414,984	\$ 39,984
Total Revenues	<u>375,000</u>	<u>414,984</u>	<u>39,984</u>
Expenditures			
General Administration:			
Legal services	500,000	56,250	443,750
Facilities acquisition and construction:			
Equipment	5,000,000	4,679,422	320,578
Construction	25,000,000	9,002,397	15,997,603
Land & Building Purchases	2,000,000	-	2,000,000
Building Improvements	15,000,000	22,934,362	(7,934,362)
Architects and engineers	4,000,000	1,796,789	2,203,211
Other	10,000	296	9,704
Total Expenditures	<u>51,510,000</u>	<u>38,469,516</u>	<u>13,040,484</u>
Deficiency of Revenues Under Expenditures	<u>(51,135,000)</u>	<u>(38,054,532)</u>	<u>13,080,468</u>
Other financing sources (uses)			
Bond proceeds	25,000,000	25,000,000	-
Transfer In - General Fund	-	124,364	124,364
Transfers Out - 2004 Construction	(18,400,000)	(18,400,000)	-
Total other financing sources (uses)	<u>6,600,000</u>	<u>6,724,364</u>	<u>124,364</u>
Net Change in Fund Balance	<u>(44,535,000)</u>	<u>(31,330,168)</u>	<u>13,204,832</u>
Fund Balance, Beginning of Year	<u>76,229,936</u>	<u>76,229,936</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 31,694,936</u>	<u>\$ 44,899,768</u>	<u>\$ 13,204,832</u>

See accompanying independent auditors' report.



"Duck and Cypress Trees"
Amanda Adolph - Grade 12
Sherryl Alack - Teacher
Fontainebleau High

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010

A. BUDGETS

General Budget Practices

The proposed budgets for fiscal year 2010 were completed and made available for public inspection at the School Board office on July 30, 2009. A public hearing was held on August 13, 2009 for suggestions and comments from taxpayers. The proposed fiscal year 2010 budgets were formally adopted by the School Board on September 10, 2009. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Capital Projects Funds were published in the official journal ten days prior to the public hearings.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions that are directly related to prior year's budget are not rebudgeted in the current year.

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds, at the project level for the Capital Projects Funds and at the individual debt issue level for the Debt Service Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five per cent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget reflect changes in revenue sources determined after budget was initially approved. No other significant changes occurred.

Budget Basis of Accounting

The budgets for the General, Special Revenue, Debt Service and Capital Projects Funds for the fiscal year 2010 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Projects Funds.

Encumbrances outstanding at year-end lapse and are re-encumbered the following year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2010, the following funds had actual expenditures over appropriations, at the functional level:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
<u>General Fund:</u>			
Regular Ed	\$130,598,507	\$141,575,241	\$10,976,734
Special Ed	62,175,475	66,511,757	4,336,282
Vocational Ed	5,135,426	5,624,915	489,489
Other Instructional	10,991,131	12,028,745	1,037,614
Special Programs	1,534,741	1,944,184	409,443
Adult Ed	74,161	172,350	98,189
Pupil Support	12,707,860	15,317,509	2,609,649
Instructional Staff	11,372,619	12,263,416	890,797
General Administration	5,401,104	5,771,159	370,055
School Administration	20,619,343	21,490,470	1,096,341
Business Administration	2,596,892	2,785,891	188,999
Operation Plant	25,843,994	27,724,037	1,880,043
Pupil Transportation	28,754,866	30,878,619	2,123,753
Food Service	3,986,921	4,643,040	656,119
Facilities, Acquisition and Const.	535,743	550,933	15,190
<u>Special Revenue Funds:</u>			
Sales Tax 1966-Operating transfers	33,596,500	35,668,851	2,072,351
Sales Tax 1977-Operating transfers	33,595,500	35,668,851	2,072,351
<u>Katrina Recovery Funds:</u>			
Transfers	10,932,143	50,422,856	39,490,713
<u>2008 Capital Projects Funds:</u>			
Building Improvements	15,000,000	22,934,362	7,934,362

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision and/or unanticipated

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010

revenues needing to be transferred to other funds. The excess expenditures were funded by available and appropriable fund balances.

C. BUDGET TO GAAP RECONCILIATION

	<u>General Fund</u>
<i>Sources/inflows of resources:</i>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 415,178,296
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	(49,935,270)
Transfer from other funds assets are considered as revenue on a budgetary basis but are considered operating transfers on a GAAP basis	<u>(103,714,946)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 261,528,080</u>
<i>Uses/outflows of resources:</i>	
Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 363,803,251
Transfer to other funds is considered as outflows on budgetary basis but is considered operating transfers on a GAAP basis	<u>(6,388,528)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 357,414,723</u>
	<u>1966 SALES TAX FUND</u>
<i>Sources/inflows of resources:</i>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 36,048,217
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 36,048,217</u>
<i>Uses/outflows of resources:</i>	
Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 36,048,217
Transfer to other funds is considered as outflows on budgetary basis but is considered operating transfers on a GAAP basis	<u>(35,668,851)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 379,366</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010

	<u>2008 Capital Projects Fund</u>
<i>Sources/inflows of resources:</i>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 101,769,284
Transfer from other funds assets are considered as revenue on a budgetary basis but are considered operating transfers on a GAAP basis	(124,364)
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	<u>(76,229,936)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	<u>\$ 25,414,984</u>
<i>Uses/outflows of resources:</i>	
Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 56,869,516
Transfer to other funds is considered as outflows on budgetary basis But is considered operating transfers on a GAAP basis	<u>(18,400,000)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 38,869,516</u>



"Swamp Grass"

Tate Pellegrin - Grade 10

Sherryl Alack - Teacher

Fontainebleau High

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

OTHER SUPPLEMENTARY INFORMATION

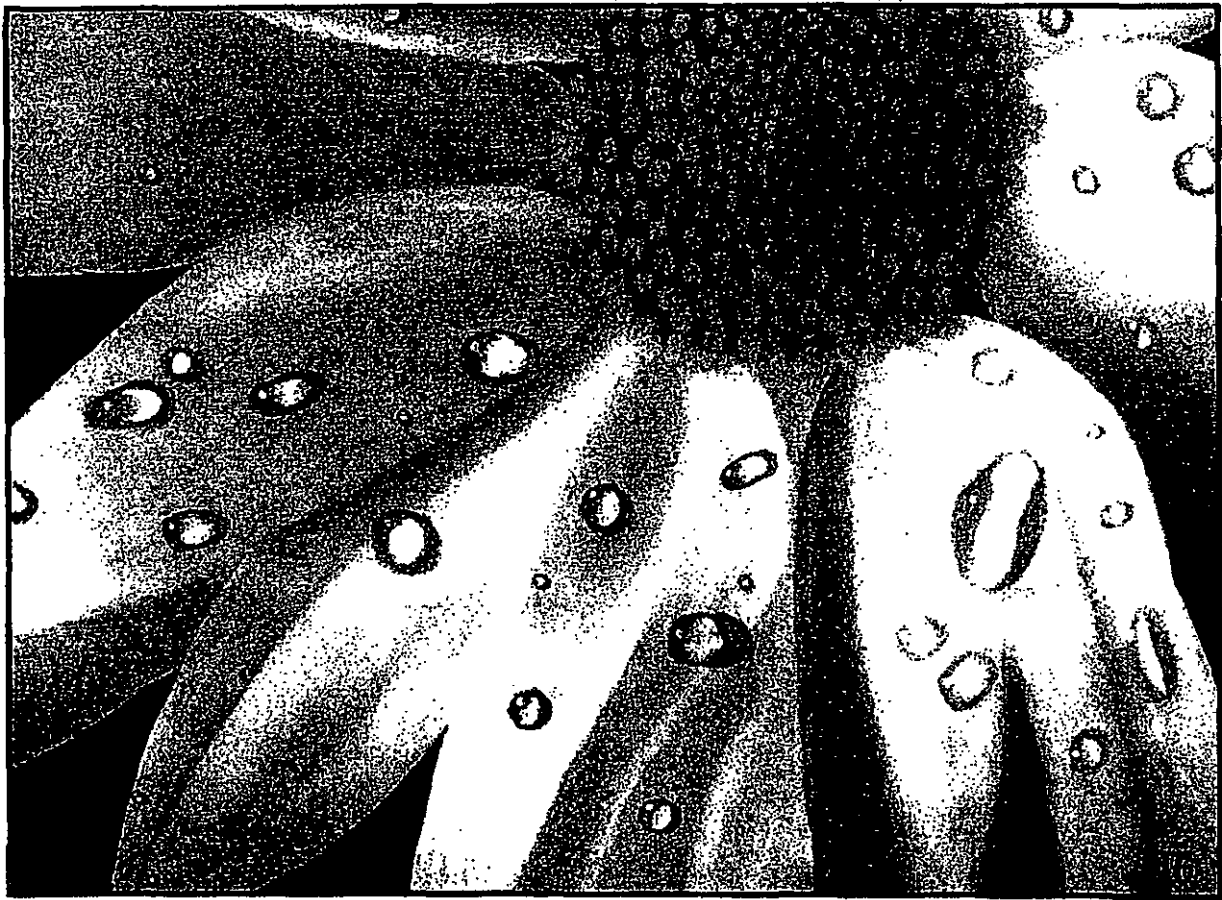


"Pink Petals"

**Sarah Wilson - Grade 12
Sherryl Alack - Teacher
Fontainebleau High**

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**



"Dew Drops on Daisey"
Taylor Campbell - Grade 12
Sherryl Alack - Teacher
Fontainbleau High.

Non-Major Fund Descriptions

Special Revenue Funds:

NCLB - This fund is used to account for Federal Grants received and the programs expenditures under the No Child Left Behind Act.

IDEA - This fund is used to account for Federal Grants received and the programs expenditures under the Individuals with Disabilities Act.

TANF - This fund is used to account for Federal and State Grants received and the programs expenditures under the Temporary Aide for Needy Families Act.

Vocational Education - This fund is used to account for Federal Grants received and the programs expenditures vocational education.

Miscellaneous Programs - This fund is used to account for Federal, State and Local Grants received and the programs expenditures related to various programs.

8G - This fund is used to account for State Grants received and the programs expenditures related to 8G Funding

School Food Services - This fund is used to account for the revenue and expenditures related to the School Boards student lunch and breakfast programs.

Community Education - This fund is used to account for the revenue and expenditures related to the School Boards community education programs funded mostly by fees charged to participants.

Debt Service Funds:

Parishwide School District No. 12 - This fund is used to account for the servicing the School Board General Obligation Debt.

Capital Project Funds:

2002 Construction - This fund is used to account for the capital expenditures of the 2002 bond proceeds.

2004 Construction - This fund is used to account for the capital expenditures of the 2004 bond proceeds.

Roofing Construction - This fund is used to account for the capital expenditures for various roofing projects throughout the District.

Property Acquisition - This fund is used to account for capital expenditures for land.

Parishwide Construction - This fund is used to account for the capital expenditures for various construction projects throughout the District not specifically funded through bond issues.

QSCB Construction - This fund is used to account for the capital expenditures of the 2009 QSCB bond proceeds.

Non-Major Fund Descriptions (Continued)

Internal Service Funds:

Workers' Compensation - This fund is used to account for the expenditures for workers' compensation claims for School Board employees.

Risk Management - This fund is used to account for the expenditures for general and auto liability claims for the School Board.

Health/Life Insurance - This fund is used to account for the expenditures for health and life insurance claims for the School Board.

Agency Funds:

School Activity - This fund is used to account for the various individual schools student activity funds.



"Red Bird on Perch"
Courtney Capritto - Grade 5
Darlene Powell - Teacher
Florida Avenue Elementary

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Nonmajor Governmental Funds
Combining Balance Sheet - By Fund Type
June 30, 2010

	Special Revenue	Debt Service	Capital Projects	Totals	
				2010	2009
Assets:					
Cash and cash equivalents	\$ 2,162,385	\$ 21,781,976	\$ 30,825,360	\$54,769,721	\$ 38,662,994
Investments	-	127,958	6,203	134,163	133,944
Receivables:					
Taxes:					
Ad valorem	-	749,357	-	749,357	869,924
Intergovernmental:					
Federal	8,077,960	-	-	8,077,960	5,331,674
State	604,694	-	-	604,694	855,379
Local	4,423	-	-	4,423	86,651
Prepaid expenses	2,266	-	-	2,266	-
Due from other funds	364,072	-	61,667	425,739	426,041
Inventory	442,265	-	-	442,265	455,820
Total Assets	\$ 11,658,065	\$ 22,659,291	\$ 30,893,232	\$65,210,588	\$ 46,872,427
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 280,402	\$ -	\$ 998,538	\$ 1,278,940	\$ 3,495,942
Contract/retainage payable	-	-	378,442	378,442	1,775,449
Due to other funds (para 6)	9,224,294	-	-	9,224,294	8,350,835
Other liabilities	-	-	-	-	338
Unearned revenues	274,314	63,996	-	338,310	311,023
Total Liabilities	9,779,010	63,996	1,376,980	11,219,986	13,933,587
Fund balances:					
Reserved for inventory	442,265	-	-	442,265	455,820
Reserved for debt service	-	22,595,295	-	22,595,295	19,619,889
Unreserved, undesignated	1,436,790	-	29,516,252	30,953,042	12,813,131
Total Fund Balances	1,879,055	22,595,295	29,516,252	53,990,602	32,888,840
Total Liabilities and Fund Balances	\$ 11,658,065	\$ 22,659,291	\$ 30,893,232	\$65,210,588	\$ 46,872,427

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Exhibit 2

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009

	Special Revenue	Debt Service	Capital Projects	Totals	
				2010	2009
Revenues:					
Local sources:					
Taxes:					
Ad valorem	\$ -	\$ 30,802,524	\$ -	\$30,802,524	\$ 30,091,690
Tuition	1,167,220	-	-	1,167,220	1,368,615
Earnings on investments	11,756	129,068	159,893	300,717	501,098
Food service	3,023,636	-	-	3,023,636	3,078,385
Other	129,365	-	13,850	143,215	366,593
State sources:					
Equalization	2,025,000	-	-	2,025,000	1,983,123
Other	4,937,127	-	-	4,937,127	6,869,404
Federal sources					
	41,633,972	-	-	41,633,972	26,126,871
Total revenues	52,928,076	30,931,592	173,743	84,033,411	70,545,779
Expenditures					
Current:					
Instruction:					
Regular Ed programs	2,766,189	-	-	2,766,189	3,141,335
Special Ed programs	7,531,336	-	-	7,531,336	5,649,490
Vocational Ed programs	260,999	-	-	260,999	260,919
Other instructional programs	1,329,183	-	-	1,329,183	1,462,604
Special programs	10,751,554	-	-	10,751,554	9,001,335
Adult Ed programs	170,709	-	-	170,709	23,497
Support services:					
Pupil support	3,790,189	-	-	3,790,189	1,644,144
Instructional staff support	3,731,608	-	-	3,731,608	2,970,854
General administration	116,160	1,004,194	-	1,120,354	1,086,735
Operation and maintenance of plant	5,816,018	-	-	5,816,018	364,131
Pupil transportation	474,174	-	-	474,174	147,837
Central services	50,597	-	-	50,597	55,257
Food service	15,917,153	-	-	15,917,153	16,328,105
Community service programs	1,268,826	-	-	1,268,826	1,304,583
Facilities acquisition and construction	-	-	17,733,170	17,733,170	38,006,145
Debt service:					
Legal fees	-	102,078	-	102,078	1,625
Election expenses	-	-	-	-	5,022
Bond issuance costs	-	17,249	-	17,249	81,447
Principal retirement	-	18,095,000	-	18,095,000	12,595,000
Interest and bank charges	-	10,012,977	-	10,012,977	8,830,790
Total expenditures	53,974,615	29,231,498	17,733,170	100,939,283	102,960,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,046,539)	1,700,094	(17,559,427)	(16,905,872)	(32,415,075)
Other Financing Sources (Uses)					
Transfers in	2,178,000	-	35,563,336	37,741,336	10,245,505
Transfers out	(1,987,579)	-	(4,021,435)	(6,009,014)	(1,971,755)
Premiums received on bonds issued	-	1,275,312	-	1,275,312	38,950
Bond proceeds	-	-	5,000,000	5,000,000	-
Total other financing sources and uses	190,421	1,275,312	36,541,901	38,007,634	8,312,700
Net Change in Fund Balances	(856,118)	2,975,406	18,982,474	21,101,762	(24,102,375)
Fund Balances, Beginning of Year	2,755,133	19,619,889	10,533,778	32,888,800	56,991,215
Fund Balances, End of Year	\$ 1,879,055	\$ 22,595,295	\$ 29,516,252	\$ 53,990,562	\$ 32,888,840

See accompanying independent auditor's report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010
With Comparative Totals for June 30, 2009

	<u>NCLB</u>	<u>IDEA</u>	<u>TANF</u>	<u>Vocational Education</u>
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Federal	4,029,953	3,448,228	267,072	42,054
State	-	-	-	-
Local	-	-	-	-
Prepaid expenses	641	1,625	-	-
Due from other funds	-	-	-	1
Inventory	-	-	-	-
Total Assets	<u>\$ 4,030,594</u>	<u>\$ 3,449,853</u>	<u>\$ 267,072</u>	<u>\$ 42,055</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 19,148	\$ 33,503	\$ 8,398	\$ 221
Due to other funds	3,973,029	3,416,348	121,292	41,834
Other liabilities	-	-	-	-
Unearned revenues	38,417	2	-	-
Total Liabilities	<u>4,030,594</u>	<u>3,449,853</u>	<u>129,690</u>	<u>42,055</u>
Fund balances				
Reserved for inventory	-	-	-	-
Unreserved, undesignated	-	-	137,382	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>137,382</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 4,030,594</u>	<u>\$ 3,449,853</u>	<u>\$ 267,072</u>	<u>\$ 42,055</u>

See accompanying independent auditors' report.

Exhibit 3

Miscellaneous Programs	8G	School Food Service	Community Education	Totals	
				2010	2009
\$ 11,105	\$ -	\$ 1,677,579	\$ 473,701	\$ 2,162,385	\$ 4,566,450
256,137	-	34,516	-	8,077,960	5,331,674
336,105	268,589	-	-	604,694	855,379
-	362	4,061	-	4,423	86,651
-	-	-	-	2,266	-
333,873	30,198	-	-	364,072	99,468
-	-	442,265	-	442,265	455,820
<u>\$ 937,220</u>	<u>\$ 299,149</u>	<u>\$ 2,158,421</u>	<u>\$ 473,701</u>	<u>\$ 11,658,065</u>	<u>\$ 11,395,442</u>
\$ 8,299	\$ 2,147	\$ 205,505	\$ 3,181	\$ 280,402	\$ 202,069
900,524	296,986	3,761	470,520	9,224,294	8,210,835
-	-	-	-	-	338
24,302	16	211,577	-	274,314	247,027
<u>933,125</u>	<u>299,149</u>	<u>420,843</u>	<u>473,701</u>	<u>9,779,010</u>	<u>8,660,269</u>
-	-	442,265	-	442,265	455,820
4,095	-	1,295,313	-	1,436,790	2,279,353
<u>4,095</u>	<u>-</u>	<u>1,737,578</u>	<u>-</u>	<u>1,879,055</u>	<u>2,735,173</u>
<u>\$ 937,220</u>	<u>\$ 299,149</u>	<u>\$ 2,158,421</u>	<u>\$ 473,701</u>	<u>\$ 11,658,065</u>	<u>\$ 11,395,442</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009

	NCLB	IDEA	TANF	Vocational Education	Miscellaneous Programs	BG	School Food Service
Revenues							
Local sources:							
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	103	-	11,653
Food service	-	-	-	-	-	-	3,023,636
Other	-	23,475	-	-	48,864	-	32,928
State sources:							
Equalization	-	-	-	-	-	-	2,025,000
Other	-	-	470,645	-	3,523,560	942,922	-
Federal sources							
	<u>11,128,053</u>	<u>12,810,867</u>	<u>1,163,527</u>	<u>361,855</u>	<u>7,278,889</u>	<u>-</u>	<u>8,890,781</u>
Total Revenues	<u>11,128,053</u>	<u>12,834,342</u>	<u>1,634,172</u>	<u>361,855</u>	<u>10,851,416</u>	<u>942,922</u>	<u>13,983,998</u>
Expenditures							
Current:							
Instruction:							
Regular Ed programs	1,221,585	-	9,960	-	1,070,424	464,220	-
Special Ed programs	-	7,516,021	-	-	15,315	-	-
Vocational Ed programs	-	-	-	260,999	-	-	-
Other instructional programs	-	2,134	298,678	-	1,028,291	-	-
Special programs	6,527,437	-	1,310,596	-	2,465,238	448,283	-
Adult Ed programs	-	-	-	-	170,709	-	-
Support services:							
Pupil support	381,891	3,261,004	-	100,841	46,453	-	-
Instructional staff support	2,042,515	1,253,016	160,271	-	245,861	29,945	-
General administration	11,025	11,675	8	15	94,238	(801)	-
School administration	-	-	-	-	-	-	-
Operation and maintenance of plant	15,369	2,873	-	-	5,797,776	-	-
Pupil transportation	312,513	123,522	-	-	36,864	1,275	-
Central services	30,220	-	-	-	377	-	-
Food service	-	-	-	-	664	-	15,916,489
Community service programs	-	-	-	-	-	-	-
Total Expenditures	<u>10,562,555</u>	<u>12,170,245</u>	<u>1,779,513</u>	<u>361,855</u>	<u>10,972,210</u>	<u>942,922</u>	<u>15,916,489</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>565,498</u>	<u>664,097</u>	<u>(145,341)</u>	<u>-</u>	<u>(120,794)</u>	<u>-</u>	<u>(1,932,491)</u>
Other Financing Sources (Uses)							
Transfers in							
Transfers in	-	-	-	-	-	-	2,038,000
Transfers out							
Transfers out	(565,498)	(664,097)	-	-	(67,328)	-	(220,136)
Total Other Financing Sources (Uses)	<u>(565,498)</u>	<u>(664,097)</u>	<u>-</u>	<u>-</u>	<u>(67,328)</u>	<u>-</u>	<u>1,817,864</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(145,341)</u>	<u>-</u>	<u>(188,122)</u>	<u>-</u>	<u>(114,627)</u>
Fund Balances, Beginning of Year,	<u>-</u>	<u>-</u>	<u>282,723</u>	<u>-</u>	<u>192,217</u>	<u>-</u>	<u>1,852,205</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,382</u>	<u>\$ -</u>	<u>\$ 4,095</u>	<u>\$ -</u>	<u>\$ 1,737,578</u>

See accompanying independent auditors' report.

Exhibit 4

Community Education	Totals	
	2010	2009
\$ 1,167,220	\$ 1,167,220	\$ 1,368,615
-	11,756	34,354
-	3,023,636	3,078,385
24,098	129,365	121,699
-	2,025,000	1,983,123
-	4,937,127	6,969,404
-	41,633,972	26,126,871
<u>1,191,318</u>	<u>52,928,076</u>	<u>39,682,451</u>
-	2,766,189	3,141,335
-	7,531,336	5,649,490
-	260,999	260,919
-	1,329,103	1,462,604
-	10,751,354	9,001,335
-	170,709	23,497
-	3,790,189	1,644,144
-	3,731,608	2,970,854
-	116,160	61,873
-	-	-
-	5,816,018	364,131
-	474,174	147,837
-	50,597	55,257
-	15,917,153	16,328,105
<u>1,268,826</u>	<u>1,268,826</u>	<u>1,304,582</u>
<u>1,268,826</u>	<u>53,974,615</u>	<u>42,415,963</u>
<u>(77,508)</u>	<u>(1,046,539)</u>	<u>(2,733,512)</u>
140,000	2,178,000	2,528,171
<u>(470,520)</u>	<u>(1,987,579)</u>	<u>(1,074,421)</u>
<u>(330,520)</u>	<u>190,421</u>	<u>1,453,750</u>
(408,028)	(856,118)	(1,279,762)
<u>408,028</u>	<u>2,735,173</u>	<u>4,014,935</u>
<u>\$ -</u>	<u>\$ 1,879,055</u>	<u>\$ 2,735,173</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NCLB Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes

For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Federal sources	\$ 12,327,073	\$ 11,128,053	\$ (1,199,020)
Total Revenues	<u>12,327,073</u>	<u>11,128,053</u>	<u>(1,199,020)</u>
Expenditures			
Instruction:			
Regular Ed programs	1,348,804	1,221,585	127,219
Special programs	7,329,287	6,527,437	801,850
Support services:			
Pupil support	451,087	381,891	69,196
Instructional staff support	2,199,170	2,042,515	156,655
General administration	25,562	11,025	14,537
Operation and maintenance of plant	20,911	15,369	5,542
Pupil transportation	326,840	312,513	14,327
Central services	55,750	50,220	5,530
Total Expenditures	<u>11,757,411</u>	<u>10,562,555</u>	<u>1,194,856</u>
Excess of Revenues Over Expenditures	569,662	565,498	(4,164)
Other Financing Uses			
Transfers out	(625,871)	(565,498)	60,373
Net Change in Fund Balance	(56,209)	-	56,209
Fund Balance, Beginning of Year	<u>56,209</u>	<u>-</u>	<u>(56,209)</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

Exhibit 6

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

IDEA Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local- Miscellaneous	\$ 23,475	\$ 23,475	\$ -
Federal sources	<u>13,935,098</u>	<u>12,810,867</u>	<u>(1,124,231)</u>
Total Revenues	<u>13,958,573</u>	<u>12,834,342</u>	<u>(1,124,231)</u>
Expenditures			
Instruction:			
Special education programs	9,255,835	7,516,021	1,739,814
Other instructional programs	5,000	2,134	2,866
Special programs	-	-	-
Support services:			
Pupil support	2,414,989	3,261,004	(846,015)
Instructional staff support	1,265,685	1,253,016	12,669
General administration	23,000	11,675	11,325
Operation and maintenance of plant	12,000	2,873	9,127
Pupil transportation	<u>257,035</u>	<u>123,522</u>	<u>133,513</u>
Total expenditures	<u>13,233,544</u>	<u>12,170,245</u>	<u>1,063,299</u>
Excess of Revenues Over Expenditures	725,029	664,097	(60,932)
Other Financing Uses			
Transfers out	<u>(725,029)</u>	<u>(664,097)</u>	<u>60,932</u>
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

TANF Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
State sources - Other	\$ 348,475	\$ 470,645	\$ 122,170
Federal sources-Other	<u>1,368,742</u>	<u>1,163,527</u>	<u>(205,215)</u>
Total Revenues	<u>1,717,217</u>	<u>1,634,172</u>	<u>(83,045)</u>
Expenditures			
Instruction:			
Regular Ed programs	-	9,960	(9,960)
Other instructional programs	348,476	298,678	49,798
Special programs	1,435,795	1,310,596	125,199
Support services:			
Instructional staff support	78,233	160,271	(82,038)
General administration	-	8	(8)
Pupil transportation	<u>54</u>	<u>-</u>	<u>54</u>
Total expenditures	<u>1,862,558</u>	<u>1,779,513</u>	<u>83,045</u>
Net Change in Fund Balance	(145,341)	(145,341)	-
Fund Balance, Beginning of Year	<u>282,723</u>	<u>282,723</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 137,382</u>	<u>\$ 137,382</u>	<u>\$ -</u>

See accompanying independent auditors' report.

Exhibit 8

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Vocational Education Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Federal sources	<u>\$ 385,675</u>	<u>\$ 361,855</u>	<u>\$ (23,820)</u>
Total Revenues	<u>385,675</u>	<u>361,855</u>	<u>(23,820)</u>
Expenditures			
Instruction-Vocational Ed programs	284,911	260,999	23,912
Support services - pupil support programs	-	794	(794)
Support services - guidance services	100,543	100,047	496
Support services- general administration	<u>221</u>	<u>15</u>	<u>206</u>
Total Expenditures	<u>385,675</u>	<u>361,855</u>	<u>23,820</u>
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

Exhibit 9

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Miscellaneous Programs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Earnings on investments	\$ -	\$ 103	\$ 103
Other	99,774	48,864	(50,910)
State sources-other	3,663,547	3,523,560	(139,987)
Federal sources	<u>7,297,793</u>	<u>7,278,889</u>	<u>(18,904)</u>
Total revenues	<u>11,061,114</u>	<u>10,851,416</u>	<u>(209,698)</u>
Expenditures			
Instruction:			
Regular Ed programs	1,085,467	1,070,424	15,043
Special Ed programs	17,501	15,315	2,186
Other instructional programs	1,213,984	1,028,291	185,693
Special programs	2,468,492	2,465,238	3,254
Adult Ed programs	175,726	170,709	5,017
Support services:			
Pupil Support	50,090	46,453	3,637
Instructional staff support	248,686	245,861	2,825
General administration	91,821	94,238	(2,417)
Operation and maintenance of plant	5,632,607	5,797,776	(165,169)
Pupil transportation	36,871	36,864	7
Central services	386	377	9
Food service	-	664	(664)
Total expenditures	<u>11,021,631</u>	<u>10,972,210</u>	<u>49,421</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,483	(120,794)	(160,277)
Other Financing Uses			
Transfers out	<u>(78,658)</u>	<u>(67,328)</u>	<u>11,330</u>
Net Change in Fund Balance	(39,175)	(188,122)	(148,947)
Fund Balance, Beginning of Year	<u>192,217</u>	<u>192,217</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 153,042</u>	<u>\$ 4,095</u>	<u>\$ (148,947)</u>

See accompanying independent auditors' report.

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**8G Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
State sources-other	\$ 1,010,448	\$ 942,922	\$ (67,526)
Total Revenues	<u>1,010,448</u>	<u>942,922</u>	<u>(67,526)</u>
Expenditures			
Instruction:			
Regular Ed programs	525,141	464,220	60,921
Special programs	449,788	448,283	1,505
Support services:			
Instructional staff support	32,175	29,945	2,230
General administration	-	(801)	801
Pupil transportation	3,344	1,275	2,069
Total Expenditures	<u>1,010,448</u>	<u>942,922</u>	<u>67,526</u>
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

Exhibit 11

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

School Food Service Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Earnings on investments	\$ 12,000	\$ 11,653	\$ (347)
Food service	3,111,000	3,023,636	(87,364)
Other	36,000	32,928	(3,072)
State sources - Equalization	2,025,000	2,025,000	-
Federal sources	<u>7,975,500</u>	<u>8,890,781</u>	<u>915,281</u>
Total Revenues	<u>13,159,500</u>	<u>13,983,998</u>	<u>824,498</u>
Expenditures			
Food service	<u>16,625,700</u>	<u>15,916,489</u>	<u>709,211</u>
Total Expenditures	<u>16,625,700</u>	<u>15,916,489</u>	<u>709,211</u>
Deficiency of Revenues Under Expenditures	(3,466,200)	(1,932,491)	1,533,709
Other Financing Sources (Uses)			
Transfers in- General Fund	551,000	551,000	-
Transfers in- Sales tax 1966	1,083,000	1,083,000	-
Transfers in- Sales tax 1977	404,000	404,000	-
Transfers out- General Fund	(220,000)	(220,136)	(136)
Sale of capital assets	2,000	-	(2,000)
Total Other Financing Sources (Uses)	<u>1,820,000</u>	<u>1,817,864</u>	<u>(2,136)</u>
Net Change in Fund Balance	(1,646,200)	(114,627)	1,531,573
Fund Balance, Beginning of Year	<u>1,852,205</u>	<u>1,852,205</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 206,005</u>	<u>\$ 1,737,578</u>	<u>\$ 1,531,573</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Community Education Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Tuition	\$ 1,050,000	\$ 1,167,220	\$ 117,220
Miscellaneous	15,000	24,098	9,098
Total Revenues	<u>1,065,000</u>	<u>1,191,318</u>	<u>126,318</u>
Expenditures			
Community service programs	<u>1,423,000</u>	<u>1,268,826</u>	<u>154,174</u>
Total Expenditures	<u>1,423,000</u>	<u>1,268,826</u>	<u>154,174</u>
Deficiency of Revenue Under Expenditures	(358,000)	(77,508)	280,492
Other Financing Sources (Uses)			
Transfers In- General Fund	140,000	140,000	-
Transfers Out- General Fund	<u>-</u>	<u>(470,520)</u>	<u>(470,520)</u>
Total Other Financing Sources (Uses)	<u>140,000</u>	<u>(330,520)</u>	<u>(470,520)</u>
Net Change in Fund Balance	(218,000)	(408,028)	(190,028)
Fund Balance, Beginning of Year	<u>408,028</u>	<u>408,028</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 190,028</u>	<u>\$ -</u>	<u>\$ (190,028)</u>

See accompanying independent auditors' report.

Exhibit 13

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR DEBT SERVICE FUND

Combining Balance Sheet
June 30, 2010
With Comparative Totals for June 30, 2009

	Totals	
	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 21,781,976	\$ 18,686,211
Investments	127,958	127,750
Receivables:		
Ad valorem taxes	<u>749,357</u>	<u>869,924</u>
TOTAL ASSETS	<u>\$ 22,659,291</u>	<u>\$ 19,683,885</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Unearned revenue	<u>\$ 63,996</u>	<u>\$ 63,996</u>
Total Liabilities	<u>63,996</u>	<u>63,996</u>
Fund Balances:		
Reserved for debt service	<u>22,595,295</u>	<u>19,619,889</u>
Total Fund Balances	<u>22,595,295</u>	<u>19,619,889</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,659,291</u>	<u>\$ 19,683,885</u>

See accompanying independent auditors' report.

Exhibit 14

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR DEBT SERVICE FUND

**Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009**

	Totals	
	<u>2010</u>	<u>2009</u>
Revenues		
Local sources:		
Taxes-ad valorem	\$ 30,802,524	\$ 30,091,690
Earnings on investments	129,068	121,295
Total Revenues	<u>30,931,592</u>	<u>30,212,985</u>
Expenditures		
General Administration:		
Equipment for Assessor's office	30,640	22,495
Pension fund contribution	973,554	1,002,367
Debt Service:		
Legal fees	102,078	1,625
Election expenses	-	5,022
Bond issuance costs	17,249	81,447
Principal retirement	18,095,000	12,595,000
Interest and bank charges	10,012,977	8,830,790
Total Expenditures	<u>29,231,498</u>	<u>22,538,746</u>
Excess of Revenues Over Expenditures	1,700,094	7,674,239
Other Financing Sources		
Premium received on bonds issued	1,275,312	38,950
Total Other Financing Sources	<u>1,275,312</u>	<u>38,950</u>
Net Change in Fund Balances	2,975,406	7,713,189
Fund Balances, Beginning of Year	<u>19,619,889</u>	<u>11,906,700</u>
Fund Balances, End of Year	<u>\$ 22,595,295</u>	<u>\$ 19,619,889</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Parishwide School District No. 12 Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Local sources:			
Taxes-ad valorem	\$ 29,327,000	\$ 30,802,524	\$ 1,475,524
Earnings on investments	125,000	129,068	4,068
Total Revenues	<u>29,452,000</u>	<u>30,931,592</u>	<u>1,479,592</u>
Expenditures			
General Administration:			
Equipment for Assessor's office	31,000	30,640	360
Pension fund contribution	1,000,000	973,554	26,446
Debt service:			
Legal fees	110,210	102,078	8,132
Bond issuance costs	17,156	17,249	(93)
Principal retirement	18,095,000	18,095,000	-
Interest and bank charges	10,015,524	10,012,977	2,547
Total Expenditures	<u>29,268,890</u>	<u>29,231,498</u>	<u>37,392</u>
Excess of Revenues Over Expenditures	183,110	1,700,094	1,516,984
Other financing sources			
Premium received on bonds issued	1,275,312	1,275,312	-
Total Other Financing Sources	<u>1,275,312</u>	<u>1,275,312</u>	<u>-</u>
Net Change in Fund Balance	1,458,422	2,975,406	1,516,984
Fund Balances - Beginning	<u>19,619,889</u>	<u>19,619,889</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 21,078,311</u>	<u>\$ 22,595,295</u>	<u>\$ 1,516,984</u>

See accompanying independent auditors' report.



"Louisiana Melody"
Brittany Monk - Grade 7
Tonya Hendon - Teacher
Monteleone Junior

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR CAPITAL PROJECT FUNDS

Combining Balance Sheet
For the Year Ended June 30, 2010
With Comparative Totals for June 30, 2009

	<u>2002</u> <u>Construction</u>	<u>2004</u> <u>Construction</u>	<u>Roofing</u> <u>Construction</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 18,356,228	\$ 5,019,527
Investments	-	6,205	-
Due from other funds	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 18,362,433</u>	<u>\$ 5,019,527</u>
 LIABILITIES AND EQUITY			
Liabilities:			
Accounts payable	\$ -	\$ 521,456	\$ 173,724
Contract and Retainage payable	-	187,282	142,761
Due to other funds	-	-	-
Total Liabilities	<u>-</u>	<u>708,738</u>	<u>316,485</u>
 Equity:			
Fund balances:			
Unreserved, undesignated	-	17,653,695	4,703,042
Total Equity	<u>-</u>	<u>17,653,695</u>	<u>4,703,042</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ -</u>	<u>\$ 18,362,433</u>	<u>\$ 5,019,527</u>

See accompanying independent auditors' report.

Exhibit 16

<u>Property Acquisition</u>	<u>Parishwide Construction</u>	<u>QSCB Construction</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
\$ 96,863	\$ 2,913,259	\$ 4,439,483	\$30,825,360	\$ 15,410,333
-	-	-	6,205	6,194
-	61,667	-	61,667	326,573
<u>\$ 96,863</u>	<u>\$ 2,974,926</u>	<u>\$ 4,439,483</u>	<u>\$30,893,232</u>	<u>\$ 15,743,100</u>
\$ 5,000	\$ 240,384	\$ 57,974	\$998,538	\$ 3,293,873
-	31,250	17,149	378,442	1,775,449
-	-	-	-	140,000
<u>5,000</u>	<u>271,634</u>	<u>75,123</u>	<u>\$1,376,980</u>	<u>5,209,322</u>
<u>91,863</u>	<u>2,703,292</u>	<u>4,364,360</u>	<u>29,516,252</u>	<u>10,533,778</u>
<u>91,863</u>	<u>2,703,292</u>	<u>4,364,360</u>	<u>29,516,252</u>	<u>10,533,778</u>
<u>\$ 96,863</u>	<u>\$ 2,974,926</u>	<u>\$ 4,439,483</u>	<u>\$ 30,893,232</u>	<u>\$ 15,743,100</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR CAPITAL PROJECTS FUNDS

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended June 30, 2009**

	<u>2002</u> <u>Construction</u>	<u>2004</u> <u>Construction</u>	<u>ReRoofing</u> <u>Construction</u>
Revenues			
Earnings on investments	\$ 1,607	\$ 87,286	\$ 28,971
Miscellaneous	-	-	-
Total Revenues	<u>1,607</u>	<u>87,286</u>	<u>28,971</u>
Expenditures			
Facilities acquisition and construction:			
Building/site improvements	4,769	435,605	-
Building and land acquisitions	-	-	-
Construction contracts	-	7,936,640	1,222,142
Architect and engineers	-	248,976	90,569
Equipment	-	289,558	-
Legal services	-	-	-
Other	-	-	11,104
Total Expenditures	<u>4,769</u>	<u>8,910,779</u>	<u>1,323,815</u>
Deficiency of Revenues			
Under Expenditures	(3,162)	(8,823,493)	(1,294,844)
Other Financing Sources (Uses)			
Bond proceeds	-	-	-
Transfers in	-	27,421,435	2,750,000
Transfers out	<u>(4,021,435)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(4,021,435)</u>	<u>27,421,435</u>	<u>2,750,000</u>
Net Change in Fund Balances	<u>(4,024,597)</u>	<u>18,597,942</u>	<u>1,455,156</u>
Fund Balances, Beginning of Year	<u>4,024,597</u>	<u>(944,247)</u>	<u>3,247,886</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 17,653,695</u>	<u>\$ 4,703,042</u>

See accompanying independent auditors' report.

Exhibit 17

<u>Property Acquisition</u>	<u>Parishwide Construction</u>	<u>QSCB Construction</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
\$ 5,063	\$ 17,526	\$ 19,440	\$ 159,893	\$ 405,449
10,000	3,850	-	13,850	244,894
<u>15,063</u>	<u>21,376</u>	<u>19,440</u>	<u>173,743</u>	<u>650,343</u>
-	1,972,655	342,984	2,756,013	2,968,771
4,184,080	-	-	4,184,080	2,647,920
-	152,862	-	9,311,644	27,443,689
-	285,487	297,273	922,305	2,524,850
-	237,120	-	526,678	2,412,213
-	-	-	-	15,595
-	6,523	14,823	32,450	(6,893)
<u>4,184,080</u>	<u>2,654,647</u>	<u>655,080</u>	<u>17,733,170</u>	<u>38,006,145</u>
(4,169,017)	(2,633,271)	(635,640)	(17,559,427)	(37,355,802)
-	-	5,000,000	5,000,000	-
1,828,567	3,563,334	-	35,563,336	7,717,334
-	-	-	(4,021,435)	(897,334)
<u>1,828,567</u>	<u>3,563,334</u>	<u>5,000,000</u>	<u>36,541,901</u>	<u>6,820,000</u>
(2,340,450)	930,063	4,364,360	18,982,474	(30,535,802)
<u>2,432,313</u>	<u>1,773,229</u>	<u>-</u>	<u>10,533,778</u>	<u>41,069,580</u>
<u>\$ 91,863</u>	<u>\$ 2,703,292</u>	<u>\$ 4,364,360</u>	<u>\$ 29,516,252</u>	<u>\$ 10,533,778</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

2002 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
<i>Earnings on investments</i>	\$ 1,607	\$ 1,607	\$ -
Total Revenues	<u>1,607</u>	<u>1,607</u>	<u>-</u>
Expenditures			
Facilities acquisition and construction:			
<i>Building improvements</i>	4,769	4,769	-
Total Expenditures	<u>4,769</u>	<u>4,769</u>	<u>-</u>
Deficiency of Revenues under Expenditures	(3,162)	(3,162)	-
Other finance uses			
<i>Transfer out - 2004 Construction</i>	(4,021,435)	(4,021,435)	-
Net Change in Fund Balance	(4,024,597)	(4,024,597)	-
Fund Balance, Beginning of Year	<u>4,024,597</u>	<u>4,024,597</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

2004 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$ 89,211	\$ 87,286	\$ (1,925)
Total Revenues	<u>89,211</u>	<u>87,286</u>	<u>(1,925)</u>
Expenditures			
Facilities acquisition and construction:			
Equipment	200,000	289,558	(89,558)
Construction contracts	15,000,000	7,936,640	7,063,360
Building Improvements	-	435,605	(435,605)
Architects and engineers	1,000,000	248,976	751,024
Other	30,000	-	30,000
Total Expenditures	<u>16,230,000</u>	<u>8,910,779</u>	<u>7,319,221</u>
Deficiency of Revenues Under Expenditures	<u>(16,140,789)</u>	<u>(8,823,493)</u>	<u>7,317,296</u>
Other Financing Sources			
Transfers in - 2008 Construction	18,400,000	18,400,000	-
Transfers in - Disaster Construction	5,000,000	5,000,000	-
Transfers in - 2002 Construction	4,021,435	4,021,435	-
Total other Financing Sources	<u>27,421,435</u>	<u>27,421,435</u>	<u>-</u>
Net Change in Fund Balance	11,280,646	18,597,942	7,317,296
Fund Balance, Beginning of Year	<u>(944,247)</u>	<u>(944,247)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 10,336,399</u>	<u>\$ 17,653,695</u>	<u>\$ 7,317,296</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Reroofing Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$ 25,000	\$ 28,971	\$ 3,971
Total Revenues	<u>25,000</u>	<u>28,971</u>	<u>3,971</u>
Expenditures			
Facilities acquisition and construction:			
Construction contracts	2,700,000	1,222,142	1,477,858
Architects and engineers	250,000	90,569	159,431
Equipment	-	-	-
Other	5,000	11,104	(6,104)
Total Expenditures	<u>2,955,000</u>	<u>1,323,815</u>	<u>1,631,185</u>
Deficiency of Revenues Under Expenditures	<u>(2,930,000)</u>	<u>(1,294,844)</u>	<u>1,635,156</u>
Other Financing Sources			
Transfers in - General Fund	3,000,000	2,750,000	(250,000)
Total Other Financing Sources	<u>3,000,000</u>	<u>2,750,000</u>	<u>(250,000)</u>
Net Change in Fund Balance	70,000	1,455,156	1,385,156
Fund Balance, Beginning of Year	<u>3,247,886</u>	<u>3,247,886</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,317,886</u>	<u>\$ 4,703,042</u>	<u>\$ 1,385,156</u>

See accompanying independent auditors' report.

Exhibit 21**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana****Property Acquisition Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Miscellaneous	\$ -	\$ 10,000	\$ 10,000
Earnings on investments	10,000	5,063	(4,937)
Total Revenues	<u>10,000</u>	<u>15,063</u>	<u>5,063</u>
Expenditures			
Facilities acquisition and construction:			
Land acquisition	4,100,000	4,184,080	(84,080)
Total Expenditures	<u>4,100,000</u>	<u>4,184,080</u>	<u>(84,080)</u>
Deficiency of Revenues under Expenditures	(4,090,000)	(4,169,017)	(79,017)
Other Financing Sources			
Transfers in - General Fund	1,678,342	1,828,567	150,225
Total Other Financing Sources	<u>1,678,342</u>	<u>1,828,567</u>	<u>150,225</u>
Net Change in Fund Balance	(2,411,658)	(2,340,450)	71,208
Fund Balance, Beginning of Year	<u>2,432,313</u>	<u>2,432,313</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 20,655</u>	<u>\$ 91,863</u>	<u>\$ 71,208</u>

See accompanying independent auditors' report.

Exhibit 22

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Parishwide Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$ 15,000	\$ 17,526	\$ 2,526
Contributions and donations	3,000	3,850	850
Total Revenues	<u>18,000</u>	<u>21,376</u>	<u>3,376</u>
Expenditures			
Facilities acquisition and construction:			
Building and site improvements	1,950,000	1,972,655	(22,655)
Construction contracts	2,250,000	152,862	2,097,138
Equipment	300,000	237,120	62,880
Architects and engineers	500,000	285,487	214,513
Other	-	6,523	(6,523)
Total Expenditures	<u>5,000,000</u>	<u>2,654,647</u>	<u>2,345,353</u>
Deficiency of Revenues under Expenditures	(4,982,000)	(2,633,271)	2,348,729
Other Financing Sources			
CDBG bond proceeds	1,500,000	-	(1,500,000)
Transfers in - General Fund	1,080,000	990,000	(90,000)
Transfers in - Sales Tax 77 Fund	2,740,000	2,573,334	(166,666)
Total Other Financing Sources	<u>5,320,000</u>	<u>3,563,334</u>	<u>(1,756,666)</u>
Net Change in Fund Balance	338,000	930,063	592,063
Fund Balance, Beginning of Year	<u>1,773,229</u>	<u>1,773,229</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,111,229</u>	<u>\$ 2,703,292</u>	<u>\$ 592,063</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

QSCB Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$ 12,000	\$ 19,440	\$ 7,440
Total Revenues	<u>12,000</u>	<u>19,440</u>	<u>7,440</u>
Expenditures			
Facilities acquisition and construction:			
<i>Building and site improvements</i>	1,000,000	342,984	657,016
Architects and engineers	500,000	297,273	202,727
Other	10,000	14,823	(4,823)
Total Expenditures	<u>1,510,000</u>	<u>655,080</u>	<u>854,920</u>
Deficiency of Revenues under Expenditures	(1,498,000)	(635,640)	862,360
Other Financing Sources			
Bond proceeds	5,000,000	5,000,000	-
Total Other Financing Sources	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Net Change in Fund Balance	3,502,000	4,364,360	862,360
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,502,000</u>	<u>\$ 4,364,360</u>	<u>\$ 862,360</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Non-Major Proprietary Fund Type - Internal Service Funds
Combining Statement of Net Assets
June 30, 2010

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Health/Life</u> <u>Insurance</u>	<u>Total</u> <u>June 30,</u> <u>2010</u>
Current Assets				
Cash and cash equivalents	\$ 7,826,014	\$ 1,302,694	\$ -	\$ 9,128,708
Investments	950,000	125,943	-	1,075,943
Prepaid expenses	-	-	385,772	385,772
Accounts receivable	36,961	-	331,686	368,647
Due from other funds	-	2,692	5,572,857	5,575,549
Total Assets	<u>\$ 8,812,975</u>	<u>\$ 1,431,329</u>	<u>\$ 6,290,315</u>	<u>\$ 16,534,619</u>
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 1,193	\$ 32,746	\$ 7,794	\$ 41,733
Liability for self-insurance losses	6,617,909	-	6,282,521	12,900,430
Claims liability	-	1,287,236	-	1,287,236
Total Liabilities	<u>6,619,102</u>	<u>1,319,982</u>	<u>6,290,315</u>	<u>14,229,399</u>
Net Assets				
Restricted for employee benefits	2,193,873	-	-	2,193,873
Unrestricted	-	111,347	-	111,347
Total Net Assets	<u>2,193,873</u>	<u>111,347</u>	<u>-</u>	<u>2,305,220</u>
Total Liabilities and Net Assets	<u>\$ 8,812,975</u>	<u>\$ 1,431,329</u>	<u>\$ 6,290,315</u>	<u>\$ 16,534,619</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Non-Major Proprietary Fund Type - Internal Service Funds
Combining Statement of Revenues, Expenses, and
Changes in Net Assets
For the Year Ended June 30, 2010

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Health/Life</u> <u>Insurance</u>	<u>Total</u> <u>June 30,</u> <u>2010</u>
Operating Revenue				
Employer/Employee contributions	\$ 2,370,802	\$ 1,247,299	\$ 86,222,145	\$ 89,840,246
Total operating revenue	<u>2,370,802</u>	<u>1,247,299</u>	<u>86,222,145</u>	<u>89,840,246</u>
Operating Expenses				
Administrative	205,098	166,932	-	372,030
Contractual services	152,477	335,522	4,482,280	4,970,279
Premium payments	-	1,937,596	-	1,937,596
Benefit Payments	2,838,729	-	68,505,931	71,344,660
Claims	-	351,360	-	351,360
Increase in provision for self-insurance losses	2,594,008	708,705	(3,964,712)	(661,999)
Total operating expenses	<u>5,790,312</u>	<u>3,500,115</u>	<u>69,023,499</u>	<u>78,313,926</u>
Operating Income (Loss)	<u>(3,419,510)</u>	<u>(2,252,816)</u>	<u>17,198,646</u>	<u>11,526,320</u>
Non-Operating Revenue				
Earnings on investments	56,279	5,111	18,010	79,400
Total Non-Operating Revenue	<u>56,279</u>	<u>5,111</u>	<u>18,010</u>	<u>79,400</u>
Changes in Net Assets	<u>(3,363,231)</u>	<u>(2,247,705)</u>	<u>17,216,656</u>	<u>11,605,720</u>
Net Assets, Beginning of Year	<u>5,557,104</u>	<u>2,359,052</u>	<u>(17,216,656)</u>	<u>(9,300,500)</u>
Net Assets, End of Year	<u>\$ 2,193,873</u>	<u>\$ 111,347</u>	<u>\$ -</u>	<u>2,305,220</u>

See accompanying independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Non-Major Proprietary Fund Type - Internal Service Fund
Combining Statement of Cash Flows
For the Year Ended June 30, 2010

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Health/Life</u> <u>Insurance</u>	<u>Total</u> <u>June 30,</u> <u>2010</u>
Cash Flows From Operating Activities				
Receipts from employer and employee contributions	\$ 4,219,630	\$ 1,333,925	\$ 86,256,452	\$ 91,810,007
Payments for benefits and claims	(2,838,729)	(351,360)	(81,409,010)	(84,599,099)
Payments for insurance premiums	-	(1,937,596)	-	(1,937,596)
Payments for administrative and contractual services	(360,024)	(246,007)	(4,865,452)	(5,471,483)
Net Cash Provided (Used) by Operating Activities	<u>1,020,877</u>	<u>(1,201,038)</u>	<u>(18,010)</u>	<u>(198,171)</u>
Cash Flows From Investing Activities				
Earnings on cash and investments	<u>56,279</u>	<u>5,111</u>	<u>18,010</u>	<u>79,400</u>
Net Cash Provided By Investing Activities	<u>56,279</u>	<u>5,111</u>	<u>18,010</u>	<u>79,400</u>
Net Increase (Decrease) in Cash, Cash Equivalents and Investments	1,077,156	(1,195,927)	-	(118,771)
Cash, Cash Equivalents and Investments, Beginning of Year	<u>7,698,858</u>	<u>2,624,564</u>	<u>-</u>	<u>10,323,422</u>
Cash, Cash Equivalents and Investments, End of Year	<u>\$ 8,776,014</u>	<u>\$ 1,428,637</u>	<u>\$ -</u>	<u>\$ 10,204,651</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (3,419,510)	\$ (2,252,816)	\$ 17,198,646	\$ 11,526,320
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Increase (decrease) in provision for self insurance losses	2,594,008	708,705	(3,964,712)	(661,999)
(Increase) decrease in receivables	1,848,828	331,069	(5,538,551)	(3,358,654)
Increase in prepaids	-	-	(385,772)	(385,772)
Increase (decrease) in payables	(2,449)	12,004	(7,327,621)	(7,318,066)
Total adjustments	<u>4,440,387</u>	<u>1,051,778</u>	<u>(17,216,656)</u>	<u>(11,724,491)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,020,877</u>	<u>\$ (1,201,038)</u>	<u>\$ (18,010)</u>	<u>\$ (198,171)</u>

See accompanying independent auditors' report.

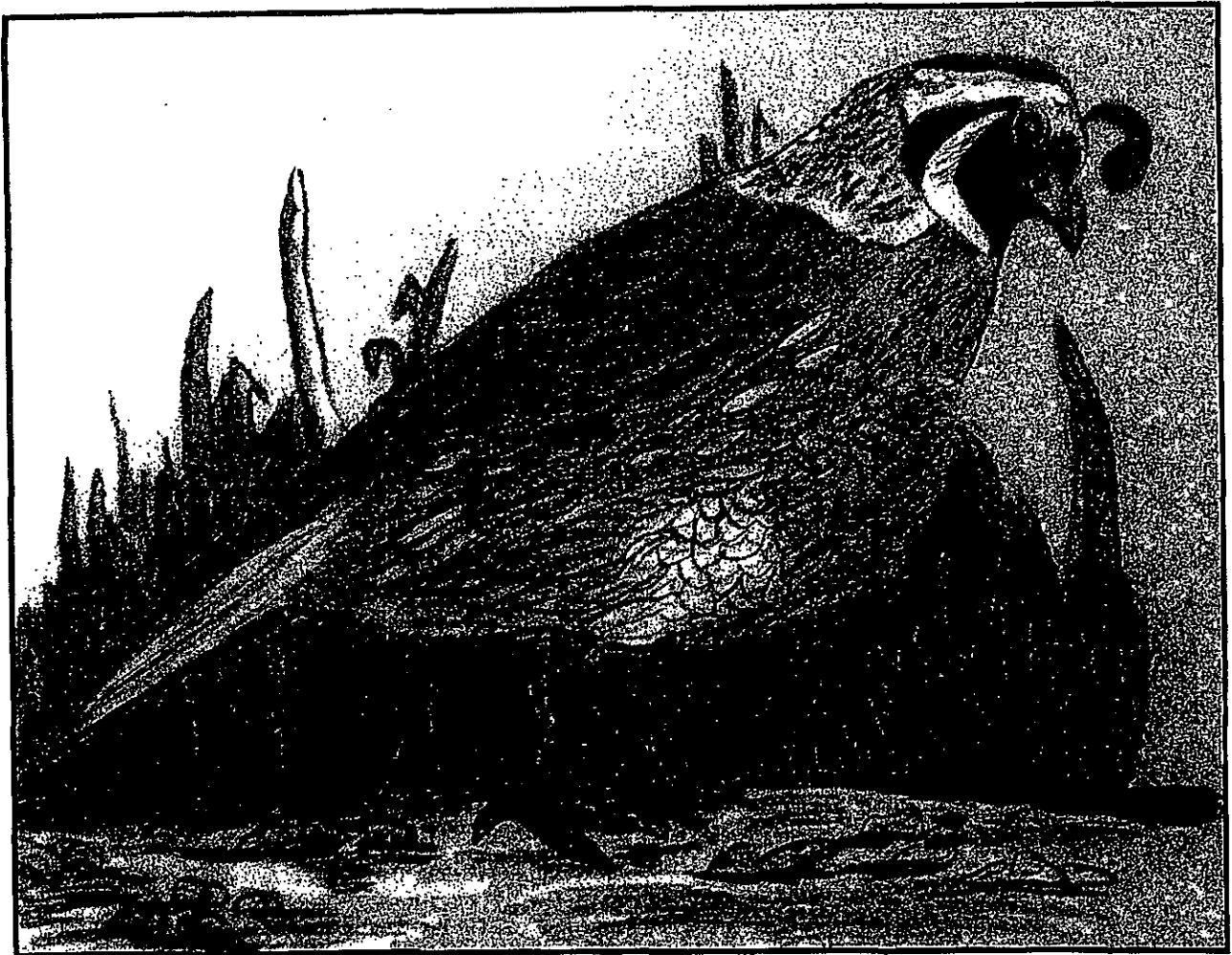
ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Non-Major Agency Fiduciary Funds

Statement of Changes in Assets and Liabilities - School Activity Funds
Year Ended June 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
ASSETS				
Cash and cash equivalents	\$ 3,031,949	\$ 15,417,883	\$ 13,961,717	\$ 4,488,115
Accounts receivable	100,676	-	34,610	66,066
Investments	<u>2,177,859</u>	<u>5,660</u>	<u>1,234,385</u>	<u>949,134</u>
TOTAL ASSETS	<u>5,310,484</u>	<u>15,423,543</u>	<u>15,230,712</u>	<u>5,503,315</u>
LIABILITIES				
Accounts payable	\$ 140,875	\$ -	\$ 22,442	\$ 118,433
Due to schools	<u>5,169,609</u>	<u>15,423,543</u>	<u>15,208,270</u>	<u>5,384,882</u>
TOTAL LIABILITIES	<u>5,310,484</u>	<u>15,423,543</u>	<u>15,230,712</u>	<u>5,503,315</u>

See accompanying independent auditors' report.



"Louisiana Quail"
Bailey Boyles - Grade 6
Barbara Dooley - Teacher
Lake Harbor

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

STATISTICAL INFORMATION



"Alligator Eggs"
Blake Bryde - Grade 6
Barbara Dooley - Teacher
Lake Harbor

STATISTICAL SECTION

This part of the St. Tammany Parish School Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School Board's overall financial health.

Contents

Tables

Financial Trends

1 - 5

These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.

Revenue Capacity

6 - 9

These schedules contain information to help the reader assess the School Board's most significant local revenue sources.

Debt Capacity

10-14

These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue additional debt in the future.

Demographic and Economic Information

15-16

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.

Operating Information

17-23

These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The School Board implemented GASB Statement 34 in fiscal year 2002; tables presenting government-wide information include information beginning in that year.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 1

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,		
	2010	2009	2008
Governmental activities			
Invested in capital assets, net of related debt	\$ 255,099,402	\$ 202,532,800	\$ 156,950,308
Restricted	22,595,295	19,619,889	11,906,700
Unrestricted	(38,945,775)	19,497,091	43,596,197
Total governmental activities net assets	\$ 238,748,922	\$ 241,649,780	\$ 212,453,205

Source: Audited Comprehensive Annual Financial Reports- Information available for nine years.

Table 1

Fiscal Year Ended June 30,					
<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 116,801,995	\$ 50,574,740	\$ 24,793,097	\$ 38,647,118	\$ 32,879,710	\$ 28,978,182
8,571,906	103,928,881	84,585,526	39,896,286	25,591,387	21,414,813
<u>101,806,253</u>	<u>41,161,091</u>	<u>5,431,547</u>	<u>43,313,303</u>	<u>50,944,605</u>	<u>52,478,589</u>
<u>\$ 227,180,154</u>	<u>\$ 195,664,712</u>	<u>\$ 114,810,170</u>	<u>\$ 121,856,707</u>	<u>\$ 109,415,702</u>	<u>\$ 102,871,584</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 2

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

	Fiscal Year Ended June 30,			
	2010	2009	2008	2007
Expenses:				
Instruction:				
Regular education programs	\$ 149,434,835	\$ 142,642,325	\$ 149,055,479	\$ 128,511,768
Special education programs	76,655,867	74,326,162	75,534,212	64,851,904
Vocational education programs	6,093,611	5,804,540	6,300,120	5,389,435
Other instructional programs	13,829,209	14,882,116	16,302,774	14,473,477
Special programs	13,143,735	11,243,792	12,295,826	12,309,014
Adult education programs	355,165	406,423	469,083	445,613
Support services:				
Pupil support	19,781,955	15,700,409	16,296,658	13,717,765
Instructional staff support	16,559,444	15,434,557	16,966,498	14,278,658
General administration	7,978,436	7,925,766	8,450,173	6,516,328
School administration	23,383,836	22,141,850	21,729,282	17,594,125
Business administration	2,884,197	2,609,547	2,759,986	2,339,921
Operation and maintenance of plant	34,723,590	34,272,688	37,390,691	30,869,596
Pupil transportation	32,459,145	31,603,396	31,936,940	24,098,252
Central services	7,293,744	8,280,124	7,908,990	4,997,706
Food services	21,285,705	20,628,334	21,342,601	17,884,834
Community service programs	1,356,639	1,440,596	1,924,210	1,419,324
Interest on long-term debt	12,216,768	11,609,204	3,053,179	5,463,807
Total expenses	439,435,881	420,951,829	429,716,702	365,161,527
Program revenues:				
Charges for services:				
Instruction	269,807	1,528,919	1,686,022	190,299
Food services	3,023,636	3,078,385	3,301,946	2,699,597
Community service programs	1,167,220	1,368,615	1,399,123	1,345,698
Operating grants and contributions	44,056,696	31,955,639	32,521,189	36,774,433
Capital grants and contributions	25,864,965	35,401,245	9,348,184	18,733,843
Total program revenues	74,382,324	73,332,803	48,256,464	59,743,870
Net expense	(365,053,557)	(347,619,026)	(381,460,238)	(305,417,657)
General revenues and other changes in net assets:				
Taxes:				
Ad valorem (property) taxes	101,670,428	99,813,880	83,660,520	74,098,468
Sales and use taxes	72,079,382	77,359,837	84,844,401	89,280,567
State revenue sharing	1,953,133	1,971,376	2,086,894	1,846,208
Grants and contributions not restricted to specific programs-Minimum Foundation Program	181,812,673	180,116,316	173,501,201	154,613,755
Interest and investment earnings	1,439,649	4,154,856	8,689,903	12,588,359
Insurance proceeds	-	10,676,833	-	-
Gain on sale of assets	-	-	54,763	-
Miscellaneous	3,197,434	2,722,503	5,012,825	4,505,742
Special item - restatement	-	-	8,882,782	-
Total general revenues and other changes in net assets	362,152,699	376,815,601	366,733,289	336,933,099
Change in net assets	\$ (2,900,858)	\$ 29,196,575	\$ (14,726,949)	\$ 31,515,442

Source: Audited Comprehensive Annual Financial Reports- Information available for nine years.

Table 2

Fiscal Year Ended June 30,				
2006	2005	2004	2003	2002
\$ 131,106,052	\$ 121,974,843	\$ 107,802,859	\$ 103,626,356	\$ 94,895,134
58,457,438	57,993,891	52,774,203	47,554,331	43,764,346
5,004,172	4,878,106	4,470,356	4,383,262	4,624,007
11,705,748	13,471,299	11,700,505	10,836,452	8,683,473
9,081,700	8,690,782	6,842,357	5,945,125	4,121,088
488,327	636,520	567,927	643,693	561,205
12,728,685	12,527,690	11,263,233	10,417,550	9,805,615
12,196,812	12,820,958	10,929,418	9,835,320	9,809,344
5,926,398	5,744,378	5,159,647	3,596,121	4,271,971
16,862,520	15,672,383	14,250,363	13,559,777	12,747,955
2,136,073	2,104,334	1,974,375	1,683,054	1,646,685
34,728,672	24,999,855	22,087,125	19,946,780	18,261,133
22,207,588	20,761,576	18,227,864	16,791,257	15,137,579
4,187,728	4,757,738	3,591,531	5,461,851	2,367,639
16,966,767	16,907,527	14,764,947	14,061,263	13,241,043
1,245,429	1,405,781	1,324,381	1,012,787	994,973
7,212,005	8,129,251	6,835,848	7,742,775	6,242,420
<u>352,242,114</u>	<u>333,476,912</u>	<u>294,566,939</u>	<u>277,097,754</u>	<u>251,175,610</u>
145,077	166,710	220,706	211,316	208,698
1,785,738	2,910,977	2,928,164	2,813,498	2,746,381
1,051,841	1,137,074	1,082,352	813,656	778,694
72,619,891	28,198,541	26,533,580	23,898,970	20,438,008
20,542,642	725,268	665,308	790,420	752,333
<u>96,143,189</u>	<u>33,138,570</u>	<u>31,430,110</u>	<u>28,527,860</u>	<u>24,924,114</u>
(256,096,925)	(300,338,342)	(263,136,829)	(248,569,894)	(226,251,496)
65,852,536	62,872,455	55,953,605	51,460,415	48,344,307
91,563,744	65,438,272	61,162,354	55,641,711	52,847,766
1,866,599	1,768,679	1,804,707	1,789,692	1,799,322
151,506,757	149,746,781	141,755,563	133,675,440	124,341,219
7,312,336	3,726,102	1,790,474	2,736,513	3,499,995
-	-	-	-	-
-	-	-	-	-
18,849,495	9,739,516	8,473,088	8,586,277	6,479,498
-	-	-	-	-
<u>336,951,467</u>	<u>293,291,805</u>	<u>270,939,791</u>	<u>253,890,048</u>	<u>237,312,107</u>
<u>\$ 80,854,542</u>	<u>\$ (7,046,537)</u>	<u>\$ 7,802,962</u>	<u>\$ 5,320,154</u>	<u>\$ 11,060,611</u>

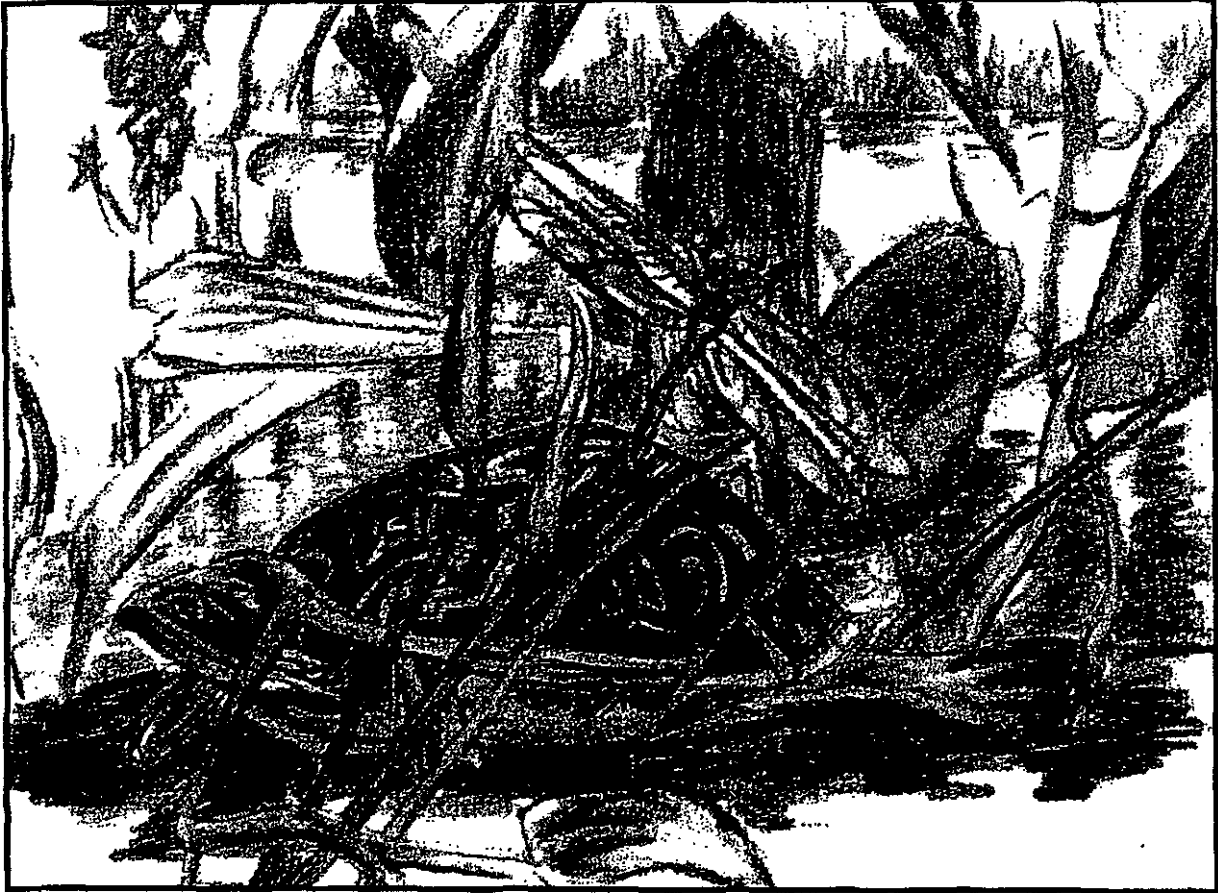
ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 3

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	General Fund			All Other Governmental Funds			Total all other Governmental Funds
	Reserved	Unreserved	Total	Reserved*	Unreserved Reported in Special Revenue Funds	Unreserved Reported in Capital Projects Funds	
2010	\$ -	\$ 51,375,045	\$ 51,375,045	\$ 23,037,560	\$ 48,463,113	\$ 74,416,020	\$ 145,916,693
2009	-	49,935,270	49,935,270	20,075,709	98,098,249	86,763,714	204,937,672
2008	-	55,784,162	55,784,162	12,278,923	94,163,582	41,296,796	147,739,301
2007	-	71,644,882	71,644,882	8,879,573	90,155,883	69,749,974	168,785,430
2006	2,299	61,004,094	61,006,393	19,189,150	5,750,225	168,571,193	193,510,568
2005	26,597	51,569,504	51,596,101	16,313,346	4,045,967	68,531,666	88,890,979
2004	112,838	61,368,203	61,481,041	11,882,724	4,142,996	28,108,989	44,134,709
2003	270,616	59,913,546	60,184,162	25,416,604	3,271,067	33,375,771	62,063,442
2002	1,472,698	55,413,409	56,886,107	20,036,444	3,308,766	54,767,758	78,112,968
2001	564,130	44,997,296	45,561,426	17,477,318	5,341,813	30,230,701	53,049,832

* Includes Special Revenue, Capital Projects and Debt Service Funds.
All fund balances in Debt Service Funds are reserved to pay future debt service.
Source: Audited Comprehensive Annual Financial Reports.



"Shy Turtle"
Laythan Lawrence - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 4

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS AND TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,					
	2010	2009	2008	2007	2006	2005
REVENUES						
Local sources:						
Ad valorem taxes	\$ 103,654,878	\$ 97,685,368	\$ 83,888,326	\$ 73,870,662	\$ 65,852,536	\$ 62,802,202
Sales and use taxes	72,079,382	77,559,837	93,281,812	89,671,372	89,743,764	65,696,266
Rentals, leases, and royalties	-	-	-	-	-	1,575
Tuition	1,437,027	1,528,919	1,686,022	1,535,997	1,196,918	1,303,784
Earnings on investments	1,439,649	2,722,495	8,689,903	12,588,359	7,121,326	3,630,141
Food service	3,023,636	3,078,385	3,301,946	2,699,597	1,785,738	2,910,977
Other	3,769,904	3,348,460	1,764,267	1,849,854	651,907	505,966
State sources:						
Minimum foundation program	181,812,673	180,116,316	173,501,201	154,613,755	151,506,757	149,746,781
Contributions to teachers' retirement	45,712	48,495	57,059	64,148	89,815	70,494
Revenue Sharing	1,953,133	1,971,376	2,086,894	1,846,208	1,866,599	1,768,679
Professional improvement program	342,811	369,618	435,420	498,502	571,503	656,198
Other	6,819,254	12,143,910	10,132,502	5,644,455	9,689,458	5,817,402
Federal sources	62,141,414	62,162,333	42,038,308	50,768,367	66,149,716	26,066,511
TOTAL REVENUES	438,519,473	442,535,512	420,863,660	395,651,276	396,226,037	320,976,976
EXPENDITURES						
Current:						
Instruction:						
Regular education programs	144,341,430	133,355,707	129,525,124	121,079,830	115,457,973	107,001,159
Special education programs	74,043,093	69,487,215	65,514,042	61,235,517	56,501,537	55,169,371
Other education programs	32,282,559	30,231,604	30,203,249	30,305,373	25,023,846	25,922,013
Support services:						
Pupil support	19,107,698	14,678,246	14,147,088	12,962,175	12,264,648	11,879,363
Instructional staff support	15,995,024	14,429,702	14,733,249	13,494,750	11,779,845	12,188,898
General administration	7,706,495	7,409,765	7,323,346	6,144,633	5,712,441	5,448,976
School administration	22,586,811	20,700,322	18,869,821	16,640,521	16,312,057	14,920,549
Business administration	2,785,891	2,439,653	2,394,116	2,209,097	2,051,238	1,988,667
Operation and maintenance of plant	33,540,055	32,041,391	32,288,195	29,063,282	33,411,107	23,610,626
Pupil transportation	31,352,793	29,545,881	27,757,246	22,811,347	21,496,860	19,780,254
Central services	7,045,141	7,741,053	6,751,697	4,399,589	3,561,031	4,046,080
Food services	20,560,193	19,285,342	18,441,434	16,785,017	16,304,893	15,985,763
Community service programs	1,310,398	1,346,808	1,671,217	1,340,078	1,204,064	1,337,877
Facilities acquisition and construction	86,491,105	85,418,654	69,455,636	54,486,930	31,822,161	29,506,797
Debt service - issuance costs	-	-	-	-	1,474	54,543
Debt service - legal fees	102,078	1,625	30,125	21,567	-	-
Debt service - election expenses	-	5,022	58,109	-	-	-
Debt service - bond issuance costs	17,249	81,447	75,590	-	84,844	167,442
Debt service - principal	18,095,000	12,595,000	11,805,771	13,420,000	10,405,000	10,290,000
Debt service - interest	10,012,977	8,830,790	7,450,217	8,097,595	7,212,085	6,414,493
TOTAL EXPENDITURES	527,375,990	489,635,227	458,495,272	414,497,301	369,807,024	345,712,871
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(88,856,517)	(47,099,715)	(37,631,612)	(18,846,025)	26,419,013	(24,735,895)
OTHER FINANCING SOURCES (USES)						
Payment to escrow agent from refunding bond proceeds	-	-	-	(9,954,229)	-	(36,408,800)
Premium received on bonds issued	1,275,312	1,432,361	-	-	95,512	326,025
Bonds issued	30,000,000	86,330,000	670,000	-	25,000,000	95,690,000
Federal loan proceeds	-	-	-	15,985,981	51,857,990	-
Sales of capital assets	-	-	54,763	-	-	-
Insurance proceeds	-	10,676,833	-	-	-	-
Transfers in	152,558,101	90,170,841	123,228,341	141,962,543	294,168,384	74,374,777
Transfers out	(152,558,101)	(90,170,841)	(123,228,341)	(143,234,919)	(283,511,018)	(74,374,777)
TOTAL OTHER FINANCING SOURCES (USES)	31,275,312	98,439,194	724,763	4,759,376	87,610,868	59,607,225
NET CHANGE IN FUND BALANCES	\$ (57,581,205)	\$ 51,349,479	\$ (36,906,849)	\$ (14,086,649)	\$ 114,029,881	\$ 34,871,330
Debt service as a percentage of noncapital expenditures	6.51%	4.96%	4.46%	7.29%	4.08%	12.30%

Source: Audited Financial Reports

(continued)

Table 4

Fiscal Year Ended June 30,			
2004	2003	2002	2001
\$ 55,953,605	\$ 51,460,415	\$ 48,344,307	\$ 45,507,454
60,648,838	55,386,185	52,847,766	48,795,600
2,580	2,070	3,420	4,200
1,303,058	1,024,972	987,392	965,985
1,741,364	2,661,276	3,356,674	7,007,188
2,928,164	2,813,498	2,746,381	2,688,320
939,692	1,042,613	787,380	737,842
141,755,563	133,675,440	124,341,219	117,742,209
68,964	73,469	114,847	111,340
1,804,707	1,789,692	1,799,322	1,802,063
742,434	801,646	885,409	929,037
3,518,435	4,451,834	3,068,492	2,964,213
25,683,677	23,108,141	19,458,830	15,285,933
297,091,081	278,291,251	258,741,439	244,541,384
96,628,156	92,686,712	83,892,097	\$ 81,795,569
51,390,529	46,364,165	42,332,515	37,450,483
22,610,634	20,891,722	17,080,918	14,905,390
10,915,053	10,108,090	9,425,494	8,574,646
10,646,354	9,596,066	9,483,156	8,604,165
4,806,997	3,490,848	4,121,871	3,764,886
13,890,399	13,240,897	12,363,908	10,914,896
1,910,530	1,630,206	1,582,030	1,586,630
21,322,332	19,275,397	17,528,724	17,092,971
17,786,784	16,418,519	14,703,637	13,239,045
3,210,861	5,143,488	2,208,452	1,813,426
14,256,670	13,581,850	12,687,021	11,946,216
1,291,932	975,825	964,365	856,772
26,079,857	19,167,874	22,808,299	22,391,824
151,977	63,585	13,335	-
10,140,000	10,170,000	8,965,000	9,065,000
6,648,088	7,657,606	6,208,925	6,624,593
313,687,153	290,462,430	266,369,747	250,626,513
(16,396,072)	(12,171,599)	(7,628,308)	(6,085,129)
(24,253,119)	(14,125,000)	(3,417,294)	-
1,132,337	-	-	-
23,085,000	13,185,000	47,410,000	-
-	-	-	-
-	-	-	-
65,768,331	62,594,287	59,051,561	52,138,803
(65,768,331)	(62,594,287)	(59,051,561)	(52,138,803)
(35,782)	(940,000)	43,992,706	-
\$ (16,631,854)	\$ (13,111,599)	\$ 36,364,398	\$ (6,085,129)
9.50%	7.40%	4.30%	3.63%
		(concluded)	

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 5

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

Fiscal Year	Real Estate Assessed Value	Commercial and Other Property Assessed Value	Assessed Value	Estimated Actual Value	Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value*
Parish of St. Tammany						
2010	\$ 1,418,336,365	\$ 552,132,297	\$ 1,970,468,662	\$ 17,864,245,630	68.45	11.03%
2009	1,430,237,736	530,052,013	1,960,289,749	17,836,057,447	69.45	10.99%
2008	1,244,467,016	285,489,975	1,529,956,991	15,000,610,610	77.84	10.20%
2007	1,131,583,881	261,141,810	1,392,725,691	13,056,784,210	77.84	10.67%
2006	1,039,413,980	249,263,960	1,288,677,940	11,293,390,938	77.84	11.41%
2005	1,051,282,371	239,661,039	1,290,943,410	11,361,552,884	74.59	11.36%
2004	825,090,372	224,343,887	1,049,434,259	9,237,034,865	87.10	11.36%
2003	765,553,876	215,754,926	981,308,802	8,619,853,365	87.10	11.38%
2002	721,944,949	203,625,498	925,570,447	8,043,876,643	87.10	11.51%
2001	677,730,005	193,753,558	871,483,563	7,872,082,277	87.10	11.07%

***Actual Valuation (Market Value) as Compared to Assessed Valuation**

Residential properties are assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. The overall assessed value is estimated to be 11% of actual market value:

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 6

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	Type of Business	June 30, 2010			June 30, 2001		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Central La. Electric Co.	Utility	\$ 37,507,470	1	2.55 %	\$ 29,861,790	1	5.62 %
AT&T Southeast	Telephone	18,553,760	2	1.26	-		
Chevron USA, Inc.	Oil Company	10,600,950	3	0.72	-		
J P Morgan Chase Bank	Bank	7,828,873	4	0.53	-		
Capital One Bank	Bank	7,567,500	5	0.51	-		
Verizon Wireless	Telephone	7,017,160	6	0.48	-		
AT&T Mobility	Telephone	6,139,180	7	0.42	-		
Whitney National Bank	Bank	6,123,713	8	0.42	-		
Wash-St. Tammany Elec Coop	Utility	5,969,650	9	0.41	3,955,740	7	0.74
Atmos Energy Louisiana	Utility	5,899,250	10	0.40	-		
Bellsouth Telecommunications	Telephone	-			19,972,590	2	3.76
Bank One Management Corp.	Bank	-			8,563,900	3	1.61
Hibernia National Bank	Bank	-			7,997,980	4	1.50
Tri States NGL Pipeline LLC	Utility	-			4,311,410	5	0.81
LA Gas Service Co.	Utility	-			3,977,820	6	0.75
Epic Development Inc.	Real Estate	-			3,718,560	8	0.70
McKesson Corp.	Healthcare	-			3,133,790	9	0.59
Southern Natural Gas	Utility	-			2,672,160	10	0.50
		\$ 113,207,506		7.70 %	\$ 88,167,740		16.58 %

(1) Source: St. Tammany Parish Assessor's Office

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 7

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Unaudited)

Other Governments
(Parishwide)

Year	Constitutional	Additional Support	Construction, Maintenance and Operations	Improve, Maintain and Operating	Bond and Interest- District No. 12	Total School Board Millage
RATE PER \$1,000 OF ASSESSED VALUE						
2010	3.80	4.84	3.44	35.47	20.90	68.45
2009	3.80	4.84	3.44	35.47	21.90	69.45
2008	4.47	5.69	4.05	41.73	21.90	77.84
2007	4.47	5.69	4.05	41.73	21.90	77.84
2006	4.47	5.69	4.05	41.73	21.90	77.84
2005	3.70	5.19	3.70	38.10	23.90	74.59
2004	4.47	6.26	4.47	46.00	25.90	87.10
2003	4.47	6.26	4.47	46.00	25.90	87.10
2002	4.47	6.26	4.47	46.00	25.90	87.10
2001	4.47	6.26	4.47	46.00	25.90	87.10

(continued)

Table 7

Year	Parish Council Millage	Law Enforcement Millage	Assessor Millage	Other Governments (Parishwide)					
				City of Abita Springs Millage	City of Covington Millage	City of Madisonville Millage	City of Mandeville Millage	City of Pearl River Millage	City of Slidell Millage
<u>RATE PER \$1,000 OF ASSESSED VALUE</u>									
2010	19.54	11.73	2.73	15.86	23.04	8.59	16.00	9.67	27.82
2009	19.54	11.73	2.73	16.86	23.04	8.59	16.07	9.67	27.82
2008	19.54	12.10	3.21	16.86	24.27	11.63	17.29	10.00	30.98
2007	23.05	10.72	2.66	16.86	24.27	10.51	17.39	10.00	30.21
2006	23.05	10.72	2.66	16.86	20.18	10.51	17.59	10.00	30.21
2005	19.74	10.72	2.66	17.86	20.18	11.63	17.64	10.00	31.59
2004	15.74	12.94	3.21	17.86	24.15	11.63	19.75	10.00	34.15
2003	19.05	12.94	3.21	17.86	24.15	11.63	20.25	10.00	34.58
2002	19.05	12.94	3.21	17.86	24.15	11.63	16.30	10.00	34.64
2001	19.05	12.94	3.00	15.72	24.15	11.63	16.40	5.83	34.79

Source: St. Tammany Parish Assessor's Office.

(Concluded)

ST. TAMMANY PARISH SCHOOL BOARD

Covington, Louisiana

Table 8

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

(Unaudited)

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Collections For Prior Years</u>	<u>Total Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>
2010	\$ 101,723,628	\$ 99,091,891	97.4	\$ 2,425,786	\$ 101,517,677	99.8
2009	101,529,080	95,833,849	94.4	1,851,519	97,685,368	96.2
2008	85,059,132	82,325,377	96.8	1,317,822	83,643,199	98.3
2007	75,718,411	73,292,028	96.8	325,200	73,617,228	97.2
2006	68,770,656	66,288,648	96.4	1,618,838	67,907,486	98.7
2005	64,835,951	62,465,018	96.3	337,184	62,802,202	96.9
2004	57,680,678	55,662,237	96.5	1,171,755	56,833,992	98.5
2003	53,110,286	51,074,450	96.2	1,266,600	52,341,050	98.6
2002	49,560,110	47,180,514	95.2	1,163,793	48,344,307	97.5
2001	46,310,731	44,240,854	95.5	337,184	44,578,038	96.3

Sources: St. Tammany Parish Sheriff's Office and the St. Tammany Parish School Board Business Affairs Department.

Note: The St. Tammany Parish Tax Collector, which is the St. Tammany Parish Sheriff's Office, is unable to provide information on which year the prior year taxes are for.

ST TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 9

SALES TAX REVENUE
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>1% Sales Tax 1966</u>	<u>1% Sales Tax 1977</u>	<u>Total Sales Tax</u>
2010	\$ 36,039,691	\$ 36,039,691	\$ 72,079,382
2009	38,661,896	38,697,941	77,359,837
2008	46,640,906	46,640,906	93,281,812
2007	44,835,686	44,835,686	89,671,372
2006	44,871,882	44,871,882	89,743,764
2005	32,848,133	32,848,133	65,696,266
2004	30,324,419	30,324,419	60,648,838
2003	27,693,092	27,693,093	55,386,185
2002	26,423,883	26,423,883	52,847,766
2001	24,397,800	24,397,800	48,795,600

Source: Audited Comprehensive Annual Financial Reports.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 10

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds and Notes	Certificates of Indebtedness	Total Debt	(1) Percentage of Personal Income	(1) Debt Per Capita
2010	\$ 243,825,000	\$ -	\$ -	\$ 243,825,000	(2)	\$ 1,037
2009	236,920,000	-	-	236,920,000	2.36%	1,305
2008	163,185,000	-	-	163,185,000	1.64%	1,001
2007	174,320,771	-	-	174,320,771	3.11%	1,069
2006	195,840,000	1,855,000	-	197,695,000	4.02%	1,135
2005	179,495,000	3,605,000	-	183,100,000	2.61%	871
2004	127,035,000	5,255,000	-	132,290,000	2.01%	654
2003	135,610,000	6,820,000	-	142,430,000	2.28%	707
2002	143,820,000	8,885,000	835,000	153,540,000	2.60%	794
2001	106,550,000	10,335,000	1,625,000	118,510,000	2.21%	620

Note: Details regarding the School System's outstanding debt can be found in the notes to the basic financial statements.

(1) See the Schedule of Demographic Statistics, Table 15, for personal income and population data.

(2) Information not available.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 11

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds and Notes	Federal Disaster Loans	Certificates of Indebtedness	Total Debt	(1) Debt Per Capita	(1) Debt Per Student	(2) Percentage of Total Debt to Assessed value	(2) Percentage of Total Debt to Estimated Actual Value
2010	\$ 248,825,000	\$ -	\$ 67,843,971	\$ -	\$ 316,668,971	\$ 1,347	\$ 8,690	16.07%	1.77%
2009	236,920,000	-	67,843,971	-	304,763,971	1,305	8,494	15.55%	1.71%
2008	163,185,000	-	67,843,971	-	231,028,971	1,001	6,502	15.10%	1.54%
2007	174,320,771	-	67,843,971	-	242,164,742	1,069	6,864	17.39%	1.85%
2006	195,840,000	1,855,000	52,287,875	-	249,982,875	1,135	7,579	19.40%	2.21%
2005	179,495,000	3,605,000	-	-	183,100,000	871	5,063	14.18%	1.61%
2004	127,035,000	5,255,000	-	-	132,290,000	654	3,754	12.61%	1.43%
2003	135,610,000	6,820,000	-	-	142,430,000	707	4,128	14.51%	1.65%
2002	143,820,000	8,885,000	-	835,000	153,540,000	794	4,624	16.59%	1.91%
2001	106,550,000	10,335,000	-	1,625,000	118,510,000	620	3,624	13.60%	1.51%

Note: Details regarding the School System's outstanding debt can be found in the notes to the basic financial statements.

(1) See the Schedule of Demographic Statistics, Table 15, for personal income and population and student data.

(2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 5, for assessed value data and actual value.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 12

COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN TAX YEARS
 (2001 through 2010)
 (Unaudited)

Year	Assessed Value (2)	Debt Limit of Thirty-Five Percent (35%) of Assessed Value (1)	Less: Total Bonded Debt (3)	Add: Amount available for repayment of debt (3)	Legal Debt Margin	Legal Debt Limit as a % of the Debt Limit
<u>Parish of St. Tammany</u>						
2010	\$ 1,970,468,662	\$ 689,664,032	\$ 248,825,000	\$ 22,595,295	\$ 463,434,327	67.20%
2009	1,960,289,749	686,101,412	236,920,000	19,619,889	468,801,301	68.33%
2008	1,529,956,991	535,484,947	163,185,000	11,906,700	384,206,647	71.75%
2007	1,392,725,691	487,453,992	174,320,771	8,571,906	321,705,127	66.00%
2006	1,288,677,940	451,037,279	195,840,000	18,927,228	274,124,507	60.78%
2005	1,290,943,410	451,830,194	179,495,000	16,053,860	288,389,054	63.83%
2004	1,049,434,259	367,301,991	127,035,000	9,986,456	250,253,447	68.13%
2003	981,479,328	343,517,765	135,610,000	8,923,505	216,831,270	63.12%
2002	925,592,937	323,957,528	143,820,000	9,302,207	189,439,735	58.48%
2001	871,483,563	305,019,247	106,550,000	7,629,613	206,098,860	67.57%

Sources:

- (1) Legal debt limit of 35% is established by Louisiana Revised Statute Title 39, Section 562.
- (2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 5, for assessed value data.
- (3) Comprehensive Annual Financial Reports.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 13

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2010
(Unaudited)

	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Share of Overlapping Debt</u>
Direct			
St. Tammany Parish School Board	\$ 316,668,971	100.00%	\$ 316,668,971
Overlapping Debt:			
City of Abita Springs	1,298,316	100.00%	1,298,316
City of Covington	12,430,900	100.00%	12,430,900
City of Mandeville	5,440,000	100.00%	5,440,000
City of Slidell	15,497,143	100.00%	15,497,143
City of Polson	68,350	100.00%	68,350
Fire Protection Districts	16,681,150	100.00%	16,681,150
Gravity Drainage District No. 5	1,805,000	100.00%	1,805,000
Northshore Harbor Center	11,095,000	100.00%	11,095,000
Sub-drainage Districts	693,000	100.00%	693,000
Communication District No. 1	325,000	100.00%	325,000
Recreation Districts	23,342,000	100.00%	23,342,000
Sewage Districts	340,000	100.00%	340,000
Sheriff	12,609,128	100.00%	12,609,128
Hospital Service District No. 2	36,145,000	100.00%	36,145,000
Water District No. 2	1,169,000	100.00%	1,169,000
Parish Council	121,897,538	100.00%	121,897,538
	<u>260,836,525</u>		<u>260,836,525</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 577,505,496</u>		<u>\$ 577,505,496</u>

Source: Comprehensive Annual Report and most current financial statements for each governmental entity.

Overlapping governments are those that coincide at least in part, with the geographic boundaries of the parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

PLEDGED - REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Unaudited)

Table 14

Fiscal Year	Sales Tax Bonds			
	Sales Taxes	Debt Service		Coverage
		Principal	Interest	
2001	\$ 48,795,600	\$ 1,355,000	\$ 642,950	24.42
2002	52,847,766	8,885,000	568,425	5.59
2003	55,386,185	6,065,000	488,675	8.45
2004	60,648,838	1,565,000	375,100	31.26
2005	65,696,266	1,650,000	289,025	33.88
2006	89,743,764	1,750,000	198,275	46.06
2007	89,671,372	1,855,000	76,105	46.44
2008	93,281,812	-	-	0.00
2009	77,359,837	-	-	0.00
2010	72,079,382	-	-	0.00

NOTE: Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 15

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Total Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (3)</u>	<u>Public School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2001	191,268	\$ 5,358,891,000	\$ 27,859	36	32,702	3.5
2002	193,466	5,898,786,000	30,097	36	33,202	4.5
2003	201,462	6,234,985,000	30,899	35	34,500	4.4
2004	202,203	6,565,576,000	31,639	35	35,239	4.5
2005	210,296	7,027,647,000	32,886	35	36,162	3.9
2006	220,295	6,214,212,000	28,270	35	32,983	4.2
2007	226,625	7,794,222,000	34,760	37	35,281	4.0
2008	230,846	9,973,932,276	43,206	37	35,534	2.9
2009	233,475	10,036,623,300	42,988	37	35,878	3.5
2010	235,133	(2)	(2)	37	36,441	5.3

Note: All information is parishwide.

Sources:

- (1) St. Tammany Parish Economic Development Foundation.
- (2) Information is not available at this time.
- (3) Estimates - Louisiana Tech University for the U.S. Bureau of Census.
- (4) St. Tammany Parish School System - May 1, 2008 enrollment.
- (5) Louisiana Department of Labor.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Table 16

Employer	Location	2010		2001			
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Slidell/Covington	5,685	1	5.41%	4,649	1	5.03%
St. Tammany Parish Hospital	Covington	1,679	2	1.60%	1,063	2	1.15%
Slidell Memorial Hospital	Slidell	1,100	3	1.05%	926	3	1.00%
Hornbeck Offshore Services, Inc.	Covington	1,025	4	0.98%			
Lakeview Regional Medical Center	Covington	788	5	0.75%	567	5	0.61%
Ochsner Health System	Parishwide	763	6	0.73%			
St. Tammany Parish Sheriff's Office	Parishwide	720	7	0.69%	491	6	0.53%
Southeast Louisiana Hospital	Mandeville	667	8	0.64%			
Textron Marine & Land Systems	Slidell	610	9	0.58%	-	-	-
City of Slidell	Slidell	375	10	0.36%	-	-	-
Northshore Regional Medical Center	Covington	-	-	-	545	4	0.59%
Gilsbar Inc.	Covington	-	-	-	349	7	0.38%
City of Slidell	Slidell	-	-	-	342	8	0.37%
Bell South Communications	Parishwide	-	-	-	215	10	0.23%
St. Tammany Parish Government	Parish wide	-	-	-	330	9	0.36%
TOTAL - 10 LARGEST EMPLOYERS		<u>13,412</u>		<u>12.77%</u>	<u>9,477</u>		<u>10.24%</u>
TOTAL - ALL EMPLOYERS				<u>104,995</u>			<u>92,505</u>

NOTE: Information listed is for St. Tammany Parish.

Sources:

2010 information: Book of Lists 2008-2009, New Orleans City Business

2001 information: Book of Lists 1999-2000, New Orleans City Business



"Flying Owl!"
Madeline Cerise - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 17

GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,				
	2010	2009	2008	2007	2006
EXPENDITURES					
Current:					
Instruction:					
Regular education programs	\$ 141,575,240 39.6%	\$ 130,207,662 38.5%	\$ 125,334,360 38.5%	\$ 116,533,437 39.9%	\$ 107,681,928 40.1%
Special education programs	66,511,757 18.6%	63,837,725 18.9%	60,639,649 18.6%	55,207,855 18.9%	52,170,569 19.4%
Other education programs	19,770,194 5.5%	19,483,249 5.8%	19,534,808 6.0%	18,059,434 6.2%	15,503,672 5.8%
Support services:					
Pupil support	15,317,509 4.3%	13,034,102 3.9%	12,517,677 3.8%	11,341,485 3.9%	10,761,158 4.0%
Instructional staff support	12,263,416 3.4%	11,454,831 3.4%	11,172,252 3.4%	9,966,612 3.4%	8,605,218 3.2%
General administration	5,771,159 1.6%	5,310,519 1.6%	5,468,199 1.7%	4,481,066 1.5%	3,941,547 1.5%
School administration	22,586,811 6.3%	20,700,136 6.1%	18,860,194 5.8%	16,391,966 5.6%	15,635,798 5.8%
Business administration	2,785,891 0.8%	2,439,653 0.7%	2,394,116 0.7%	2,209,097 0.8%	2,051,238 0.8%
Operation and maintenance of plant	27,724,037 7.8%	31,501,168 9.3%	32,005,941 9.8%	27,668,889 9.5%	24,166,782 9.0%
Pupil transportation	30,878,619 8.6%	29,398,044 8.7%	27,577,394 8.5%	22,643,116 7.7%	21,381,303 8.0%
Central services	6,994,544 2.0%	7,685,796 2.3%	6,751,697 2.1%	4,395,586 1.5%	3,551,372 1.3%
Food Service	4,643,040 1.3%	2,824,364 0.8%	3,000,253 0.9%	2,887,032 1.0%	2,890,212 1.1%
Community Service Programs	41,572 0.0%	42,226 0.0%	44,254 0.0%	43,817 0.0%	41,598 0.0%
Facility acquisition and construction	550,933 0.2%	498,371 0.1%	550,755 0.2%	569,187 0.2%	429,498 0.2%
Total	\$ 357,414,722	\$ 338,417,846	\$ 325,851,549	\$ 292,398,579	\$ 268,811,893
Pupil count - October 1* (1)	36,441	35,878	35,534	35,281	32,983
Average expenditures per pupil	\$ 9,808	\$ 9,432	\$ 9,170	\$ 8,288	\$ 8,150

* The enrollment date for fiscal year 2006 is May 1st. Due to the Hurricanes Katrina and Rita, the State changed the official count date for those years.

Source: Audited financial statements.

(continued)

(1) Source: Table 15

Table 17

Fiscal Year Ended June 30,				
2005	2004	2003	2002	2001
\$ 104,174,091	\$ 93,858,083	\$ 90,394,429	\$ 81,623,426	\$ 80,263,966
39.7%	39.6%	40.6%	40.6%	42.3%
51,107,095	46,795,764	42,786,317	39,304,082	35,661,404
19.5%	19.7%	19.2%	19.5%	18.8%
16,645,679	14,908,851	13,749,879	12,082,853	10,992,005
6.3%	6.3%	6.2%	6.0%	5.8%
10,497,568	9,661,638	9,041,397	8,431,597	7,665,798
4.0%	4.1%	4.1%	4.2%	4.0%
9,483,692	8,484,073	7,608,052	7,463,799	6,560,117
3.6%	3.6%	3.4%	3.7%	3.5%
3,919,232	3,580,826	2,625,116	3,027,343	2,772,849
1.5%	1.5%	1.2%	1.5%	1.5%
14,873,424	13,364,291	12,727,501	11,896,939	10,901,678
5.7%	5.6%	5.7%	5.9%	5.7%
1,988,667	1,910,530	1,630,206	1,682,030	1,586,630
0.8%	0.8%	0.7%	0.8%	0.8%
23,348,511	21,078,588	19,049,667	17,333,312	16,917,530
8.9%	8.9%	8.6%	8.6%	8.9%
19,637,903	17,443,710	15,814,159	14,270,323	13,088,088
7.5%	7.4%	7.1%	7.1%	6.9%
4,046,080	3,210,861	5,143,488	2,208,452	1,813,426
1.5%	1.4%	2.3%	1.1%	1.0%
2,414,169	2,114,503	1,885,929	1,641,058	1,441,995
0.9%	0.9%	0.8%	0.8%	0.8%
45,091	43,717	42,436	42,604	40,758
0.0%	0.0%	0.0%	0.0%	0.0%
383,153	492,262	205,627	197,401	223,103
0.1%	0.2%	0.1%	0.1%	0.1%
<u>\$ 262,564,355</u>	<u>\$ 236,947,697</u>	<u>\$ 222,704,203</u>	<u>\$ 201,105,219</u>	<u>\$ 189,929,347</u>
36,162	35,239	34,500	33,202	32,702
\$ 7,261	\$ 6,724	\$ 6,455	\$ 6,057	\$ 5,808

(concluded)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 18

GENERAL FUND EXPENDITURES BY FUNCTION PER PUPIL
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year Ended June 30,				
	2010	2009	2008	2007	2006
EXPENDITURES					
Current:					
Instruction:					
Regular education programs	\$ 3,885 39.6%	\$ 3,629 38.5%	\$ 3,527 38.5%	\$ 3,303 39.9%	\$ 3,265 40.1%
Special education programs	1,825 18.6%	1,779 18.9%	\$ 1,707 18.6%	1,565 18.9%	1,582 19.4%
Other education programs	543 5.5%	543 5.8%	550 6.0%	512 6.2%	470 5.8%
Support services:					
Pupil support	420 4.3%	363 3.9%	352 3.8%	321 3.9%	326 4.0%
Instructional staff support	337 3.4%	319 3.4%	314 3.4%	282 3.4%	261 3.2%
General administration	158 1.6%	148 1.6%	154 1.7%	127 1.5%	120 1.5%
School administration	620 6.3%	577 6.1%	531 5.8%	465 5.6%	474 5.8%
Business administration	76 0.8%	68 0.7%	67 0.7%	63 0.8%	62 0.8%
Operation and maintenance of plant	761 7.8%	878 9.3%	901 9.8%	784 9.5%	733 9.0%
Pupil transportation	847 8.6%	819 8.7%	776 8.5%	642 7.7%	648 8.0%
Central services	192 2.0%	214 2.3%	190 2.1%	125 1.5%	108 1.3%
Food Service	127 1.3%	79 0.8%	84 0.9%	82 1.0%	88 1.1%
Community Service Programs	1 0.0%	1 0.0%	1 0.0%	1 0.0%	1 0.0%
Facility acquisition and construction	15 0.2%	14 0.1%	15 0.2%	16 0.2%	13 0.2%
Total	\$ 9,808	\$ 9,432	\$ 9,170	\$ 8,288	\$ 8,150
Pupil count - October 1* (1)	36,441	35,878	35,534	35,281	32,983

* The enrollment date for fiscal years for 2006 were May 1st. Due to Hurricanes Katrina and Rita, the State changed the official count date for this year.

Source: Audited financial statements.

(1) Source: Table 15

(continued)

Table 18

Fiscal Year Ended June 30,				
2005	2004	2003	2002	2001
\$ 2,881	\$ 2,663	\$ 2,620	\$ 2,458	\$ 2,454
39.7%	39.6%	40.6%	40.6%	42.3%
1,413	1,328	1,240	1,184	1,090
19.5%	19.7%	19.2%	19.5%	18.8%
460	423	399	364	336
6.3%	6.3%	6.2%	6.0%	5.8%
290	274	262	254	234
4.0%	4.1%	4.1%	4.2%	4.0%
262	241	221	225	201
3.6%	3.6%	3.4%	3.7%	3.5%
108	102	76	91	85
1.5%	1.5%	1.2%	1.5%	1.5%
411	379	369	358	333
5.7%	5.6%	5.7%	5.9%	5.7%
55	54	47	48	49
0.8%	0.8%	0.7%	0.8%	0.8%
646	598	552	522	517
8.9%	8.9%	8.6%	8.6%	8.9%
543	495	458	430	400
7.5%	7.4%	7.1%	7.1%	6.9%
112	91	149	67	55
1.5%	1.4%	2.3%	1.1%	1.0%
67	60	55	49	44
0.9%	0.9%	0.8%	0.8%	0.8%
1	1	1	1	1
0.0%	0.0%	0.0%	0.0%	0.0%
11	14	6	6	7
0.1%	0.2%	0.1%	0.1%	0.1%
<u>\$ 7,261</u>	<u>\$ 6,724</u>	<u>\$ 6,455</u>	<u>\$ 6,057</u>	<u>\$ 5,808</u>
36,162	35,239	34,500	33,202	32,702

(concluded)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

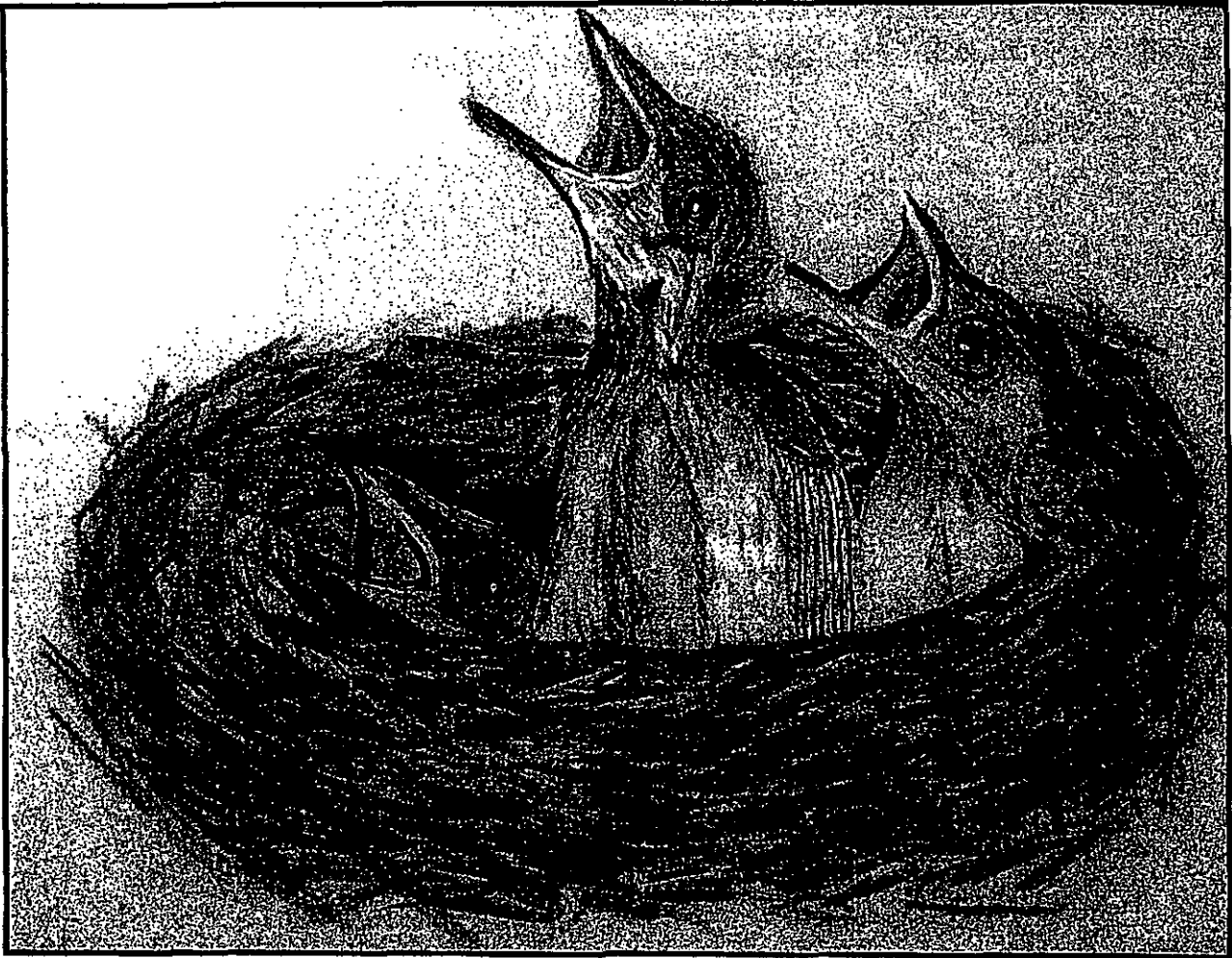
Table 19

BOARD MEMBERS' COMPENSATION
JUNE 30, 2010
(Unaudited)

<u>Name</u>	<u>Compensation Base (1)</u>	<u>Additional Compensation</u>	<u>Total</u>
Ray A. Alfred	\$ 9,600	\$ -	\$ 9,600
Mary K. Bellisario	9,600	-	9,600
Ronald "Ron" Bettencourt	9,600	-	9,600
Michael J. Dirmann	9,600	-	9,600
Charles T. Harrell	9,600	-	9,600
Elizabeth B. Heintz	9,600	-	9,600
Neal Hennehan	9,600	-	9,600
Michael J. Gambrell (3)	3,600	-	3,600
Robin Mullett (3)	6,000	-	6,000
John C. Lamarque	10,200	-	10,200
Stephen J. "Jack" Loup, III	9,600	-	9,600
Sorola "Jody" Palmer (4)	4,800	-	4,800
Judy Palmer (4)	4,800	-	4,800
James "Ronnie" Panks, Sr.	9,600	-	9,600
Donald J. Villere (5)	7,200	-	7,200
Roanne Tipton (5)	2,400	-	2,400
Robert R. "Bob" Womack	9,600	-	9,600
Daniel G. Zechnelly	9,600	-	9,600
	<u>\$ 144,600</u>	<u>\$ -</u>	<u>\$ 144,600</u>

Notes:

- (1) Base compensation per member is \$800 per month.
- (2) Presiding President of the Board receives \$900 per month in base compensation.
- (3) Michael Gambrell served until November 12, 2009 and was replaced by Robin Mullett.
- (4) Sorola "Jody" Palmer died in December 2009 and was replaced by Judy Palmer.
- (5) Donald Villere resigned on April 4, 2010 and was replaced by Roanne Tipton.



"Hungry Birds"
Reagan Young - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 20

FULL-TIME EQUIVALENTS (FTE) EMPLOYEES
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year			
	2010	2009	2008	2007
<u>Regular Employees: CERTIFICATED</u>				
Instructional:				
Classroom Teachers - Regular Programs	1,661	1,767	1,752	1,699
Classroom Teachers - Special Education	738	596	588	574
Classroom Teachers - Vocational Education	65	65	66	68
Classroom Teachers - Other Instructional Programs	57	111	114	152
Classroom Teachers - Special Programs	76	75	80	76
Classroom Teachers - Adult/Continuing Ed Programs	3	3	3	3
Classroom Teachers - Community College Programs	16	-	-	-
<i>Total Classroom Teachers</i>	<u>2,616</u>	<u>2,617</u>	<u>2,603</u>	<u>2,572</u>
Therapist/Specialist/Counselor - Instructional Programs	1	131	131	129
Sabbatical Leave - Instructional Programs	30	40	28	39
<i>Total Certificated - Instructional Programs</i>	<u>2,647</u>	<u>2,788</u>	<u>2,762</u>	<u>2,740</u>
Instructional Support:				
Supervisors - Instructional Support Functions	31	37	41	50
Librarians/Media-based Teachers/Staff Instructors - Instr Spt	70	67	67	67
Therapist/Specialist/Counselor - Instructional Support Functions	273	155	143	141
Sabbatical Leave - Instructional Support Functions	4	1	3	4
<i>Total Certificated - Instructional Support</i>	<u>378</u>	<u>260</u>	<u>254</u>	<u>262</u>
Support Services:				
Superintendents	1	1	1	1
Assistant/Associate/Deputy Superintendents	3	3	3	3
School Principals	58	55	53	53
School Assistant Principals	76	78	74	69
Sabbatical Leave - Support Services	1	-	2	1
<i>Total Certificated - Support Services</i>	<u>139</u>	<u>137</u>	<u>133</u>	<u>127</u>
Total Certificated	<u>3,164</u>	<u>3,185</u>	<u>3,149</u>	<u>3,129</u>

(continued)

Table 20

Fiscal Year					
2006	2005	2004	2003	2002	2001
1,651	1,652	1,706	1,643	1,579	1,568
581	620	601	567	523	459
68	68	67	67	73	74
150	154	69	70	67	64
78	75	57	58	39	37
3	3	3	3	3	3
-	-	-	-	-	-
2,531	2,572	2,503	2,408	2,284	2,205
123	128	125	125	122	184
24	27	27	35	38	44
2,678	2,727	2,655	2,568	2,444	2,433
55	30	24	25	24	22
55	58	57	56	54	56
136	137	139	131	126	123
1	3	4	4	5	4
247	228	224	216	209	205
1	1	1	1	1	1
3	3	2	3	2	2
52	53	52	53	52	51
64	63	59	57	56	53
1	3	2	1	1	-
121	123	116	115	112	107
3,046	3,078	2,995	2,899	2,765	2,745

(continued)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 20

FULL-TIME EQUIVALENTS (FTE) EMPLOYEES
LAST TEN FISCAL YEARS
 (Unaudited)
 (Continued)

	Fiscal Year			
	2010	2009	2008	2007
<u>Regular Employees: NON-CERTIFICATED</u>				
Instructional:				
Aide - Instructional Programs	541	534	537	529
<i>Total Non-Certificated - Instructional Programs</i>	541	534	537	529
Instructional Support:				
Clerical/Secretarial - Instructional Support Functions	53	55	56	51
Aide - Instructional Support Functions	35	34	37	36
Service Worker - Instructional Support Functions	-	-	-	-
Skilled Craftsman - Instructional Support Functions	-	-	-	1
Degreed Professional - Instructional Support Functions	20	19	20	19
Other Personnel - Instructional Support Functions	30	18	18	18
<i>Total Non-Certificated - Instructional Support</i>	138	126	131	125
Support Services:				
Supervisors/Managers/Administrators/Support Services	148	143	129	133
Clerical/Secretarial - Support Services	216	208	200	194
Aide - Support Services	107	111	104	96
Service Worker - Support Services	945	919	945	864
Skilled Craftsman - Support Services	109	93	89	84
Degreed Professional - Support Services	58	53	39	28
Other Personnel - Support Services	4	23	24	24
<i>Total Non-Certificated - Support Services</i>	1,587	1,550	1,530	1,423
Total Non-Certificated	2,266	2,210	2,198	2,077
Total Regular Employees (Certificated and Non-Certificated)	5,430	5,395	5,347	5,206
<u>Other Reported Personnel</u>				
School Board Member	15	15	15	15
<i>Total Other Reported Personnel</i>	15	15	15	15
Grand Total	5,445	5,410	5,362	5,221

(continued)

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website.

Table 20

Fiscal Year					
2006	2005	2004	2003	2002	2001
542	566	553	539	491	469
542	566	553	539	491	469
49	49	49	47	44	48
36	34	31	33	32	32
-	-	-	-	-	1
1	1	1	1	4	4
20	21	21	21	20	23
20	17	15	14	11	1
126	122	117	116	111	109
129	126	124	123	78	76
195	192	197	189	186	185
101	166	154	147	75	75
859	817	801	786	852	855
87	92	93	96	110	106
29	23	23	13	13	11
23	24	22	20	10	3
1,423	1,440	1,414	1,374	1,324	1,311
2,091	2,128	2,084	2,029	1,926	1,889
5,137	5,206	5,079	4,928	4,691	4,634
15	15	15	15	15	15
15	15	15	15	15	15
5,152	5,221	5,094	4,943	4,706	4,649

(concluded)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 21

CAPITAL ASSET INFORMATION
JUNE 30, 2010
(Unaudited)

Elementary Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Enrollment</u>
Abita Springs Elementary	1978	100,699	767
Abney Elementary	1964	104,303	1,012
Alton Elementary	1957	63,666	211
Bayou Woods Elementary	1985	101,722	859
Bonne Ecole Elementary	1973	90,491	777
Brock Elementary	1930	49,031	313
Chahta-Ima Elementary	1952	52,455	297
Covington Elementary	1956	81,561	596
Cypress Cove Elementary	1994	101,061	663
Florida Avenue Elementary	1956	80,108	594
Folsom Elementary	1949	76,941	512
Honey Island Elementary	1987	79,100	601
Little Pearl Elementary	2008	42,124	153
Lyon Elementary	1963	79,882	565
Madisonville Elementary	1956	87,509	786
Magnolia Trace Elementary	1999	87,825	641
Mandeville Elementary	1966	72,693	527
Marigny Elementary School	2009	81,627	302
Pontchartrain Elementary	1994	106,589	781
Riverside Elementary	1986	87,489	504
Sixth Ward Elementary	1949	103,792	403
Whispering Forest Elementary	1989	89,887	555
Woodlake Elementary	1962	71,810	704
Totals		1,892,365	13,123

Junior High/Middle Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Enrollment</u>
Abita Springs Middle	1923	59,618	470
Bayou Lacombe Middle	1956	73,131	211
Boyet Junior High	1963	99,053	664
Carolyn Park Middle	1966	68,785	569
Clearwood Junior High	1978	95,061	608
Creekside Junior High	2002	105,799	497
Fifth Ward Junior High	1949	112,636	569
Folsom Junior High	1957	48,081	211
Fontainebleau Junior High	1996	156,197	877
Lake Harbor Middle School	2001	80,714	667

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 21

CAPITAL ASSET INFORMATION

JUNE 30, 2010

(Unaudited)

(Continued)

Junior High/Middle Schools
(Continued)

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Enrollment</u>
Lee Road Junior High	1964	108,603	769
Little Oak Middle	1980	111,456	1,006
Madisonville Junior High	1949	79,414	764
Mandeville Junior High	1956	97,073	626
Mandeville Middle	1985	79,677	768
Monteleone Junior High	2005	92,407	424
Pine View Middle	1965	88,474	620
Pitcher Junior High	1964	109,494	336
St. Tammany Junior High	1966	89,957	517
Slidell Junior High	1956	114,734	691
Tchefuncte Middle	1994	97,813	870
Totals		1,968,177	12,734

High Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Enrollment</u>
Covington High	1973	217,565	1,447
Fontainebleau High	1994	285,690	1,862
Lakeshore High	2009	197,543	405
Mandeville High	1977	186,008	1,591
Northshore High	1982	204,181	1,488
Pearl River High	1967	128,394	700
Salmen High	2006	167,771	801
Slidell High	1949	220,455	1,683
Totals		1,607,607	9,977

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 21

CAPITAL ASSET INFORMATION

JUNE 30, 2010

(Unaudited)

(Continued)

<u>Schools</u>	<u>Year Opened</u>	<u>Special Education</u>	
		<u>Square Footage</u>	<u>Enrollment</u>
Covington Pathways	1953	50,886	19
St. Tammany Center	Leased	-	361
Operation Jumpstart	Leased	12,478	143
Slidell Pathways	1949	-	34
Totals		63,364	557

Source: Student enrollment is as of June 30, 2010 and was obtained from the Information Technology Department. Square footage was obtained from the Construction Department.



"Clinging Frog"
Victoria Girau - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 22

PERCENTAGE OF FREE AND REDUCED STUDENTS IN LUNCH PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>School Year</u>	<u>Free</u>	<u>Reduced</u>	<u>Total</u>
2000-2001	22.10%	5.46%	27.56%
2001-2002	23.63%	6.03%	29.66%
2002-2003	24.70%	5.89%	30.59%
2003-2004	26.61%	6.74%	33.35%
2004-2005	28.95%	7.08%	36.03%
2005-2006	20.61%	5.07%	25.68%
2006-2007	34.41%	7.41%	41.82%
2007-2008	32.95%	7.68%	40.63%
2008-2009	35.01%	8.36%	43.37%
2009-2010	36.48%	8.31%	44.79%

Source: Louisiana Department of Education website.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Table 23

HISTORY OF HIGH SCHOOL GRADUATES
LAST TEN FISCAL YEARS
(Unaudited)

<u>School Year</u>		<u>Total</u>
2001		1,800
2002	**	1,795
2003		1,896
2004		1,967
2005		1,960
2006		1,994
2007	**	2,072
2008	***	2,199
2009		2,115
2010		2,173

Source: St. Tammany Parish School Board Information Technology Department.

** Preliminary information only does not include summer school graduates.

*** Preliminary information only does not include the dropout count.



"Egret Fishing"
Victoria Maxwell - Grade 6
Barbara Dooley - Teacher
Lake Harbor

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

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

We have audited the financial statements of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2010, and have issued our report thereon dated December 16, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as

defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting as item 2010-01. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 an instance of *noncompliance or other matters* that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2010-01.

We noted certain other matters that we reported to the management of the School Board in a separate letter dated December 16, 2010.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

Poolethwaite & Netterville

Metairie, Louisiana
December 16, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

Compliance

We have audited the compliance of St. Tammany Parish School Board (the School Board), with the types of compliance requirements described in the (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each its major federal programs for the year ended June 30, 2010. The School Board's major federal programs are identified in the summary of auditors' 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 School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

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

Internal Control Over Compliance

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

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2010, and have issued our report thereon dated December 16, 2010, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and

other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

Postathumite & Metairie

Metairie, Louisiana
December 16, 2010

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA
 Schedule of Expenditures of Federal Awards
 as of June 30, 2010

Project#	Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Pass Through Grantor Award Number	Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE				
Passed Through Louisiana Department of Agriculture:(USDA)				
SLF	Food Distribution Program	10.560	NONE	\$682,489
SLF	Passed Through Louisiana Department of Education: School Breakfast Program	10.553	NONE	1,877,762
SLF	National School Lunch Program	10.555	NONE	6,309,240
	Total - School Lunch Grant Cluster			<u>8,187,002</u>
SLF	Equipment Assistance Grants	10.579	NONE	21,290
	Total - United States Department of Agriculture			<u>8,690,781</u>
UNITED STATES DEPARTMENT OF EDUCATION				
62210	Teaching American History	84.215	NONE	19,445
	Total - Teaching American History			<u>19,445</u>
Passed Through Louisiana Department of Education:				
<u>Adult Education-State Administered Program</u>				
61710	Adult Education	84.002A	2809-44-52	171,370
61809	One Stop	84.002A	2809-13-52	443
61810	One Stop	84.002A	2809-13-52	3,913
	Total - Adult Education			<u>175,726</u>
<u>21st Century Community Learning Centers</u>				
624	21st Century CLC	84.287	28-08-CC-52	620,253
62411	21st Century CLC	84.287	28-08-CC-52	210
	Total - 21st Century Community Learning Center			<u>620,463</u>
<u>No Child Left Behind (NCLB)</u>				
30810	Title I: Helping Disadvantaged	84.010A	S010A080018	6,287,586
308ST	Title I: Stimulus	84.389	S389A090018	2,838,297
	Total - Title I Grant Cluster			<u>9,125,882</u>
36810	Title II: Dwight D. Eisenhower	84.367A	S367S080017	1,737,255
				<u>1,737,255</u>
42609	Title III Immigrant Set Aside	84.365A	09-S352	942
42610	Title III Immigrant Set Aside	84.365A	09-S352	28,751
44810	Title III English Language Acquisition	84.365A	T365A060018	116,431
				<u>146,124</u>
38810	Title IV: Safe and Drug Free	84.185A	Q186A080019	118,782
				<u>118,782</u>
	Total - NCLB			<u>11,128,053</u>
<u>Individuals with Disabilities Education Act (IDEA):</u>				
528ST	IDEA B - Stimulus	84.391A	H391A090033	4,341,028
52810	Part B-Regular Education	84.027	H027A060033	8,197,690
				<u>12,538,718</u>
508ST	IDEA Pre - Stimulus	84.392A	H392A090062	100,422
50810	Preschool Education	84.173	H173A070062	185,203
				<u>285,625</u>
	Total - IDEA Grant Cluster			<u>12,834,343</u>

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA
Schedule of Expenditures of Federal Awards
as of June 30, 2010

Vocational Education:
Basic Grants to States

VE10	Carl Perkins Total - Vocational Education	84,048	28-09-02-62	<u>361,855</u> 361,855
 <u>Education Technology State Grants</u>				
81608	TLTC '09 C/D	84,318x	28-081452c/o	14,616
81609	TLTC '09	84,318x	28-09-14-62c/o	95,100
81610	TLTC '10	84,318x	280814-52	156,933
816ST	EETT - ARRA	84,386a	28-09-59-52	173,334
82310	EETT '08	84,318x	28-10-49-60	50,179
82309	EETT '09	84,318x	28-09-49-62	1,756
	Total - Education Technology State Grants Cluster			<u>491,918</u>
 <u>La Serve Commission</u>				
60210	Learn & Serve (KISS) Total - CSRP Demonstration	94,804	NONE	<u>5,000</u> 5,000
 <u>Math and Science Partnerships</u>				
<u>Advanced Placement Program</u>				
60610	Advanced Fee Placement Program Total - Advanced Placement Program	84,330B	28-09-26-62	<u>832</u> 832
 <u>Hurricane Education Recovery</u>				
699ST	Homeless Ed. Disaster Assistance - ARRA	84,387a	S387A090019	140,101
69909	Homeless Ed. Disaster Assistance Total Hurricane Recovery	84,938	S383A090033	<u>36,127</u> 176,228
812	FIRST ROBOTICS	43,001	NNG06GH22H	2,636
SFSF	STATE FISCAL STABILIZATION	84,394A	28-10-AS-62	5,626,082
 TOTAL UNITED STATES DEPARTMENT OF EDUCATION				 <u>31,442,580</u>
 <u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN DEVELOPMENT</u> Passed Through the Louisiana Department of Education:				
60107	TANF LA4 '07 (35% Federal)	93,558	28-06-35-62	145,342
60110	TANF LA4	93,558	28-06-35-62	1,326,634
60409	JAGS TANF '09	93,558	28-09-JE-62	9,960
60410	JAGS TANF '10	93,558	28-10-JS-62	21,011
60309	TANF Jobs for American Graduates	93,558	28-09-JE-62	140,264
60310				137,403
	Total United States Department of Health and Human Development			<u>1,779,614</u>
 DEPARTMENT OF HOMELAND SECURITY				
82906	Disaster Grants Public Assistance (Presidentially Declared Disasters)	97,036	NONE	<u>29,893,316</u> 29,893,316
 SAFE & DRUG FREE SCHOOLS AND COMMUNITIES-NATIONAL PROGRAMS				
619	Safer St. Tammany Schools	84,184E	NONE	<u>183,196</u> 183,196
 <u>UNITED STATES DEPARTMENT OF DEFENSE</u>				
GF	Air Force - JROTC	12,898	NONE	66,072
GF	Army - JROTC	12,898	NONE	139,821
GF	Marines - JROTC	12,898	NONE	53,308
GF	Navy - JROTC	12,898	NONE	208,339
	Total United States Department of Defense			<u>467,540</u>
 TOTAL EXPENDITURES OF FEDERAL AWARDS				 <u>\$72,630,926</u>
See accompanying Notes to Schedule of Federal Awards				

St. Tammany Parish School Board
Covington, Louisiana
Notes to Schedule of Expenditures of Federal Awards
June 30, 2010

1. General

The accompanying Schedule of Federal Awards presents the activity of all federal awards programs of the St. Tammany Parish School Board (the School Board). The School Board reporting entity is defined in the notes to the financial statements for the year ended June 30, 2010. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies. The following programs are considered major federal programs for single audit purposes of the School Board:

- Title I: Helping Disadvantaged (CFDA No. 84.010A)
- Title I: Stimulus (CFDA No. 84.389)
- Individuals with Disabilities Education Act (CFDA No. 84.391A, 84.027, 84.392A and 84.173)
- Education Technology State Grants (CFDA No. 84.318 and 84.386A)
- State Fiscal Stabilization (CFDA No. 84.394A)

2. Basis of Accounting

Schedule of Federal Awards is presented using the modified accrual basis of accounting, which is described in the notes to the School Board's financial statements for the year ended June 30, 2010. Commodities received, which are non-cash revenue are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities are recorded as deferred revenue until used.

3. Relationship to General Purpose Financial Statements

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

Statement E, Federal Sources:	
General Fund	\$ 461,540
Katrina Funds	20,045,902
Special Revenue Funds	<u>41,633,972</u>
Sub- total Federal Sources	62,141,414
Carryover Expenditures	<u>10,489,512</u>
Total Reported on Schedule of Expenditures of Federal Awards	<u>\$ 72,630,926</u>

4. Loans Payable to Federal Agency

The School Board has Federal Community Disaster Loans (the "Loan") of \$67,843,971 as of June 30, 2010. The terms of the Loan call for interest to accrue at rates ranging from 2.67% to 3.12% annually to be repaid with the principal when the Loan becomes due in 2011.

**St. Tammany Parish School Board
Covington, Louisiana
Notes to Schedule of Expenditures of Federal Awards
June 30, 2010**

5. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2010, which will differ from the schedule by the amount of receivable as of June 30, 2010, liquidated to the dates of the reports.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2010

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: unqualified opinion
- (b) Significant deficiencies in internal control were disclosed by the audit of the financial statements: no Material weaknesses: no
- (c) Noncompliance which is material to the financial statements: yes
- (d) Significant deficiencies in internal control over major programs: none reported
Material weaknesses: no
- (e) The type of report issued on compliance for major programs: unqualified opinion
- (f) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: no
- (g) Major programs:
 - Louisiana Department of Education:
 - Title I: Helping Disadvantaged (CFDA No. 84.010A)
 - Title I: Stimulus (CFDA No. 84.389)
 - Individuals with Disabilities Education Act (CFDA No. 84.319A, 84.027, 84.392A and 84.173)
 - Education Technology State Grants (CFDA No. 84.318 and 84.386A)
 - State Fiscal Stabilization (CFDA No. 84.394A)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$2,178,928
- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: yes

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2010

- (2) Findings Relating to the Financial Statements Reported in Accordance with
Government Auditing Standards: none

Finding 2010-01

Budget Compliance

Condition: The School Board has actual expenditures for the general fund of \$363,803,251 and budgeted operating expenditures of \$337,337,911 during the year ended December 31, 2010. The actual expenditures failed to meet the total budgeted revenues by 7.85% which exceeds the state requirement of 5%. For the 1966 and 1977 Sales Tax Special Revenue funds actual expenditures were \$36,048,217 and budgeted operating expenditures of \$34,008,500 during the year ended December 31, 2010. The actual expenditures failed to meet the total budgeted revenues by 6.00% which exceeds the state requirement of 5%.

Criteria: LSA-RS 39:1311 provides that the adopted budget shall form the framework for which the administrative officers to monitor revenues and expenditures. The budget shall be amended and approved by the School Board Members when total expenditures are failing to meet total budgeted expenditures by five percent or more.

Effect: As a result of the impact of the above, the School Board was not compliant with the required state statute.

Cause: The School Board did amend the budgets; however, unexpected costs near year end caused the School to exceed budgeted amounts.

Recommendation: The School Board should amend the annual budget when significant budget expenditures are incurred.

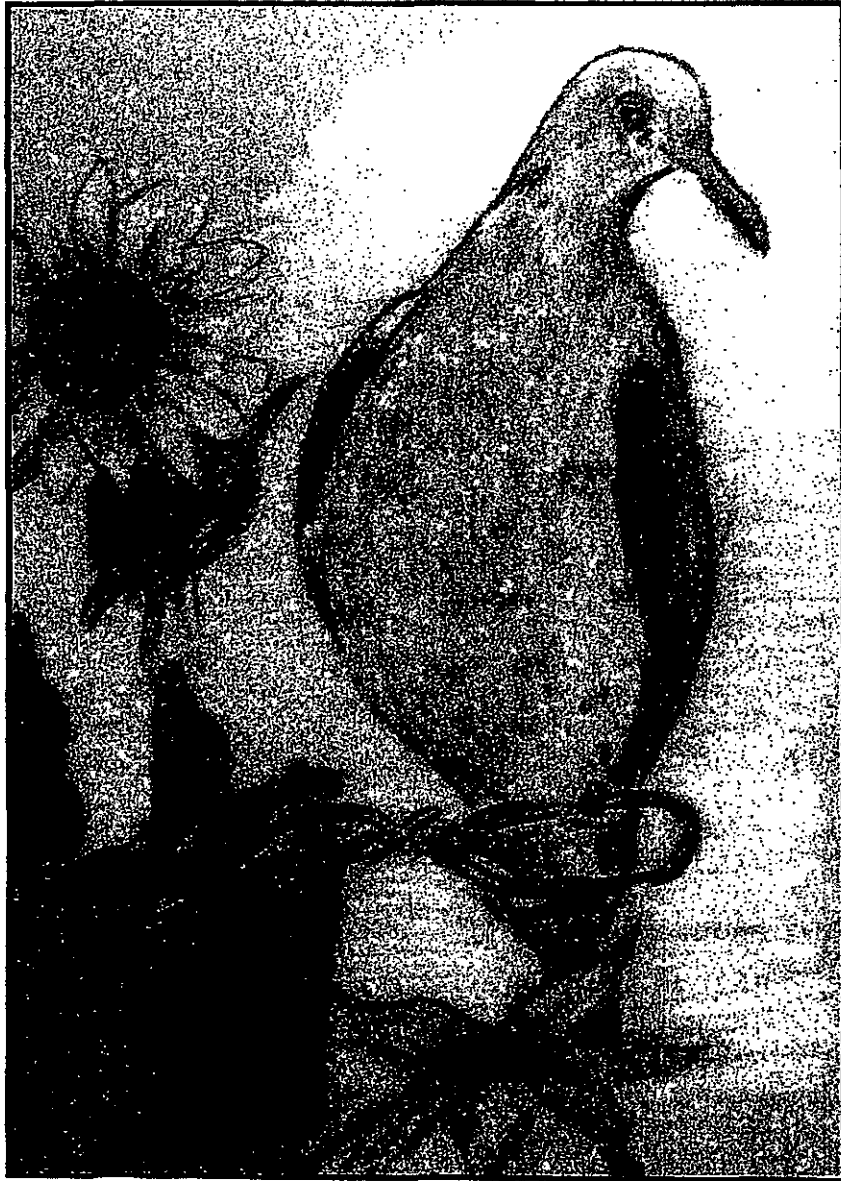
Agency Response: St. Tammany Parish School Board management is in a constant review of all budget matters and makes every attempt to remain in compliance with the 5% requirements of the Louisiana Budget Act. In the current year, the School Board experienced several budget variances late in the fiscal year and did not have a proper amount of time to amend the budget. The School Board will ensure that the audit finding is not repeated in the next fiscal year.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2010

(3) Findings and Questioned Costs relating to Federal Awards: none



"Morning Dove"
Jasmine Bordelon - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Prior Year Findings and Questioned Costs

Year Ended June 30, 2010

Finding 2009-01

MUNIS Conversion

Condition: The School Board underwent a system conversion in 2009. We noted conditions that indicated weaknesses in the School Board's information technology change management and access general controls which also impacted its financial controls.

Results: Resolved

Finding 2009-02

Property Conversion Impact

Condition: As previously described, the School Board underwent a system conversion in 2009. We noted conditions that indicated weaknesses in the School Board's information technology change management processes. As part of the system conversion, the School Board uploaded the data file for fixed assets which was inadvertently incorrect. In addition, depreciation was not properly recorded in prior years.

Results: Resolved

Finding 2009-03

Payroll

Condition: We noted conditions that indicated weaknesses in the School Board's information technology general controls relating to access security.

Results: Resolved

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Prior Year Findings and Questioned Costs

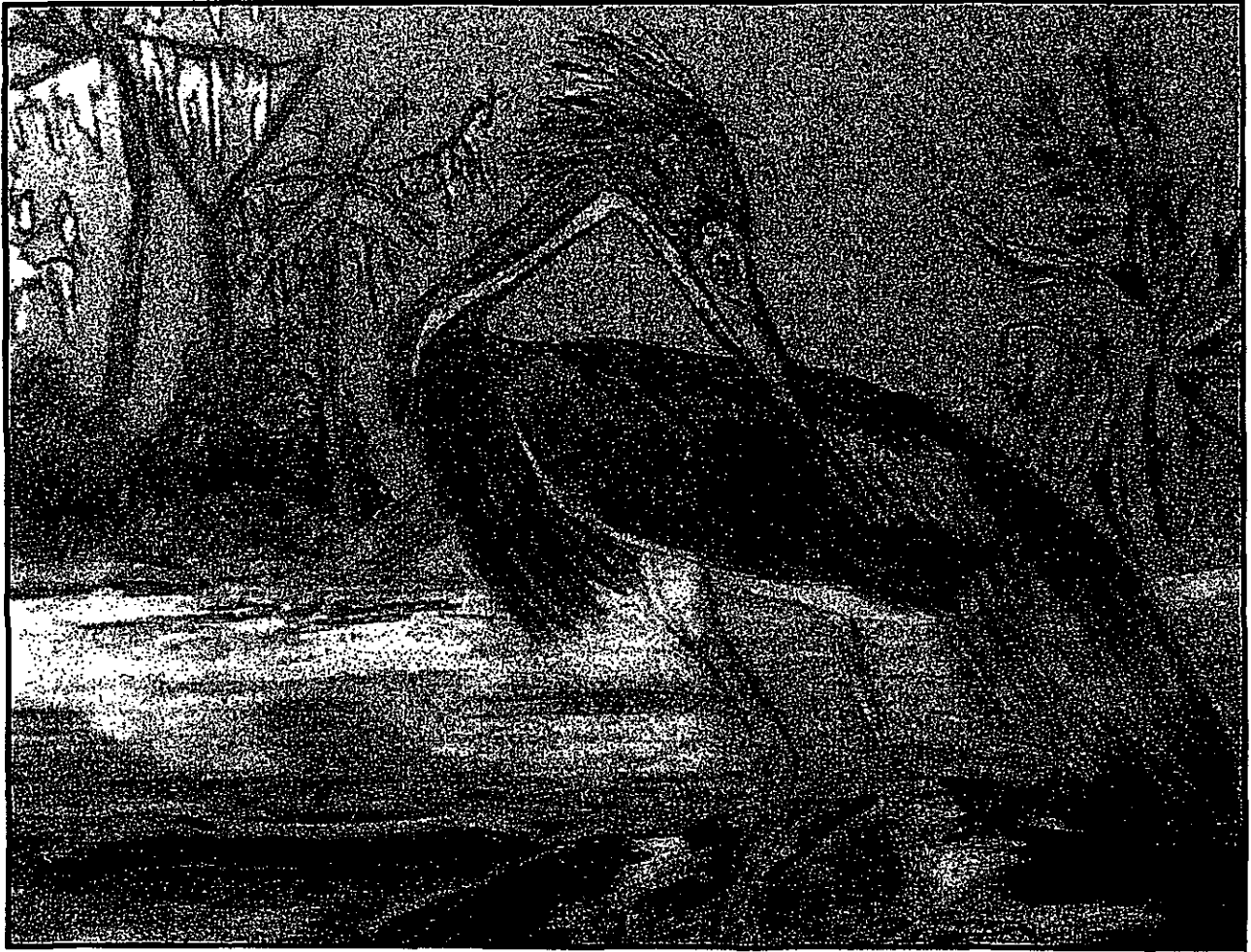
Year Ended June 30, 2010

Finding 2009-04

Timely Issuance of the Comprehensive Annual Financial Report

Condition: The School Board underwent a system conversion in 2009 coupled with the departure of the Director of Business Affairs in the middle of the audit engagement led to the delay of issuing the report on time.

Results: Resolved



"Blue Egret"
Lauren Gottschalk - Grade 6
Barbara Dooley - Teacher
Lake Harbor

ST. TAMMANY PARISH SCHOOL BOARD
PERFORMANCE AND STATISTICAL DATA
FOR THE YEAR ENDED JUNE 30, 2010



A Professional Accounting Corporation

www.pncpa.com

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
St. Tammany Parish School Board
Covington, Louisiana:

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

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

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

- 1) We selected a random sample of 25 cash receipts and 25 disbursement transactions and reviewed supporting documentation to determine if the sampled receipts/disbursements 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.

We noted no exceptions

- 1 -

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 1, 2009 respectively.

Number of teachers per Schedule 4	2,615
Number of teachers per Schedule 2	<u>2,615</u>
Difference	0

We noted no exceptions.

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.

Number of principals and assistant principals per Schedule 2	134
Number of principals and assistant principals per Schedule 4	<u>134</u>
Difference	0

We noted no exceptions.

4. We obtained a list of full-time teachers for four schools, principals, and assistant principals by classification as of October 1, 2009 and as reported on the schedule. We were traced a random sample of 25 teachers to the "Data Verification Report" and determine if the individual's education level was properly classified on the schedule. We obtained a listing of principals and assistant principals as of October 1, 2009 and as reported on the schedule.

We noted no exceptions.

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.

We noted no exceptions.

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

6. We obtained a list of full-time teachers by classification as of October 1, 2009 and as reported on the schedule and traced the same sample used in procedure 4 to the "Data Verification Report" to determine if the individual's experience was properly classified on the schedule. We obtained a listing of principals and assistant principals as of October 1, 2009 and as reported on the schedule.

We noted no exceptions.

Public School Staff Data (Schedule 5)

7. We did obtain 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 trace 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.

We noted no exceptions.

8. We recalculated the average salaries and full-time equivalents reported in the schedule. We obtained the IT schedule utilized in reporting the salaries on the schedule. We recalculated the amounts reported on the schedule as of June 30, 2010.

We noted no exceptions.

Class Size Characteristics (Schedule 6)

9. We did obtain a list of classes by school, school type, and class size as reported on the schedule and were able to reconcile school type classifications to Schedule 3 data as obtained in procedure 5. We were able to trace a random sample of 10 classes to the October 1, 2009 roll books for those classes and determined if the class was properly classified on the schedule.

We noted no exceptions.

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 the School Board.

We noted no exceptions.

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 the School Board.

We noted no exceptions.

The iLEAP Tests (Schedules 9a and 9b)

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

We noted no exceptions.

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 the 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.

Postlethwaite & Nettville

December 16, 2010

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2010

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

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

Schedule 2 - Education Levels of Public School Staff

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

Schedule 3 - Number and Type of Public Schools

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

Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers

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

Schedule 5 - Public School Staff Data

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

Schedule 6 - Class Size Characteristics

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

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

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

Schedule 8 - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedules 9a and 9b - The iLEAP Tests

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

St. Tammany Parish School Board
 General Fund Instructional and Support Expenditures and
 Certain Local Revenue Sources
 For the Year Ended June 30, 2009 - 2010

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 132,594,791	
Other Instructional Staff Activities	21,135,679	
Employee Benefits	70,973,044	
Purchased Professional and Technical Services	498,407	
Instructional Materials and Supplies	2,466,330	
Instructional Equipment	637,218	
Total Teacher and Student Interaction Activities		228,305,469

Other Instructional Activities 322,729 322,729

Pupil Support Activities 13,885,464

Less: Equipment for Pupil Support Activities (10,517)

Net Support Activities 13,874,947

Instructional Staff Services 12,238,062

Less: Equipment for Instructional Staff Services (7,810)

Net Instructional Staff Services 12,230,252

School Administration 22,543,523

Less: Equipment for School Administration (469,222)

Net School Administration 22,074,301

Total General Fund Instructional Expenditures **276,807,698**

Total General Fund Equipment Expenditures **2,401,987**

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes		5,576,427
Renewable Ad Valorem Taxes		65,138,726
Debt Service Ad Valorem Taxes		-
Up to 1% Collections by the Sheriff on Taxes Other Than School Taxes		2,137,201
Sales and Uses Taxes		72,079,382
Total Local Taxation Revenue		\$ 144,931,736

Local Earnings on investments in Real Property:

Earnings from 16th Section Property		-
Earnings from Other Real Property		-
Total Local Earnings on investments in Real Property		-

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Taxes		156,084
Revenue Sharing - Other Taxes		1,797,049
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		\$ 1,953,133

Non Public Textbook Revenue **\$ 196,844**

Non Public Transportation Revenue **\$ 456,584**

Schedule 2

St. Tammany Parish School Board
 Educational Levels of Public School Staff
 As of October 1, 2009

Category	Full Time Classroom Teachers			Principals & Assistant Principals		
	Certificated		Uncertificated	Certificated		Uncertificated
	Number	Percent	Number	Number	Percent	Number
Less than a Bachelor's Degree	0	0.00%	0	0	0.00%	0
Bachelor's Degree	1601	61.22%	0	0	0.00%	0
Master's Degree	784	29.98%	0	57	42.54%	0
Master's Degree +30	194	7.42%	0	59	44.03%	0
Specialist in Education	16	0.61%	0	9	6.72%	0
Ph. D. or Ed. D.	20	0.76%	0	9	6.72%	0
Total	2615	100.00%	0	134	100.00%	0

Only Function 2410, 2420 Object 111 - Principals/Asst Principals
 Only Function 1000 (1100, 1200, etc) - Object 112

**St. Tammany Parish School Board
Number and Type of Public Schools
For the Year Ended June 30, 2010**

Schedule 3

Type	Number
Elementary	23
Middle/Jr. High	21
Secondary	8
Combination	3
Total	55

Note: Schools opened or closed during the fiscal year are included in this schedule
Combination schools: Covington Pathways, Slidell Pathways and Operation Jumpstart

Schedule 4

St. Tammany Parish School Board
 Experience of Public Principals and Full Time Classroom Teachers
 As of October 1, 2009

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	6	12	10	17	31	76
Principals	0	0	1	5	11	12	29	58
Classroom Teachers	133	192	718	344	429	291	508	2,615
Total	133	192	725	361	450	320	568	2,749

Schedule 5

**St. Tammany Parish School Board
Public School Staff Data
For the Year Ended June 30, 2010**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers Salary Including Extra Compensation	\$52,941	\$52,689
Average Classroom Teachers Salary Excluding Extra Compensation	\$52,163	\$51,921
Number of Teacher Full-time Equivalents (FTE's) used in Computation of Average Salaries	2,547	2,503

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 federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

Schedule 6

**St. Tammany Parish School Board
Class Size Characteristics, 2009-2010
As of October 1, 2009**

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	50.35	2089	40.25	1670	9.21	382	0.19	8
Elementary Activity Classes	35.91	158	33.41	147	28.64	126	2.05	9
Middle/Jr. High	59.15	1371	24.55	569	16.26	377	0.04	1
Middle/Jr. High Activity Classes	45.10	161	20.45	73	24.93	89	9.52	34
High	54.39	4108	24.43	1845	20.75	1567	0.44	33
High Activity Classes	64.92	509	12.37	97	8.93	70	13.78	108
Combination	100.00	249	0.00	0	0.00	0	0.00	0
Combination Activity Classes	96.30	26	0.00	0	3.70	1	0.00	0

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

St. Tammany Parish School Board
Louisiana Educational Assessment Program (LEAP) for the 21st Century
Fiscal Year Ended June 30, 2010
Schedule I

District Achievement Level Results	ENGLISH LANGUAGE ARTS						MATHEMATICS					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	277	10.2%	215	7.9%	186	6.9%	275	10.1%	250	9.2%	265	9.9%
Mastery/Proficient	721	26.5%	863	31.7%	846	31.5%	782	28.7%	634	23.3%	712	26.5%
Basic	1230	45.2%	1208	44.4%	1136	42.4%	1199	44.0%	1298	47.7%	1206	45.0%
Approaching Basic	344	12.6%	305	11.2%	343	12.8%	326	12.0%	361	13.3%	335	12.5%
Unsatisfactory	149	5.5%	131	4.8%	171	6.4%	142	5.2%	179	6.6%	164	6.1%
Total	2721	100.0%	2722	100.0%	2682	100.0%	2724	100.0%	2722	100.0%	2682	100.0%

District Achievement Level Results	SCIENCE						SOCIAL STUDIES					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	160	5.9%	275	10.1%	89	3.3%	131	4.8%	97	3.6%	88	3.3%
Mastery/Proficient	606	22.2%	653	24.1%	680	25.4%	687	25.2%	629	23.2%	667	24.9%
Basic	1355	49.7%	1296	47.7%	1243	46.4%	1454	53.3%	1497	55.2%	1311	49.0%
Approaching Basic	504	18.5%	387	14.3%	531	19.8%	312	11.4%	309	11.4%	409	15.3%
Unsatisfactory	104	3.8%	104	3.8%	136	5.1%	144	5.3%	180	6.6%	203	7.6%
Total	2729	100.0%	2715	100.0%	2679	100.0%	2728	100.0%	2712	100.0%	2678	100.0%

(continued)

St. Tammany Parish School Board
Louisiana Educational Assessment Program (LEAP) for the 21st Century
Fiscal Year Ended June 30, 2010
Schedule 7

District Achievement Level Results	ENGLISH LANGUAGE ARTS						MATHEMATICS					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	161	6.2%	83	3.2%	60	2.4%	212	8.1%	273	10.5%	131	5.2%
Mastery/Proficient	604	23.2%	554	21.4%	501	19.9%	210	8.1%	249	9.6%	163	6.5%
Basic	1157	44.4%	1349	52.1%	1266	50.4%	1411	54.2%	1360	52.5%	1577	62.7%
Approaching Basic	579	22.2%	530	20.5%	582	23.2%	523	20.1%	495	19.1%	466	18.5%
Unsatisfactory	102	3.9%	73	2.8%	105	4.2%	247	9.5%	212	8.2%	177	7.0%
Total	2603	100.0%	2589	100.0%	2514	100.0%	2603	100.0%	2589	100.0%	2514	100.0%

District Achievement Level Results	SCIENCE						SOCIAL STUDIES					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	86	3.3%	164	6.3%	63	2.5%	73	2.8%	105	4.1%	52	2.1%
Mastery/Proficient	567	21.8%	613	23.7%	704	28.0%	510	19.6%	501	19.4%	465	18.5%
Basic	1155	44.3%	1090	42.2%	1058	42.1%	1324	50.9%	1341	52.0%	1265	50.4%
Approaching Basic	608	23.3%	582	22.5%	512	20.4%	422	16.2%	441	17.1%	510	20.3%
Unsatisfactory	189	7.3%	136	5.3%	175	7.0%	274	10.5%	191	7.4%	219	8.7%
Total	2605	100.0%	2585	100.0%	2512	100.0%	2603	100.0%	2579	100.0%	2511	100.0%

(concluded)

St. Tammany Parish School Board
 The Graduate Exit Exam for the 21st Century
 Fiscal Year Ended June 30, 2010
 Schedule 8

District Achievement Level Results	ENGLISH LANGUAGE ARTS						MATHEMATICS					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	76	3.23%	57	2.44%	54	2.25%	418	17.77%	382	16.35%	377	15.74%
Mastery/Proficient	513	21.82%	395	16.89%	387	16.15%	550	23.38%	449	19.21%	422	17.62%
Basic	1191	50.66%	1235	52.80%	1259	52.55%	940	39.97%	1081	46.26%	994	41.50%
Approaching Basic	405	17.23%	482	20.61%	457	19.07%	266	11.31%	276	11.81%	309	12.90%
Unsatisfactory	166	7.06%	170	7.27%	239	9.97%	178	7.57%	149	6.38%	293	12.23%
Total	2351	100.00%	2339	100.00%	2396	100.00%	2352	100.00%	2337	100.00%	2395	100.00%

District Achievement Level Results	SCIENCE						SOCIAL STUDIES					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	131	5.77%	180	7.98%	122	5.49%	34	1.50%	51	2.26%	32	1.44%
Mastery/Proficient	516	22.72%	561	24.86%	467	21.03%	378	16.65%	368	16.30%	358	16.11%
Basic	1036	45.62%	1011	44.79%	1034	46.56%	1440	63.44%	1311	58.06%	1347	60.62%
Approaching Basic	446	19.64%	331	14.67%	413	18.60%	294	12.95%	325	14.39%	349	15.71%
Unsatisfactory	142	6.25%	174	7.71%	185	8.33%	124	5.46%	203	8.99%	136	6.12%
Total	2271	100.00%	2257	100.00%	2221	100.00%	2270	100.00%	2258	100.00%	2222	100.00%

St. Tammany Parish School Board
 Integrated Louisiana Educational Assessment Program (ILEAP)
 Fiscal Year Ended June 30, 2009
 Schedule 9

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3												
Advanced	233	8.7%	221	8.3%	211	8.0%	348	13.1%	450	16.9%	393	14.9%
Mastery/Proficient	773	29.0%	864	32.4%	701	26.6%	759	28.5%	787	29.5%	608	23.1%
Basic	1149	43.1%	1114	41.7%	1141	43.3%	1081	40.6%	1019	38.2%	1110	42.1%
Approaching Basic	311	11.7%	312	11.7%	376	14.3%	312	11.7%	253	9.5%	297	11.3%
Unsatisfactory	197	7.4%	158	5.9%	205	7.8%	163	6.1%	161	6.0%	226	8.6%
Total	2663	100.0%	2669	100.0%	2634	100.0%	2663	100.0%	2670	100.0%	2634	100.0%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3												
Advanced	204	7.7%	211	7.9%	183	7.0%	121	4.5%	59	2.2%	135	5.1%
Mastery/Proficient	683	25.6%	820	30.8%	615	23.4%	700	26.3%	907	34.1%	642	24.4%
Basic	1263	47.4%	1134	42.6%	1197	45.5%	1308	49.1%	1216	45.8%	1309	49.7%
Approaching Basic	407	15.3%	389	14.6%	481	18.3%	368	13.8%	337	12.7%	392	14.9%
Unsatisfactory	107	4.0%	108	4.1%	157	6.0%	166	6.2%	138	5.2%	154	5.9%
Total	2664	100.0%	2662	100.0%	2633	100.0%	2663	100.0%	2657	100.0%	2632	100.0%

(continued)

St. Tammany Parish School Board
 Integrated Louisiana Educational Assessment Program (ILEAP)
 Fiscal Year Ended June 30, 2009
 Schedule 9

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5	159	5.9%	110	4.3%	150	6.3%	406	15.2%	279	10.8%	314	13.2%
Advanced	762	28.5%	607	23.5%	564	23.8%	601	22.5%	483	18.7%	436	18.4%
Mastery/Proficient	1167	43.7%	1197	46.4%	1115	47.0%	1181	44.2%	1262	48.8%	1148	48.4%
Basic	407	15.2%	469	18.2%	380	16.0%	277	10.4%	324	12.5%	266	11.2%
Approaching Basic	178	6.7%	195	7.6%	161	6.8%	208	7.8%	237	9.2%	206	8.7%
Unsatisfactory	2673	100.0%	2578	100.0%	2370	100.0%	2673	100.0%	2585	100.0%	2370	100.0%
Total												

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5	112	4.2%	151	5.9%	102	4.3%	221	8.3%	122	4.7%	133	5.6%
Advanced	682	25.5%	560	21.8%	481	20.3%	536	20.1%	502	19.5%	480	20.3%
Mastery/Proficient	1202	45.0%	1137	44.2%	1147	48.4%	1300	48.6%	1304	50.8%	1234	52.2%
Basic	554	20.7%	527	20.5%	505	21.3%	375	14.0%	423	16.5%	364	15.4%
Approaching Basic	122	4.6%	199	7.7%	133	5.6%	241	9.0%	218	8.5%	155	6.6%
Unsatisfactory	2672	100.0%	2574	100.0%	2368	100.0%	2673	100.0%	2569	100.0%	2366	100.0%
Total												

(continued)

St. Tammany Parish School Board
Integrated Louisiana Educational Assessment Program (ILEAP)
Fiscal Year Ended June 30, 2009
Schedule 9

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6												
Advanced	187	7.1%	139	5.7%	135	5.2%	224	8.5%	308	12.7%	292	11.3%
Mastery/Proficient	702	26.6%	537	22.2%	621	23.9%	501	19.0%	443	18.3%	365	14.1%
Basic	1241	47.1%	1328	54.9%	1183	45.6%	1313	49.8%	1246	51.5%	1227	47.3%
Approaching Basic	385	14.6%	314	13.0%	450	17.3%	357	13.5%	247	10.2%	353	13.6%
Unsatisfactory	122	4.6%	102	4.2%	207	8.0%	244	9.2%	177	7.3%	358	13.8%
Total	2637	100.0%	2420	100.0%	2596	100.0%	2639	100.0%	2421	100.0%	2595	100.0%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6												
Advanced	127	4.8%	156	6.5%	142	5.5%	273	10.4%	235	9.8%	205	7.9%
Mastery/Proficient	675	25.6%	520	21.5%	509	19.6%	409	15.5%	382	15.9%	475	18.3%
Basic	1160	44.0%	1142	47.3%	1260	48.5%	1339	50.8%	1269	52.7%	1251	48.2%
Approaching Basic	523	19.8%	473	19.6%	501	19.3%	422	16.0%	378	15.7%	371	14.3%
Unsatisfactory	152	5.8%	123	5.1%	184	7.1%	194	7.4%	146	6.1%	294	11.3%
Total	2637	100.0%	2414	100.0%	2596	100.0%	2637	100.0%	2410	100.0%	2596	100.0%

(continued)

St. Tammany Parish School Board
Integrated Louisiana Educational Assessment Program (I LEAP)
Fiscal Year Ended June 30, 2009
Schedule 9

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7												
Advanced	245	9.7%	202	7.7%	256	9.6%	238	9.5%	233	8.8%	149	5.6%
Mastery/Proficient	555	22.1%	561	21.3%	536	20.2%	394	15.7%	385	14.6%	293	11.0%
Basic	1196	47.5%	1177	44.7%	1161	43.7%	1339	53.2%	1331	50.5%	1340	50.4%
Approaching Basic	427	17.0%	502	19.1%	561	21.1%	378	15.0%	411	15.6%	548	20.6%
Unsatisfactory	94	3.7%	191	7.3%	143	5.4%	168	6.7%	274	10.4%	327	12.3%
Total	2517	100.0%	2633	100.0%	2657	100.0%	2517	100.0%	2634	100.0%	2657	100.0%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7												
Advanced	107	4.3%	129	4.9%	91	3.4%	69	2.7%	112	4.3%	81	3.1%
Mastery/Proficient	581	23.1%	642	24.4%	479	18.0%	480	19.1%	615	23.5%	439	16.5%
Basic	1141	45.4%	1099	41.9%	1270	47.8%	1363	54.2%	1260	48.1%	1417	53.4%
Approaching Basic	522	20.8%	540	20.6%	582	21.9%	389	15.5%	425	16.2%	443	16.7%
Unsatisfactory	163	6.5%	216	8.2%	233	8.8%	213	8.5%	209	8.0%	274	10.3%
Total	2514	100.0%	2626	100.0%	2655	100.0%	2514	100.0%	2621	100.0%	2654	100.0%

(continued)

St. Tammany Parish School Board
 Integrated Louisiana Educational Assessment Program (ILEAP)
 Fiscal Year Ended June 30, 2009
Schedule 9

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 9												
Advanced	109	4.0%	60	2.2%	61	2.3%	340	12.5%	299	11.1%	216	8.1%
Mastery/Proficient	629	23.1%	541	20.1%	545	20.5%	399	14.7%	412	15.3%	282	10.6%
Basic	1385	51.0%	1446	53.6%	1376	51.7%	1393	51.2%	1315	48.8%	1371	51.5%
Approaching Basic	469	17.3%	505	18.7%	550	20.7%	355	13.1%	410	15.2%	449	16.9%
Unsatisfactory	126	4.6%	145	5.4%	131	4.9%	233	8.6%	261	9.7%	344	12.9%
Total	2718	100.0%	2697	100.0%	2663	100.0%	2720	100.0%	2697	100.0%	2662	100.0%

(concluded)

December 16, 2010

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

In planning and performing our audit of the basic financial statements of St. Tammany Parish School Board (the Organization) as of June 30, 2010, we considered the Organization's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. We previously reported on the Organization's internal control in our report dated December 16, 2010. This letter does not affect our report dated December 16, 2010 on the financial statements of the Organization.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with Organization personnel and we will be pleased to discuss these comments in further detail at your convenience to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Current Year Findings:

Related Parties

Observation:

While the School Board has policies defining state law requirements regarding related parties, it currently does not a procedure to obtain affirmations regarding individual compliance with this requirement.

Recommendation:

Due to the sensitivity and potential adverse impact of related party transactions, we recommend that the School Board establish a procedure to obtain annual certification as to compliance from Board members and management.

Fixed Asset Observation

Observation:

The School Board has a policy in place to perform an inventory at each school site. During the course of our audit procedures, we noted a school site in which bleachers were listed but did not exist.

Recommendation:

The School Board should consider having an internal audit and do independent verification of fixed asset records to review for accuracy.

Prior Year Findings Still Applicable:

Executive Department Activity

Observation:

Generally, in most governments, the expenditures incurred by those in the Executive Department are generally sensitive in nature due to the public accountability of that office to tax payers. In addition, personnel in the Executive Department generally set policy, monitor policy and enforce policy which can conflict with the role of subordinates in the processing of transactions.

The School Board should implement a policy regarding nature of expenses and/or define approval levels for the nature of certain expenditures.

Recommendation:

We recommend that procedures be established to define approval and nature of allowable non routine expenditures.

Status: Not resolved

The attached Schedule reflects that status of prior year comments. We wish to thank the Chief Accountant and the Accounting Department personnel for their support and assistance during our audit.

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

Very truly yours,

Postlethwaite

Status of Prior Year Comments

Compliance with Internal Control Policies

Observation:

Over the course of testing, we identified inconsistencies with following procedures as implemented by the Board. We noted missing appropriate approval on one repairs invoice. We also noted that approved employee hire recommendation forms and/or contracts could not be located in employee personnel files. We noted approval was not properly documented over all journal entries prior to their posting to the general ledger.

Status:

Resolved

Executive Department Activity

Observation:

Generally, in most governments, the expenditures incurred by those in the Executive Department are generally sensitive in nature due to the public accountability of that office to tax payers. In addition, personnel in the Executive Department generally set policy, monitor policy and enforce policy which can conflict with the role of subordinates in the processing of transactions.

The School Board should implement a policy regarding nature of expenses and/or define approval levels for the nature of certain expenditures.

Status:

Repeat finding

Timely Reporting of Fraud

Observation:

The School Board experienced two instances of theft by employees in 2009 and did not report the instances of fraud identified internally to the appropriate parties. The School Board as a governmental entity follows certain state statutes including R.S. 24:523. An agency head of an auditee who has actual knowledge of any misappropriation of the public funds or assets of his agency shall immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation. The district attorney, or other prosecutorial agency, notified of such misappropriation may request audit assistance from the legislative auditor with respect to the misappropriation. In June 2009, an investigation was held in which the school bookkeeper at Magnolia Elementary School was found taking funds. The bookkeeper admitted to taking the funds in the amount of \$2,816.67. The employee repaid the stolen funds and was terminated from the School System. The security officers in charge of investigations have been instructed to give copies of investigation reports to the Superintendent and the Director of Business Affairs when instances of theft occur. The proper authorities will be notified when these reports are received for all future frauds committed by employees.

The School Board should review their own policies and procedures in accordance with State Statutes and to provide training to ensure compliance.

Status:

Resolved

Management's Responses

Related Party

The School Board will develop and implement procedures to obtain affirmations regarding individual compliance with Louisiana Revised Statutes relating to related party transactions.

Fixed Asset Inventory

The School Board will implement procedures to perform quarterly reviews of fixed assets records for schools and administrative sites. These reviews will be performed by the Internal Auditor.

Executive Department Activity

All expenditures are reviewed at the next level by at least one supervisor including executive level expenditures which are reviewed by the Superintendent. Beginning in FY 2008-2009, the Board President reviews and approves all purchases of the Superintendent via memo. The budget also remains the primary governing tool for expenditure control. The Board reviews and approves the budget and any revisions thus monitoring all expenditures through budgetary control. The School Board has strengthened approval procedures effective July 1, 2010 and will continue to improve on policies and procedures in place for all School Board expenditures.