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JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

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Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 1997

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JAN 2 1 1998

Release Date: **501 MANHATTAN BOULEVARD
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JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 1987

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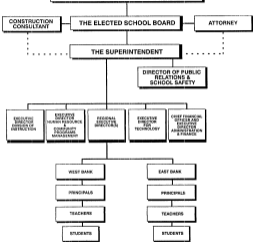
BOARD MEMBERS

NAME	LENGTH OF SERVICE	TERM EXPIRES	OCCUPATION
LEWIS COLLING MEMBER, DISTRICT 4	7 years	December, 1998	Attorney
ROBERT WILDE, MEMBER, DISTRICT 1	12 years	December, 1998	Real Estate Broker
BARRY BOONICK, MEMBER, DISTRICT 3	18 years	December, 1998	Marketing Representative
C.M. WALDRY, MEMBER, DISTRICT 2	7 years	December, 1998	Retired School Principal
CEDRIC STONE, MEMBER, DISTRICT 5	7 years	December, 1998	Demographer
MARTIN MARINO, MEMBER, DISTRICT 4	14 years	December, 1998	Principal
LARRY MORAN, MEMBER, DISTRICT 7	3 years	December, 1998	Teacher/ Restaurateur
Dr. PAULY THOMAS MEMBER, DISTRICT 8	8 years	December, 1998	University Professor
DAVE SACCOMA, MEMBER, DISTRICT 6	3 years	December, 1998	Businessman

ADMINISTRATIVE OFFICIALS

Name	Position	Length of Service
Elmer Lagasse	Superintendent	36 years
Frank Davis	Chief Financial Officer/ Executive Director, Administration and Finance	14 years
Dr. Janet Molin	Executive Director, Instruction	17 years
Margaret Townsend	Executive Director, East Bank Region	24 years
George Robert	Executive Director, West Bank Region	18 years
Margie Bink	Executive Director, Human Resources and Community Program Management	25 years
Dr. Leigh Barton	Executive Director, Technology	24 years

THE PEOPLE OF JEFFERSON PARISH





LAURIE E. HOLLINGS
Paralegal, District 4



ELTON W. LAMMIE
Superintendent



LIBBY L. MORAN
Vice-President, District 1



ROBERT WOLFE
District 1



BARRY SCHINDLER
District 2



D. B. QUERRY
District 2



GEORGE FLOYD
District 3



MARTIN B. MARINO
District 3



DR. POLLY THOMAS
District 3



GENE KOTTARIS
District 3



ERSON N. LABARDE
GOVERNOR

ADMINISTRATION AND FINANCE
JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

4800 SILVER ROAD
HARRISBORO, LOUISIANA 70052-1840
PHONE 348-7800
FAX (504) 348-1560

ERMAN S. SAUNDERS
SUPERINTENDENT

October 13, 1997

Honorable Board Members
Jefferson Parish Public School System
881 Mandeville Boulevard
Harvey, Louisiana 70058

Members of the Board:

The comprehensive Annual Financial Report (CAFR) of the Jefferson Parish Public School System (School System) for the fiscal year ended June 30, 1997 is submitted herewith. This report was prepared by the School System's Business Services Division. Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the School System as required by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included. This report encompasses all activities over which the School System exercises authority and/or oversight responsibility.

The CAFR is presented in three sections: (I) introduction, (II) financial, and (III) statistical. The introduction section includes the transmittal letter, the School System's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund financial statements and other supplemental information, as well as the independent auditor's report on the financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The School System is required to undergo an annual single audit in conformity with provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations." Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and independent auditor's reports on compliance and internal control over financial reporting and on compliance with the requirements applicable to each major program and the internal control over compliance in accordance with A-133 are included in a separate report.

The remainder of this transmittal highlights the governance structure, the mission, the accomplishments and initiatives, the economic conditions and outlook, and the financial activities of the School System.

GOVERNANCE

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

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

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

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

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

MISSION

The School System's adopted mission is:

"...to provide educational programs to meet the identified needs of all students in a learning environment that stimulates academic achievement and intellectual curiosity, develops positive personal qualities and well-being, and fosters respect for individual differences."

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

The School System's commitment to its mission is reflected in its allocation of financial resources. The 1993/94 budget was adopted on June 4, 1993. Total budgeted expenditures for the General Fund are \$268,834,353. Projected revenues and other financing sources for the General Fund total \$268,054,333. The projected year-end fund balance for FY 1993/94 is \$18 million. State funding for Equalization related to the 1993/94 budget as compared to 1992/93 actual is projected to decrease. Sales taxes are projected to grow at a 2.8% rate while ad valorem taxes are projected to increase slightly.

ACCOMPLISHMENTS AND INITIATIVES

As reflected in the School System's mission statement, activities of the School System focus on learning opportunities for students. The degree of success, to educate all of its students, is indicated by the following:

Student Population (Projected FY 1997/98)	23,929
Number of schools	84
Number of students transported daily	40,674
Number of school buses	342
Number of teachers	3,563
Number of employees (all funds)	7,325
Number of student lunches served daily	24,325
Number of schools that provide breakfast	82
Number of schools that have lunch programs	87
Number of employee lunches served daily	1,471
Number of student breakfasts served daily	12,482
Annual operating budget	\$268,214,553
Cost per pupil	\$24,943

Among the noteworthy events occurring during the school year 1996/97 were:

Dr. Diane Russell, Principal of Riverdale High School, Paul Erenow, Principal of T.H. Harris Middle School, and Marie Elzot, Principal of Boutros Elementary School were named Jefferson Parish School System Principals of the year. Dr. Diane Russell was later selected as Louisiana High School Principal of the Year by the State Department of Education.

James Kirylo, Greenbank Terrace Elementary, Michael Casanova, Helen Cox Junior High School and Rebecca Crochet, Grand Isle School, were selected as 1996/97 Teachers of the Year. Karen Willgas, John Elbert High School was selected as Special Education Teacher for the 1996/97 school year. Mr. Kirylo was also selected as Louisiana State Elementary Teacher of the year and also as the State Outstanding Young Primary Educator by the Louisiana Teachers.

Kathleen Ogden, Principal of Elbert High School was honored by the Financial Services Consortium of the Regional Council on School-as-Work. Teachers honored were Jane Abel, T.H. Harris Middle School, Robert Carney, Grace King High School, Kevin Paulino, Sharon Lewis, Barbara Waterfield, West Jefferson High School, Doana Hobson, East Jefferson High School, Mark Paleon, Bernadet High School and Catherine Vangas, John Elbert High School.

Freddi W. Evans, artist/facilitator for special education, has been awarded an independent study in the Humanities Fellowship for the summer of 1997. In addition Freddi was recently invited to serve as a panelist for the Louisiana Division of the Arts grants review process.

Mark Hoda, Grace King High School, was selected as the Louisiana state wide Salfin Mas Award winner in March, 1996. The Salfin Mas program recognizes outstanding first year teachers from each of the 39 states and the District of Columbia.

Barbara LaNasa, a teacher at Metairie Grammar, received the "Making A Difference" award by Channel 5 for her community involvement. This award was presented after a Friday news broadcast by newscaster Norman Robinson.

Cherry Hill Rowland, a teacher at Plaquemine Elementary, won first place at the Pineson Alley Art Show during the French Quarter Festival. Over 180 artists exhibited in the annual show sponsored by the New Orleans Art Association. Ms. Rowland's art will be exhibited in three national art exhibitions on display at the world Trade Center through May 24.

Drew Kells, a teacher at Riverdale High was selected as one of the three finalists by Louisiana Public Broadcasting for the 1991 National Teaching Training Institute Teacher of the Year award.

Dr. Vincent A. Andue, Jr., Covington Junior High, had an article published in the *Journal for a Just and Caring Education*. His article was titled "Beyond Casting: A Look at Practical Intersubjectivity as a New Paradigm to Govern Educational Reform."

Freddie Landry, Coordinator of the Title IV Safe and Drug Free Schools and Communities Act Program, has been appointed by Governor Foster to the Louisiana Commission on Alcohol and Drug Abuse.

Four teachers from Jefferson have been selected to participate in a three day joint NASA-National Council of Teachers of Mathematics summer project, "Maxim Mathematics: Linking Aerospace and the NCTM Standards." The teachers are Anna Johnson, Jefferson Elementary; Joan Albeola, Plaquemine Elementary; Martha Rasmussen, Adams Middle; and Wilka Smith, Grace King High.

FellSouth awarded six mini grants to Jefferson Parish Public School Teachers. The recipients are: Al Wainfield, Fisher Middle-High, 5380; Anna Frye-Manciano, Eschle Elementary, 8480; Kate Brown, Homestead Elementary, 8420; Margaret Mathews, Ruppert Elementary, 8480; Helen Logan, Ford Junior High, 8450; and Malia Richens, Riverdale Middle, 8410.

The Chamber/New Orleans and the River Region and Cox Commissions honored the following teachers for Excellence in Teaching with a \$200 check and a plaque. Those teachers receiving this honor were: Lisa Rodriguez, Eschle Elementary; Maria Ammons, Plaquemine Elementary; Sandra Landry, Henry Ford Junior High; Nell Waldrop, T.H. Harris Middle School; Francis Martin, West Jefferson High; Maria Black, Riverdale High; Janelle Coster-Perez, Anna Elementary; Shirley Chambonet, Metairie Grammar.

Phil Helm, adapted P.E. teacher at Goodwain Terrace and Roosevelt schools, was named the 1990 "Coach of the Year" for the State of Louisiana G.U.M.B.O. Project (Games Uniting Mind and Body).

Dr. Lisa Mirawa, assistant principal at West Jefferson High School has been selected as a Louisiana Assistant Principal of the Year finalist.

Gloria Edwards, East Jefferson High School, has been selected as State Outstanding Young Secondary Educator for 1990-91 by the Louisiana Jaycees.

Ms. Google Still from Hazel Park Elementary School and Mr. Lovell Robinson from Marrero Middle School were selected as "Support Personnel of the Year." Ms. Still has been a special education teacher assistant in both learning disabled general and behavior disordered classrooms for 24 years. Mr. Robinson has been employed with the school system for eight years, five of those years as a teacher assistant in a behavior disordered classroom.

Mrs. Brenda Wilson, a teacher at Higgins High School, received the Lindy Buggs Fellowship provided by the National Clear-Up Foundation.

Chifton A. Cantel, a teacher at Guyton Junior High has had an article accepted for publication by the Journal of Elementary School Guidance & Counseling. The classroom research article titled, "Attitudes of African American and Caucasian Eighth-Grade Students About Praise, Rewards, and Punishments," Vol. 33, Summer 1997.

Debra Poirier, account clerk from Greenwood Terrace Elementary and Linda Sue "Sue" Gaulters, account clerk from Catherine Stubbis Elementary were selected as clerical personnel of the year.

Student Recognition

Kelly Roth, a fifth grader at Airlee Park Elementary School, Kristen Roth, an eighth-grader at Harvis Middle School, and Bradley Spitzer, a senior at Dorrisdale High School were selected as students of the year for the Jefferson Parish Public School System.

Seven students from John Elbert High School were honored by the Financial Services Consortium of the Regional Council on School-to-Work. They are: Paola Gomez, Monica Lemas, Charles Ragan, Jr., Isaac Robinson, James Pollard, Tonjoli Barde and Adam Layburn.

Five students have been listed as National Merit Semifinalists. They are: Adam McFarland and Lauri Loran, Bonsted High School; Hina Bajwa and Aree Dungan, Grace King High School; and Adam Swensak, Riverview High School.

Nazari Hope St. Pierre, John Elbert High School, has been awarded a \$400 scholarship by the Louisiana School Boards Association. Only five \$400 scholarships were awarded this year.

The West Jefferson High School ROTC, won recognition as an honor unit for the twenty-third straight year. This is the longest winning streak for this award.

Grace King High School was one of nine schools in the nation chosen to pilot a national program called Global Trade Mission. YTM was sponsored by the President's Export Council. The purpose of the trade mission program was to provide participating students with a multimedia introduction to the big emerging markets and the opportunities they present for America's businesses and processors to develop export sales. The YTM supports America's economic growth.

Thomas Corral, a recent graduate of Caillier Career Center and Higgins High School, won first place in a HOSA (Health Occupations Students of America) national competition in Chicago.

Flood 162 is proud to announce the West Bank winners in this year's essay contest on "What Freedom of Speech Means to Me." They are: Overall winner Fabouza Damaat, Eleuth; Desiree Cappelletti, Victoria Crabtree, and Jeremy Beattley, Seventh grade winners from Truman; Shanna Carillo, Thomas, Asha Patel and Nicole Howell, Helen Cox, Eighth grade winners; Mohamed Joudah and Jessica Hilde, Helen Cox, Yu Tzou, Eleuth, Ninth grade winners; Kalandra Assouman and Lauren Taylor, Eleuth and Jerome Ransdyk, West Jefferson, Tenth grade winners; Kiberra Damaat, Julia Clements, and Alan Ng, Eleuth, eleventh grade winners; and They Ngyeyan, Eugene Usomaka and Yu Ngyeyan, Eleuth, twelfth grade winners.

Ten students from Riverdale Middle School and twenty-three from Ellendor Middle School are applicants for the 1996 Duke University talent search for mathematically and verbally advanced students. The Riverdale Middle students are: Crystal Calhoun, Ivan Cox, Matthew Egbert, All Hano, Keith Maddox, Ruth Miller, Alan Pflaie, Linda Talvelint, Anna Wabovich, and Jonathan Wood. The students from Ellendor are: Amy Adams, Durán Alexander, Tina Andrus, Jennifer Bourgeois, Brenton Broadman, Alan Broadbent, Russell Brown, Ashley Cross, Hong Doo, Cara Davis, Alicia Delaney, Alison Durham, Alvin Green, Garin Harper, Leslie Irwin, Khiana Jones, Brian Linsinger, Anthony Morgan, Diana Morris, Katie Roberts, Victoria Robinson, Stephanie Rogers, and Joshua Zalays.

Three L.W. Higgins AP government students and their teacher have been asked to travel to Kansas City to represent The Electronic Model Congress (EMAC) during a satellite school on May 15, 1995. Higgins is one of three schools across the nation that has been invited to attend this special event.

Two Bonabel High School seniors scored in the top five percent of some 180,000 Black Americans who took the 1995 PSAT/NMSQT. These students, Sherry Johnson and Shirley Johnson, competed in the National Achievement Scholarship Program for Outstanding Negro Students this school year.

Bonabel freshman, Paul Ruiz, was selected as a grand prize winner in Macy's "Be A Star" model search contest. He will be a finalist in the Macy's Thanksgiving Parade in New York City on November 28.

The Title IX Indian Education Program has awarded fellowships to national Close-Up in Washington, D.C. to three Native American Jefferson Parish Public School System youths. The recipients are Toha Williams and Crystal Hingis from Fiske High School and Cheryle Perkins from Riverdale High School.

Riverdale High School student, Timmy Fargoy, was selected to attend the National Young Leaders Conference in Washington, D.C. Timmy is one of 350 outstanding national scholars from across America attending the conference.

For the second consecutive year, the Riverdale High School Speech and Debate Team won the Lt. Governor's Overall Sweepstakes Award at the Hammond Regional Speech and Debate Tournament. The team members earning awards were: Adam Swenck and Jason Giles, first place in best acting; Jason Giles, first place in impromptu; Adam Swenck, first place in extemp; Laurie Orlson and Adam Swenck, first place in duo reading; Marie Orlson, second place in prose/poetry; Laurie Orlson and Marie Orlson, second place in duo extemp; Adam Swenck, third place in dramatic; Marie Orlson, third place in humorous; Jason Giles, finalist in dramatic; Jason Lacombe and Emily Tucker, finalists in duo reading; Tim Fargoy, outstanding orator finalist in student congress; Dana Dello, finalist in humorous; and Joyce Meyer and Stacy Byers, finalists in junior prose/poetry.

Michael Pharr, a ninth grader at Grace Junior High, placed first in the drug free schools contest held at Truman Middle School for West Bank students.

Grace King's *Arise Eyes* took top honors at the twentieth annual Tom Bell Silver Scribe Competition sponsored by the New Orleans Press Club and Loyola Communications Department. *Arise Eyes* won Best Newspaper at the competition and senior Jennifer Kennedy was awarded the Silver Scribe Grand Award for amassing the most points in individual competitions. Kennedy is a second time recipient of this award.

Mindy Helmer, Riverdale High student, was named winner of the annual Baugh & Lomb Science Award. The Baugh & Lomb Science Award is specially significant because it recognizes the junior student at Riverdale who has attained the highest scholastic standing in science subjects. Mindy is now eligible to apply to become a University of Louisiana Baugh & Lomb Scholar.

The following Two and woodworking students at East Jefferson High School won first place gold medals at the ICA state championships held in Monroe in April. John Carlson, carpentry; Poine Solano, job interview; and the opening and closing team: Amanda Ford, Mindy Evans, Fara Westfahl, Shannon Kaula, Poine Solano and Davon Chastave, team competition.

Two Baraboo artists, Jennifer Ward and Sabrina Harris, were winners of the 1996 Young Artists' Concerto Competition of the Louisiana Philharmonic Orchestra.

Joan Hartle III, special education student at Riverdale High School, was honored with the Fiv. J Carl Award. This award was presented at the 17th Annual Superconference held in Baton Rouge.

The following Jefferson Parish Public School students were winners in the Jefferson Parish Public School System Employees' Credit Union's Annual Artistic Contest: Grades K-2, Lawrence Hunter, Metairie; Elementary, Grades 3-5, Brandi Caska, Fitman Elementary; Grades 6-8, Rodney Jasin, Jr., Truman Middle; Grades 9-12, Jason Harvey, John Herb High School.

Minster Middle School cheerleaders recently won first place in their division at the Premier State Cheerleading Competition. They will compete in the National Cheerfest Competition in Houston, Texas. Members of the squad are Katie Stranbury, Tiffany Kelly, Melanie Sherwood, Amy Bruno, Lindsay Prinson, Christa Dickertoff, Jackie Barber, Allison Fiedtner, Jaune Sullivan, Susie Arora, Tiffany Scarva, Hannah Bantz, Maria Poine, Leah Davis, Tracy Rothbard. The coach is Michelle Jeter.

The Higgins High School Mock Trial Team won the district title at the annual Mock Trial Competition sponsored by the Young Lawyers Section of the Jefferson Bar Association. Team members are Laranda Bridgewater, Anthony Caffee, Johnnie McGraw, Arienne Parker, Drial Patterson, Shanika Patterson, Stephen Shelton, and Nicole Williams. The faculty sponsors are Kathleen Albens and Ann Dye.

Silvia Mayes, a student at J.C. Ellis Elementary received a grand prize in the recent Caringspresso Junior Chef's recipe contest for her recipe for plumein lasagna with beans. Silvia won a computer, printer and software, three "Goodbumps" books and a set of Caringspresso. She was one of two grand prize winners selected from more than 4,800 entries.

Three Jefferson Parish Public School students, Jalene Swiler of Slender Middle, Delisha Smith of Renwick Middle and Milagros Malendez of West Jefferson High have been chosen as members of the 1997 Louisiana HIDEBOGS.

Fisher Middle High students Parvita Kanudiyalai and Khalis' Trank were winners in the American History Essay Contest sponsored by the Louisiana Chapter of the Daughters of the American Revolution. Brooks Malone was the high school winner in the chapter's first Christopher Columbus contest.

Steven Bradley, a sixth grader at Truman Middle School is the second place winner in the 12-13 age group for the YES YOUTH Can Giving Card Contest sponsored by the American Red Cross.

Arlene Park Elementary and Alice Birney Elementary placed first and third respectively out of 14 teams in the state Middle-Grade Thinking Cap Quiz Bowl. The Arlene Park fifth graders who placed first in the state are Saif Abuamara, Shanna Allison, John Boyd, Angelina Briggs, Vinh Bai, Corey Dero, Mark Glandwell, Bobby Gray, Kasey Heberweinger, Christine Hault, Rachel Patis, Kelly Rank, and Daniel Underwood.

Two West Jefferson students placed first at the DECA state convention. Anthony Le won for entrepreneurial written plan and Travis Foster won the general marketing competition.

The Nguyen, a seventh grader at Stella Wesley Junior High, was an honorable mention for his flag design created for Art Youth Month. His flag will be on display at the State Capitol Building in Baton Rouge and he will be honored by the state legislature at a ceremony in April.

Nhuan Nguyen, Higgins High School, received the Lindy Boggs Fellowship provided by the National Clean-Up Foundation.

Riverside High School student, Julie Carter, won first place in the 1995-96 Louisiana School Board Association Art Contest. Her painting entitled "Looking Back" was printed on the back cover of the Louisiana School Directory.

The following students placed first in the 1997 West Bank Social Studies Fair. Division I - Individual, Anthropology, Kala Green, Emerald Elementary; Economics, Duane Scott, Live Oak Elementary; Sociology, Glenn Robert, Jr., Ellender Middle. Division I - Group, Economics, Kristina Hynes, Bayle Elementary; Geography, Branch Hayes, Brandon Hayes, Brandon Devallier, Amber Devallier, Live Oak Elementary; History, Holly Frisley, Ryan Frisley, Fair Elementary. Division II - Individual, Anthropology, A.J. Green, Ellender Middle; Economics, Todd Barter, Marston Middle; Geography, Jacob Brown, Truman Middle/Political Science, Estira Jones, Helen Cox Junior High; Sociology, Blake Hunter, Marston. Division II - Group, Anthropology, Stephanie Hamelja, Elizabeth Lysiak, Helen Cox Junior High; Economics, Kaycie Wilkinson, Tiffany Robert, Ellender Middle; Geography, Rochelle Canfield, Kathleen Clark, Livaudais Junior High; History, Frank Rivers, Nicholas Throssing, Robert Ellender, Livaudais Junior High; Political Science, Sharon Caville, Nadine George, Helen Cox Junior High; Sociology, Crystal Foster, T'Lashia McKinnis, Helen Cox Junior High. Division III, Individual, Anthropology, Amanda Gilbert, Helen Cox Junior High; Economics, Asia Patis, Elvert High; Geography, Angela Baux, Helen Cox Junior High; History, Chan Ha, West Jefferson High; Political Science, Bobby Flinders, Jr., Elvert High; Sociology, Drucks Brinkman, Elvert High. Division III - Group, Anthropology, Thao Pham, Chau Pham, Higgins High; Economics, Lam Pham, Elizabeth Ba, Higgins High; Geography, Asia Patis, Asia Patis, Helen Cox Junior High; History, Rachel Locks, Kimmie Sullivan, Ford Junior High; Political Science, Eliada Newton, Lameya Dillard, Elvert High; Sociology, Hung Tran, Hung Nguyen, Higgins High. Division IV - Geographic Terms, Sean Lathet, Gale Center, Trezure Phillips, Laurel Elementary.

The following students placed first in the 1997 East Bank Social Studies Fair. Division I - Individual, Political Science, Arlyn Roy, Adams Middle; Sociology, Andrew Swingwood; Division I - Group, Anthropology, Charles Provost, Biasonet, Economics, Daniel Smith and Maggie Clark, Keller Elementary; Geography, Steven Marling, Alex Glisard, and Jeffrey Gessens, Arline Park, History, Colleen Gannett, Jefferson Elementary; Political Science, Lacin Patis, Biasonet; Sociology, Natalie Schoppagradl and Daedric Dubois, Harris Middle; Division II - Individual, Anthropology, Stephanie Piasco, Rossmore; Economics, Alan Zander, Hayes; Sociology, Romeo Adams; Division II - Group, Anthropology, Mayra Frazier and Amy Brown, Minkler; Geography, Jamie Fortinberry and Sarah Lingerfelt, Minkler; History, Maggie Bracke and Tooty Harrison, Harris; Political Science, James Dang and Sohan Japa, Minkler; Sociology, Amanda Chano and Nancy Puchet, Rossmore; Division III - Individual, Anthropology, Conic

Marcheselli, Grace King; Economics, Amanda Gusterson, East Jefferson; Geography, Rachel Frenzo, Grace King; History, Jake Prewer, Grace King; Political Science, Travis Tarver, Burnside; Sociology, Yasuka Brown, Burnside, Division III - Group, Chelsea Graham, John Street, and Sandy Malachuk, Grace King; Economics, Ann Le and Paul Maturron, East Jefferson; Geography, John and Melanie Finkestein, Grace King; History, Chan Tam, Samuel Kwok and Stephanie Mirocita, Burnside; Political Science, Jennifer Kennedy and Jennifer Seafford, Grace King; Sociology, Jing Tang, Michelle Halley, and Erin Lew, Grace King; Division IV, Special Education Category, Individual, Ryan Graham, Birney Elementary; Group, Cina Rodgers, Dwayne Youngblood and Paul Berkham, Avondale Park.

T.H. Davis Middle School dance team are national champions in the novelty category for junior all-star division at the National Dance, Drill, Cheer Contest or Championships held in Orlando, Florida. The team members are Bridget Bradham, Stephanie Coates, Kristin Frederick, Grace Johnson, Tana Latour, Kimberly Lynch, Sara Mueller, Jami Mosera, Rebecca Nelson, Kristen Park, Melissa Thomas, and Angela Volkmar. The sponsors are Diana Dumas, Sally Koff and Julie Seelock.

Andy Leonard, a fifth grader at C.T. Jancz won the special M-Car category in the Ronald McDonald Art Contest which was open to all area-wide students of every grade level.

The marketing education students at Rhondale High School were recognized as the top marketing research class at the recent DECA Career Development Conference. Members of this class are Faith Quintan, April Halcyon, John Vogt, Treasa Roberts, Suzanne Linsky, and Renee Bottoms.

Joshua Myhren, a fourth grader at Alexander Elementary, won second place at the Louisiana School Board Association's Annual Convention for his Louisiana Gumbo Crab artwork.

The following students were first place winners in the 1997 Science Fair. They are: Natalie Ward, Adams Middle, Earth and Science; Tiffany George, John Elert High, Engineering; Corrie Marchese, Grace King, Environmental Science; Amanda Gusterson, East Jefferson High, Medicine and Health; Erin Lew and Michelle Halley, Grace King High, Team Projects. Awards made possible through the International Science and Engineering Fair were: Tonya Henderson, West Jefferson, American Meteorological Society; David Miller, John Q. Adams, Association for Women Geologists Foundation; Shantell Brown, John Elert, Eastman Kodak Company; Nicola Kovic, Grace King, National Council of Teachers of Mathematics; Matthew Boyce, John Elert, Corrie Marchese, Grace King, Amanda Gusterson, East Jefferson, Tiffany George John Elert, U.S. Army; Tiffany George, John Elert, U.S. Navy and Marine Corps; Arhler Mexico, John Adams, American Welding Society; Tiffany George, John Elert, U.S. Air Force-RDTC Taiwan.

Instructional Program

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

- The core-curriculum addresses English, mathematics, science, reading, social studies, creative arts and physical education. Electives in junior and senior high school include foreign languages, art, music, vocational courses, computer science and computer literacy.
- The program for academically gifted students offers structured enrichment classes and specially designed elective classes to children beginning at age three and continuing through grade 12.

- The special education department identifies and evaluates children with disabilities from birth through the age of 21. Students receive occupational therapy, physical therapy, speech, and social work services as well as specialized instruction during the school year and the summer (extended school year.) They are taught skills to help them function in the community, and they are offered the largest array of vocational programs, including job-coaching and placement.
- The vocational education plan ensures that every business will be able to take a vocational student. This plan also integrates career awareness in all subject matter areas.
- Title I is a federally funded program designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular program, attain grade level proficiency, and improve achievement in basic and more advanced skills. These purposes are accomplished through academic instruction in the areas of reading/language arts and math, increased parental involvement and implementation of innovative programs.
- Adult education provides instructional offerings in basic academic and life-long coping skills that will enable the adult student to continue an education. Students in the adult education program must be 16 years of age or older, must not be enrolled in the K-12 system, and must have less than a high school education. Project Open Door, Project Independence, and classes in English as a second language in addition to basic education classes and pre-GED classes assist the adult in the ability to function more productively and responsibly in society.

STUDENT ENROLLMENT

Since the period 1979/80, public school enrollment has demonstrated a changing trend. In 1970/8 the first negative growth in recent history was experienced and that trend continued until 1983/84 when a trend reversal to a positive growth began continuing into 1988/89. Since FY 1988/89 with the exception of FY 1990/91 and FY 1994/95, the trend is a decrease in the student population. The following table lists the enrollment, average daily membership and average daily attendance.

STUDENT ENROLLMENT DATA

School Year	Student Enrollment	Increase/Decrease*	Average Daily Membership	Average Daily Attendance
1977/78	69,627	+799*	67,994.4	61,539.3
1978/79	67,669	+2,596*	65,533.2	59,165.4
1979/80	63,216	-3,853*	62,403.8	54,973.0
1980/81	61,394	-1,622*	60,083.0	54,268.0
1981/82	59,323	+2,073*	58,104.0	53,015.0
1982/83	56,951	+7,871*	55,514.0	51,589.8
1983/84	55,715	-1,236*	54,384.0	51,561.9
1984/85	55,698	983	53,714.0	52,189.9
1985/86	55,841	143	53,834.0	52,441.0
1986/87	57,686	845	56,577.0	53,282.0
1987/88	57,856	170	56,733.8	53,289.7
1988/89	58,134	278	57,040.0	53,076.0
1989/90	57,479	-755*	56,590.7	52,482.4
1990/91	57,083	-396*	57,971.0	53,682.0
1991/92	57,153	167	61,582.9	56,185.0
1992/93	56,687	-466*	55,241.0	48,042.0
1993/94	55,473	-1,183*	57,688.3	53,889.3
1994/95	56,137	663	57,022.8	52,984.8
1995/96	54,439	-1,707*	52,098.8	48,969.8
1996/97	54,376	-63*	51,034.8	49,037.6

Projected enrollment for FY 1997/98 is 53,834.

The school system has a tremendous financial impact on the community. It has in excess of 7,000 employees and an annual payroll in excess of \$170 million. It also spends annually \$50 million on goods and services, and over \$10 million for repairs and renovations.

The overall economy in Jefferson Parish continues to show improvements through diversification. Jefferson Parish is the second most populated parish in Louisiana with the population showing a slight decrease in 1995. The per capita income in Jefferson is consistently higher than the majority of Louisiana's parishes and the state as a whole. Further job growth in Jefferson Parish is expected to be concentrated most heavily in service businesses, especially professional services such as law, medicine, accounting, engineering and financial services. An area which has recently grown in the oil and gas industry particularly on the Harvey Canal located on the west bank. While Jefferson Parish offers all of the business amenities and services which commercial establishments look for, it also affords its residents a high quality of life—with good schools, low crime rates and plenty of recreational activities. The training facility of the New Orleans Saints is located in Jefferson Parish, and a minor league baseball park opened in April, 1997, home to the AAA minor-professional New Orleans Zephyrs. Jefferson Parish is well on its way to becoming the future business and commercial hub of the Gulf South, but it has not forgotten its rich history nor neglected its abundant natural and scenic resources. It is a community where quality of life and progress go hand-in-hand. In an attempt to shed the label "bedroom community" which is so often applied to suburban areas on the periphery of large cities, Jefferson has moved progressively forward with major office and shopping complexes springing up everywhere. For the tourist, Jefferson Parish is a popular home base from which to explore the fascinating scenery of South Louisiana. Its modern, first class accommodations are competitively priced and offer a quiet, safe and affordable environment in which to enjoy the quiet charm.

and jobs do serve of the surrounding parishes. Jefferson is home to the Jean Lafitte National Park and the Foyou Segreux State Park, both of which are very popular with residents and tourists alike. While catering to family tourists, Jefferson Parish has an extensive collection of fine restaurants, many specializing in Creole and Cajun cuisine. Residents and tourists alike participate in the lively parades and celebrations of the Mardi Gras season throughout Jefferson Parish. Twelve institutions of higher learning are located in the New Orleans area and are easily accessible to Jefferson Parish residents. In addition, there are two theological institutions and several business, trade and technical schools which prepare students for various occupations.

In December of FY 1993/94, the School Board raised \$30 million in new 1/2% Sales Tax Bonds funded by the current 1/2% Sales Tax Revenue (no new tax was required). The new money is dedicated to renovations of existing schools, as well as new energy efficient lighting systems. Long term, the Education Planning Committee (E.C.) is making efforts to consider the restoration of programs cut in prior year budgets on a cost/benefit basis when compared to new programs/activities not implemented in the Jefferson Parish Public School System. The overriding criteria has been, is and will continue to be, fiscally responsible behavior. The Jefferson Parish Public School System has operated with a surplus for the past seven fiscal years. The year and FY 1996/97 General Fund surplus approximated \$13 million. The teachers in Jefferson Parish are unionized. In September of 1997, the Board and Union agreed to a new three (3) year contract ending June 30, 2000. This contract, valued at nearly \$8 million, will draw down the surplus. The philosophy of the school board is conservative and funds must be identified and judged to be necessary before incurring expenditures can be added to the budget. During FY 1993/94 the Jefferson Parish School Board adopted two fiscally conservative provisions that enhance its ability to provide quality education for the children it serves long term. These provisions are:

- Non-recurring funds cannot be used to establish recurring expenditures.
- The first 2% of sales tax growth over and above that projected in the budget will be placed in a contingency fund and not automatically placed in the revenue equation for the next year's budget.

The Jefferson Parish School Board has a standing committee, the Priority/Long Range Planning Committee, the composition of which consists of various civic and business organization representatives as well as school board personnel and needs as needed. The focus of this committee continues to be the evaluation of on-going student programs and their cost/benefit measures when compared to student outcomes. This committee, along with the Education Planning Committee (E.C.), plays a major role in deciding these programs and expenditures that are contained in the general operations fund budget. However, the reality of the situation in Louisiana is that the Board of Elementary and Secondary Education (BESE), through Bulletin 141, dictates in large measure most of what the Jefferson Parish School Board general operating budget contains. The curriculum by and large along with pupil teacher ratio and mandated teacher salary schedules when put in place consume most of the revenues on an annual basis.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

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

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

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

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

General Governmental Functions

Revenues for Governmental Fund Types which include General, Special Revenue, Debt Service, and Capital Projects Funds total \$307,511,220 in 1996/97, a decrease of 2.8 percent over 1995/96. The decrease was primarily due to a decline in sales tax revenues from the record high levels of 1996 and the reclassification of employee hospitalization contributions, which were previously classified as other revenues, as an effect to the related salary and benefit expenses. Sales taxes produced 38.7 percent of total revenues compared to 40.0 percent last year, and State liquidation produced 39.0 percent of total revenues compared to 37.7 percent last year. The amounts of revenues from various sources is shown in the following tabulation.

	Amount	Percent of Total	Increase (Decrease) from 1995
Sales taxes	\$121,080,153	39.7 %	\$ (3,783,774)
Ad valorem taxes	19,274,174	6.3	699,028
Tuition from parents	882,350	0.3	(37,309)
Other local (including interest)	14,975,067	4.9	(3,672,438)
State sources	124,292,192	42.4	1,981,248
Federal sources	28,177,384	9.3	(1,483,468)
Total revenues	<u>\$307,511,220</u>	<u>100.0 %</u>	<u>\$16,786,676</u>

Expenditures for Governmental Fund Types totaled \$308,424,817 in 1996/97, a net increase of \$6,198,344 or 2.1 percent from 1995/96. The primary component for the net increase was an increase of \$3,729,871 in expenditures for debt service principal and interest.

The total fund balance for all Governmental Fund Types was \$121,510,164 at year-end, a decrease of \$4,378,282.

At June 30, 1997 the General Fund had a fund surplus of \$13,314,065 on the budgetary basis.

Debt Administration

The ratio of net bonded debt to assessed value and the amount of bonded debt per capita are useful indications of the School System's debt position to management, citizens, and investors. These data for the School System as of June 30, 1997, were as follows:

	Amount	Ratio of Debt to Assessed Value	Net Debt Per Capita
Net General Bonded Debt	<u>\$5,024,228</u>	.27%	<u>\$12</u>

Proprietary Fund Type

The Enterprise-School Lunch Fund is used to account for the operations of the School System's cafeteria and other food facilities. Expenses continue to exceed revenues with a 1996/97 net loss of \$844,882. In future years, as in 1996/97, the School System will provide operating transfers from the General Fund to fund the deficiency.

Cash Management

During the year, the School System invested directly in instruments issued by the United States Government or its agencies created by an act of Congress, in repurchase agreements backed by such instruments, or in a guaranteed investment contract. The total amount of interest earned for the year ended June 30, 1987 was \$6,681,112. This was distributed as follows:

Capital Projects Fund	\$3,897,786
General Fund	1,818,029
Debt Service Fund	1,459,691
Enterprise Fund	<u>105,597</u>
Total	<u>\$6,601,112</u>

General Fixed Assets

The fixed assets of the School System are used in the performance of the overall educational function. As of June 30, 1987, the general fixed assets of the School System amounted to \$285,028,264. This amount represents the original cost and estimates of original cost of the assets and is considerably less than their current replacement value.

Risk Management

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

OTHER INFORMATION

Independent Audit

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

Awards

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School System for its comprehensive Annual Financial Report for the fiscal year ended June 30, 1986. This was the seventh consecutive year that the School System has received these prestigious awards. In order to be awarded these Certificates, the School System published an early readable and efficiently organized comprehensive annual financial report. Such a report satisfied both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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



Elio M. Lagana
Superintendent



Frank S. Dineis
Chief Financial Officer

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to
JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 1996

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

Alvin P. Zepher
President

Don A. Hagan
Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jefferson Parish Public
School System,
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1996

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.



Arthur R. Lynch
President

Jeffrey L. Esser
Executive Director

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INDEPENDENT AUDITORS' REPORT

Members of the School Board of
Jefferson Parish, Louisiana

We have audited the accompanying general purpose financial statements of the Jefferson Parish Public School System as of June 30, 1997 and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Jefferson Parish Public School System's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the Jefferson Parish Public School System as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The auditing and individual fund financial statements, schedules and other supplemental information listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Jefferson Parish Public School System. This additional information is the responsibility of the Jefferson Parish Public School System's management. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated October 13, 1997 on our examination of the Jefferson Parish Public School System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The statistical data listed in the foregoing table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Jefferson Parish Public School System. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, accordingly, we express no opinion on it.

Deloitte & Touche LLP Reber & Company Hanford M. Harrison
October 13, 1997

General Purpose Financial Statements

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT JUNE 30, 1987

ASSETS AND OTHER DEBITS	Governmental Fund Types			Capital Projects	Proprietary Fund Type Enterprise School Lunch
	General	Special Revenue	Debt Service		
Cash and investments (Notes 3, 9 and 13)	\$18,892,842	\$2,377,659	\$36,897,438	\$75,902,587	\$2,589,829
Receivables:					
Sales and use tax (Note 5)	13,275,133			4,817,681	
Property tax (Note 4)	319,431		29,950		
Accounts	1,322,216	530,110			1,866
Interest receivable	10,848				
Due from other funds (Note 7)	13,318,519	1,945,189	14,645,021	3,618,522	
Due from component unit (Note 7)	66,137				
Due from other governmental units	348,855	4,863,142			5,120
Inventories	66,698				696,723
Prepaid items (primarily insurance)	2,003,626				
Land, buildings and equipment, net (Notes 3, 13 and 14)					1,216,938
Amount available in Debt Service Funds (Note 6)					
Amount to be provided for retirement of general long term bonds					
Amount to be provided for compensated absences					
Amount to be provided for claims and judgments					
TOTAL ASSETS AND OTHER DEBITS	<u>\$32,962,450</u>	<u>\$9,784,414</u>	<u>\$41,542,460</u>	<u>\$83,685,698</u>	<u>\$8,487,815</u>

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

Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Governmental Component Unit The Jefferson Community Charter School	Totals Reporting Entity (Memorandum Only)
	General Fixed Assets	Long Term Debt			
Agency					
\$3,529,785			\$ 123,702,734	\$ 104,225	\$ 123,807,000
			39,391,833		39,391,833
			158,382		158,382
			1,824,260		1,824,260
			13,843		13,843
			\$2,415,712		\$2,415,712
			66,337		66,337
			5,096,932		5,096,932
			743,428		743,428
			2,023,628		2,023,628
	\$168,026,264		269,226,642	99,644	269,326,286
		\$ 38,286,870	38,286,870		38,286,870
		127,828,364	127,828,364		127,828,364
		37,233,857	37,233,857		37,233,857
		285,000	285,000		285,000
<u>\$3,529,785</u>	<u>\$268,026,264</u>	<u>\$204,796,221</u>	<u>\$468,428,686</u>	<u>\$ 189,669</u>	<u>\$468,618,355</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT JUNE 30, 1997

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Type Enterprise - School Lunch
	General	Special Revenue	Debt Service	Capital Projects	
LIABILITIES:					
Accounts payable	\$ 813,247	\$ 335,150	\$ 12,080	\$ 2,209	\$ 34,360
Retainage payable				2,818,442	
Accrued liabilities:					
Salaries, wages, payroll taxes and retirement contributions	35,487,210				
Claims and judgments (Notes 6 and 9)	197,808				
Compensated absences (Note 6)					560,083
Workers' compensation claims (Note 9)	834,491				
Due to other funds (Note 7)	4,863,389	6,323,904	2,274,325	14,404,902	2,952,077
Due to primary government (Note 7)					
Due to student groups, schools and others (Note 9)					
Due to other governmental units		15,485			
Deferred revenue		31,354			
Bonds payable (Note 8)					
Total liabilities	<u>36,791,828</u>	<u>6,695,293</u>	<u>2,286,405</u>	<u>14,407,111</u>	<u>3,512,160</u>
EQUITY AND OTHER CREDITS:					
Investment in general fixed assets (Notes 3, 13 and 14)					940,829
Retained earnings					
Fund balance (Note 13):					
Reserved	4,885,254		39,283,878	12,193,827	
Unreserved:					
Designated				48,071,882	
Undesignated	3,079,276	2,588,418		3,188,339	
Total equity and other credits	<u>11,269,580</u>	<u>2,588,418</u>	<u>39,283,878</u>	<u>63,353,148</u>	<u>940,829</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$48,061,408</u>	<u>\$9,283,711</u>	<u>\$41,570,283</u>	<u>\$80,655,259</u>	<u>\$ 4,452,989</u>

Fiduciary Fund Total Agency	Account Group		Totals Primary Government (Memorandum Only)	Governmental Component Unit (Fairleigh Community Charter School)	Totals Reporting Entity (Memorandum Only)
	General Fixed Assets	Long Term Debt			
			\$ 1,189,846		\$ 1,189,846
			2,909,442		2,909,442
			38,487,237		38,487,237
		\$ 295,000	482,608		482,608
		37,215,837	37,798,919		37,798,919
			834,497		834,497
			32,413,713		32,413,713
				\$ 66,137	66,137
\$5,529,785			5,529,785		5,529,785
			15,488		15,488
			31,354		31,354
		<u>167,325,264</u>	<u>167,325,264</u>		<u>167,325,264</u>
<u>5,529,785</u>		<u>264,756,123</u>	<u>278,875,344</u>	<u>66,137</u>	<u>279,802,481</u>
	\$ 268,828,264		268,828,264	85,444	268,828,268
			948,828		948,828
			61,273,149		61,273,149
			49,871,802		49,871,802
			11,088,213	38,088	11,126,301
	<u>268,828,264</u>		<u>280,489,245</u>	<u>132,572</u>	<u>280,621,817</u>
<u>\$5,529,785</u>	<u>\$268,828,264</u>	<u>\$264,756,123</u>	<u>\$569,428,602</u>	<u>\$728,660</u>	<u>\$569,428,268</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT YEAR ENDED JUNE 30, 1997

	General	Governmental Special Revenue
REVENUES:		
Local sources:		
Property taxes	\$ 13,477,264	
Sales and use taxes	98,379,812	
Tuition and other	598,268	\$ 3,278,801
Interest income	1,819,029	
Other	3,448,707	
State sources	127,814,902	1,371,210
Federal sources	812,868	39,348,316
Total revenues	245,384,630	35,000,427
EXPENDITURES:		
Current:		
Instruction	162,344,033	14,585,037
Supporting services	80,838,587	7,168,880
Non-instruction	6,371	2,694,999
Capital outlay		
Debt service:		
Principal retirement		
Interest and fiscal charges		
Total expenditures	249,189,091	24,448,916
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	2,200,288	10,551,511
OTHER FINANCING SOURCES (USES):		
Operating transfers in (Note 7)	71	63,228
Operating transfers out (Note 7)	(3,978,248)	(1,711,313)
Transfer to component unit	(476,315)	
Transfer from primary government		
Total other financing sources (uses) - net	(4,384,292)	81,115
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(2,184,004)	10,632,626
FUND BALANCES AT BEGINNING OF YEAR	79,181,843	2,024,053
FUND BALANCES AT END OF YEAR	\$ 15,364,518	\$ 3,588,418

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

EXHIBIT C-2

Fund Types COST Service	COST Projects	Totals Primary Government (Memorandum Only)	Governmental Component Unit The Jefferson Community Charter School	Totals Reporting Entity (Memorandum Only)
\$ 5,630,870		\$ 10,234,134		\$ 18,234,134
11,680,000	\$ 5,030,341	121,898,183		123,390,153
		3,868,219		3,868,219
1,489,691	3,887,790	6,406,516	\$ 263	6,406,779
586,184	1,886,791	3,564,682	409,282	3,969,964
		190,292,132		190,292,132
		20,217,484		20,217,484
<u>26,316,745</u>	<u>30,794,828</u>	<u>303,511,220</u>	<u>409,543</u>	<u>303,920,763</u>
		376,829,650	478,632	377,308,282
		38,689,149	309,794	39,001,363
283,109		2,927,279	33,544	2,960,763
	12,713,368	12,713,368		12,713,368
		13,752,649		13,752,649
13,352,649		14,089,938		14,089,938
<u>28,335,708</u>	<u>12,713,368</u>	<u>308,424,857</u>	<u>817,990</u>	<u>309,242,847</u>
<u>(1,815,963)</u>	<u>(2,848,832)</u>	<u>(693,637)</u>	<u>(112,427)</u>	<u>(1,328,962)</u>
3,115,139	3,815,137	10,183,556		10,399,596
(686,125)	(6,348,476)	(11,484,686)		(13,404,686)
		(458,515)		(458,515)
<u>6,428,984</u>	<u>(2,533,339)</u>	<u>(1,661,645)</u>	<u>480,513</u>	<u>(1,211,129)</u>
4,532,021	(3,795,183)	(4,575,282)	38,888	(4,537,194)
<u>34,782,842</u>	<u>78,189,511</u>	<u>126,306,446</u>	<u>-</u>	<u>126,189,446</u>
<u>\$ 38,285,870</u>	<u>\$ 64,371,246</u>	<u>\$ 121,531,164</u>	<u>\$ 38,888</u>	<u>\$ 121,569,252</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES YEAR ENDED JUNE 30, 1997

	General Fund		
	Actual vs Budgetary Basis	Revised Budget	Variance Favorable (Unfavorable)
REVENUES:			
Local sources:			
Property taxes	\$ 13,425,364	\$ 12,661,816	\$ 763,548
Sales and use taxes	68,379,813	187,278,317	(118,898,504)
Tuition and other	586,358	356,808	229,550
Interest income	1,009,029	908,808	100,221
Other	8,648,707	3,176,308	5,472,399
State sources	177,934,923	129,347,518	48,587,405
Federal sources	812,058	658,245	153,813
Total revenues	<u>245,584,079</u>	<u>249,873,201</u>	<u>(4,289,122)</u>
EXPENDITURES:			
Instruction	168,511,747	181,141,875	(12,630,128)
Supporting services	80,948,872	82,827,139	(1,878,267)
Non-instruction	5,171	31,580	(26,409)
Total expenditures	<u>249,465,790</u>	<u>264,339,594</u>	<u>(14,873,804)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,118,289</u>	<u>4,933,707</u>	<u>(815,418)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	71	71	
Operating transfers out	(5,976,268)	(4,286,138)	(1,690,130)
Transfers to component unit	(478,515)	(458,089)	(20,426)
Total other financing sources (uses) - net	<u>(6,474,712)</u>	<u>(4,736,138)</u>	<u>(1,738,574)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(2,356,423)</u>	<u>230,669</u>	<u>(2,587,092)</u>
ENCUMBRANCES OUTSTANDING AT YEAR END	<u>2,158,264</u>	<u>2,158,264</u>	
PRIOR YEAR ENCUMBRANCES EXPENDED IN CURRENT YEAR	<u>(3,764,256)</u>	<u>(3,764,256)</u>	
FUND BALANCES AT BEGINNING OF YEAR (GAAP BASIS)	<u>18,191,093</u>	<u>17,530,275</u>	<u>660,818</u>
FUND BALANCES AT END OF YEAR (GAAP BASIS)	<u>\$ 15,264,130</u>	<u>\$ 16,117,832</u>	<u>\$ (1,853,702)</u>

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

EXHIBIT C-3

<u>Special Revenue Funds</u>		
<u>Actual on Budgetary Basis</u>	<u>Revised Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
\$3,034,134	\$2,574,180	\$460,004
500,000	482,888	17,112
<u>740,000</u>	<u>399,386</u>	<u>340,614</u>
<u>3,805,748</u>	<u>3,475,384</u>	<u>330,364</u>
1,438,238	1,574,071	(135,833)
485,168	484,266	902
<u>1,923,406</u>	<u>2,058,337</u>	<u>(134,931)</u>
<u>3,477,571</u>	<u>3,649,432</u>	<u>(171,861)</u>
<u>278,177</u>	<u>(24,188)</u>	<u>302,365</u>
3,397		3,397
<u>3,397</u>		<u>3,397</u>
348,574	(24,148)	372,722
<u>845,898</u>	<u>845,898</u>	
<u>\$1,221,664</u>	<u>\$1,820,832</u>	<u>\$599,168</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-4

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
 PROPRIETARY FUND TYPE - SCHOOL LUNCH ENTERPRISE FUND
 YEAR ENDED JUNE 30, 1997

OPERATING REVENUES -	
Food service sales	<u>\$ 2,566,706</u>
OPERATING EXPENSES:	
Salaries and related benefits	9,788,716
Food costs	7,286,217
Material and supplies	693,294
Contractual services	164,317
Depreciation	418,799
Miscellaneous	27,505
Printing	3,208
Repairs and maintenance	917,697
Taxes	28,317
Utilities	<u>688,779</u>
Total	<u>29,985,690</u>
OPERATING LOSS	<u>(27,418,984)</u>
NONOPERATING REVENUES:	
Interest on investments	194,697
Federal grants in aid:	
Donated commodities	894,478
School lunch and breakfast program	<u>12,334,640</u>
Total	<u>13,423,815</u>
NET LOSS BEFORE OPERATING TRANSFERS	<u>(8,885,612)</u>
OPERATING TRANSFERS IN	<u>3,211,030</u>
NET LOSS	<u>(6,674,582)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>1,385,339</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 548,818</u>

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-3

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
 SCHOOL LUNCH ENTERPRISE FUND
 YEAR ENDED JUNE 30, 1997

RECONCILIATION OF OPERATING LOSS TO NET CASH

USED IN OPERATING ACTIVITIES:

Operating loss	\$(17,186,332)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	486,358
Donated commodities used	847,362
Change in assets and liabilities:	
Increase in accounts receivable	(473)
Increase in inventories	(6,878)
Decrease in accounts payable	(28,593)
Decrease in compensated absences	(30,843)
Decrease in deferred revenue	(82,385)
Net cash used in operating activities	<u>\$(15,068,896)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Federal grants in aid	12,334,648
Increase in due to other funds	231,758
Operating transfers in	<u>3,211,178</u>
Net cash provided by noncapital financing activities	<u>15,777,584</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -

Acquisition of capital assets	<u>(1,802,551)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES -

Interest received	<u>184,593</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS

(\$46,001)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

2,815,051

CASH AND CASH EQUIVALENTS AT END OF YEAR

\$ 2,569,050

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

Donated commodities received	\$ 884,478
Donated commodities used	<u>(847,362)</u>
Total noncash investing, capital, and financing activities - net	<u>\$ (52,884)</u>

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

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997****1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

Reporting Entity - In conformity with the Governmental Accounting Standards Board's (GASB) definition of a reporting entity, the general purpose financial statements of the School System include the accounts of all School System operations. As required by generally accepted accounting principles, these financial statements present the School System as the primary government. The School System has one component unit, the Jefferson Community Charter School, which is presented as a discretely presented component unit. The Jefferson Community Charter School is included in the reporting entity because it is financially dependent on the School System. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grade who have been expelled from the parish public school system to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high schools. The component unit also has a five (5) year end. The School System and its component unit represent the reporting entity. Additionally, the School System is a legally separate governmental organization that has a separately elected governing body and does not meet the definition of a component unit.

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

Governmental Fund Types

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

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

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

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

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Proprietary Fund Type

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

Fiduciary Fund Type

Agency Funds - to account for assets held by the School System as an agent for others.

Account Groups

Account groups are used to establish accounting control and accountability for the School System's General Fixed Assets and General Long Term Debt. The following are the School System's Account Groups:

General Fixed Assets Account Group - Fixed assets used in Governmental Fund Type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. General fixed assets consist of land, buildings and improvements, and equipment with an expected useful life of more than one year. Purchases of general fixed assets are recorded as expenditures at the time of purchase. Depreciation is not recorded on general fixed assets.

General Long-Term Debt Account Group - Long-term liabilities such as unsecured general obligation indentures and the long-term portion of compensated absences expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

Component Unit

The component unit of the School System is accounted for as a Governmental Fund Type.

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

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

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Revenues from local sources consist primarily of sales and use and property taxes. Year-end accrual of sales and use tax revenues is based upon June and prior month's sales and use taxes collected during July and August of the following year. Property tax revenues and revenues received from the State of Louisiana (the State) are recognized as revenue primarily as received except at year end when they are accrued for a period not exceeding 90 days. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Generally, investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

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

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

Under the provisions of GASB Statement No. 28, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the School System has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 29, 1988.

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

Budget and Budgetary Accounting - Under Louisiana Revised Statutes 17:88 and 28:1203-1214, the School Board adopts an annual budget of expected revenues and probable expenditures for the General Fund and two of its Special Revenue Funds (the Adult Education and Community Education Funds). The budgetary process includes public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. The budget is adopted and submitted to the State Department of Education no later than September 15 each year. Once a budget is approved by the State Department of Education, it can be amended at the function level at the discretion of management unless it becomes evident that receipts or disbursements will vary substantially from those budgeted. Then, the School Board shall prepare and adopt an amended budget.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Formal budgetary integration is employed as a management control device during the year for the General Fund and two Special Revenue Funds (the Adult Education and Community Education Funds). Budgetary control is exercised at the revenue and expenditure function level. Formal budgetary integration is not employed for the other Special Revenue, Debt Service and Capital Projects funds since their expenditures are controlled by contractual arrangements. Budgeted amounts reflected in the accompanying general purpose financial statements were adopted by the School Board on May 8, 1996. There were no amendments to the General Fund budget for the current fiscal year. Special Revenue Funds budgets include amendments through January 29, 1997.

The School System's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - General and Special Revenue Fund Types (Exhibit C-3) includes encumbrances and, thus, differs from the expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Unit (Exhibit C-2) by the amount of the net change in encumbrances outstanding at year end. The General Fund represents the only budgeted fund with encumbrances outstanding at year-end. A reconciliation of the differences between actual data and amounts on a budgetary basis is presented below:

	General Fund	Special Revenue Funds
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$(2,312,531)	\$380,574
To add back excess of revenues and other sources over expenditures and other uses for non-budgeted funds		193,811
To reverse June 30, 1997 encumbrances recorded as expenditures on the budgetary basis	2,158,264	
To add back prior year's encumbrances paid in 1997, but not recorded as expenditures in 1997	(1,764,250)	
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	\$(1,818,523)	\$574,385

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

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

Investments - Investments in the Deferred Compensation Agency Fund are reported as market or contract value.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Inventory - The General Fund Inventory consists of materials and supplies held for consumption priced at average cost. The cost of such items are recorded as expenditures when they are used (consumption method). The School Lunch Enterprise Fund inventories consist of purchased food and supplies and commodities received as donations through the federal school lunch program. Such inventories are priced at cost (except for commodities received as donations which are priced using the USDA price list for commodities) on a first-in, first-out basis.

Land, Buildings and Equipment, Net - General Fund assets which are purchased are recorded at cost or estimated historical cost. Actual historical cost data was not available for buildings and improvements acquired or constructed prior to 1975. In those cases where it was not feasible to determine the actual cost, the buildings and improvements were valued at estimated historical cost by using price indices. General fund assets which are donated are recorded at their fair market value on the date received. No depreciation has been provided on general fund assets. See Note 14 regarding supplemental cost information of fixed assets acquired with 1988 bond money.

Fixed assets associated with the activities of the School Lunch Enterprise Fund are recorded as assets of that fund and consist primarily of equipment. Depreciation of such assets is computed on the straight-line method over their estimated useful life of 17 years. Purchased fixed assets of the School Lunch Enterprise Fund are stated at cost or estimated historical cost, less accumulated depreciation of \$5,130,619 at June 30, 1997.

Compensated Absence

- A. **Vacation and Sick Leave** - All full-time employees of the School System are permitted to accrue vacation days (annual leave) and sick pay (sick leave). Since fiscal year 1992, annual leave accrual is one fiscal year to be used by the end of the same fiscal year unless the Administrative Department head determines that the work assignment of the employee requiring the annual leave is such that the employee should not take annual leave during that particular fiscal year, and this carryover is approved by the Superintendent. Annual leave and sick leave may accrue to an unlimited number of days. Upon termination of employment, the employee is paid for all annual leave accrued prior to fiscal year 1992 at 1992 daily salary rates and post 1992 accrued annual leave approved by the Administrative Department head at current daily salary rates and accrued sick leave up to a maximum of 35 days at current daily salary rates.

Annual and sick leave liabilities are recorded as an expense when incurred in the School Lunch Enterprise Fund. In the governmental funds, only that portion which is expected to be liquidated within one year with expendable available financial resources is accrued at year end. The remainder of the accrued liability, which is applicable to Governmental Fund Types is reported in the General Long-Term Debt Account Group. Only that portion of accumulated sick leave which is vested is accrued. The amount of accumulated vacation and accumulated vested sick leave at June 30, 1997 applicable to Governmental Fund Types was \$13,069,604, none of which met the condition for accrual in the Governmental Fund Types; hence, the entire amount is reported in the General Long-Term Debt Account Group.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

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

Accumulated substantial leave for which payment is probable is accrued. That portion of accumulated substantial leave which is expected to be liquidated within one year with expendable available financial resources is accrued in the Governmental Fund Types, and the remainder is reported in the General Long-Term Debt Account Group. The amount of accumulated substantial leave as June 30, 1997 for which payment is probable was \$23,066,211, none of which met the condition for accrual in the Governmental Fund Types; hence, the entire amount is reported in the General Long-Term Debt Account Group.

Total Columns as Classified Statements - Total columns on the combined general purpose financial statements are captioned "Memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations and cash flows in conformity with generally accepted accounting principles. Neither in such data comparable to a consolidation financial eliminations have not been made in the aggregation of this data.

New Accounting Pronouncements - The Governmental Accounting Standards Board (GASB) has issued GASB Statement (GASBS) No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," in March 1997. GASBS No. 31 requires most investments to be reported at fair value in the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. All investment income, including changes in the fair value of investments, will be reported as revenue in the operating statement. The provisions of this Statement were effective for the financial statement period beginning July 1, 1997. The School System does not expect the adoption of GASBS No. 31 to have a material impact on its financial statements.

The GASB has also issued GASBS No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," in October 1997. GASBS No. 32 was issued in response to a change in Internal Revenue Code Section 457 on August 20, 1996. This Code Section now requires that all assets and income of the deferred compensation plans established under this code must be held in trust for the exclusive benefit of the participants and their beneficiaries. Existing plans are required to comply with this requirement by January 1, 1998. Once the School System's Deferred Compensation Plan is amended to be in conformity with the Code Section, the School System will no longer be required to present this fund as an Agency Fund in its financial statements.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

3. CASH AND INVESTMENTS

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

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

Bank balances of \$133,834,165 (primary government only) at June 30, 1997 were insured or collateralized by securities held by the School System or its agent in the School System's name.

Investments

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

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

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

Prior to fiscal 1994 the School System periodically purchased collateralized mortgage obligations in part to maximize yields and in part to hedge against a rise in interest rates. These securities were based on cash flows from principal and interest (minus principal only) payments on underlying mortgages. Therefore, they were sensitive to prepayments by mortgagors, which may have resulted from a decline in interest rates. For example, if interest rates declined and homeowners refinanced mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments would have been reduced, and the value of these securities would have declined. Likewise, if homeowners paid on mortgages longer than anticipated, the cash flows would have been greater and the return on the initial investment would have been higher than anticipated. During fiscal year 1997, the School System divested itself of all its investments in collateralized mortgage obligations which resulted in no significant gain or loss on the sales of these investments.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

As of June 30, 1997, cash and investments of the School System consisted of the following:

Asset/Item Type	Carrying Amount	Market Contract Value
Investment in deferred compensation mutual fund and insurance contracts	\$ 2,017,748	\$2,017,748
Total investments	2,017,748	\$2,017,748
Total deposits	121,675,986	
Total cash and investments	\$ 123,693,734	

Other than the investments in deferred compensation mutual funds shown above, the School System held no investment in other financial instruments as of June 30, 1997; consequently, the risk disclosures required by GASBS No. 3 were not required.

3. GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1996 (As Restated)	Additions	Deletions	Balance June 30, 1997
Land and improvements	\$ 34,577,717	\$ 494,680	\$ 21,448	\$ 35,050,949
Buildings and improvements	215,583,576	1,784,488	71,176	217,337,888
Equipment	31,998,541	4,525,677	1,402,383	35,121,835
Total	\$261,859,834	\$ 7,485,445	\$ 1,595,007	\$268,610,264

See Note 14 for a description of the restatement made to the July 1, 1996 beginning balance.

4. PROPERTY TAX

Property tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent thirty days after the due date. The property tax assessment for fiscal 1997 was formally listed on November 15, 1996 based on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its full market value and other property at 15% of its market value. The tax is billed and collected by the Jefferson Parish Sheriff's Office which receives certain millage for its services. Most of the property taxes are received by the School System in the month of January; however, delinquent property taxes are received throughout the year and are recognized as revenue primarily when they are received except at year-end when they are accrued for a period not exceeding 60 days.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-8
(Continued)NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

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

	No. of Mills
Maintenance and Operation	9.23
Debt Service	4.90

5. SALES AND USE TAX

For the year ended June 30, 1997, a 4.75% local sales and use tax was levied and collected within Jefferson Parish by the Jefferson Parish Sheriff's Office of which 2% was received by the School System and dedicated for the following purposes:

10% (approved May 3, 1965) for teachers' salaries and operating expenses

10% (approved October 3, 1959 and January 21, 1971) for debt service purposes, for making capital improvements and/or for operating expenses. (This represents 80% of a 1% tax levied by the Parish and dedicated to the School System.)

10% (approved June 28, 1980) for making capital improvements, with authority to issue additional bonds for such purpose, and paying the related maintenance and operating expenses.

10% (approved June 28, 1980) for increasing salaries and fringe benefits of school teachers and other employees.

10% (approved October 3, 1981) for increasing salaries and benefits of school teachers and other employees, establishing guidance programs, payment of debt service, and instruction and maintenance expense.

6. GENERAL LONG-TERM DEBT

The following is a summary of changes in general long-term debt for the year ended June 30, 1997 (in thousands of dollars):

Comprehensive Revenues	Interest and Amortization	Pay Bonds			Total	
		1996 Bonds Pay Bonds	1997 Bonds Pay Bonds	1997 Bonds Pay Bonds		
Balance at July 1, 1996	\$40,654	\$105	\$11,275	\$108,490	\$259,208	\$211,807
Issued/retired			(4,480)	(6,600)	(2,870)	(11,711)
Decrease in long-term portion of liability	(1,428)					(1,428)
Balance at June 30, 1997	\$37,802	\$105	\$6,795	\$101,890	\$206,228	\$198,746

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-6
(Continued)NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Borrowed debt at June 30, 1997 is comprised of the following serial bond issues:

Description	Interest Rates	Final Maturity Date	Range of Annual Principal Payments		Amount Outstanding
			From	To	
Ad valorem tax bonds:					
\$15,000,000 issue of 8/15/94	5.50	6/30/98	\$3,150,000	\$3,150,000	\$ 1,750,000
\$50,000,000 issue of 3/15/95	6.00	3/31/00	50,000	50,000	150,000
\$15,000,000 issue of 8/15/94, Series I	4.50-6.00	4/1/99	1,360,000	1,360,000	2,605,000
\$14,000,000 issue of 8/15/94, Series J	4.50-6.00	4/1/99	980,000	1,040,000	2,015,000
\$4,778,000 issue of 4/15/94, Series J	4.50-6.00	4/1/99	150,000	350,000	685,000
Total					<u>6,755,000</u>
1994 104 sales tax bonds:					
\$70,000,000 refunding issue of 6/15/90	3.20-6.25	3/31/00	190,000	9,090,000	67,810,000
\$50,000,000 refunding issue of 1/1/94	3.80-6.45	3/31/00	4,425,000	2,460,000	15,175,000
\$50,000,000 issue of 1/15/96	4.75-6.00	3/31/07	3,660,000	4,260,000	48,990,000
Total					<u>132,095,000</u>
1980 104 sales tax bonds:					
\$53,643,264 refunding issue of 7/15/96, Series A	7.75-8.50	3/31/97	4,150,000	4,150,000	58,335,264
Total					<u>58,335,264</u>
TOTAL					<u>\$ 267,215,264</u>

Ad Valorem Tax Bonds - The ad valorem tax bonds are payable solely from, and secured by, a special tax imposed and collected annually in excess of all other taxes on all of the property subject to taxation within the territorial limits of School District No. 1 of the Parish of Jefferson, Louisiana. At June 30, 1997, there was \$770,801 available in the debt service funds for servicing of these bonds.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-6
(Continued)NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

1954 AGI Sales Tax Bonds - The Series 1964B bonds, Series 1990 bonds, Series 1994 bonds and Series 1995 bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of the one-half percent (1/2%) sales and use tax authorized to be levied in the parish pursuant to elections held therein on October 3, 1954 and January 12, 1991.

As June 30, 1997, \$26,273,323 was available in the debt service funds for servicing of these bonds.

1968 AGI Sales Tax Bonds - The Series 1955A and 1965A bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of a special one-fourth percent (1/4%) sales and use tax authorized to be levied in the parish pursuant to an election held therein on June 28, 1960. As June 30, 1997, \$12,257,131 was available in the debt service funds for servicing of these bonds.

The annual debt service requirements (including interest of \$143,161,895) to amortize all of the School System's outstanding bonds as of June 30, 1997 are as follows:

Year Ending June 30,	Ad Valorem Tax Bonds	1954 Sales Tax Bonds	1968 Sales Tax Bonds	Total
1998	\$4,784,658	\$ 14,714,427	\$ 8,460,000	\$ 27,959,077
1999	2,565,308	14,719,484	8,460,000	26,118,795
2000	53,608	14,724,582	8,460,000	23,248,200
2001		14,763,283	8,460,000	23,223,283
2002		14,763,444	8,460,000	23,223,447
2003-2007		71,898,747	42,580,000	116,198,747
2008-2010		45,416,438	25,780,004	70,816,442
Total	\$7,403,614	\$181,679,205	\$208,280,004	\$397,372,823

There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 1997, the School System was in compliance with all significant limitations and restrictions.

Certain outstanding Sales Tax Bonds of the School System have been deferred in prior years by placing the proceeds of refunding bonds into irrevocable escrow accounts held and managed by bank trustees and secured by U. S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay all future debt service requirements of the old bonds. Accordingly, the escrow accounts and the liability for the deferred bonds are not included in the School System's financial statements.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT C-4
(Continued)NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

The deferred bonds outstanding at June 30, 1997 are as follows:

1954 6 1/2% Sales Tax Bonds:	
\$11,800,000 Series 1952C	\$ 6,175,000
\$32,250,000 Series 1952A/B	14,338,000
\$13,800,000 Series 1952D	14,338,000
\$64,625,000 Series 1956A	<u>64,625,000</u>
Total	<u>99,476,000</u>
1990 11 1/4% Sales Tax Bonds -	
\$45,000,000 Series 1981B	<u>14,700,000</u>
TOTAL	<u>\$114,176,000</u>

7. INDIVIDUAL FUND DISCLOSURES

Excess of Expenditures Over Appropriations

Formal budgetary appropriations are adopted for the General Fund and two Special Revenue Funds. Expenditures are budgeted at the function level, which is the level at which expenditures may not legally exceed appropriations. During fiscal year 1997, the Community Education Fund expenditures for instruction and supporting services exceeded appropriations by \$33,298 and \$29,081, respectively; however, total revenues for the Community Education Fund exceeded these amounts budgeted by \$371,858. Additionally, during fiscal year 1997, the Adult Education Fund expenditures for instruction exceeded appropriations by \$18,381; however, total revenues for the Adult Education Fund exceeded these amounts budgeted by \$52,585.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997
Interfund Receivables and Payables

Individual fund involved receivables and payables as of June 30, 1997 were as follows:

Fund	Interfund Receivables	Interfund Payables
General	<u>\$ 11,116,830</u>	<u>\$ 8,465,379</u>
Special Services		
Elementary and Secondary Education Act of 1965 (Title I)	18,198	3,477,656
Elementary and Secondary Education Act of 1965 (Title III)	1,475	61,824
Elementary and Secondary Education Act of 1965 (Title VII)	7,388	55,733
Individuals with Disabilities Education Act of 1990 - Part B	4,890	733,834
Vocational Education		86,730
Job Training Partnership Act	4,746	31,593
Education for Economic Security Act Title II		187,267
Indian Education Act		5,151
Drug Free Schools and Communities	261,184	764,448
Emergency Immigration Act		4,879
Title XIX School Home		28,345
Child Care and Development Block Grant		768,680
Adult Education		189,825
Community Education	442,323	580,258
State Programs	<u>379,621</u>	<u>1,365,711</u>
Total	<u>1,841,580</u>	<u>5,311,864</u>
Debt Service		
AJ Waterworks Tax Bond Sinking	56,088	
1994 10A Sales Tax Bond Sinking	30,021,164	
1994 10B Sales Tax Bond Sinking		474,525
1997 10C Sales Tax Bond Sinking	<u>4,561,897</u>	<u>1,860,880</u>
Total	<u>34,639,149</u>	<u>3,374,525</u>
Capital Projects		
Capital	1,000,000	1,871,866
1987 19A Sales Tax	<u>1,638,522</u>	<u>11,730,590</u>
Total	<u>3,638,522</u>	<u>16,491,131</u>
Proprietary - Insurance		<u>3,851,600</u>
TOTAL	<u>\$21,401,702</u>	<u>\$21,415,731</u>

Primary Government/Component Unit Receivables and Payables

Receivables and payables between the primary government and its component unit as June 30, 1997 were as follows:

General	<u>\$ 66,137</u>	
Component Unit		
The Jefferson Community-Charter School		<u>\$ 66,137</u>
TOTAL	<u>\$ 66,137</u>	<u>\$ 66,137</u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

Operating Transfers by Fund Type - Primary Government

A summary of operating transfers by fund type for the year ended June 30, 1997 is as follows:

	Transfers to or from	Operating Transfers to	Operating Transfers Out
General Fund			
Special Revenue Funds		\$ 71	\$ 60,387
Capital Projects Funds			2,900,651
School Lunch Enterprise Fund			3,211,150
Total		71	6,972,188
Special Revenue Funds			
General Fund		41,587	71
Special Revenue Funds		1,643	1,643
Total		63,230	1,714
Debt Service Funds			
Capital Projects Funds		6,408,384	
Debt Service Funds		686,132	686,132
Total		7,094,516	686,132
Capital Projects Funds			
General Fund		3,793,600	
Debt Service Funds			6,408,384
Capital Projects Funds		2,614,866	231,688
Total		6,408,466	6,740,072
School Lunch Enterprise Fund			
General Fund		3,211,150	
TOTAL OPERATING TRANSFERS		213,408,086	213,408,086

Primary Government/Component Unit Transfers

Transfers between the primary government and its component unit at June 30, 1997 were as follows:

General

Component Unit: The Jefferson Community Charter School	\$ 480,813
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Component Unit

General Fund	\$ 480,813
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TOTAL PRIMARY GOVERNMENT/COMPONENT UNIT TRANSFERS	\$ 480,813
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NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

B. RETIREMENT PLANS

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

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(504) 525-6446

Louisiana School Employees' Retirement System
Post Office Box 44306
Baton Rouge, Louisiana 70804-4316
(504) 524-6184

Disclosures relating to these plans follow:

A. TEACHERS' RETIREMENT SYSTEM

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

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

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 3 years of credited service. Normal retirement is at age 60 with 10 years of service or 28 years of service regardless of age for the Teachers' Regular plan members. For the Teachers' Plan B plan members, normal retirement is at any age with 30 or more years of creditable service, at age 15 with at least 35 years of creditable service, and at age 60 with at least 10 years of creditable service. Retirement benefits are based upon the following formula percentages:

Years of Service	Minimum Age	Teachers' Regular	Teachers' Plan B
10	60	2.0% per year	1.0%-3.0% per year
20	Any age	2.0% per year	1.0%-3.0% per year
25	55	2.5% per year	1.0%-3.0% per year
30	Any age	2.5% per year	1.0%-3.0% per year
35	60	2.5% per year	1.0%-3.0% per year

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

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

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

	Employees	Employer
Teachers' Regular	8.00%	30.3%
Teachers' Plan B	3.00%	26.8%

The School System's contributions to TRS for the years ended June 30, 1997, 1996 and 1995 were \$24,593,218, \$23,971,304 and \$23,100,817, respectively, equal to the required contributions for each year.

B. SCHOOL EMPLOYEES' RETIREMENT SYSTEM

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

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

SERS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 9 years of credited service. Normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. The maximum retirement and disability benefit is an amount equal to 2 1/2% of the average compensation for the three highest consecutive years of credited service, multiplied by the number of years of service, plus a supplementary allowance of \$2.00 per month for each month of service. The plan also provides various death benefits, whereby the deceased employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

1. *Contributions Required and Actual* - Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 6.35% for participating employees and 6.00% for the School System.

The School System's contributions to SERS for the years ended June 30, 1995, 1996 and 1997 were \$273,187, \$266,798 and \$273,281, respectively, equal to the required contributions for each year.

9. DEFERRED COMPENSATION PLAN

The School System offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years, up to 33.3% of annual gross earnings not to exceed \$7,500. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, disability, death or in the event of an unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (and paid or made available to the employee or other beneficiary) solely the property and rights of the School System subject only to the claims of the School System's general creditors. Amounts set aside under this plan are reported in Agency Funds. Participants' rights under the plan are equal to those of a general creditor of the government in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the School System's management that the government has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The School System believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. As indicated in Note 1, the Internal Revenue Code Section 457 has been amended and the School System's plan will be changed to clarify that all assets of this plan will be held in trust for the exclusive benefit of the participants and their beneficiaries.

Investments are managed by the plan's trustee under one of six investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

10. COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The insurance companies which insured the School System for workers' compensation and bus driver accidents during the two years ended December 31, 1991 and for general liability and automobile/bus driver accidents during the two years ended April 30, 1992 subsequently went bankrupt. As a result, the School System became liable for the outstanding claims which were being paid by the insurance companies on behalf of the School System. Total outstanding claims and judgments, including the claims discussed above, approximated \$490,000 at June 30, 1997, \$285,000 of which is reported in the General Long-Term Debt Account Group and \$197,000 of which is reported in the General Fund.

Changes in the claims payable liability for the years ended June 30, 1997 and 1996 were as follows:

	1997	1996
Claims payable, beginning of year	\$485,000	\$1,345,800
Add: Changes in estimates	(1,400)	(718,349)
Deduct: Claims payments	-	(121,851)
Claims payable, end of year	<u>\$483,600</u>	<u>\$ 485,600</u>

Workers' Compensation Claims - Effective May 1, 1989, the School System adopted a self-insured workers' compensation plan administered by a service agent. Under the plan, the School System is self-insured for each individual claim during a calendar year up to \$200,000 with commercial insurance for claims in excess of that amount. The claims outstanding, including amounts which were incurred but not yet reported, are recorded in the General Fund at June 30, 1997.

Changes in the workers' compensation claims payable liability for the years ended June 30, 1997 and 1996 were as follows:

	1997	1996
Workers' compensation claims payable, beginning of year	\$ 738,797	\$ 728,242
Add: Claims and changes in estimates	1,860,528	1,687,814
Deduct: Claims payments	(865,788)	(1,686,419)
Workers' compensation claims payable, end of year	<u>\$ 833,537</u>	<u>\$ 729,637</u>

Other Risk Management - The School System continues to carry commercial insurance for all other risks of loss, including general liability, automobile, and employer health insurance. There have been no significant changes in these insurance coverage amounts. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

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

These programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies.

11. RESERVATIONS AND DESIGNATIONS OF FUND BALANCES

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

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

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

Reserved for Inventory - This reserve was established as an offset against the asset, inventory, for the estimated minimum amount of inventory which must be maintained and, thus, does not constitute an available spendable resource of the General Fund.

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

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

Reserved for Specific Programs - This reserve represents the amounts received related to the 1.5% sales and use tax adopted October 3, 1992 which are legally restricted for guidance programs, in-school suspension and other school-based programs. Residual amounts must be retained to cover future increased costs no longer funded by the State of Louisiana due to changes in the State's Minimum Foundation Program formula.

Designated for Capital Addition and Improvements - The proceeds of various bond issues, a portion of the undedicated sales tax revenue designated by the Board, and the interest earned on the investment thereof are designated for capital projects in the Sales Tax Fund of the Capital Projects Fund to the extent that such amount has not been reserved for encumbrances.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

**EXHIBIT C-4
(Continued)**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997**

The reserved and unreserved components of fund balances at June 30, 1997, consist of the following:

	General Fund	Special Revenue	Debt Service	Capital Projects	Total
Reserved for:					
Encumbrances	\$ 2,158,264			\$ 1,256,597	\$ 3,414,861
Inventory	66,698				66,698
Prepaid items	2,023,628				2,023,628
Debt service			\$ 29,293,878		\$ 29,293,878
Specific programs	<u>3,684,668</u>			<u>1,864,408</u>	<u>5,549,076</u>
Total	<u>9,883,254</u>		<u>29,293,878</u>	<u>31,921,005</u>	<u>61,108,137</u>
Unreserved - designated for: Capital additions and improvements				<u>49,871,883</u>	<u>49,871,883</u>
Unreserved - undesignated	<u>3,379,276</u>	<u>\$ 2,598,418</u>		<u>1,098,519</u>	<u>7,076,213</u>
Total fund balances	<u>\$ 13,262,530</u>	<u>\$ 2,598,418</u>	<u>\$ 29,293,878</u>	<u>\$ 82,911,346</u>	<u>\$ 128,055,172</u>

On the budgetary basis, the reserved and unreserved components of the General Fund fund balance at June 30, 1997, consist of the following:

Reserved for:		
Encumbrances	\$ 2,158,264	
Inventory	66,698	
Prepaid items	2,023,628	
Specific programs	<u>3,684,668</u>	
Total	9,883,254	
Unreserved - undesignated	<u>3,379,812</u>	
Total fund balance on budgetary basis	<u>\$ 13,263,066</u>	

The teachers of Jefferson Parish are unionized. In September 1997, the Board and the Jefferson Federation of Teachers (the Union) agreed to a new three-year contract ending June 30, 2000. This contract calls for future increases in teachers' salaries and benefits of \$9 million over a three-year period. Projected increases in General Fund revenues may not be sufficient to fully fund such amounts and any shortfalls will be covered by reducing fund balances in the General Fund.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

12. POSTEMPLOYMENT HEALTH CARE BENEFITS

In accordance with State statutes, the School System provides certain continuing health care benefits for its retired employees. Substantially all of the School System's employees become eligible for these benefits if they reach normal retirement age while working for the School System. Currently, 1,989 retirees are eligible to participate in these benefits. These benefits for retirees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the School System. During fiscal year 1997, the School System contributed 67% of the total premium for health care insurance provided to the retirees. The School System recognizes the cost of providing these benefits (the School System's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due. The School System's net cost of providing all health care benefits to the approximately 5,883 active and 1,777 retired participating employees amounted to \$9,808,715 for 1997. For 1997, the School System's cost of premiums paid for retirees totaled \$4,999,893.

13. COMPONENT UNIT DEPOSITS

Cash

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

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

Bank balances of \$211,742 at June 30, 1997 were insured or collateralized by securities held by the School System or its agent in the School System's name.

General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
Land and improvements	\$ -	\$ 3,290	\$ -	\$ 3,290
Equipment	-	82,174	-	82,174
Total	\$ -	\$85,464	\$ -	\$85,464

Other Revenues

Other revenues of \$405,182 included on the combined Statement of Revenues, Expenditures and Changes in Fund Balances primarily represent donations from the community.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997**

14. PRIOR PERIOD ADJUSTMENT

The beginning balance of the General Fixed Asset Account Group has been increased by \$41,382,171. This increase represents additions and renovations to various school buildings from 1980 to 1984 which had been funded by the proceeds of the 1980 Series bonds. During 1997, it was discovered that these additions had been erroneously evaluated from the records of the General Fixed Asset Account Group.

GENERAL FUND

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE P-1

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1997

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
REVENUES			
Local sources			
Property taxes	\$ 13,423,264	\$ 12,655,915	\$ 767,349
Fees and use taxes	66,179,812	102,278,519	(3,098,707)
Tuition and other	585,248	558,000	27,248
Interest income	1,039,829	508,000	531,829
Other	9,448,797	3,178,965	6,269,832
State sources	117,994,502	120,247,514	(2,253,012)
Federal sources	817,668	658,245	159,423
Total revenues	245,588,878	249,877,161	(4,288,283)
EXPENDITURES			
Instruction	160,511,747	161,340,875	829,128
Supporting services	80,948,871	82,827,129	1,878,288
Non-instruction	9,171	51,560	42,389
Total expenditures	241,469,789	244,219,564	2,749,775
EXCESS OF REVENUES OVER EXPENDITURES	<u>4,119,089</u>	<u>4,657,607</u>	<u>(538,518)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	71		71
Operating transfers out	(5,956,388)	(4,286,135)	1,670,253
Transfers to component unit	(450,515)	(450,000)	515
Total other financing sources (uses) - net	<u>(6,435,832)</u>	<u>(4,736,135)</u>	<u>1,699,697</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(2,316,743)</u>	<u>219,649</u>	<u>(2,536,392)</u>
ENCUMBRANCES OUTSTANDING AT YEAR END	<u>2,158,264</u>	<u>2,158,264</u>	
1996 YEAR ENCUMBRANCES EXPENDED IN CURRENT YEAR	<u>(3,764,256)</u>	<u>(3,764,256)</u>	
FUND BALANCE AT BEGINNING OF YEAR - GAAP BASIS	<u>16,193,852</u>	<u>17,510,125</u>	<u>1,316,273</u>
FUND BALANCE AT END OF YEAR - GAAP BASIS	<u>\$ 12,429,596</u>	<u>\$ 14,117,009</u>	<u>\$ 1,687,413</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-2

GENERAL FUND

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-GRAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 1997

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
Local sources:			
Property taxes:			
Contributions	\$ 3,921,368	\$ 3,719,336	\$ 202,032
Special maintenance	9,482,898	8,948,580	534,318
State/Tx contribution to teachers' retirement	1,593,819	1,295,385	298,434
Sales and use	66,279,812	62,278,827	4,000,985
Tuition and other	938,264	938,080	184
Interest income	1,018,829	900,080	118,749
Rents and royalties	226,838	100,080	126,758
Hospitalization	1,608,189	1,635,080	(26,891)
Other	111,881	138,080	(26,199)
Total	<u>136,857,888</u>	<u>119,179,528</u>	<u>17,678,360</u>
State sources:			
Equalization	109,984,817	128,979,182	(18,994,365)
Revenue sharing	1,800,684	2,384,080	(583,396)
Grants in aid	913,871	985,621	(71,750)
Special education and other	288,237	130,080	158,157
State salary supplement	544,152		544,152
Professional improvement program	3,598,215	3,292,581	305,634
Transportation	1,452,132	1,535,194	(83,062)
Total	<u>127,614,922</u>	<u>138,747,138</u>	<u>(11,132,216)</u>
Federal sources:			
Recovery of indirect costs	548,415	373,680	174,735
Restricted grants in aid:			
Other	271,653	284,245	(12,592)
Total	<u>820,068</u>	<u>657,925</u>	<u>162,143</u>
TOTAL REVENUES	<u>\$349,584,020</u>	<u>\$249,071,901</u>	<u>\$100,512,119</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-3
Page 1 of 3GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (NON-GRANT BUDGETARY BASIS)
YEAR ENDED JUNE 30, 1987

	Actual on Budgetary Basis	Enacted Budget	Variance - Favorable (Unfavorable)
INSTRUCTION:			
Regular Programs:			
Salaries and benefits	\$ 99,096,033	\$ 99,002,378	\$ 936,655
Materials and supplies	4,721,732	4,800,340	(778,608)
Equipment	340,893	488,894	(148,001)
Other	3,879,661	4,096,258	(216,597)
Total	<u>108,038,319</u>	<u>108,388,370</u>	<u>(350,051)</u>
Special Programs:			
Salaries and benefits	98,371,837	47,055,148	(51,316,689)
Materials and supplies	394,839	320,000	(74,839)
Equipment	20,834	22,379	(1,545)
Other	75,024	79,388	(4,364)
Total	<u>99,062,534</u>	<u>47,486,915</u>	<u>(51,575,619)</u>
Vocational Programs:			
Salaries and benefits	3,130,100	4,680,904	(1,550,804)
Materials and supplies	11,600	82,827	(71,227)
Total	<u>3,141,700</u>	<u>4,763,731</u>	<u>(1,622,031)</u>
Other Instructional Programs:			
Salaries and benefits	3,090,233	3,000,000	90,233
Materials and supplies	27,429	12,147	(15,282)
Other	1,808	288	(1,520)
Total	<u>3,099,470</u>	<u>3,012,435</u>	<u>87,035</u>
Adult Continuing Education Programs:			
Salaries and benefits	10,580	80,000	(69,420)
Materials and supplies		28,211	28,211
Other		3,438	3,438
Total	<u>10,580</u>	<u>111,649</u>	<u>(101,069)</u>
Total Instruction	<u>108,111,787</u>	<u>108,248,873</u>	<u>(137,086)</u>
SUPPORTING SERVICES:			
For Students:			
Salaries and benefits	8,600,000	7,766,864	(833,136)
Materials and supplies		2,700	2,700
Equipment	26,000	43,881	(17,881)
Other	77,220	86,222	(9,002)
Total	<u>8,703,220</u>	<u>7,900,677</u>	<u>(802,543)</u>
For Instructional Staff:			
Salaries and benefits	3,600,000	3,453,011	146,989
Materials and supplies	207,668	271,370	(63,702)
Equipment	27,900	28,411	(511)
Other	60,400	183,861	(123,461)
Total	<u>3,916,968</u>	<u>3,937,653</u>	<u>(20,685)</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SC-82016-1-0

Page 2 of 2

GENERAL FUND

SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (NONGAAP BUDGETARY BASIS)

YEAR ENDS JUNE 30, 1987

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
SUPPORTING SERVICES - continued			
General Administration:			
Salaries and benefits	\$ 951,088	\$ 1,100,054	\$ (148,966)
Materials and supplies	31,799	87,228	(55,429)
Tax collection fees	8,880,134	8,880,145	(11)
Other	1,170,727	1,086,660	84,067
Total	11,031,808	11,754,087	(722,279)
School Administration:			
Salaries and benefits	14,134,361	14,130,348	4,013
Materials and supplies	48,421	49,358	(937)
Other	905,211	1,074,728	(169,517)
Total	15,088,033	15,254,434	(166,401)
Business Services:			
Salaries and benefits	1,719,847	1,788,720	(68,873)
Materials and supplies	(30,227)	83,147	(113,374)
Equipment	29,146	414,328	(385,182)
Other	88,054	84,543	3,511
Total	1,696,720	2,010,738	(314,018)
Operations Maintenance Services:			
Salaries and benefits	8,684,305	8,827,511	(143,206)
Materials and supplies	1,384,400	1,588,377	(203,977)
Equipment	21,177	21,161	16
Utilities	2,280,004	4,643,320	(2,363,316)
Insurance	782,171	888,008	(105,837)
Other	3,888,739	4,873,682	(984,943)
Total	16,811,002	20,842,049	(4,031,047)
Pupil Transportation:			
Salaries and benefits	12,494,751	12,626,648	(131,897)
Materials and supplies	80,811	31,147	49,664
Equipment	11,404	79,373	(67,969)
Other	1,803,830	1,813,382	(9,552)
Total	14,390,800	14,530,550	(139,750)
Capital Activity Services:			
Salaries and benefits	1,731,660	1,801,890	(70,230)
Materials and supplies	94,807	81,159	13,648
Equipment	304,808	331,146	(26,338)
Tax processing	483,666	478,671	4,995
Other	144,527	171,451	(26,924)
Total	2,659,468	2,864,057	(204,589)
Total Supporting Services	80,548,871	83,877,142	(3,328,271)

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE 7-3

Page 2 of 2

GENERAL FUND
 SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (FVS-GAAP BUDGETARY BASIS)
 YEAR ENDED JUNE 30, 1997

	Actual or Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
NON-INSTRUCTION			
Community Schools			
Cafes	<u> \$170</u>	<u> \$1,500</u>	<u> \$1,330</u>
Total	<u> \$170</u>	<u> \$1,500</u>	<u> \$1,330</u>
Total non-instruction	<u> \$170</u>	<u> \$1,500</u>	<u> \$1,330</u>
TOTAL INSTRUCTION, SUPPORTING SERVICES AND NON-INSTRUCTION	<u>\$261,889,780</u>	<u>\$261,120,000</u>	<u> \$769,780</u>

(Overhead)

- (10) Used to account on a project basis for funds granted by P.L. 98-513 for programs for immigrant children enrolled in elementary and secondary schools.
- (11) Used to account on a project basis for funds allocated to providing schools with meals.
- (12) Used to account for assistance to low-income families with child care services.
- (13) Used to account for continuing education programs designed to assist adults in obtaining their high school diploma equivalency.
- (14) Used to account for a wide variety of informal leisure learning classes and activities for Jefferson Parish residents.
- (15) Used to account for miscellaneous State grant programs.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

**SPECIAL REVENUE FUNDS
COMBINED BALANCE SHEET
JUNE 30, 1987**

	Elementary and Secondary Education Act of 1965 (Title I)	Elementary and Secondary Education Act of 1965 (Title III)	Federal Programs Elementary and Secondary Education Act of 1965 (Title VII)
ASSETS			
Cash and investments			
Accounts receivable	\$ 1,464		
Due from other funds	18,304	\$ 1,479	\$ 1,354
Due from other governmental units	<u>1,798,785</u>	<u>61,151</u>	<u>88,245</u>
TOTAL ASSETS	<u>\$2,418,367</u>	<u>\$62,634</u>	<u>\$95,733</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable:			
Due to other funds	\$2,417,634	\$62,634	\$95,733
Due to other governmental units			
Deferred revenue	<u>873</u>	<u>————</u>	<u>————</u>
Total liabilities	<u>2,418,507</u>	<u>62,634</u>	<u>95,733</u>
FUND BALANCE			
Unreserved:			
Undesignated	<u>————</u>	<u>————</u>	<u>————</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$2,418,507</u>	<u>\$62,634</u>	<u>\$95,733</u>

SCHEDULE P-4
Page 1 of 2

Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Job Training Partnership Act	Education for Economic Security Act Title II
	\$ 187		
\$ 6,498		\$ 4,746	
<u>787,818</u>	<u>86,511</u>	<u>48,134</u>	<u>\$ 188,307</u>
<u>\$ 790,348</u>	<u>\$ 86,700</u>	<u>\$ 52,880</u>	<u>\$ 188,307</u>
\$ 333,904	\$ 86,718	\$ 33,333	\$ 187,387
15,815			
<u> </u>	<u> </u>	<u>517</u>	<u>1,442</u>
<u>348,749</u>	<u>86,718</u>	<u>33,850</u>	<u>188,829</u>
<u>\$ 790,348</u>	<u>\$ 86,700</u>	<u>\$ 52,880</u>	<u>\$ 188,307</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS COMBINED BALANCE SHEET JUNE 30, 1987

	Federal Programs		
	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act
ASSETS			
Cash and investments			\$ 32,804
Accounts receivable			
Due from other funds		\$ 283,194	
Due from other governmental units	<u>\$ 3,216</u>	<u>581,030</u>	
TOTAL ASSETS	<u>\$ 3,216</u>	<u>\$ 785,034</u>	<u>\$ 32,804</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable			
Due to other funds	\$ 5,151	\$ 784,648	\$ 4,819
Due to other governmental units			
Deferred revenue	<u>73</u>	<u>586</u>	<u>38,085</u>
Total liabilities	<u>5,224</u>	<u>785,234</u>	<u>32,894</u>
FUND BALANCE:			
Unreserved			
Undesignated			
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 5,224</u>	<u>\$ 785,234</u>	<u>\$ 32,894</u>

Title XXX School Name	Child Care and Development Block Grant	Adult Education	Community Education	State Programs	Total
\$ 207,764		\$243,224	\$1,117,132	\$1,279,089	\$2,877,693
		185,639		404,834	510,310
			440,323	259,621	1,045,589
<u>48,213</u>	<u>\$218,489</u>			<u>454,255</u>	<u>4,863,543</u>
<u>\$153,897</u>	<u>\$218,489</u>	<u>\$346,869</u>	<u>\$1,559,475</u>	<u>\$2,293,200</u>	<u>\$5,294,434</u>
	\$ 9,809	\$ 45,047	\$ 226,340	\$ 44,854	\$ 326,290
\$ 28,145	208,608	109,025	380,158	1,296,771	6,213,964
				73	13,488
					<u>31,324</u>
<u>28,145</u>	<u>218,408</u>	<u>154,072</u>	<u>526,348</u>	<u>1,350,208</u>	<u>6,695,966</u>
<u>127,653</u>		<u>192,782</u>	<u>1,832,827</u>	<u>1,244,802</u>	<u>2,478,418</u>
<u>\$135,997</u>	<u>\$218,408</u>	<u>\$346,869</u>	<u>\$1,559,475</u>	<u>\$2,293,200</u>	<u>\$5,294,434</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS COMPARING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 1997

	Elementary and Secondary Education Act of 1965 (Title II)	Elementary and Secondary Education Act of 1965 (Title III)	Federal Elementary and Secondary Education Act of 1965 (Title VII)
REVENUES:			
Federal sources	\$12,107,610	\$231,283	\$475,883
Tuition and other	790		
State sources	—	—	—
Total revenues	12,108,400	231,283	475,883
EXPENDITURES (ALL CURRENT):			
Instruction:			
Salaries and benefits	5,417,210		255,119
Supplies	668,071	30,874	60,782
Other	2,155,607	—	48,880
Total instruction	8,150,888	30,874	364,781
Supporting services:			
Salaries and benefits	2,104,418	60,886	15,656
Supplies	102,878	48,255	1,879
Other	705,128	115,318	5,811
Total supporting services	2,912,424	224,459	23,346
Non-instruction:			
Community services:			
Salaries and benefits	488,458	—	60,574
Supplies	12,418	—	—
Other	28,187	—	14,810
Total community services	529,063	—	75,384
Other	526,828	5,675	13,772
Total non-instruction	1,055,891	5,675	89,156
Total expenditures	11,201,881	250,980	483,460
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	906,519	—	(6,577)
OTHER FINANCING SOURCES (USES):			
Operating transfer in	31,608	—	1,579
Operating transfer out	—	—	—
Total other financing sources (used) - net	31,608	—	1,579
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	938,127	—	(5,000)
FUND BALANCES AT BEGINNING OF YEAR	—	—	—
FUND BALANCES AT END OF YEAR	\$ 938,127	\$ —	\$ (5,000)

SCHEDULE F-5

Page 1 of 2

Programs			
Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Job- Training Partnership Act	Education for Economic Security Act Title B
\$3,098,608	\$321,887 6,588	\$201,778	\$307,158
<u>3,098,608</u>	<u>328,475</u>	<u>201,778</u>	<u>307,158</u>
428,363	9,775	138,418	8,628
489,423	86,280		23,590
718,486	322,896	1,800	2,508
<u>1,636,272</u>	<u>418,951</u>	<u>138,418</u>	<u>32,726</u>
1,988,337	308,938	48,138	181,787
1,743		18,178	108
23,587		13,024	86,873
<u>1,813,667</u>	<u>308,938</u>	<u>69,340</u>	<u>268,768</u>
11,886			80,186
<u>11,886</u>			<u>80,186</u>
<u>3,083,828</u>	<u>528,487</u>	<u>288,788</u>	<u>387,218</u>
<u>(3,205)</u>		<u>(4,822)</u>	
4,208	1,642 (1,642)	4,822	
<u>4,208</u>	<u>-</u>	<u>4,822</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 1987

			Federal
	Indian Education Act	Drug Free Schools and Communities	Emergency Investigation Act
REVENUES			
Federal sources	\$ 27,983	21,331,734	2 62,128
Tuition and other		14,839	
State sources			
Total revenues	27,983	21,447,734	62,128
EXPENDITURES (All sources)			
Instruction:			
Salaries and benefits	17,839	25,815	1,303
Supplies	1,508	319,402	7,180
Other	1,745		4,673
Total instruction	21,092	345,217	13,156
Supporting services:			
Salaries and benefits	240	651,990	28,889
Supplies	388	3,641	1,131
Other	1,254	82,087	825
Total supporting services	1,882	738,718	31,045
Non-instruction:			
Community services:			
Salaries and benefits		28,364	25,384
Supplies			
Other	1,286		
Total community services	1,286	28,364	25,384
Other		37,263	2,631
Total non-instruction	1,286	68,267	27,415
Total expenditures	24,160	2,142,674	62,479
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,823	(1,248)	(21)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	179	1,968	231
Operating transfers out			
Total other financing sources (used)	179	1,968	231
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES			
FUND BALANCES AT BEGINNING OF YEAR			
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -

Programs					
Title XIX School Nurse	Child Care and Development Block Grant	Adult Education	Community Education	State Programs	Total
\$ 299,800	\$ 218,400	\$348,000 155,175 508,680	\$1,898,899	\$ 212,908 248,518 1,870,525	\$18,345,216 2,379,544 2,172,210
<u>299,800</u>	<u>218,400</u>	<u>996,789</u>	<u>1,898,899</u>	<u>2,310,248</u>	<u>20,000,477</u>
	199,196	696,563	888,736	667,247	1,768,132
	18,152	190,023	831,811	448,295	1,690,190
	<u>13,646</u>	<u>67,587</u>	<u>21,020</u>	<u>623,897</u>	<u>1,094,250</u>
	<u>218,194</u>	<u>673,671</u>	<u>134,267</u>	<u>3,750,158</u>	<u>34,588,627</u>
153,707	100	283,873	607,833	348,999	1,494,392
1,293		3,795	3,795	122,418	124,306
<u>21,871</u>	<u>2,188</u>	<u>31,177</u>	<u>34,200</u>	<u>136,280</u>	<u>1,274,185</u>
<u>188,629</u>	<u>2,406</u>	<u>218,070</u>	<u>145,848</u>	<u>508,152</u>	<u>1,268,985</u>
			1,744,816		1,863,686
			9,000		31,480
			1,550,170		23,887
			30,690		1,229,021
			<u>1,886,175</u>		<u>965,736</u>
<u>288,632</u>	<u>231,830</u>	<u>912,081</u>	<u>2,485,418</u>	<u>1,295,851</u>	<u>34,489,698</u>
<u>111,029</u>	<u>(5,801)</u>	<u>4,708</u>	<u>173,468</u>	<u>71,451</u>	<u>212,855</u>
176	5,801	5,116	680	9,080	68,229
				<u>(71)</u>	<u>(5,711)</u>
<u>176</u>	<u>5,801</u>	<u>3,752</u>	<u>680</u>	<u>9,009</u>	<u>68,216</u>
113,148		6,448	574,124	82,862	894,182
<u>16,660</u>		<u>186,167</u>	<u>638,741</u>	<u>1,162,740</u>	<u>2,094,050</u>
<u>\$ 1,270,893</u>	<u>\$ -</u>	<u>\$183,797</u>	<u>\$1,831,877</u>	<u>\$1,244,900</u>	<u>\$ 2,598,418</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-4

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - ADULT EDUCATION FUND
YEAR ENDED JUNE 30, 1997

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
REVENUES			
Federal sources	\$140,828	\$198,390	\$ (57,572)
Tuition and other	155,175	80,080	62,175
State sources	380,685	432,888	47,787
Total revenues	676,788	648,298	52,585
EXPENDITURES			
Instruction	478,971	625,630	(88,200)
Supporting	308,110	338,239	2,128
Total expenditures	787,081	915,969	105,170
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,707	(27,705)	36,413
OTHER FINANCING SOURCES:			
Operating transfers in	1,733	_____	1,733
Total other financing sources	1,733	_____	1,733
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	6,440	(27,705)	38,143
FUND BALANCE AT BEGINNING OF YEAR	388,347	388,347	_____
FUND BALANCE AT END OF YEAR	\$394,787	\$360,642	\$ 38,145

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-7

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - COMMUNITY EDUCATION FUND
YEAR ENDED JUNE 30, 1997

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
REVENUES:			
Tuition and other	\$2,458,858	\$2,481,180	\$272,322
Total revenues	<u>2,458,858</u>	<u>2,481,180</u>	<u>272,322</u>
EXPENDITURES:			
Instruction	754,567	719,081	35,486
Supporting	143,648	115,987	27,661
Non-instruction	<u>1,580,175</u>	<u>1,638,535</u>	<u>58,360</u>
Total expenditures	<u>2,481,490</u>	<u>2,473,563</u>	<u>7,927</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>377,368</u>	<u>2,517</u>	<u>364,851</u>
OTHER FINANCING SOURCES:			
Operating transfers in	665		665
Total other financing sources	<u>665</u>		<u>665</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>378,033</u>	<u>2,517</u>	<u>365,516</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>658,743</u>	<u>658,743</u>	
FUND BALANCE AT END OF YEAR	<u>\$1,036,277</u>	<u>\$ 661,260</u>	<u>\$375,017</u>

DEBT SERVICE FUNDS

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

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

1974 10y and 1989 10y Sales Tax Bond Sinking Funds are used to accumulate that portion of the 1974 and 1989 sales and use tax required to meet the debt service requirements. Monthly deposits out of the proceeds of the sales and use tax are required to be made into these funds in an amount which will equal 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.

1974 10y and 1989 10y Sales Tax Bond Reserve Funds are used to accumulate that portion of the 1974 and 1989 sales and use tax which is set aside for the purpose of paying principal and interest on bonds payable. Monthly deposits of sales and use tax proceeds are required to be made into these funds until the required reserve has been established.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

DEBT SERVICE FUNDS COMBINING BALANCE SHEET JUNE 30, 1997

	Ad Valorem Tax Bond Sinking	1994 10¢ Sales Tax Bond Sinking	1994 10¢ Sales Tax Bond Reserve
ASSETS			
Cash and Investments	\$434,458	\$ 1,648,341	\$15,696,619
Property tax receivable	39,952		
Due from other funds	<u>50,000</u>	<u>10,021,364</u>	<u> </u>
TOTAL ASSETS	<u>\$ 524,410</u>	<u>\$ 11,669,705</u>	<u>\$ 15,696,619</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable		\$ 10,066	
Due to other funds	<u> </u>	<u> </u>	<u>\$ 474,515</u>
Total liabilities	<u> </u>	<u>10,066</u>	<u>474,515</u>
FUND BALANCE:			
Reserved for debt service	<u>\$ 514,344</u>	<u>11,651,109</u>	<u>15,222,099</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 514,344</u>	<u>\$ 11,661,175</u>	<u>\$ 15,696,619</u>

SCHEDULE P-8

1988-1Mg Sales Tax Bond Printing	1988-1Mg Sales Tax Bond Reserve	Total
\$ 774,768	\$8,711,468	\$26,897,408
		29,952
<u>4,463,907</u>	<u> </u>	<u>14,645,031</u>
<u>\$5,240,667</u>	<u>\$8,711,468</u>	<u>\$21,532,461</u>
		\$ 12,866
<u>\$1,808,000</u>	<u> </u>	<u>2,274,525</u>
<u>1,808,000</u>	<u> </u>	<u>2,286,991</u>
<u>3,240,667</u>	<u>\$8,711,468</u>	<u>28,285,878</u>
<u>\$3,240,667</u>	<u>\$8,711,468</u>	<u>\$41,187,461</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

DEBT SERVICE FUNDS COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 1997

	Ad Valorem Tax Bond Sinking	1994 1/2% Sales Tax Bond Sinking	1994 1/2% Sales Tax Bond Reserve
REVENUES:			
Local sources:			
Property taxes	\$ 5,810,070		
Sales and use taxes		\$ 10,100,000	
Interest income	117,170	30,051	\$ 847,880
Miscellaneous income		225,899	
Total revenue	<u>5,927,240</u>	<u>10,355,950</u>	<u>847,880</u>
EXPENDITURES:			
Current operating services:			
Miscellaneous	18,085		
Assessor's office expenditures	98,620		
Pension fund contributions	274,087		
Total	<u>390,792</u>		
Debt service:			
Principal retirement	4,490,000	6,490,000	
Interest and fiscal charges	290,480	7,867,118	
Total expenditures	<u>4,780,480</u>	<u>14,357,118</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>574,454</u>	<u>(1,001,170)</u>	<u>847,880</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in		6,350,837	
Operating transfers out			(408,600)
Total other financing sources (uses) - net		<u>6,350,837</u>	<u>(408,600)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>574,454</u>	<u>3,620,867</u>	<u>439,280</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>181,848</u>	<u>8,437,374</u>	<u>14,813,165</u>
FUND BALANCES AT END OF YEAR	<u>\$ 756,292</u>	<u>\$ 12,058,241</u>	<u>\$ 15,252,445</u>

SCHEDULE F-9

1980 1/4 Sales Tax Bond Sinking	1980 1/4 Sales Tax Bond Reserve	Total
		\$ 3,818,870
\$ 8,500,000		10,000,000
43,936	\$ 460,643	1,408,691
23,789		308,184
<u>8,627,225</u>	<u>460,643</u>	<u>20,719,745</u>
		10,000
		98,423
		<u>174,852</u>
		183,308
1,870,668		13,752,608
<u>1,870,668</u>		<u>14,099,838</u>
8,408,808		28,135,308
<u>121,225</u>	<u>480,643</u>	<u>(1,575,262)</u>
363,882		7,125,119
<u>363,882</u>	<u>(149,775)</u>	<u>685,189</u>
363,882	<u>(149,775)</u>	<u>6,438,984</u>
682,327	231,468	4,519,001
<u>2,048,240</u>	<u>1,380,600</u>	<u>34,782,849</u>
<u>\$ 2,140,687</u>	<u>\$1,711,468</u>	<u>\$18,265,830</u>

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition or construction of major capital facilities. The School System maintains the following Capital Projects Funds:

Capital Fund is used to account for that portion of the undedicated sales tax revenue which is designated by the School Board annually for capital additions and improvements.

Sales Tax Fund is used to account for the proceeds of the various 1984, 1989 and 1995 sales tax bonds issued from 1983 through 1993 and that portion of the sales tax approved June 28, 1988 (1.54 cent) for making capital improvements.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-10

**CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1987**

	Capital	Sales Tax	Total
ASSETS			
Cash and investments	\$ 6,350,874	\$47,703,713	\$ 54,054,587
Receivables:			
Sales and services	794,368	3,383,715	4,178,083
Due from other funds	<u>2,080,808</u>	<u>1,630,523</u>	<u>3,711,331</u>
TOTAL ASSETS	<u>\$11,088,648</u>	<u>\$72,687,950</u>	<u>\$ 83,689,898</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ 2,390		\$ 2,390
Retainages payable	918,849	\$ 2,808,585	2,927,434
Due to other funds	<u>1,871,086</u>	<u>13,338,865</u>	<u>15,209,951</u>
Total liabilities	<u>3,892,325</u>	<u>17,147,450</u>	<u>21,039,775</u>
FUND BALANCE:			
Reserved for contingencies	1,678,659	8,448,148	10,126,807
Reserved for specific programs	1,865,418		1,865,418
Unreserved - designated for capital additions and improvements	1,343,459	46,908,303	48,251,862
Unreserved - undesignated	<u>3,358,519</u>	<u></u>	<u>3,358,519</u>
Total fund balance	<u>6,246,035</u>	<u>55,356,451</u>	<u>61,602,486</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$11,088,648</u>	<u>\$72,687,950</u>	<u>\$ 83,689,898</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-15

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1997

	Capital	Sales Tax	Total
REVENUES:			
Local sources:			
Sales and use taxes	\$3,800,000	\$ 18,341	\$ 5,018,341
Rentals income	333,283	3,354,533	3,687,816
Other	<u>13,035</u>	<u>1,789,334</u>	<u>1,802,369</u>
Total revenues	<u>4,146,318</u>	<u>5,152,208</u>	<u>9,298,526</u>
EXPENDITURES:			
Construction costs	2,984,544	5,789,888	8,774,432
Architect fees	498,715	1,189,697	1,688,412
Equipment	488,318	328,360	816,678
Administrative and other	<u>1,475,297</u>	<u>185,338</u>	<u>1,660,635</u>
Total expenditures	<u>5,446,874</u>	<u>7,493,083</u>	<u>12,940,957</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(1,300,556)</u>	<u>(2,340,875)</u>	<u>(3,641,431)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	3,015,137		3,015,137
Operating transfers out		<u>(6,348,473)</u>	<u>(6,348,473)</u>
Total other financing sources (uses) - net	<u>3,015,137</u>	<u>(6,348,473)</u>	<u>(3,333,336)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	3,064,451	(8,742,816)	(5,678,365)
FUND BALANCES AT BEGINNING OF YEAR	<u>4,808,444</u>	<u>64,068,867</u>	<u>69,877,311</u>
FUND BALANCES AT END OF YEAR	<u>\$3,813,995</u>	<u>\$55,326,051</u>	<u>\$59,140,046</u>

AGENCY FUNDS

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

- School and Student Activity Funds (1)*
- School Picture Fund (2)*
- Stadium Fund (3)*
- School System Event Fund (4)*
- Deferred Compensation Fund (5)*

- (1) Used to account for revenues and expenditures for individual school purchases and student body activities, including minor fund raising, field trips and special events.*
- (2) Used to account for security deposits received from school photographers.*
- (3) Used to account for funds generated for the operation of the Varsity, Mumpston and Bonsted Stadiums.*
- (4) Used to account for the receipts and disbursements of employer athletic events.*
- (5) Used to account for receipts and disbursements of the deferred compensation plan created in accordance with Internal Revenue Code Section 457.*

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-12

Page 1 of 2

AGENCY FUNDS

COMBINED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

YEAR ENDED JUNE 30, 1997

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
SCHOOL AND STUDENT ACTIVITY FUNDS				
ASSETS:				
Cash and investments	\$1,028,123	\$17,828,490	\$17,689,779	\$1,166,834
Due from other governmental units	21,775		12,735	9,040
TOTAL	<u>\$1,049,898</u>	<u>\$17,828,490</u>	<u>\$17,702,514</u>	<u>\$1,175,874</u>
LIABILITIES:				
Due to student groups	\$1,281,861	\$ 2,543,967	\$ 2,796,756	\$ 1,029,072
Due to schools	1,864,887	2,716,287	2,485,696	2,100,478
Due to others	774	8,266	8,217	557
Due to other funds	21,775		12,735	9,040
TOTAL	<u>\$1,269,307</u>	<u>\$17,828,490</u>	<u>\$17,712,404</u>	<u>\$1,148,147</u>
SCHOOL PICTURE FUND				
ASSETS:				
Cash and investments	\$ 31,597	\$ 66,812	\$ 98,345	\$ 100,171
LIABILITIES:				
Due to photographers	\$ 43,534	\$ 68,430	\$ 68,600	\$ 73,468
Due to other funds	8,631	20,997	28,649	16,703
TOTAL	<u>\$ 31,597</u>	<u>\$ 66,812</u>	<u>\$ 98,345</u>	<u>\$ 100,171</u>
STADIUM FUND				
ASSETS:				
Cash and investments	\$ 35,476	\$ 91,498	\$ 100,547	\$ 126,427
LIABILITIES:				
Due to stadium club	\$ 35,476	\$ 91,498	\$ 100,547	\$ 126,427
SCHOOL SYSTEM EVENT FUND				
ASSETS:				
Cash and investments	\$ 6,842	\$ 3,412	\$ 3,923	\$ 6,331
LIABILITIES:				
Due to participants	\$ 6,842	\$ 3,412	\$ 3,923	\$ 6,331

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-12

Page 2 of 2

AGENCY FUNDS

COMBINED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

YEAR ENDED JUNE 30, 1997

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
DEFERRED COMPENSATION FUND				
ASSETS:				
Cash and investments	\$ 991,886	\$ 1,112,718	\$ 56,552	\$2,048,052
LIABILITIES:				
Due to employees for deferred compensation	\$ 891,285	\$ 1,112,718	\$ 56,552	\$2,047,251
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Cash and investments	\$4,545,712	\$18,152,118	\$77,946,094	\$23,529,736
Due from other governmental units	52,178		23,778	
TOTAL	\$4,597,890	\$18,152,118	\$77,969,872	\$23,529,736
LIABILITIES:				
Due to student groups	\$1,510,861	\$ 5,543,967	\$ 9,286,286	\$1,548,542
Due to schools	1,964,887	8,176,187	8,381,286	1,883,878
Due to others	774	8,176	8,327	741
Due to photographers	43,184	83,428	65,683	43,211
Due to other funds	38,818	20,587	11,818	
Due to stadium club	19,476	81,488	181,547	15,477
Due to participants	6,942	1,477	1,818	6,446
Due to employees for deferred compensation	791,586	1,121,718	86,812	2,017,248
TOTAL	\$4,386,488	\$19,123,136	\$17,908,812	\$5,939,764

GENERAL FIXED ASSET ACCOUNT GROUP

General Fixed Asset Account Group is used to account for fixed assets used in Governmental Fund Type operations, rather than in governmental funds.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-13

GENERAL FIXED ASSET ACCOUNT GROUP
 SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY
 JUNE 30, 1997

FUNCTION AND ACTIVITY	Land	Buildings	Equipment	Total
INSTRUCTION:				
Kindergarten	\$ 61,463	\$ 1,815,691	\$ 330,866	\$ 3,418,020
Elementary	7,784,343	89,222,117	13,651,289	110,657,749
Middle	4,141,543	63,346,575	5,156,380	74,644,508
High	1,285,638	33,698,696	7,814,346	42,818,680
Total instruction	<u>13,912,603</u>	<u>208,083,079</u>	<u>27,152,481</u>	<u>251,148,163</u>
SUPPORTING SERVICES:				
Administration	<u>1,038,262</u>	<u>7,054,200</u>	<u>8,798,607</u>	<u>16,891,069</u>
TOTAL GENERAL FIXED ASSETS	<u>\$14,950,865</u>	<u>\$215,137,279</u>	<u>\$35,951,088</u>	<u>\$266,039,232</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE F-14

GENERAL FUNDS ASSET ACCOUNT GROUP
 SCHEDULE OF CHANGES IN GENERAL FUNDS ASSETS - BY FUNCTION AND ACTIVITY
 YEAR ENDED JUNE 30, 1987

FUNCTION AND ACTIVITY	Balance July 1, 1986	Prior Period Adjustment	Adjusted Balance July 1, 1986	Additions	Deletions	Balance June 30, 1987
EDUCATION:						
Kindergarten	\$ 1,470,287	\$ 790,534	\$ 2,260,821	\$ 85,137	\$ -	\$ 2,420,091
Elementary	29,534,961	14,518,700	44,053,661	1,586,250	21,819	45,428,092
Middle	39,022,076	14,887,541	53,909,617	844,764	4,843	54,758,338
High	48,127,603	13,633,817	61,761,420	1,271,288	19,238	63,013,462
Total education	128,154,827	46,810,692	174,965,519	3,787,469	45,900	181,149,184
SUPPORTING SERVICES:						
Administration	13,579,006	164,485	13,743,491	1,887,853	1,491,202	15,149,142
TOTAL GENERAL FUNDS ASSETS	<u>\$318,451,653</u>	<u>\$31,982,172</u>	<u>\$350,433,825</u>	<u>\$1,885,440</u>	<u>\$1,595,611</u>	<u>\$350,723,654</u>

OTHER SUPPLEMENTAL INFORMATION

The schedules within this subsection are presented as supplementary information to expand upon the data presented in the other subsections of the Financial Section.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE PB-1

SCHEDULE OF INVESTMENTS - ALL FUNDS

JUNE 30, 1997

Description	Date Acquired	Interest Rate	Maturity Date	Par Value	Carrying Amount
Investments in defined compensation mutual funds and insurance contracts	Various	Various	Various	\$2,812,748	\$2,812,748
TOTAL				<u>\$2,812,748</u>	<u>\$2,812,748</u>
					Share At Cost
AGENCY FUNDS:					
Deferred Compensation Fund					<u>\$2,812,748</u>
TOTAL					<u>\$2,812,748</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE PB-3

SCHEDULE OF OPERATING TRANSFERS

YEAR ENDED JUNE 30, 1997

Transfers To or From	Operating Transfers In	Operating Transfers Out
GENERAL FUNDS		
Elementary and Secondary Education Act of 1965 (Title I)		\$ 21,499
Elementary and Secondary Education Act of 1965 (Title VII)		1,979
Individuals with Disabilities Education Act of 1990 - Part B		4,208
Job Training Partnership Act		4,831
Indian Education Act		175
Drug Free Schools and Communities		1,949
Emergency Immigration Act		180
Child Care and Development Block Grant Title XIX School Home		176
Adult Education		1,752
Community Education		602
State Programs	\$ 79	9,189
Capital Fund		2,900,674
School Lunch Enterprise Fund		2,111,199
Total	79	5,976,368
SPECIAL REVENUE FUNDS		
Elementary and Secondary Education Act of 1965 (Title I)	General Fund	10,418
Elementary and Secondary Education Act of 1965 (Title VII)	General Fund	1,579
Individuals with Disabilities Education Act of 1990 - Part B	General Fund	4,208
Vocational Education	Vocational Education	1,642
Job Training Partnership Act	General Fund	4,952
Indian Education Act	General Fund	175
Drug Free Schools and Communities	General Fund	1,949
Emergency Immigration Act	General Fund	180
Child Care and Development Block Grant Title XIX School Home	General Fund	176
Adult Education	General Fund	1,752
Community Education	General Fund	602
State Programs	General Fund	5,189
		79
Total	62,128	1,573

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE PB-3

SCHEDULE OF OPERATING TRANSFERS
YEAR ENDED JUNE 30, 1987

		Operating Transfers in	Operating Transfers Out
DEBT SERVICE FUNDS			
1954 1/2% Sales Tax Bond Sinking	1954 1/2% Sales Tax Bond Reserve	406,908	
	1980 1/4% Sales Tax Fund	6,115,077	
1954 1/2% Sales Tax Bond Reserve	1954 1/2% Sales Tax Bond Sinking		406,908
1980 1/4% Sales Tax Bond Sinking	1980 1/4% Sales Tax Bond Reserve	348,175	
	1980 1/4% Sales Tax Fund	315,907	
1980 1/4% Sales Tax Bond Reserve	1980 1/4% Sales Tax Bond Sinking		348,175
	Total	<u>7,115,110</u>	<u>685,110</u>
CAPITAL PROJECTS FUNDS			
Capital Fund	General Fund	2,709,411	
	1980 1/4% Sales Tax Fund	311,486	
1980 1/4% Sales Tax Fund	1954 1/2% Sales Tax Bond Reserve		6,115,077
	1980 1/4% Sales Tax Fund		315,907
	Sinking Capital Fund		311,486
	Total	<u>3,020,897</u>	<u>6,742,470</u>
SCHOOL LUNCH ENTERPRISE FUND			
	General Fund	<u>3,201,128</u>	
	Total	<u>3,201,128</u>	
	TOTAL OPERATING TRANSFERS	<u>\$11,094,686</u>	<u>\$11,094,686</u>
PRIMARY UNIT/COMPONENT UNIT TRANSFERS			
GENERAL	Component Unit		\$ 458,512
COMPONENT UNIT	General Fund	\$ 458,512	
The Jefferson Community Charter School			
	TOTAL COMPONENT UNIT TRANSFERS	<u>\$ 458,512</u>	<u>\$ 458,512</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE FG-3

SCHEDULE OF COMPENSATION PAID TO SCHOOL BOARD MEMBERS
YEAR ENDED JUNE 30, 1997

Board Member	Number of Days Served	Compensation
Barry Barkdon	360	\$ 5,000
Cedric Floyd	360	10,000
D. H. Gaidy	360	5,000
Gene Kassarik	360	5,000
Marin B. Marino	360	5,000
Liddy Moses	360	5,000
Laura Rolling	360	10,000
Dr. Polly Thomas	360	5,000
Robert Wolfe	360	<u>5,000</u>
TOTAL		<u>\$ 87,000</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

LAST TEN FISCAL YEARS

Fiscal Year	Administration	Supporting Services	Non Instruction	Interest(2)	Capital Projects	Debt Service	Total
1983-84	\$ 112,378,186	\$ 60,315,024	\$ 378,823	\$ 251,333	\$ 1,893,746	\$ 26,208,673	\$ 209,992,817
1984	124,474,733	62,692,759	714,235	1,482,098	3,363,181	26,211,240	219,196,227
1985	146,331,267	65,442,524	1,113,217	416,112	4,694,779	25,648,064	243,605,933
1986	172,339,311	66,999,133	1,083,974	393,226	3,796,919	25,823,986	249,991,641
1987	161,656,376	65,793,800	226,919	998,835	2,321,822	26,894,487	249,603,144
1988	168,082,402	67,381,345	603,818	193,832	3,474,423	36,664,781	264,549,883
1989-90	166,647,300	82,869,917	2,823,569	-	3,381,828	25,599,287	284,799,912
1990	175,123,126	83,776,330	2,493,128	-	18,093,108	181,208,366 (3)	374,919,895
1991	173,742,974	86,515,166	2,316,526	-	11,892,113	34,126,268	308,225,713
1992	176,819,658	81,659,589	3,837,279	-	12,315,180	27,891,299	304,434,833

NOTES:

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds.

(2) In fiscal 1993, the State Department of Education changed its method of account. Business and other benefits expenditures previously classified as general administrative under supporting services, were reclassified and reported under the function to which they relate.

(3) Includes General Fund only.

(4) In fiscal 1994, the State Department of Education changed its method of account for reporting purposes.

(5) Includes approximately \$75 million of debt retired during fiscal 1995 as a refinancing, which originated during fiscal 1993.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 2

GENERAL REVENUES BY SOURCE (1) LAST TEN FISCAL YEARS

Fiscal Year	Local Taxes (2)	Tuition From Parents	Other Local Sources	Total Local Sources	State Sources	Federal Sources	Total Revenue
1988	\$ 80,994,813	1,747,890	\$ 11,316,540	\$ 94,059,243	\$ 65,945,429	\$ 10,170,689	\$ 170,215,361
1989	82,039,347	548,365	14,579,787	97,167,499	65,158,826	11,332,943	173,659,278
1990	82,131,235	789,919	17,928,689	100,850,843	63,990,482	11,427,917	176,269,242
1991	98,249,268	769,632	18,394,173	117,413,073	128,027,537	11,532,444	256,973,054
1992	98,117,349	777,113	16,209,839	115,104,291	127,071,829	13,099,832	255,275,952
1993	104,965,843	808,543	21,432,887	127,197,273	152,999,884	15,183,871	295,381,028
1994	125,891,906	811,302	23,541,818	149,245,026	152,502,594	16,517,316	298,264,936
1995	133,131,639	859,696	26,359,213	160,350,548	173,895,999	18,145,965	352,642,512
1996	144,308,022	899,633	18,647,729	163,855,384	178,999,832	21,600,532	364,455,748
1997	141,234,387	842,339	14,974,997	157,051,723	185,295,332	26,137,364	368,484,419

NOTES:

- (1) Includes General, Special Revenues, Debt Service and Capital Projects Funds.
- (2) Includes penalty-refundable and other judgments.
- (3) Includes approximately \$12 million of interest income on a guaranteed investment contract.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections (1)	Percent of Tax Collected	Prior Year Delinquent Tax Collections(2)
1988	\$18,471,625	\$17,508,290	94.85	\$347,930
1989	18,388,630	17,120,878	94.25	873,736
1990	20,850,862	19,181,325	95.28	808,599
1991	19,838,288	17,901,896	90.24	333,288
1992	15,358,546	14,724,338	96.88	811,437
1993	17,475,590	16,596,838	94.97	635,627
1994	16,596,138	15,376,482	90.86	696,183
1995	16,888,887	15,876,437	93.58	515,579
1996	18,534,526	17,284,619	90.33	390,324
1997	19,888,340	17,848,204	90.88	302,384

NOTES:

(1) The Jefferson Parish Sheriff's Office is the collecting agent for the School System.

(2) Includes interest and penalty collections and other judgments.

(3) Includes uncollected from the current year net of adjustments.

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

TABLE 3

Total Cash Collections (\$)	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes (\$)	Percent of Delinquent Taxes to Tax Levy
\$18,876,265	97.86	3,816,970	3.04
18,312,844	99.83	1,881,749	3.85
19,760,734	98.22	448,127	3.23
18,674,789	96.22	873,823	4.24
13,555,747	102.22	313,866	3.26
13,282,477	98.61	664,738	3.89
18,272,684	98.89	405,343	3.44
18,000,086	96.53	383,791	2.25
13,673,633	95.48	363,151	1.85
18,351,588	96.24	336,837	1.78

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

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

Fiscal Year	Real Estate		Personal Property		Public Service Corporations	
	Assessed	%	Assessed	%	Assessed	%
1985	\$1,428,028,500	77	\$295,994,768	16	\$196,860,190	1
1989	1,468,876,281	78	288,367,266	15	198,781,780	1
1990	1,478,811,052	77	295,753,283	16	197,260,870	1
1991	1,418,419,580	76	308,353,838	16	184,279,020	1
1992	1,398,291,487	75	314,981,803	17	158,233,440	1
1993	1,414,993,180	75	322,899,835	17	187,831,830	1
1994	1,402,928,080	75	328,024,808	17	158,954,080	1
1995	1,448,822,881	73	364,135,874	18	171,338,058	1
1996	1,364,833,023	73	408,134,811	20	154,277,510	1
1997	1,595,029,436	73	432,388,100	21	188,245,410	1

NOTE:

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

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

TABLE 4

Total Assessed	%	Homestead Exempt	Taxable Value
\$1,868,976,458	100	\$439,354,810	\$1,429,621,648
1,898,025,257	100	649,096,823	1,248,928,434
1,812,827,588	100	603,693,698	1,209,133,890
1,862,045,589	100	624,148,892	1,237,896,697
1,862,686,888	100	627,176,242	1,235,510,646
1,885,420,785	100	642,492,258	1,242,928,527
1,882,536,080	100	648,002,809	1,234,533,271
1,878,536,823	100	653,914,838	1,224,621,985
1,927,286,596	100	780,828,220	1,146,458,376
2,216,662,989	100	784,683,890	1,431,979,099

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE B

PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Fiscal Year	Jefferson Parish Public School System			Jefferson Parish	Parish Other	Total
	Maintenance and Operation	Debt Service	Total			
1988	0.57	0.41	0.98	1.25	0.41	2.65
1989	0.57	0.39	0.96	1.31	0.41	2.68
1990	0.66	0.30	1.00	1.53	0.41	2.94
1991	0.83	0.31	1.04	1.23	0.47	2.72
1992	0.58	0.24	0.82	1.34	0.65	2.81
1993	0.68	0.21	0.89	1.38	0.65	2.94
1994	0.63	0.24	0.88	1.43	0.64	2.96
1995	0.86	0.29	0.99	1.38	0.65	2.99
1996	0.69	0.31	1.00	1.48	0.65	3.15
1997	0.82	0.27	0.98	1.38	0.66	2.81

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value (In Thousands)	Gross Bonded Debt (\$)	Debt Service Mileage Available (\$)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value
1958	21,862,977	144,760,080	21,708,927	843,051,873	2.31
1959	1,896,025	48,000,000	2,515,466	38,084,534	2.01
1960	1,912,827	36,388,080	4,123,331	32,264,749	1.71
1961	1,862,046	32,385,000	5,490,934	27,284,066	1.46
1962	1,862,607	28,975,000	2,948,831	25,026,169	1.38
1963	1,895,415	24,158,000	1,640,753	22,289,247	1.18
1964	1,882,516	22,922,800	233,858	19,069,050	1.03
1965	1,979,517	22,830,800	-	15,500,000	0.78
1966	2,127,283	31,275,800	193,948	11,070,052	0.51
1967	2,256,693	6,790,800	790,403	6,024,398	0.27

NOTE:

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana December 31, 1966 CAFR.

(2) Includes only All Veterans Tax Bonds.

TABLE 6

Parish Population (X)	Net Bonded Debt Per Capita	Assessed Valuation Per Capita
471,482	81	3,947
468,509	81	4,947
483,824	70	4,108
448,206	61	4,358
451,343	57	4,322
456,389	49	4,331
437,669	43	4,319
437,481	34	4,319
438,456	34	4,708
433,781	13	4,864

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 7

COMPUTATION OF LEGAL DEBT MARGIN

JUNE 30, 1997

1997 total appraised valuation for school tax purposes (1)		\$2,218,682,948
Debt limit percentage		<u>18 %</u>
Legal debt limit		231,668,259
Total bonded debt	\$ 6,793,800	
Less (plus) - Reserve (deficit) for retirement of bonded debt	<u>778,400</u>	
Net bonded debt applicable to debt limit		<u>5,024,599</u>
Legal debt margin		<u>\$ 226,643,660</u>

NOTE:

(1) The 1997 tax year appraised value is used for fiscal year 1997 tax purposes.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 8

COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)
JUNE 30, 1997

	Net Bonded Debt	Percentage Applicable to the System	System Share of Debt
Jefferson Parish Public School System	\$ 8,034,598	100	\$ 8,034,598
Jefferson Parish	88,730,080	100	88,730,080
West Jefferson Levee District	1,400,000	100	1,400,000
City of Kenner	1,985,000	100	1,985,000
City of Mandeville	<u>45,000</u>	100	<u>45,000</u>
Total direct and overlapping debt	<u>\$98,174,598</u>		<u>\$ 98,174,598</u>
Taxable assessed valuation			\$1,511,978,559
Ratio of direct and overlapping debt to taxable assessed valuation			6.56 %
Direct and overlapping debt per capita			\$ 318

NOTE:

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 9

 RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT (2)
 TO TOTAL GENERAL EXPENDITURES
 LAST TEN FISCAL YEARS

Fiscal Year	Principal (2)	Interest and Fiscal Charges (2)	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1988	\$1,982,000	\$2,515,457	\$4,507,457	\$289,407,517	3.3
1989	4,180,000	2,311,689	6,501,689	209,196,207	3.1
1990	3,802,000	2,186,509	5,988,509	243,655,500	2.4
1991	4,083,000	1,900,000	5,983,000	249,960,841	2.4
1992	4,210,800	1,783,903	5,994,703	258,652,164	2.3
1993	4,417,800	1,483,974	5,901,774	264,348,683	2.2
1994	4,233,800	1,371,392	5,604,392	264,348,912	2.1
1995	4,425,800	1,056,699	5,479,699	273,319,093	2.0
1996	4,325,800	823,865	5,149,665	262,215,703	1.9
1997	4,488,800	396,480	5,079,480	268,424,827	1.9

NOTE:

(1) See Table 1.

(2) Includes only Ad Valorem Tax Bonds.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 10

**DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS**

Fiscal Year	Parish Population (1)	Average Daily Membership (2)	Average Daily Attendance (2)	Percent of Attendance
1988	411,482	34,796	33,210	95.8
1989	408,530	37,040	33,006	89.1
1990	405,624	34,381	32,443	94.7
1991	448,336	37,971	33,643	88.6
1992	431,343	41,393	36,193	87.2
1993	456,389	35,341	40,643	88.8
1994	437,689	37,628	33,488	89.8
1995	437,481	37,823	33,984	90.9
1996	438,436	32,008	40,908	94.1
1997	434,341	32,824	42,818	94.2

NOTES:

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana (December 31, 1996) CAPS.

(2) Source: State Annual Financial and Statistical Report.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS LAST TEN FISCAL YEARS

Fiscal Year	Assessed Property Value	Single Family Units	Residential Construction		
			Value	Multi-Family Units	
1988	\$1,860,976,458	791	\$36,127,137	48	\$ 835,874
1989	1,896,021,257	908	26,973,837	6	362,336
1990	1,912,827,305	487	37,647,468	30	12,802,653
1991	1,863,045,309	409	24,123,978	1	10,448,535
1992	1,863,686,808	523	31,423,831	0	0
1993	1,885,420,783	593	34,762,428	13	755,284
1994	1,882,116,808	608	35,803,869	160	9,175,080
1995	1,975,116,823	608	29,128,869	23	8,888,080
1996	2,177,286,396	536	23,664,869	348	8,718,080
1997	2,236,662,848	494	32,979,869	211	7,208,080

Source: Jefferson Parish Assessor's Office, Finance Department, and Department of Inspection and Code Enforcement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 13

PRINCIPAL TAXPAYERS

Name of Taxpayer	Type of Business	1998 Assessed Valuation (Amounts in thousands)	Percent of Total Assessed Valuation
Louisiana Power & Light	Electric Utility	\$ 48,359	2.18 %
South Central Bell	Telephone Utility	47,684	2.15
Armedale Shipyards, Inc.	Shipbuilding	33,259	.68
Louisiana Gas Service	Gas Utility	31,847	.53
Lakeland Shopping Center	Shopping Mall	30,503	.48
Cyton Industries, Inc.	Chemical Plant	9,003	.41
Illinois National Bank	Financial Institution	8,368	.38
Freight Mobilox	Diversified	7,348	.32
Road Superior Express	Grocery	3,528	.15
CP Corner Associates	Real Estate	<u>4,825</u>	<u>.23</u>
		<u>\$ 166,808</u>	<u>7.53 %</u>

Source: Jefferson Parish Assessor's Office.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 13

MISCELLANEOUS INFORMATION

COMPARATIVE AVERAGE COST PER PUPIL:

Year	Total Expenditures(1)	Daily Membership	Cost Per Pupil
1988	\$208,387,313	56,736	\$3,683
1989	218,186,227	57,840	3,843
1990	243,653,500	56,591	4,306
1991	249,961,640	57,971	4,313
1992	275,653,304	63,553	4,339
1993	264,349,683	55,241	4,789
1994	281,789,812	57,638	4,940
1995	303,844,095 (2)	57,022	5,364
1996	382,325,313	52,088	7,341
1997	389,424,837	52,028	7,505

(1) Includes General, Special Revenue, Debt Service, Capital Projects and Expendable Trust Funds.

(2) Does not include \$70,075,808 debt retired during fiscal 1995 on a refinancing which originated during fiscal 1992.

STATISTICAL INFORMATION BASED ON AVERAGE DAILY MEMBERSHIP:

	1987	1988	1989	1994	1995
Average daily membership	52,834	52,088	57,022	57,638	55,241
Cost per pupil	\$ 3,579	\$ 3,813	\$ 3,584	\$ 4,348	\$ 4,789
State and federal funds	2,891	2,880	2,680	3,586	2,874
Local funds received	3,819	3,151	2,941	2,600	2,307
Tax levied	367	258	288	288	316
Outstanding bonds	3,214	3,488	2,314	3,118	3,398

MISCELLANEOUS STATISTICS:

Schools:	
Senior High Schools	9
Junior High Schools	5
Middle Schools	18
Elementary	52
Kindergarten	3
Special	3
Career Center	1
	<hr/>
	89
Staff:	
Total employees	9,125
Teachers	5,483

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
INDEPENDENT AUDITORS' REPORTS AND INFORMATION
REQUIRED BY THE SINGLE AUDIT ACT AND
GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED
JUNE 30, 1997

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

INDEPENDENT AUDITORS' REPORTS AND INFORMATION REQUIRED BY THE SINGLE
AUDIT ACT AND GOVERNMENT AUDITING STANDARDS
JUNE 30, 1997

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

Members of the School Board
Jefferson Parish, Louisiana

We have audited the financial statements of Jefferson Parish Public School System as of and for the year ended June 30, 1997, and have issued our report thereon dated October 17, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Deloitte Touche LLP Robert L. Company Hartford CT
October 17, 1997

REBOWE & COMPANY

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May 21, 1997, C.R.

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

Members of the School Board
Jefferson Parish, Louisiana

We have audited the compliance of Jefferson Parish Public School System with the types of compliance requirements described in the *1992 Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1997. Jefferson Parish Public School System's major federal programs are identified in the accompanying *Schedule of Expenditures of Federal Awards*. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Jefferson Parish Public School System's management. Our responsibility is to express an opinion on Jefferson Parish Public School System's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Governments Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 Jefferson Parish Public School System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Jefferson Parish Public School System's compliance with those requirements.

In our opinion, Jefferson Parish Public School System complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997. However, the results of our auditing procedures disclosed instances of

noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs.

Internal Control Over Compliance

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

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

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of Jefferson Parish Public School System as of and for the year ended June 30, 1997, and have issued our report thereon dated October 17, 1997. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Deloitte & Company

October 17, 1997

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 1997

Statement of Expenditures of Federal Funds

Federal CFDA Number	Fiscal Year Through Contractor's Number	Programs or Award Amount	Receipts or Revenues Recognized	Expenditures/Expenses
Federal Grants/Pass-Through Contractor Programs Title				
U.S. Department of Education				
Direct Programs				
Elementary and Secondary Education				
Act of 1965 - Title VI				
64-2099	0000000004	176,479	3	96,000
64-2091	7290130227	260,000	6,000	50,000
64-2000	7290130225	240,000	25,114	259,134
64-2099	0000000002	190,000	38,332	38,332
			48,446	48,446
64-0006	0000000000-00	21,000	21,129	21,129
			21,129	21,129
			205,615	205,615
64-2190	9140000	220,000	21,000	21,000
			21,000	21,000

Total Direct Programs

Pass-Through State Department of Education

Elementary and Secondary Education
Act of 1965 - Title I
Even Start/Early

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 1997

Schedule of Expenditures of Federal Awards (Continued)

Federal Award Title - Through Creative Programs Title	Federal CFDA Number	Pass-Through Grant(s) Number	Program or Activity Account	Benefits Received	Subrecipients Expenditures
U.S. Department of Education - Continued					
Passed Through Other Departments of Education:					
Elementary and Secondary Education					
ARJF 1985 - Title IV (P.L. 100-287)					
Emergency Assistance Education Program 84-49	84-162	-	85,195	\$ 13,013	\$ 13,055
Emergency Assistance Education Program 84-50	84-162	-	80,011	8,851	8,852
				82,485	82,482
Elementary and Secondary Education					
Act of 1985 - Title I					
Title I - Academically Deprived Children 84-56	84-038	11194-084-26	11,893,899	105,194	106,149
Title I - Academically Deprived Children 84-57	84-038	11195-084-26	11,820,897	10,228,429	10,228,429
Title I - Academically Deprived Children 85-56-59	84-038	00784-084-26-56	18,815	13,873	13,875
				11,251,692	11,254,681
Title I - Capital Expense 84-58					
Title I - Capital Expense 84-58	84-218	84-080-26	76,280	2,088	2,088
Title I - Capital Expense 84-59	84-218	84-080-26	77,080	27,288	27,500
				80,888	80,882
Title I - Bilingual Children and Youth 84-56					
Title I - Bilingual Children and Youth 84-57	84-098	-	76,080	2,678	2,678
Title I - Bilingual Children and Youth 84-57	84-098	-	76,080	49,504	49,504
				52,882	52,432
School Improvement 84-07					
School Improvement 84-07	84-218	-	128,880	101,294	101,294
School Support 84-07	84-218	-	11,888	11,198	11,198
				118,482	118,492
Elementary and Secondary Education Act of 1981					
Title II					
Challenge Grants for Technology in Education 84-07	84-300A	8305A-0841-07	101,128	81,424	81,424
Challenge Grants for Technology in Education 84-07	84-300A	8305A-0841-07	111,188	23,882	23,882
				105,306	105,306

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

Fiscal Year Ended June 30, 1997

Schedule of Depositors of Federal Assets (Continued)

Federal CFDA Number	Fiscal Year Grantor's Number	Program or Award Amount	Expenses or Revenues Reimbursed	Disbursement/ Expenditures
Federal Grants/Pass Through Grant Programs Title				
U.S. Department of Education - Continued				
Pass-Through State Department of Education				
Carl D. Perkins Vocational and Applied Technology - Missouri Act - Title I				
84.041	24-05-BB-14-060	578,615	478,225	478,225
84.042	24-05-BB-14-060	-	-	-
84.043	24-05-BB-20-050%	574,459	44,824	44,824
			330,128	330,128
84.002	-	223,041	112,582	112,582
Adult Education Act of 1966 Adult Education Program 94-59				
Total Pass-Through State Department of Education				
			645,632	645,632
TOTAL - U.S. DEPARTMENT OF EDUCATION				
			6,181,228	6,181,228
U.S. Department of Health and Human Services				
Pass-Through State Department of Health and Hospitals				
Title XIX - Early and Periodic Screening, Diagnosis, and Treatment School Nurse Program 94-57				
83.178	-	-	289,122	188,021
83.179	-	-	211,525	211,525
			511,647	399,546

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

for the Year Ended June 30, 1987

Statement of Departmental Budgetary Accounts - Continued

Federal CFDA Number	Fiscal Through Comptroller's Number	Program or Activity Account	Revenues or Services Allocated	Disbursement Expended
95-981	-	502,678	119,228	128,358
95-975	-	215,277	211,563	210,428
			<u>330,791</u>	<u>338,786</u>
U.S. Department of Health and Human Services - Continued				
Pass-Through State Department of Social Services				
Solid Security Act - Title IV				
Job Opportunities and Basic Skills Training (2-008)				
US Children and Development Services				
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
U.S. Department of Labor				
Pass-Through State Department of Labor Parish of Jefferson				
Job Training Partnership Act				
Job Placement and Training Program for the Handicapped (Handi- Jobs for Louisiana Children)				
17-288	-	76,660	76,660	76,660
17-258	-	134,867	128,025	128,685
			<u>204,725</u>	<u>205,345</u>
TOTAL U.S. DEPARTMENT OF LABOR				
U.S. Department of Agriculture				
Pass-Through State Department of Education				
Food Distribution (Commodities)				
School Breakfast Program				
Free and Reduced-Priced Meals				
National School Lunch Program				
Free and Reduced-Priced Milk				
Summer Food Service Program for Children				
62-150	01	-	604,678 (7)	628,881 (5)
30-111	01	-	4,716,958 (4)	3,719,281 (4)
30-111	01	-	9,118,562 (4)	8,318,887 (4)
30-111	01	-	262,473 (5)	262,423 (4)
			<u>4,686,113</u>	<u>3,929,476</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 1997

Schedule of Expenditures of Federal Awards (Continued)

Federal Grantor (Name Through Grantor Program Title)	Federal CFDA Number	Fiscal Year Grantor's Number	Program or Award Account	Receipts or Revenue Recognized	Disbursed Expenditures
Child Support Pass-Through Married, At Risk and Home Office Training Corp. (BOTH)	-	-	-	\$1,653	\$1,653
TOTAL FEDERAL AWARDING				\$1,653	\$1,653

(1) Represents a major program.

(2) This amount represents the value of Commodities received by the School System during the year ended June 30, 1997.

(3) This amount represents the value of Commodities used by the School System during the year ended June 30, 1997.

(4) This amount represents the cash already received by the School System during the year ended June 30, 1997.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1997

Finding Source	Findings	Questioned Costs
Department of Education CFDA No. 84.023A	<p data-bbox="412 361 536 381">FINDING 97-1</p> <p data-bbox="412 409 636 615">The State Department of Education requires that each student who receives assistance through the Individuals with Disabilities Act of 1990 must receive an Individual Evaluation Plan ("IEP") on at least an annual basis.</p> <p data-bbox="412 641 636 750">In 1 of the 48 files we reviewed for compliance, we noted that an annual IEP was not found in the student's file.</p> <p data-bbox="412 783 513 802">RESPONSE:</p> <p data-bbox="412 828 636 982">The School System has reviewed this file and this student has left the Public School System. In the future, the School System will obtain an IEP on all students.</p>	None

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
 For the Year Ended June 30, 1997

Finding Source	Findings	Questioned Costs
Department of Agriculture CPDA No. 18.550	<p style="text-align: center;">FINDING 90-3</p> <p>The State requires that schools participating in the National School Lunch Program have adequate support for all expenditures submitted for reimbursement.</p> <p>The School System does not have a copy of its contract with its cold storage commodities warehouse on file. As a result, storage fees cannot be verified to contracted amounts.</p> <p style="text-align: center;">RESPONSE:</p> <p>The School System is aware of the requirement and has made every effort to obtain a copy of the current contract, however, no copy is available. Currently, the School System is operating on its prior year contract.</p>	None

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
SUMMARY OF AUDIT RESULTS AND STATUS OF PRIOR YEAR'S FINDINGS
For the Year Ended June 30, 1993

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses a *unqualified opinion* on the general-purpose financial statements of the Jefferson Parish Public School System.
2. No reportable conditions relating to the audit of the financial statements of Jefferson Parish Public School System were noted during the audit.
3. No instances of noncompliance material to the financial statements of Jefferson Parish Public School System were noted during the audit.
4. No reportable conditions relating to the audit of the major federal award programs is reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for Jefferson Parish Public School System expresses an *unqualified opinion*.
6. Audit findings relative to the major federal award programs for Jefferson Parish Public School System are reported in the *Schedule of Findings and Questioned Cost*.
7. The programs listed as major programs include:
 - A. Individuals with Disabilities Act of 1990-Part B CIPDA No. 84-827A
 - B. Elementary and Secondary Education Act of 1965-Title I CIPDA No. 84-818
 - C. Department of Agriculture National School Lunch Program CIPDA No.10-583
8. The threshold for designating major and non-major programs was \$1,007,311.
9. The Jefferson Parish Public School System elected to use the same criteria for selecting its major programs as in prior years for the above listed programs as allowed by first year implementation guidelines under the Single Audit Act of 1996 and OMB-153 and thus no risk level was determined.

STATUS OF PRIOR YEAR'S FINDINGS

The School System has taken corrective action on all findings from our prior year audit report dated October 25, 1992.



October 17, 1997

Jefferson Parish School Board
4908 River Road
Metairie, Louisiana 70002

Dear Members of the Board:

The approach of the year 2000 presents significant issues for many financial, information, and operational systems. Many systems in use today may not be able to interpret dates after December 31, 1999 appropriately, because such systems allow only two digits to indicate the year in a date. As a result, such systems are unable to distinguish January 1, 2000, from January 1, 1900, which could have adverse consequences on the operations of the entity and the integrity of information processing, causing safety, operational, and financial issues.

Our audit of Jefferson Parish Public School System's (School System's) financial statements for the year ended June 30, 1997, will not provide any assurance that the School System's systems or any other systems, such as those of the School System's vendors, service providers, customers, or other third parties, are year 2000 compliant, nor will our audit provide any other assurance regarding the year 2000. In addition, we are not engaged to perform, nor will we perform, any procedures to test whether the School System's systems or any other systems are year 2000 compliant or whether the plans and activities of the School System are sufficient to address and correct systems or any other problems that might arise because of the year 2000. Accordingly, we will not express any opinion or provide any other assurance regarding the year 2000.

However, during audit field work in the period ended October 17, 1997, we made limited inquiries about the School System's activities to address the year 2000 issue. We have not performed any procedures to test the accuracy or completeness of the responses to our inquiries, but we have noted that the School System's management has formed a Year 2000-compliance committee. This committee has developed a plan for becoming year 2000-compliant. Because year 2000 activities are currently in process, we may have had additional observations had we made inquiries after the date of this letter. Accordingly, we encourage the management and the Board to continue its oversight of School System's year 2000 activities.

This report is intended solely for the information and use of management, the Board and others within the organization.

Yours truly,

Deloitte & Touche LLP

Deloitte & Touche LLP

781 Poydras Street
Suite 2700
New Orleans, Louisiana 70119
(504) 551-2727

Rebore & Company

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Suite 818
Metairie, Louisiana 70002
(504) 831-0123

Hanford M. Harrison, CPA

1827 Military Avenue
Gretna, Louisiana 70056
(504) 368-1504

October 17, 1997

Jefferson Parish School Board
4080 River Road
Metairie, Louisiana 70003

Dear Members of the Board:

In planning and performing our audit of the general purpose financial statements of the Jefferson Parish Public School System (School System) for the year ending June 30, 1997, we developed the following recommendations concerning certain observations and recommendations on accounting, administrative and operating matters. A description of the responsibility of management for establishing and maintaining an internal control structure, and the objectives of and inherent limitations in such a structure, is set forth in the attached Appendix, and should be read in conjunction with this letter. Our comments are presented in Exhibit I and are listed in the table of contents thereto.

This report is intended for the information of the School Board, management, the State of Louisiana Legislative Auditor, and officials of applicable federal and State agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Yours truly,

Deloitte & Touche LLP Rebore & Company Hanford M. Harrison

ACCOUNTING, ADMINISTRATIVE AND OPERATING MATTERS

FIXED ASSETS

Program Software

Observation

The School System's fixed asset accounting system does not adequately account for all assets in the General Fixed Asset Account Group ("GFAAG").

Background

The School System has developed its own fixed asset accounting system which is not interfaced with the general ledger accounting system. Because the two systems are not interfaced, fixed asset additions and deletions in the sub-ledgers must be reconciled with the various general ledgers periodically. Presently, these reconciliations require extensive time to perform and have resulted in significant adjustments in prior years due to the number of assets included in the GFAAG. In the current year, School System personnel noted that fixed assets purchased with the proceeds from the 1980 Series Sales Tax Bonds were inadvertently omitted from the GFAAG in prior years when the GFAAG was not audited. Upon discovery of these assets, a price period adjustment of approximately \$1 million was recorded in the GFAAG.

Recommendation

We strongly recommend that the School System replace its Fixed Asset Accounting System with a system capable of interfacing with the general ledger accounting system and that the threshold for capitalization be raised from its present value of \$100 to a minimum of \$1,000. Items below this threshold can be tagged for identification purposes but the administrative burden of tracking such smaller items over subsequent years outweighs the risk of potential loss. In addition, a complete inventory of all fixed assets will be needed once the new system is in place.

Management's Response

The School System agrees with this recommendation and is currently reviewing software packages. A new GFAAG software system should be implemented by the end of the 87-88 school year. The threshold for capitalization will also be raised to \$1,000 for all assets except when prohibited by State and/or Federal requirements.

Charter School

Observation

The Jefferson Community Charter School has not yet established a capitalization policy for its capital purchases. While a fixed asset tracking system has been established, the School has not set up a General Fixed Asset Account Group to inventory and monitor the value of all capital assets.

Recommendation

The Charter School should have a General Fixed Asset Account Group, similar to that of the School System. It should also establish a capitalization policy and follow such policy for all property additions.

Management's Response

The Chief of Accounting will, as a part of the annual audit of the operations of the Charter School, establish a General Fixed Asset Account Group similar to that of the Jefferson Parish Public School System. This action is scheduled prior to year end 1997.

SCHOOL LUNCH FUNDS - FREE LUNCHES

Discussion

Based upon the actual number of meals served at the current price per meal charged, the actual revenues in the Lunch Fund were less than the computed amount by approximately \$480,000 over the last two years.

Background

Upon inquiry with school personnel, we determined that the \$480,000 difference can mainly be attributed to free meals given to cafeteria employees. The Louisiana State Department of Education *Plan of Nutrition Services 1996 Operating Policy Manual* (last revision 1993) states that "site-based school food service employees and volunteers are eligible to receive one free breakfast and lunch daily." We determined that there are approximately 850 cafeteria employees throughout the school system who are eligible for free meals per the state manual. Current cost of meals and price for meals is \$2.85 and \$2.58 for lunches and \$1.15 and \$1.25 for breakfast, respectively. At this level, the School System forfeits approximately \$480,000 in revenues and absorbs the approximate \$448,000 cost of these meals per year. In fiscal year ended June 30, 1997, the Jefferson Parish Public School System lunch fund had a operating loss of approximately \$600,000. During fiscal 1995, food costs increased by more than 10% while food service sales declined by 2%.

Recommendation

While not mandated by the state manual, the School System policy has been to allow serving free meals to cafeteria employees. Since the School System has seen increased and its food services along with declines in participation in the lunch program over the past five years, the School System should revisit its policy of serving free lunches to determine if this benefit should be subsidized by an employee contribution. Alternatively, other forms of revenue enhancement should be considered to absorb this cost.

Management's Response

Food service employees are low paid workers. The free meals are benefits and help to deter theft. Also, employees eating the food ensures quality and wholesomeness. No other school board charges employees for food. The Jefferson Parish Public School System has created other forms of sales to decrease its operating loss, for example, yogurt machines and cappuccino machines.

YEAR 2000

Observation

In our letter to you dated October 17, 1997, we informed you that (1) we made limited inquiries of management regarding their activities to address the year 2000, (2) our audit of Jefferson Parish Public School System's financial statements for the year ending June 30, 1997, will not provide any assurance that the School System's systems or any other systems, such as those of School System's vendors, and service providers are year 2000 compliant, nor will our audit provide any other assurances regarding the year 2000, and (3) we are not engaged to perform, nor will we perform, any procedures to test whether the School System's systems or any other systems are year 2000 compliant or whether the plans and activities of the School System are sufficient to address and correct the system or any other problems that might arise because of the year 2000. Accordingly, we will not express any opinion or provide any other assurances regarding the year 2000.

During our discussions with management, we noted that management is in the planning phase of addressing the year 2000 problem.

Recommendation

The School System should continue to aggressively address the year 2000 problem.

Management's Response

At the School Board Meeting of November 12, 1997, the Board's Technology Committee accepted the Superintendent's recommendation to purchase a new IBM Mainframe that is Year 2000 compliant. This is the first step in the continuing process to accomplish the software and hardware changes to year 2000 compliance.

MAINTENANCE DEPARTMENT CONTROLS

To assist the School System in testing the effectiveness of its revised internal control procedures implemented in August 1996 and further documented in its policy and procedures manual issued in May 1997, we selected 170 maintenance invoice packages. One of the key control procedures implemented in the revised policies requires the preparation by the contractor and sign-off by School System personnel of a "Job Verification Form" upon leaving the site of the work performed. There were approximately 400 Job Verification Forms included in the 170 maintenance invoice packages reviewed. The following summarizes the results of our test of the maintenance invoice packages:

- Thirty-three (33) of the approximately 400 Job Verification Forms did not have all of the required portions of the form filled out as required.
- We noted one vendor for which there was a recurring problem of items added in the line-out portion of the Job Verification Form. This vendor is no longer a service contractor of the School System.
- We noted several instances where contractors were not signing in and out for lunch as required by the policy. The contractors did however reduce their invoiced time by their 1/2 hour lunch break.
- Four (4) of the approximately 400 Job Verification Forms did not have a signature of the school representative as required.
- Four (4) of the 170 invoice packages reviewed did not have the required certification stamp as required by the policy.

- Of the 120 invoice packages reviewed, we noted seven (7) instances where parts and materials in excess of \$50 were invoiced without adequate supporting documentation. Total unsupported parts and materials invoiced was \$398.

In connection with the issuance of the School System's policy and procedures manual in May 1987, the Schools are now required to maintain the original white copy of the Job Verification Form to be compared to the copy submitted by the contractor with the invoice. Of the twenty-three (23) invoice packages reviewed subsequent to the issuance of the policy and procedures manual, ten (10) did not have a school copy of the form to compare to the contractor's copy.

While reviewing the invoices for equipment usage charged to the School System, we noted some inconsistencies in equipment charges. Certain vendors' invoices included a four hour minimum guarantee while other vendors billed hourly. The School System is working to clarify this portion of its policy.

Based upon our review, we observed certain requirements of the policy and procedures manual that may need further clarification to improve compliance and consistency among vendors. They are as follows:

- The definition of skilled labor for the purpose of determining whether the four (4) hour minimum guarantee applies.
- Clarification as to whether the four (4) hour minimum guarantee applicable to skilled laborers also applies to their helpers.
- Clarification as to whether the delivery of limestone and sand requires the completion of a Job Verification Form.
- Clarification as to whether equipment rates include the labor of the equipment operators.

In summary, the compliance with the controls implemented in August 1986 and formalized as part of the policy and procedures manual issued in May 1987 are being followed with limited exceptions. We have noted some improvement since our last review. The Maintenance Department personnel should continue to review the Job Verification Forms and vendor invoices in order to reduce the instances of non-compliance with the policy.

Management's Response:

The process of handling maintenance service contract services and the verification/development of invoices continues to be an item of concern and as such will continue to be audited by the Chief Finance Officer on a routine and random basis to insure as best as humanly possible zero (or a minimum) deviations from policy.

NEW ACCOUNTING PRONOUNCEMENTS

GASB STATEMENT NO. 31

Discussion

The Governmental Accounting Standards Board ("GASB") has issued Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." GASB Statement (GASBS) No. 31 will become effective for the School System for periods beginning after June 15, 1997. It requires that most investments be recorded at fair value. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction between willing parties. This method of accounting will cause fluctuations in reported investment values based on fluctuations in the investment market. Fluctuations in the fair value of investments will be recorded in the operating statements, in accordance with GASBS No. 31. Reported investment income will be affected as amounts formerly included from the operating statements as "unrealized," or non-cash, gains and losses will now be included.

Recommendation

Management should evaluate the impact of GASBS No. 31 on the School System's investment policy and strategy. Management will need to establish and implement procedures to ensure that all information required to monitor the fair value of investments is available and can be recorded appropriately. Items of the School System's financial statements may need to be adjusted on the effects on the financial statements of this change in accounting for investments.

GASB STATEMENT NO. 32

Discussion

GASB has also issued Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans" in October 1997. GASBS No. 32 was issued in response to a change in Internal Revenue Code Section 457 on August 20, 1996. This Code Section now requires that all assets and income of the Deferred Compensation Plans established under Code Section 457 must be held in trust for the exclusive benefit of the participants and their beneficiaries. Existing plans are required to comply with this requirement by January 1, 1998.

Recommendation

Management should evaluate the impact of GASBS No. 32 on the School System's Deferred Compensation Plan. The plan will have to be amended to comply with the change in the Code. When the plan is amended to that the assets and income are held in trust for the exclusive benefit of the participants and their beneficiaries, the plan will no longer be included in the School System's financial statements as an Agency Fund.

Management's Response

Management will consult with the auditors in the coming months to assess the impact of these GASB Statements on our financial presentation. In addition, the Deferred Compensation Plan will be amended to conform with recent amendments to the Internal Revenue Code.

STATUS OF PRIOR YEAR COMMENTS

PAYROLL PROCESSING

Direct deposit of payroll checks was implemented for the fiscal year beginning July 1, 1997.

INVESTMENTS

Investment reconciliations are reviewed each month by an independent accounting supervisor.

APPENDIX

MANAGEMENT'S RESPONSIBILITY FOR, AND THE OBJECTIVES AND LIMITATIONS OF, THE INTERNAL CONTROL STRUCTURE

The following comments concerning management's responsibility for the internal control structure and the objectives of and the inherent limitations in the internal control structure are adapted from the *Statements on Auditing Standards of the American Institute of Certified Public Accountants*.

Management's Responsibility

Management is responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures.

Objectives

The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Limitations

Because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.