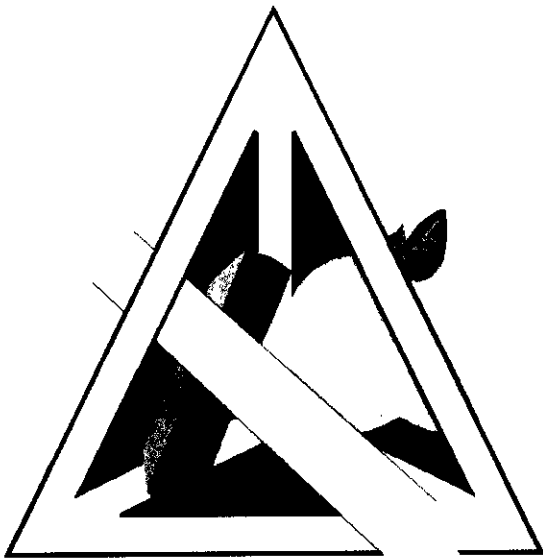


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Under the provisions of state law, this report is a public document. A copy of the report has been submitted to the Mayor and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative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

Release Date 1-12-05

**Lafayette, Louisiana**

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
JUNE 30, 2004

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



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For the Fiscal Year Ended  
June 30, 2004

## LAFAYETTE PARISH SCHOOL SYSTEM Lafayette, Louisiana

Prepared by the Business Services Division:

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Assistant Superintendent of Finance

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Director of Finance

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Brent Hebert, Renee Credeur, Donald Garber, Amy Lawrence, Josette Duhon, Barbara Addison,  
Teresa Duran, Etta Joseph, Cindy Conque, Lisa Haydon, Melissa Green, Yvonne Menard, Kay Ledet,  
Susan Kinkade, Pat Wooters, Sandra Compton, Carl Meche, and Robert Simpson**



LAFAYETTE PARISH  
SCHOOL SYSTEM

Lafayette Parish School System  
Lafayette, Louisiana  
**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended June 30, 2004

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Lafayette, Louisiana

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Lafayette Parish School System  
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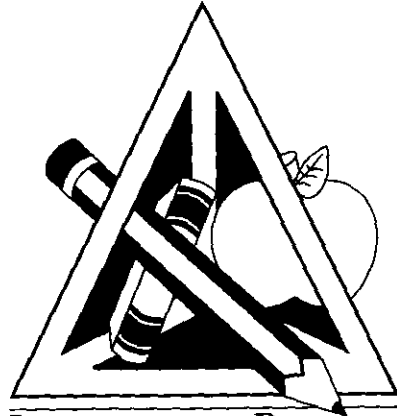
Lafayette Parish School System  
Lafayette, Louisiana  
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# INTRODUCTORY SECTION



LAFAYETTE PARISH  
SCHOOL SYSTEM





## LAFAYETTE PARISH SCHOOL SYSTEM

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P. O. Drawer 2158 • Lafayette, LA 70502-2158 • (337) 236-6800

December 3, 2004

The President and Members of the  
Lafayette Parish School Board  
113 Chaplin Drive  
Lafayette, Louisiana 70508

Dear Board Members:

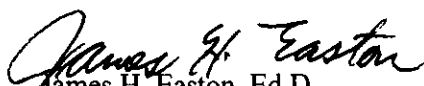
With pleasure, I submit to you the Comprehensive Annual Financial Report (CAFR) of the Lafayette Parish School System for the fiscal year ended June 30, 2004.

Again last year, we applied for and received the prestigious Government Finance Officers Association's (GFOA) Certification of Achievement for Excellence in Financial Reporting and the Association of School Business Officials' (ASBO) Certification of Excellence in Financial Reporting. These awards are important because they represent national acknowledgement from our peers that the Lafayette Parish School System has achieved excellence in financial reporting. Receipt of these prestigious awards also demonstrates that we are using sound financial and accounting reporting practices and demonstrating conscientious stewardship of public dollars. We are again preparing the CAFR in compliance with national standards and we will submit it with the expectation of recognition for the twelfth consecutive year.

The Business Services Division is to be commended for their efforts and compliance with the national standards. Further, special recognition is due the many staff members whose leadership and ability are moving us toward the highest standards of fiscal accountability.

Finally, please let me take this opportunity to thank the School Board for their support and direction.

Respectfully submitted,

  
James H. Easton, Ed.D.  
Superintendent

jbs



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LAFAYETTE PARISH  
SCHOOL SYSTEM

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## LAFAYETTE PARISH SCHOOL SYSTEM

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P. O. Drawer 2158 • Lafayette, LA 70502-2158 • (337) 236-6800

December 3, 2004

To the Members of the Board and the Citizens of Lafayette Parish:

The Lafayette Parish School System (referred to in this letter as the "School System" and LPSS) is required to issue a complete set of financial statements within six months of the end of the fiscal year. These statements have been prepared in conformity with United States generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Therefore, we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Lafayette Parish School System for the fiscal year ended June 30, 2004.

The CAFR is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, a copy of the latest Association of School Business Officials (ASBO) and Government Finance Officers Association (GFOA) Certificates and the School System's organizational data. The financial section includes the independent auditors' report, management's discussion and analysis, the financial statements, related notes, required supplementary information and other supplementary information that is not required but considered useful by management. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The single audit section includes various reports resulting from a single audit in conformance with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

### **Management Representations**

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the members of the Lafayette Parish School Board ("School Board") and management of the School System. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present in a fair manner the financial position and results of operations of various funds and account groups of the School System.

## **Internal Controls**

In developing and evaluating the School System's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls established by management are designed to provide reasonable, but not absolute, assurances that (1) assets are safeguarded against loss from unauthorized use or disposition and (2) transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with GAAP. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. We believe that the School System's internal accounting controls adequately safeguard assets and provide reasonable assurances of proper recording of financial transactions.

## **Independent Audit**

The School System's financial statements have been audited by Kolder, Champagne, Slaven & Company, LLC, a firm of licensed independent certified public accountants. The independent audit involved examining, on a test basis, the evidence supporting amounts and disclosures in the financial statements, assessing the accounting principals used and significant estimates made by management, and evaluating the overall financial statement presentation. The goal of this examination was to provide reasonable assurance that the financial statements of the School System for the fiscal year presented are free from material misstatements. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the School System's financial statements for the year presented are in conformity with U.S. GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

## **Single Audit**

As a recipient of federal and state financial assistance, the School System is responsible for ensuring that an adequate internal control structure is in place for compliance with applicable laws and regulations related to these programs. This system of internal control is subject to periodic evaluations by management and the staff of the School System.

As part of the School System's single audit, tests are made to determine the adequacy of the system of internal controls, including that portion related to federal financial assistance programs, and to determine that the School System has complied with applicable laws and regulations. These reports are available in the School System's Single Audit Section located at the end of this document.

## **Management's Discussion and Analysis (MD&A)**

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The School System's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the School System**

The Lafayette Parish School Board is a political subdivision created under Louisiana State Statutes and has the power to make rules and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the State Board of Elementary and Secondary Education. A board of nine members governs the School System, currently in the second year of their concurrent four-year term. The School System has no component units nor is it a component unit of any other entity.

Lafayette Parish School System is contiguous with the boundaries of Lafayette Parish. It is located in the south-central part of the State of Louisiana in a part of the country known as Acadiana, famous for its unique Cajun and Creole French heritage. Besides the city of Lafayette, which is the parish seat, there are five municipalities: Broussard, Carencro, Duson, Scott, and Youngsville. Lafayette Parish is strategically located at the crossroads of Interstates 10 and 49. To learn more about the School System or individual schools within the system, visit our website at [www.lpssonline.com](http://www.lpssonline.com).

It is the responsibility of the School System to make public education available to all Lafayette Parish residents. The School System provides a full range of educational services covering levels from preschool through adult education. Educational services include regular and enriched academic education, special education for disabled children, vocational education, and adult education. Other services such as assessment, library, tutoring, transportation and food services are provided to augment the primary services or to promote the welfare of the students. This report includes all funds and account groups of the School System.

## **Budget Process and Controls**

The annual budget process serves as the foundation for the School System's financial planning and control. Each year the School Board adopts a budget and approves the related appropriations for each fund. The budget for the Capital Projects Funds is prepared on a project basis and adopted annually to include carry-over for the prior years' incomplete projects. Beginning in January, all cost center supervisors are given information on the status of the current year's budget. They are required to review this information and prepare a budget request for the next fiscal year. The financial staff takes these requests and prepares a draft working document for review by administration in light of projected revenues and priorities of the School System. In early March, a proposed budget is then presented to the School Board for discussion in a series of evening public workshops designed to involve all areas of the community in the process. After the approved final draft of the document is placed on public display for at least ten days and an official public hearing is held, the final budget is then adopted. The State of Louisiana requires parish school systems to adopt the budget no later than September 15<sup>th</sup> of each year. The budgets for Special Revenue Funds, Capital Project Funds, Debt Service Funds, the Sales Tax Fund and the Group Insurance Fund for fiscal year 2003-2004 were adopted on July 17, 2003. All remaining funds for fiscal year 2003-2004 were adopted on August 20, 2003; therefore, we are in compliance with the state statute.

Following budget adoption, a unified budget document is produced which includes all significant funds. Including all funds in a single, unified document facilitates public and administrative review. Budgetary controls are exercised to ensure compliance with the annual appropriated

budgets, including subsequent amendments approved by the School Board. The School System maintains a computerized encumbrance accounting system as one technique of accomplishing budgetary control. During the fiscal year, management reviews periodic budgetary reports detailing the adopted or amended budget and the remaining budget available. A periodic financial review is presented to the School Board which highlights and explains revenue and expenditure developments and recommends budget revisions as necessary.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the School System operates.

### Local Economy

Lafayette is the focal point of an eight-parish metro-retail area encompassing more than 625,000 people. It is the financial, service, medical, educational, cultural, and retail capital of Acadiana. Lafayette is recognized as the administration, exploration, production, and marketing capital of the coastal offshore and much of the inland petroleum operations of Louisiana. The energy industry, learning lessons from the mid-1980's, has become leaner and more efficient. New technology has also made the search for oil and gas more effective. These developments should provide a more stable industry and help economic growth of the region.

Historically high energy prices should normally cause a rise in the number of energy related jobs in the area. However, in an economic report titled *The Louisiana Economic Outlook: 2005 and 2006* by economist Loren Scott and James Richardson, the Lafayette MSA has not received the expected increase in energy related jobs. The report states that they believe this is due to the State's litigious environment and the lack of progress on tort reform in the energy sector. However, the report does go on to highlight bright spots on the economic horizon with the construction of five new hotels and the addition of 400 new employees to the Cingular Call Center. In fact, the report projects job growth rates in 2005 and 2006 of 1.2% and 1.7%, respectively. These rates are slightly above the State average.

Lafayette is also the home of the University of Louisiana at Lafayette (UL Lafayette), the second largest university in the State and the largest in the University of Louisiana System. The university has approximately 16,500 students in attendance from all 50 States and over 100 foreign countries. UL Lafayette is a selective admissions university with 61 undergraduate programs, 29 master's degree programs and various doctoral programs. The university employs more than 1,500 people paying more than \$65 million in salaries and wages each year. UL Lafayette students are responsible for \$129 million of direct spending annually. The university will be featured in the 2006 edition of *America's Best Value Colleges*, a Princeton Review/Random House college guidebook that includes fewer than 100 schools. In addition, the university's Master's of Business Administration program is included in the 2005 edition of the *Princeton Review's Best 143 Business Schools*. UL Lafayette helps provide the Parish a stable economic base as well as a source of intellectual capital for the community and school system.

Retail sales in Lafayette Parish have increased each year for the past twelve fiscal years including the most recent year of July 2003 through June 2004. That fiscal year ended with an increase of 1.6%. Sales are categorized into ten groups (food, apparel, general merchandise, automotive, home furnishings, building materials, miscellaneous services, manufacturers, utilities, and miscellaneous). Six groups (food, apparel, general merchandise, building materials, utilities, and miscellaneous) showed an increase in the 2003-2004 fiscal year, with the largest increase in the general merchandise group. The remaining four groups had decreases, with the largest decrease in the home furnishings group. Future building growth, as measured by the dollar value of metro code building permits, decreased 11% for fiscal year ended June 2004. This compared to an increase of 28% for the prior fiscal year in which permits reached an all-time record of \$321 million.

Located at the intersection of interstates 10 & 49, Lafayette Parish continues to develop as a distribution center. During the current fiscal year, Schilling Distributing, a beer production and distribution company, completed a new \$10 million facility in North Lafayette. Also in the planning stages is a \$5 million furniture distribution center which will allow same-day delivery to most of south Louisiana.

Diversification is a major reason the Lafayette economy has done so well over the past eleven years. A key player in this process had been the medical industry. Lafayette has become known as a regional medical destination because of its superior health care facilities. Aging baby boomers are causing a dramatic increase in demand for health care services. The result is the completion of a new heart hospital and various major medical expansions.

The Lafayette Parish economy remains strong. The unemployment rate for the parish continues to hover at a low 3.4% (April 2004) and the parish is projected to increase in size and wealth in the coming years as it has steadily since 1990. Lafayette continues to be attractive to new business. In 2003 Entrepreneur magazine ranked Lafayette as the sixth best place in the South and eighteenth in the nation for entrepreneurial activity and small business and job growth.

Lafayette Parish has experienced high growth rates in some of the smaller communities in the southeastern part of the parish. The city of Broussard is currently Louisiana's top-ranked city for business employment growth at 69.7% and is in the top 100 in the U.S. Broussard is also anticipating further economic growth due to the pending extension of a major road from the city of Lafayette to U.S. Route 90 (future I-49 corridor) that will run through the city.

The town of Youngsville has experienced population growth of 11% in the past two years. This increase in population is fueling new retail and residential developments throughout the town. The first phase of a 2,000 acre project is now underway which will include a mix of residential and commercial development. Additional information about Lafayette and its economy can be found at [www.lafayette.org/home](http://www.lafayette.org/home).

#### Long-Term Financial Planning

A difficult challenge faced by the School System is balancing our operational needs with available resources. Increased expenditures associated with Schools of Choice programs required in a Consent Decree governing court-ordered desegregation, increased educational costs via lower pupil/teacher ratios, increased health care costs, aging

facilities, and increased utility and fuel costs are just a few of the many items that have continued to adversely impact the overall financial condition.

Operating expenditures must be reduced if expected increases in educational programs and health care are to be addressed without using the fund balance. The School Board took the first step toward addressing this issue by adopting a balanced budget for fiscal year 2004-2005. One major element of the effort to balance the budget was an increase in the student/teacher ratio by one student. Increasing the ratio of students to teachers in the classroom saves operational dollars and also reduces the need for additional facilities such as portable buildings. In addition, the Board has begun a cooperative effort with the Chamber of Commerce to bring in a class size expert to evaluate the current class sizes and make a recommendation on how to best target class size reduction dollars to the most educationally effective areas and reduce operational expenditures.

If sufficient reductions are made in operational expenditures, we may be able to resume a normal level of facility repair and renovations. The facility renovation program could be accelerated if voters are willing to dedicate a tax increase to such a project. In this case, a portion of the tax proceeds could be dedicated to a bond issue to address the many repair and renovation projects which have been deferred for several years.

#### Cash Management and Investments

The administration's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Cash that is temporarily idle during the year can be invested in interest-bearing demand deposits, certificates of deposit, and investments backed by the U.S. Government or its agencies. In August of 2003, the School System entered into a new banking contract with Iberia Bank. The contract included the option of interest bearing checking accounts with a rate based on the 91-day U.S Treasury Bill rate plus 33 basis points. This rate has consistently been higher than rates available to the School System using other investment alternatives. Keeping idle cash in these accounts provides both liquidity and maximized returns. As a result, the majority of School System funds have been transferred to interest bearing Iberia Bank checking accounts.

The School System also has funds invested in the Louisiana Asset Management Pool (LAMP). LAMP is an investment pool established as a cooperative endeavor to enable Louisiana public entities to aggregate funds for investment. The pool only includes securities and other obligations that are permissible under Louisiana State Law. The pool allows daily access to funds without penalty or fee for transfer, deposit or withdrawal. The rates available in the LAMP fund have been consistently a little lower than those offered by Iberia Bank. However, we continue to maintain some balances in LAMP to allow for quick movement of funds if market conditions create a LAMP yield higher than the rate available from Iberia Bank.

#### Risk Management

The School System has a Risk and Benefits manager on staff whose job is to mitigate risks. The position's duties include system-wide safety, health care management, property and casualty loss control, and workers' compensation case management. As a result, we are proactive in reviewing cost trends to ensure that claims management is effective. Further, when necessary, we pursue independent evaluations of claims. Part of our risk management program is site-based loss prevention to minimize liability losses.



Finally, we continue our commitment to review all operations in light of claims experience with an eye toward reducing losses.

In the current fiscal year the self-insured retention per occurrence for property insurance is \$1,000,000; for general liability it is \$250,000; for workers' compensation it is \$500,000; and for auto liability it is \$100,000. A \$250,000 designation of fund balance has been set up in the General Fund to provide a partial source of funds for claims.

#### Post-Employment Benefits

The School System does provide certain continuing health care and life insurance benefits for its retired employees. More information on these benefits and their associated costs can be found in note 13 of the Notes to the Financial Statements located after the Basic Financial Statements of this document.

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the Lafayette Parish School System for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003, which is the eleventh year we have received this award. The *Certificate of Achievement* is a prestigious national award recognizing conformance with the highest standards for preparation of state and local financial reports.

In order to be awarded a *Certificate of Achievement*, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both U. S. generally accepted accounting principals and applicable legal requirements.

A *Certificate of Achievement* is valid for only a period of one year. We believe our report continues to conform to *Certificate of Achievement* program requirements, and we are submitting it to the GFOA to determine eligibility for another certificate.

### **ASBO Certificate of Excellence**

The Association of School Business Officials of the United States and Canada (ASBO) awarded a *Certificate of Excellence in Financial Reporting* to the Lafayette Parish School System for our Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003, which is the eleventh year we have received this award.

The award certifies that the recipient school system presented its Comprehensive Annual Financial Statement to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the U. S. principles and practices of financial reporting recognized by ASBO.

Receiving this award is recognition that a school system has met the highest standards of excellence in school financial reporting.

A *Certificate of Excellence* is valid for a period of only one year. We believe our report continues to conform to *Certificate of Excellence* program requirements, and we are submitting it to the ASBO to determine eligibility for another certificate.

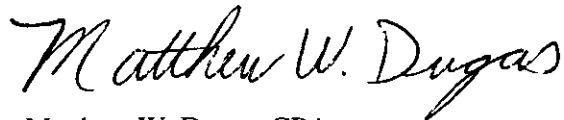
## Acknowledgements

The preparation of this report was made possible by the dedicated efforts of the Finance Department staff. All members have our sincere thanks and appreciation for their contributions. We commend the Superintendent and the members of the School Board for their interest and support in planning and conducting the financial operations of the School System in a responsible and progressive manner.

Special appreciation is expressed to Jacqueline Snow and Shaun Leger for their contribution in designing, compiling, and producing this report. We would also like to thank our auditors and their clerical staff for their assistance in the coordination and preparation of this document.

Finally, we would like to congratulate the accountants employed by the School System. These accountants are Carol Gaines, Ron Bertrand, Brent Hebert, Stephen Woods, John Domingue, Jennifer Nestor, and Lisa Russell. Their efforts and contributions throughout the year made the preparation of the 2003/2004 Comprehensive Annual Financial Report a success.

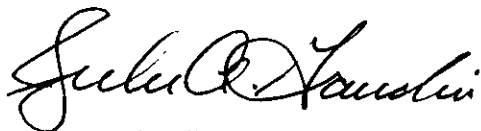
Respectfully submitted,



Matthew W. Dugas, CPA  
Director of Finance



Stephanie N. Richard  
Supervisor Budget & Accounting



Jules A. Gaudin, CPA, MBA  
Deputy Superintendent  
& Chief Financial Officer

jbs

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**LAFAYETTE PARISH SCHOOL SYSTEM**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2003

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

*William A. Zell*  
President

*Denise L. Keller*  
Executive Director

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

Lafayette Parish School  
System, Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

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



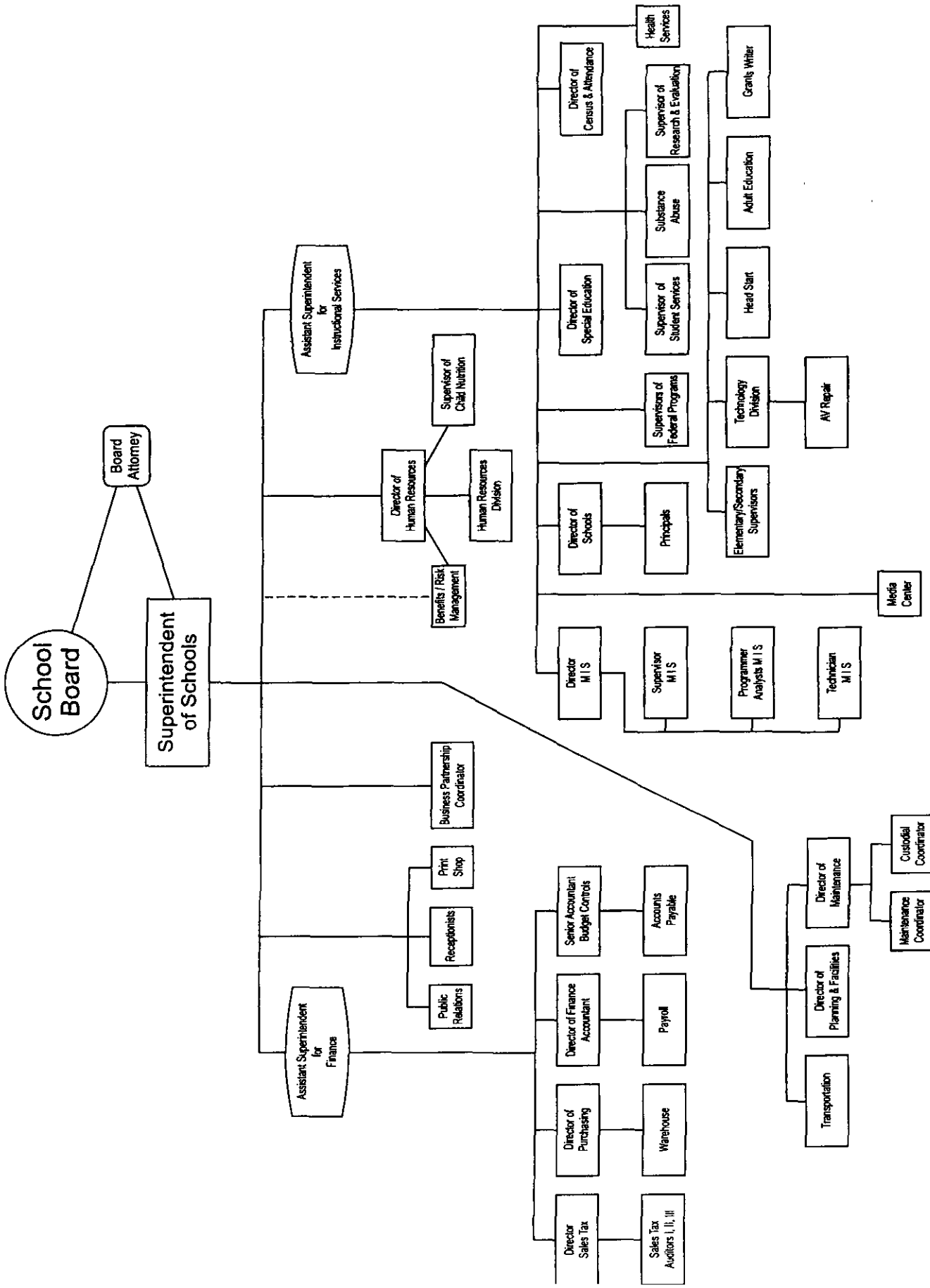
A handwritten signature in cursive script, appearing to read "Edward Henry".

President

A handwritten signature in cursive script, appearing to read "Jeffrey R. Emer".

Executive Director

# LAFAYETTE PARISH SCHOOL BOARD ORGANIZATIONAL CHART



# Lafayette Parish School Board

## Principal Officials

### **School Board Members**

(All Board Members are in office for the same four-year term:  
January 1, 2003 through December 31, 2006)

Michael C. Hefner

**President**

District 5

**Vide-President**

Ricky Hardy

District 3

Board Members:

John Earl Guidry, District 1

Carl LaCombe, District 2

Edward Sam, District 4

Beverly Wilson, District 6

David Thibodaux, District 7

Judy Cox, District 8

Kay Gibson, District 9

## Administrative Officials

James H. Easton, Ed.D.

**Superintendent**

Jules A. Gaudin, CPA, MBA

**Assistant Superintendent of Finance**

Burnell Lemoine

**Assistant Superintendent of**

**Instructional Services**

# FINANCIAL SECTION



LAFAYETTE PARISH  
SCHOOL SYSTEM

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

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Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Penny Angelle Scroggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA

MEMBER OF:  
  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

\* A Professional Accounting Corporation

## INDEPENDENT AUDITORS' REPORT

Dr. James H. Easton, Superintendent,  
and Members of the Lafayette Parish School Board  
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafayette Parish School Board (the School Board), as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the School Board's 2003 financial statements and, in our report dated November 14, 2003, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2004, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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Abbeville, LA 70510  
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Fax (337) 893-7946



The Management's Discussion and Analysis and the other required supplementary information on pages 3 through 15 and 63 through 64, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplementary information on pages 65 through 105 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards included in the Single Audit Section in the table of contents is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is also not a required part of the basic financial statements of the Lafayette Parish School Board. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

Lafayette, Louisiana  
November 12, 2004

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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**INTRODUCTION**

This section contains a narrative overview and analysis of the financial activities of the Lafayette Parish School System ("School System") for the fiscal year ended June 30, 2004. The intent of Management's Discussion and Analysis ("MD&A") is to look at the overall financial performance of the School System using an objective, easily readable analysis of the School System's financial activities. Therefore, we encourage readers to consider the information presented herein in conjunction with additional information that we have furnished in our Letter of Transmittal, Basic Financial Statements, and the Notes to the Basic Financial Statements. Please reference the Table of Contents for the exact location of those items.

**FINANCIAL HIGHLIGHTS**

- The School System's total net assets exceeded its liabilities at the close of the fiscal year by \$60,261,897. Of this amount, \$29,311,155 was invested in capital assets, net of related debt. \$3,770,776 was restricted to teacher salaries and benefits in accordance with the dedication of a new sales tax. \$12,712,746 was restricted for debt service and \$14,197,517 is unrestricted.
- In the Statement of Activities, expenses of governmental activities were \$226,057,066 with \$33,305,038 of those expenses provided by program revenues from operating grants and contributions and \$2,018,437 provided via charges for services, most of which were for meals in the food service program.
- As of the close of the current fiscal year, the School System's governmental funds reported a combined ending fund balance of \$36,844,820. The General Fund accounted for \$13,683,815 of the total with \$7,791,672 being unreserved and undesignated.
- The General Fund experienced a deficiency of revenues and sources over expenditures and uses of \$2,251,186. This reduced the fund balance from \$15,935,001 to \$13,683,815.
- The School System's 2002 Sales Tax Fund experienced sales tax collections and interest income of \$16,630,047 of which \$16,271,609 was expended on teacher salaries and benefits as dedicated and approved by the voters. The tax was passed in late 2001 and collections began in January of 2002. In previous fiscal years the activity associated with this fund was included in the General Fund. In this and future fiscal years all 2002 tax fund activity will be accounted for and presented in a separate special revenue fund.

**USING THE COMPREHENSIVE FINANCIAL REPORT (CAFR)**

This discussion and analysis is intended to serve as an introduction to the School System's Basic Financial Statements. The School System's Basic Financial Statements are comprised of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains other supplementary information in addition to the Basic Financial Statements themselves.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

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### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School System's finances. These statements include all assets and liabilities using the accrual basis of accounting which is the same basis used by most private-sector enterprises. The accrual basis takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

The Statement of Net Assets presents information on all of the School System's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School System is improving or deteriorating. However, the School System's objective is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School System.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Examples of such items may be earned but unused vacation leave or uncollected taxes.

### Fund Financial Statements

The School System's fund financial statements provide detailed information about the most significant funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Lafayette Parish School System uses fund accounting to ensure and demonstrate compliance with finance related legal requirements and to help it control and manage money for particular purposes. All of the funds of the School System can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

#### Governmental Funds

Most of the School System's basic services are included in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at the end of the year and the amount available for spending in future years. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus and accounting method of fund financial statements is different from that of the government-wide financial statements, a Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets is provided as part of this document.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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The Lafayette Parish School System maintains various individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, 2002 Sales Tax and the Sales Tax Revenue Bonds, all of which are considered to be major funds. Data from the other remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this document.

The School System adopts an annual unified budget that includes all significant funds in one document. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenue and expenditures. A statement showing original and final budget compared with actual operating results is provided in the Other Required Supplementary Information section for the general and major special revenue funds to demonstrate compliance with this budget.

The Sales Tax Revenue Bonds fund is a debt service fund; therefore, a budget comparison is not required information. However, the sales tax revenue bonds budget comparison is presented as an optional schedule in Other Supplementary Information. Also in this section is an additional comparison of General Fund revenues and expenditures with the budget and the actual expenditures from the previous year at a greater level of detail. Management feels that this level of detail will be useful to the reader and provide an easily accessible source of information for the future.

#### Proprietary Funds

The School System maintains a Group Insurance Internal Service Fund which is the only proprietary fund used. The School System uses this internal service fund as an accounting device to accumulate and allocate costs internally among the School System's various functions for its self-funded health insurance program.

#### Fiduciary Funds

The School System uses fiduciary funds to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School System's own programs. The School System has six fiduciary funds consisting of two Agency Funds and four Private Purpose Trust Funds that are described in greater detail on the divider page of the Fiduciary Funds section of this document.

#### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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**Other Information**

In addition to the Basic Financial Statements and accompanying notes, the report also presents certain required supplementary information concerning budget comparisons of the General Fund and major Special Revenue Funds. In addition, the School System has chosen to present supplementary information that is not required but considered by management to be useful to the reader. This information is located behind the divider page titled "Other Supplementary Information (Optional)."

**Lafayette Parish School System's Net Assets**

	2004	2003
Current and other assets	\$ 72,986,373	\$ 71,687,914
Capital assets	134,153,135	138,422,160
<b>Total Assets</b>	<b>207,139,508</b>	<b>210,110,074</b>
Current and other liabilities	36,201,540	31,463,263
Long-term liabilities	110,676,071	113,743,289
<b>Total Liabilities</b>	<b>146,877,611</b>	<b>145,206,552</b>
Invested in capital assets, net of related debt	29,311,155	30,698,003
Restricted	16,753,225	16,489,968
Unrestricted	14,197,517	17,715,551
<b>Total Net Assets</b>	<b>\$ 60,261,897</b>	<b>\$ 64,903,522</b>

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the School System, assets exceeded liabilities by \$60,261,897 at the close of the fiscal year. Of this amount \$29,311,155, or 48.6% of total net assets, represents the investment of the School System in capital assets net of related debt. Net assets of \$14,197,517 that are technically unrestricted need to be viewed in light of information in the fund financial statements. Some of this unrestricted amount represents funds for expenditures that the School Board has approved or budgeted but has not been legally obligated to pay. Actions by the School Board do not qualify as restrictions of net assets in the Basic Financial Statements.

Capital assets account for \$134,153,135, or 64.8% of total assets. This is reflective of the investment in new and improved facilities funded by a series of bond issues in recent years. This is further highlighted by the fact that \$110,676,071, or 75% of the School System's liabilities, represents long-term debt.

Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

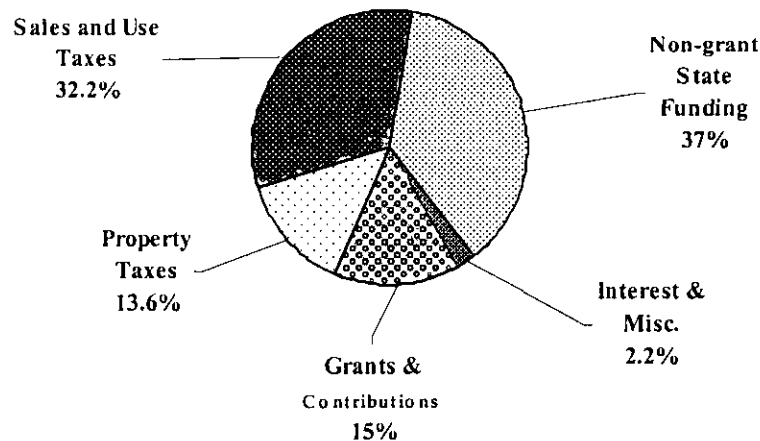
**Governmental activities**

Governmental activities decreased the School System's net assets by \$4,641,625.

**Lafayette Parish School System's Statement of Activities**

	2004	2003
Grants and Contributions	\$ 33,305,038	\$ 30,724,907
Property Taxes	30,012,458	26,876,356
Sales and Use Taxes	71,284,189	70,419,483
Non-grant State Funding	81,888,214	80,620,620
Interest and Misc & Charges	4,925,542	4,079,997
<b>Total Revenues</b>	<b>221,415,441</b>	<b>212,721,363</b>
Instruction	144,945,076	134,779,650
Support Services	64,635,459	59,940,729
Food & Community Services	10,374,999	10,097,158
Interest & Facilities Acquisition	6,101,532	5,187,786
<b>Total Expenses</b>	<b>226,057,066</b>	<b>210,005,323</b>
<b>Change in Net Assets</b>	<b>(4,641,625)</b>	<b>2,716,040</b>
Net Assets Beg. of Fiscal Year	64,903,522	62,187,482
<b>Net Assets End of Fiscal Year</b>	<b>\$ 60,261,897</b>	<b>\$ 64,903,522</b>

**Sources of Revenue**



Data Source: Statement of Activities

Note: This graph represents information on a government-wide basis using accrual basis accounting. Therefore, this graph will differ from graphical information presented later in this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

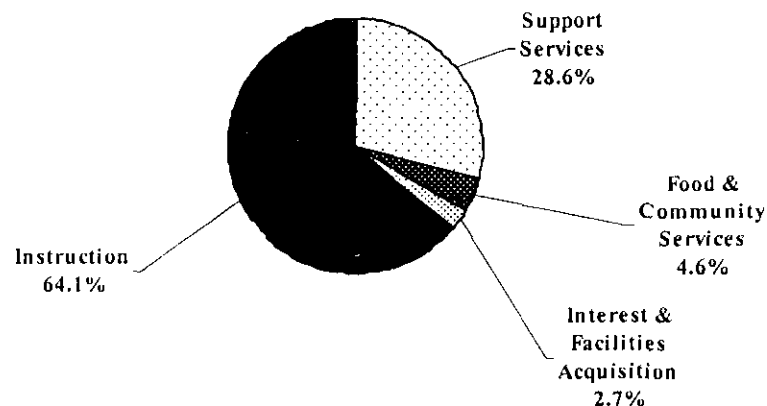
June 30, 2004

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The largest source of revenues to the School System is non-grant state funding which accounts for \$81,888,214 or 37% of total revenue, with the vast majority of that amount generated by the State Minimum Foundation Program (MFP). The MFP is a complicated formula utilizing factors and district information to allocate state funding to all school districts of the state in an effort to equalize funding gaps between rich and poor districts. This formula takes into account many aspects of the district including, but not limited to, student population, the district's ability to generate revenue or relative wealth and the district's effort in generating revenue through local taxation. The Lafayette Parish School System is considered one of the more wealthy districts with lower-than-average tax rates. As a result, we receive less state funding per student than most of the other districts in Louisiana.

The second largest source of revenues is sales and use taxes which account for 32.2% of total revenue. In late 2001 the voters of Lafayette Parish passed an additional ½ cent sales tax dedicated to fund teacher salaries and benefits. Collection of this tax accounted for \$16,552,925 of the sales and use tax revenues reported. In the year of initial collection, this tax increase helped increase our MFP state funding by taking advantage of the formula's reward system for districts that increase funding efforts through local taxation.

### Functional Expenses



*Data Source: Statement of Activities*

*Note: This graph represents information on a government-wide basis using accrual basis accounting. Therefore, this graph will differ from graphical information presented later in this report.*

The largest category of functional expenses on a government-wide basis is direct instruction. 64.1% of our expenses go toward the education of students in regular education, special education

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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and vocational education. These costs include classroom teacher and aide salaries and benefits, books, supplies and equipment used in instruction.

The second largest category of expenses is support services at 28.6%. These costs include the salaries and benefits of principals, assistant principals and counselors as well as instructional supervisors. This category also includes student transportation, business and computer services and related supplies and equipment. Support services will also include plant services like utilities and repairs and maintenance of buildings.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

The School System uses funds to control and measure revenues and expenditures of a particular activity or purpose to ensure and demonstrate compliance with finance-related legal requirements. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available to spend. The information provided in this section is useful in assessing the financing requirements of the School System at the end of the fiscal year.

As of the end of the current fiscal year, the School System's governmental funds reported a combined ending fund balance of \$36,844,820. About 61%, or \$22,399,007, of this total constitutes reserved funds that are not available for new spending because it has already been committed to various obligations. An additional \$4,156,771 of the total fund balance has been designated by the School Board for planned capital projects and various general fund contingencies as outlined in note 17 of the Notes to the Basic Financial Statements. This leaves \$10,289,042 of fund balance that is available for spending or as a source of funds available to guard against economic uncertainties and reductions in revenue.

The following schedules present a summary of revenues and expenditures of governmental funds for the current fiscal year and the percentage of increase (decrease) from the prior year. Governmental funds' revenue sources increased in total by 4.08%. One of the largest percentage increases is federal sources of 8.95% which was caused by new federal grants and increases in funding of current grants such as Special Education and the Title programs. The Ad-Valorem tax increase of 4.95% is the result of new property being added to the property tax roles. The 9.17% increase in other parish sources was mainly due to an increase in E-rate funds.

As illustrated in the charts on the following page, Governmental Funds' expenditures increased in total by 4.56%. The largest percentage increase of 19.18% is in Transportation which was caused by the transportation costs of new programs designed to desegregate the school system and an increase in the per mile amount paid to contract bus drivers.

The largest percentage decrease of 50.63% is in Community Services and was caused by the re-classification of the expenditures of a grant program for pre-school children to Special Programs in the current fiscal year. The 34.93% decrease in Facilities Acquisition & Construction was due to a decrease in spending caused by a lack of funds available to address capital needs and requests.



Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

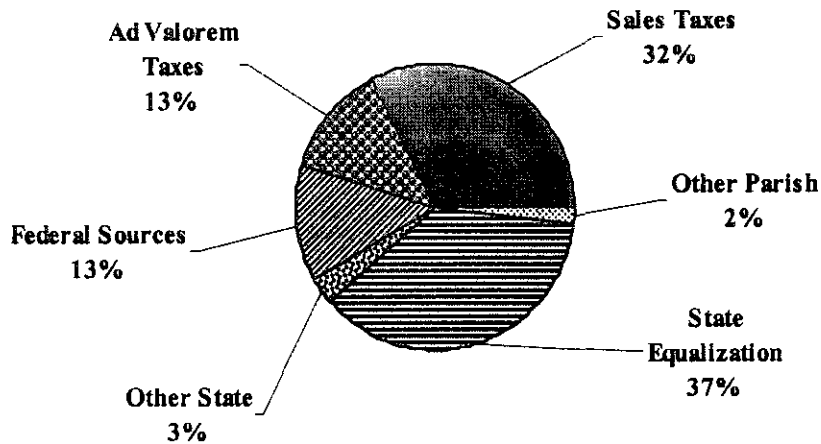
Governmental Funds Revenue Sources	2004 Amount	Percent of Total	Increase (Decrease) From 2003	Percent of Increase (Decrease)
<b>Parish Sources:</b>				
Ad Valorem Taxes	\$ 28,206,721	12.74%	\$ 1,330,365	4.95%
Sales Taxes	71,284,189	32.21%	864,706	1.23%
Other	4,845,273	2.19%	407,109	9.17%
<b>Total Parish Sources</b>	<b>104,336,183</b>	<b>47.14%</b>	<b>2,602,180</b>	<b>2.56%</b>
<b>State Sources:</b>				
Equalization	81,198,844	36.69%	3,767,500	4.87%
Other	6,761,923	3.06%	(78,222)	-1.14%
<b>Total State Sources</b>	<b>87,960,767</b>	<b>39.74%</b>	<b>3,689,278</b>	<b>4.38%</b>
<b>Federal Sources</b>	<b>29,038,222</b>	<b>13.12%</b>	<b>2,386,077</b>	<b>8.95%</b>
<b>Total Revenues</b>	<b>\$ 221,335,172</b>	<b>100.00%</b>	<b>\$ 8,677,535</b>	<b>4.08%</b>

Governmental Funds Expenditures	2004 Amount	Percent of Total	Increase (Decrease) From 2003	Percent of Increase (Decrease)
<b>Instruction:</b>				
Regular Programs	\$ 85,712,268	37.62%	\$ 4,816,742	5.95%
Special Education Programs	31,432,872	13.80%	1,567,863	5.25%
Special Programs	12,080,372	5.30%	860,293	7.67%
Other	10,934,871	4.80%	641,199	6.23%
<b>Total Instruction</b>	<b>140,160,383</b>	<b>61.52%</b>	<b>7,886,097</b>	<b>5.96%</b>
<b>Support Services:</b>				
Pupil Support	8,343,646	3.66%	326,974	4.08%
Instructional Staff Support	9,655,643	4.24%	78,093	0.82%
General Administration	3,081,943	1.35%	81,976	2.73%
School Administration	10,041,122	4.41%	43,590	0.44%
Business Services	1,599,206	0.70%	156,808	10.87%
Operations & Maintenance	14,468,168	6.35%	1,096,425	8.20%
Student Transportation	13,700,125	6.01%	2,204,943	19.18%
Central Services	1,613,963	0.71%	105,851	7.02%
<b>Total Support Services</b>	<b>62,503,816</b>	<b>27.44%</b>	<b>4,094,660</b>	<b>7.01%</b>
<b>Food Services</b>	<b>9,986,260</b>	<b>4.38%</b>	<b>636,387</b>	<b>6.81%</b>
<b>Community Services</b>	<b>244,969</b>	<b>0.11%</b>	<b>(251,188)</b>	<b>-50.63%</b>
<b>Facilities Acquisition &amp; Const.</b>	<b>3,692,844</b>	<b>1.62%</b>	<b>(1,982,616)</b>	<b>-34.93%</b>
<b>Debt Service</b>	<b>11,233,753</b>	<b>4.93%</b>	<b>(451,581)</b>	<b>-3.86%</b>
<b>Total Expenditures</b>	<b>\$ 227,822,025</b>	<b>100.00%</b>	<b>\$ 9,931,759</b>	<b>4.56%</b>

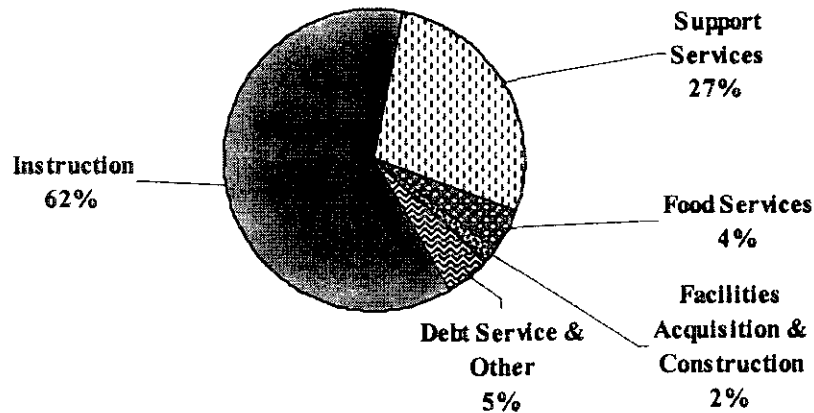
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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**2003-2004 Governmental Funds  
Revenues by Category**



**2003-2004 Governmental Funds  
Expenditures by Category**



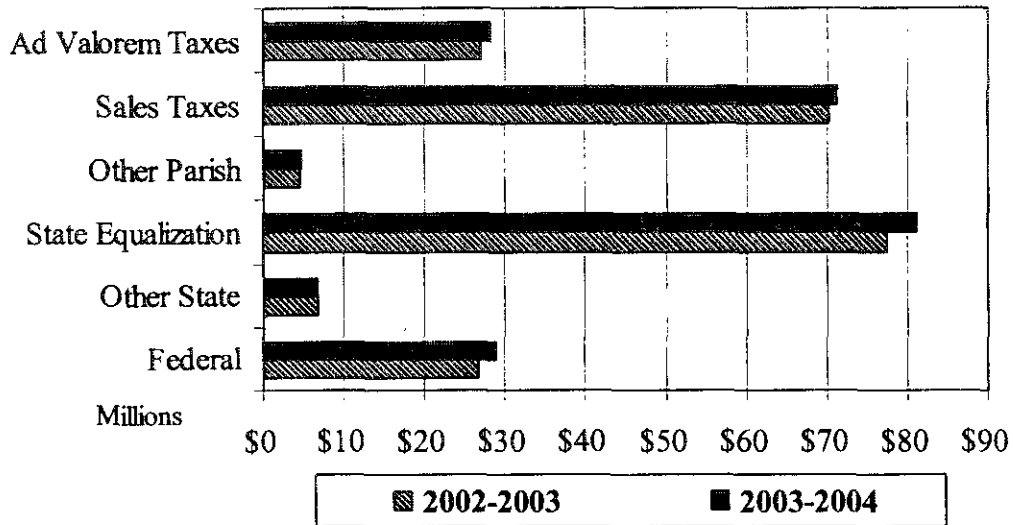
Data Source: Statement of Revenues, Expenditures, and Changes in Fund Balances

Note: The above graphs present information on a fund basis which uses modified accrual accounting. Therefore, this graph will differ from graphical information presented earlier in this report.

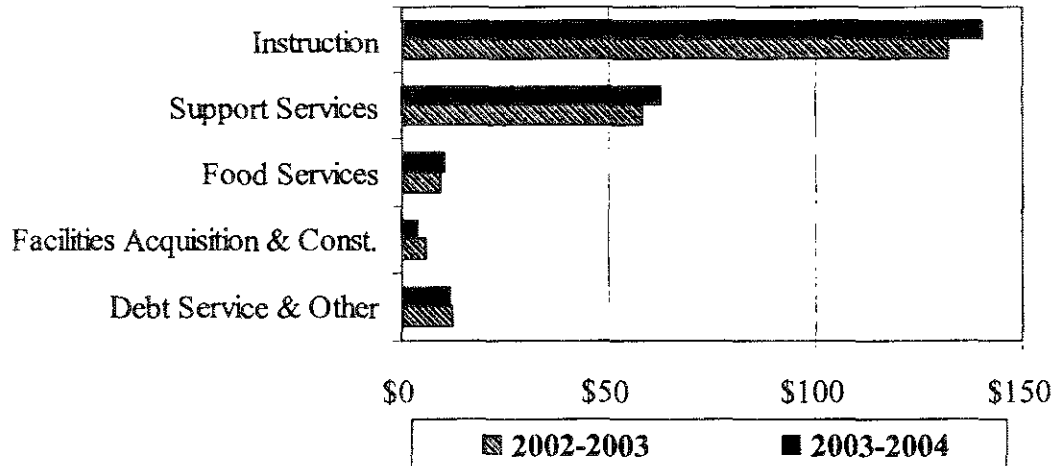
Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

**Revenues by Major Source**  
**Fiscal Comparison- Governmental Funds**



**Expenditures by Major Category**  
**Fiscal Comparison - Governmental Funds**



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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The General Fund is the chief operating fund of the School System. At the end of the current fiscal year, unreserved fund balance was \$9,841,684, while total fund balance was \$13,683,815. Unreserved fund balance represents 6% of total General Fund expenditures. Key factors affecting the General Fund are as follows:

- The fund balance of the School System's General Fund decreased by \$2,251,186 during the current fiscal year.
- The minimum foundation program (MFP) revenues increased by \$3,767,500. This was caused by a combination of increased State funding of the program and an increase of 236 students. Student count is a major component of the formula that is used to compute the amount of MFP funding received from the State.
- Total expenditures in the General Fund increased by \$8,048,085 over the previous fiscal year. This increase was caused by various factors including costs associated with the increased student count, teacher and staff raises and increased transportation and utility costs.

For the reader's information and convenience, a detailed breakdown of General Fund revenues and expenditures is provided in the optional Other Supplementary Information section of this document.

The 2002 Sales Tax fund is a special revenue fund created to account for the revenues and expenditures of a sales tax that was passed by voters in 2001 with actual collections beginning in January of 2002. The tax is dedicated to teacher salaries and benefits. The emphasis of the tax is to fund teacher raises, targeted instructional counseling, teacher professional development, lower class size and provide tutoring and extra instruction to students. This fund experienced an excess of revenues over expenditures of \$358,438 which contributed to an ending fund balance of \$3,770,776. This is the first fiscal year the 2002 tax activity is shown as a separate special revenue fund. For the past two fiscal years the activity of the 2002 sales tax was shown as a part of the General Fund.

The Sales Tax Revenue Bonds fund is a debt service fund that accumulates monies for the payment of principal, interest and related expenses for School System debt that is paid by sales tax revenues. This fund experienced a deficiency of revenues and other sources over expenditures and other uses of \$37,794. A deficiency was budgeted for this fund to reduce the fund balance to a level more compatible with the needs of the fund. This fund experienced a 30% reduction in interest income caused by reduced interest rates available in the market. Since this is a debt service fund, budgetary comparisons are not included in Required Supplementary Information. However, a budgetary comparison with comparative actual amounts for the previous fiscal year is provided in the optional section entitled Other Supplementary Information.

**Proprietary fund**

The School System maintains one proprietary fund that is an internal service fund for the group insurance program. Last fiscal year this fund experienced a net income of over two million dollars. However, this fiscal year rising health care and prescription costs caused the fund to

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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dollars. However, this fiscal year rising health care and prescription costs caused the fund to experience a \$439,879 operating loss. In addition, the fund was required to transfer \$1,500,000 to the General Fund for reimbursement of subsidies made in previous fiscal years by the General Fund. The ending balance in net assets decreased to \$1,070,755. In an effort to eliminate an operating loss next fiscal year, the plan will increase premiums by 10% effective January 1, 2005. As utilization of the plan increases along with the expected increase in health costs, management will continue to explore benefit design options as we face the challenge of weighing benefit changes against a premium increase or subsidy from the General Fund.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were \$6,357,163, a 4% net increase in expenditures and \$2,161,518, a small 1% net increase in revenues. The majority of the expenditure increase was to budget for staff raises of 2.5%. The raises were not included in the original budget because of a delayed State calculation of the dollar amount required to be spent on raises for classroom teachers. Another area of increased budget was in Transportation to budget for an increase in operational allowance granted to contract drivers by the Board.

The School System experienced a negative budget variance in revenues of \$995,286. A large part of this variance was caused by an overly optimistic projection of sales tax revenue growth. However, some of this negative variance was offset by a positive variance of \$855,453 in expenditures and \$159,760 in other financing sources, leaving an insignificant net positive variance of \$19,927.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The School System's total investment in capital assets is \$218,540,028 an increase of \$2,164,331 over last fiscal year. This investment includes land, buildings, furniture, equipment and construction in progress. The vast majority of this amount consists of buildings and improvements of \$194,871,123. Some of the improvements added this year consist of additional portable buildings to accommodate the reduction in pupil/teacher ratio, the increase in student population and the addition of new educational programs. Other improvements include funds spent to improve female athletic facilities in compliance with Title 9. By function over 92% of our capital assets are used for pupil support. Additional information on the School System's capital assets, including information on depreciation, can be found in note 6 of the Notes to the Basic Financial Statements section of this document.

**Debt**

In December of 2003, the School System received loan proceeds of \$3,250,000 from the issuance of certificates of indebtedness. Much of the proceeds were used to purchase portable buildings to accommodate the implementation of a lower teacher ratio and increased enrollment. Other items purchased with these funds were special education school buses and capital improvements on female athletic facilities in compliance with Title 9.

Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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In March of 2004, the School System took advantage of low interest rates available in the market and issued \$12,895,000 of public school refunding bonds and \$2,810,000 of general obligation school refunding bonds. The present value of net savings on the refunding was \$181,144 for the general obligation bonds and \$964,403 on the public school bonds.

The Lafayette Parish School Board Bonds are rated as follows:

	<u>Moody's Investors Services</u>	<u>Standard &amp; Poors Ratings Service</u>
G.O. Bonds / School District #1	A2	A
Sales Tax Revenue Bonds	A2	A+

In Louisiana, the limitation of the amount of general obligation debt the School System may issue is 35 percent of its total assessed valuation. The current debt limitation for the Lafayette Parish School System is \$323,796,839, which is \$321,827,942 more than the School System's general obligation debt applicable to the limitation.

The computation of the legal debt margin is disclosed in Table X of the Statistical Section of this document. Additional and more detailed information on the School System's long term liabilities can be found in note 9 of the Notes to the Basic Financial Statements section of this document.

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

During the budget process economic activity and projections are reviewed. At the end of this fiscal year the Lafayette Parish civilian labor force was 102,200 with an unemployment rate of only 3.3%. A local economist predicted an area job growth rate of 1.2% in 2005, which is above the State average. The local tax assessor was also contacted who predicted the growth in new property added to the rolls to be consistent with the rate of the previous year. These and other factors were considered in preparing the School System's budget for the 2004-2005 fiscal year.

The unified budget for fiscal year 2004-2005 was adopted in August of 2004. The unified budget, which contained budgets of all funds, totaled expenditures of \$269,399,744. The General Fund budget was adopted with revenues equaling expenditures of \$165,387,706. This represents a slight increase of less than 1% over last years General Fund final budget. An increase in the General Fund budget of \$800,000 for health care premiums was caused by a 10% rate increase needed to keep the self-funded insurance program financially stable. The increase in retirement costs of \$1,500,000 caused by a rise in the mandatory contribution rate for the school system was the largest item affecting the General Fund. These and other increased costs were offset by projected increases in property tax revenues due to a re-assessment year and a 2% growth rate in sales tax revenues. In addition, class size was raised by one student to save in excess of \$2,600,000. Through a combination of additional revenues and difficult spending cuts, administration was able to present a balanced General Fund budget to the Board for adoption.

Lafayette Parish School Board  
Lafayette, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2004

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The Group Insurance Internal Service Fund budget for fiscal year 2004-2005 totaled \$27,959,602 of expenses with a budgeted net loss of \$1,398,388. The ending fund balance is budgeted to be \$69,077 at the end of fiscal year 2004-2005. The budget includes a 10% increase in premiums effective January 1, 2005. The budgeted operating loss is due to a delay in implementation of the premium increase. Management is aware of the potential financial issues related to the fund and is closely monitoring the ongoing financial status of the fund to determine if a General Fund subsidy will be necessary to cover the loss of revenue due to the delay in the premium increase.

**TAX RATES IN EFFECT FOR FISCAL YEAR 2004-2005**

The Tax rates that will be effective in the 2004-2005 fiscal year are as follows:

<u>Property Taxes</u>	<u>Rate</u>
Constitutional	4.59 mills
Special School Tax	7.27 mills
Special School Improvement	5.00 mills
School Operational	16.70 mills
School District #1 – Debt	<u>.72 mills</u>
<b>Total</b>	<b>34.28 mills</b>
<u>Sales and Use Taxes</u>	
Debt and General Operations - 1965	1.0%
Dedicated to Six Priorities - 1988	.5%
Teacher Salaries and Benefits – 2002	<u>.5%</u>
<b>Total</b>	<b>2.0%</b>

**REQUESTS FOR INFORMATION**

This document is designed to provide a general overview of the Lafayette Parish School System's finances for all those with an interest in the finances of the system. Additional information about the School System and individual schools within the system can be found by accessing our website at [www.lpssonline.com](http://www.lpssonline.com). Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Matthew W. Dugas, C.P.A.  
Director of Finance  
Lafayette Parish School System  
P O Box 2158  
Lafayette LA 70502-2158

# GOVERNMENT-WIDE FINANCIAL STATEMENTS





LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Statement of Net Assets  
June 30, 2004 and 2003

	Governmental Activities	
	2004	2003
<b>ASSETS</b>		
Cash and interest-bearing deposits	\$ 49,394,432	\$ 17,683,038
Investments	13,377,152	44,743,217
Receivables, net	613,838	151,253
Due from other governmental agencies	6,581,153	6,005,497
Prepaid items	1,980,770	2,072,196
Inventories	1,039,028	1,032,713
Capital assets:		
Land and construction in progress	6,326,895	5,925,053
Capital assets, net	<u>127,826,240</u>	<u>132,497,107</u>
<b>TOTAL ASSETS</b>	<u>207,139,508</u>	<u>210,110,074</u>
<b>LIABILITIES</b>		
Accounts, salaries and other payables	30,813,286	28,301,541
Deferred revenue	4,257,512	1,883,826
Interest payable	1,130,742	1,277,896
Long-term liabilities		
Due within one year	9,291,580	8,134,568
Due in more than one year	<u>101,384,491</u>	<u>105,608,721</u>
<b>TOTAL LIABILITIES</b>	<u>146,877,611</u>	<u>145,206,552</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	29,311,155	30,698,003
Restricted for:		
Teachers salaries and benefits	3,770,776	3,412,338
Incomplete contracts	269,703	390,240
Debt service	12,712,746	12,687,390
Unrestricted	<u>14,197,517</u>	<u>17,715,551</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 60,261,897</u>	<u>\$ 64,903,522</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Statement of Activities  
For the Year Ended June 30, 2004

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular programs	\$ 88,636,814	\$ -	\$ 903,021	\$ (87,733,793)
Special education programs	32,516,128	267,597	3,202,473	(29,046,058)
Vocational education programs	3,729,625	-	488,080	(3,241,545)
Other instructional programs	6,196,146	-	1,295,966	(4,900,180)
Special programs	12,489,206	56,416	12,620,161	187,371
Adult and continuing education programs	1,377,157	-	1,403,625	26,468
Support services:				
Pupil support services	8,623,663	-	889,971	(7,733,692)
Instructional staff support services	9,977,291	-	3,812,406	(6,164,885)
General administration	3,184,707	-	11,996	(3,172,711)
School administration	10,384,373	-	61,533	(10,322,840)
Business services	1,654,045	-	286,407	(1,367,638)
Plant services	14,962,185	-	128,622	(14,833,563)
Student transportation services	14,180,904	-	816,171	(13,364,733)
Central services	1,668,291	-	123,097	(1,545,194)
Non-instructional services:				
Food services	10,121,878	1,694,424	7,261,509	(1,165,945)
Community service programs	253,121	-	-	(253,121)
Facilities acquisition and construction	1,156,602	-	-	(1,156,602)
Interest on long-term debt	4,944,930	-	-	(4,944,930)
Total governmental activities	<u>\$226,057,066</u>	<u>\$2,018,437</u>	<u>\$33,305,038</u>	<u>\$ (190,733,591)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				27,579,650
Property taxes, levied for debt service				627,071
Sales and use taxes, levied for general purposes				61,780,552
Sales and use taxes, levied for debt service				9,503,637
State revenue sharing				1,805,737
Grants and contributions not restricted to specific programs:				
State source - Minimum Foundation Program				81,198,844
State source - salary increase				20,833
State source - PIPS				668,537
Interest and investment earnings				732,605
Miscellaneous				2,174,500
Total general revenues				<u>186,091,966</u>
Change in net assets				(4,641,625)
Net assets - July 1, 2003				<u>64,903,522</u>
Net assets - June 30, 2004				<u>\$ 60,261,897</u>

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

# FUND FINANCIAL STATEMENTS



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Balance Sheet - Governmental Funds  
June 30, 2004  
With Comparative Totals for June 30, 2003

	General	2002	Sales Tax	Other Governmental	Totals	
		Sales Tax	Revenue Bonds		2004	2003
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$30,959,183	\$1,598,567	\$ 2,678,064	\$ 8,321,369	\$43,557,183	\$14,724,274
Investments	108,401	3,442,090	9,541,334	285,327	13,377,152	40,771,469
Receivables -						
Accounts	540,565	-	-	-	540,565	107,786
Notes receivable	-	-	-	40,436	40,436	75,818
Accrued interest	1,328	-	-	-	1,328	983
Due from other funds	10,044,246	1,347,545	785,332	3,683,832	15,860,955	13,439,228
Due from other governmental agencies	221,493	-	-	6,359,660	6,581,153	6,005,497
Other	-	-	-	11,138	11,138	8,832
Prepaid items	1,977,052	-	-	3,718	1,980,770	2,072,196
Inventories, at cost	362,430	-	-	676,598	1,039,028	1,032,713
Total assets	<u>\$44,214,698</u>	<u>\$6,388,202</u>	<u>\$13,004,730</u>	<u>\$19,382,078</u>	<u>\$82,989,708</u>	<u>\$78,238,796</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<i>Liabilities:</i>						
Accounts payable	\$ 2,599,506	\$ -	\$ -	\$ 502,555	\$ 3,102,061	\$ 2,344,625
Contracts payable	-	-	-	227,131	227,131	352,825
Retainage payable	-	-	-	58,712	58,712	127,562
Accrued salaries payable	14,202,090	-	-	-	14,202,090	13,477,428
Claims payable	67,264	-	-	-	67,264	34,327
Due to other funds	3,574,786	2,617,426	-	9,638,813	15,831,025	13,409,956
Due to other governmental units	-	-	-	18,385	18,385	4,022
Deferred revenue	61,468	-	-	2,550,983	2,612,451	304,390
Accrued liabilities	9,967,552	-	-	-	9,967,552	9,511,795
Notes payable	40,436	-	-	-	40,436	75,818
Deposits payable	17,781	-	-	-	17,781	17,316
Total liabilities	<u>30,530,883</u>	<u>2,617,426</u>	<u>-</u>	<u>12,996,579</u>	<u>46,144,888</u>	<u>39,660,064</u>
<i>Fund balances-</i>						
Reserved for -						
Other purposes	3,842,131	3,770,776	-	942,612	8,555,519	8,426,002
Debt service	-	-	13,004,730	838,758	13,843,488	13,965,286
Total fund balances reserved	<u>3,842,131</u>	<u>3,770,776</u>	<u>13,004,730</u>	<u>1,781,370</u>	<u>22,399,007</u>	<u>22,391,288</u>
Unreserved -						
Designated:						
General	2,050,012	-	-	-	2,050,012	1,822,801
Capital Projects	-	-	-	2,106,759	2,106,759	2,912,447
Undesignated, reported in major funds	7,791,672	-	-	-	7,791,672	11,068,850
Undesignated, reported in nonmajor funds:						
Special Revenue	-	-	-	2,104,895	2,104,895	105,842
Capital Projects	-	-	-	392,475	392,475	277,504
Total fund balances unreserved	<u>9,841,684</u>	<u>-</u>	<u>-</u>	<u>4,604,129</u>	<u>14,445,813</u>	<u>16,187,444</u>
Total fund balances	<u>13,683,815</u>	<u>3,770,776</u>	<u>13,004,730</u>	<u>6,385,499</u>	<u>36,844,820</u>	<u>38,578,732</u>
Total liabilities and fund balances	<u>\$44,214,698</u>	<u>\$6,388,202</u>	<u>\$13,004,730</u>	<u>\$19,382,078</u>	<u>\$82,989,708</u>	<u>\$78,238,796</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2004

Total fund balances for governmental funds at June 30, 2004		\$ 36,844,820
Cost of capital assets at June 30, 2004:	\$ 218,540,028	
Less: Accumulated depreciation as of June 30, 2004:		
Buildings	(74,377,827)	
Movable property	<u>(10,009,066)</u>	134,153,135
Elimination of interfund assets and liabilities		
Due from other funds	\$ 15,860,955	
Due to other funds	<u>(15,860,955)</u>	-
Long-term liabilities at June 30, 2004:		
Bonds and certificates of indebtedness payable	\$(104,139,577)	
Capital lease payable	(702,403)	
Insurance claims payable	(3,188,654)	
Compensated absences payable	(2,645,437)	
Accrued interest payable	<u>(1,130,742)</u>	(111,806,813)
Net assets of Group Insurance Internal Service Fund		<u>1,070,755</u>
Net assets at June 30, 2004		<u>\$ 60,261,897</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2004  
With Comparative Totals for the Year Ended June 30, 2003

	2002		Sales Tax	Other	Total	
	General	Sales Tax	Revenue Bonds		Governmental	2004
<b>REVENUES</b>						
Parish sources:						
Ad valorem taxes	\$ 27,579,650	\$ -	\$ -	\$ 627,071	\$ 28,206,721	\$ 26,876,356
Sales taxes	44,701,439	16,552,925	9,503,637	526,188	71,284,189	70,419,483
Other	2,591,040	77,122	139,920	2,037,191	4,845,273	4,438,164
Total parish sources	74,872,129	16,630,047	9,643,557	3,190,450	104,336,183	101,734,003
State sources	84,045,504	-	-	3,915,263	87,960,767	84,271,489
Federal sources	151,618	-	-	28,886,604	29,038,222	26,652,145
Total revenues	159,069,251	16,630,047	9,643,557	35,992,317	221,335,172	212,657,637
<b>EXPENDITURES</b>						
Current:						
Instruction -						
Regular programs	71,887,702	13,099,122	-	725,444	85,712,268	80,895,526
Special education programs	26,140,461	2,092,863	-	3,199,548	31,432,872	29,865,009
Vocational education programs	2,768,418	351,495	-	488,080	3,607,993	3,695,348
Other instructional programs	4,626,035	11,410	-	1,356,464	5,993,909	5,461,535
Special programs	213,889	-	-	11,866,483	12,080,372	11,220,079
Adult and continuing education programs	22,898	-	-	1,310,072	1,332,970	1,136,789
Support services -						
Pupil support services	7,092,087	355,195	-	896,364	8,343,646	8,016,672
Instructional staff support services	6,114,870	291,341	-	3,249,432	9,655,643	9,577,550
General administration	2,963,835	70,183	3,400	44,525	3,081,943	2,999,967
School administration	9,979,589	-	-	61,533	10,041,122	9,997,532
Business services	1,312,799	-	-	286,407	1,599,206	1,442,398
Operation and maintenance of plant services	13,928,003	-	-	540,165	14,468,168	13,371,743
Student transportation services	13,251,500	-	-	448,625	13,700,125	11,495,182
Central services	1,490,866	-	-	123,097	1,613,963	1,508,112
Non-instructional services -						
Food services	324,189	-	-	9,662,071	9,986,260	9,349,873
Community service programs	244,969	-	-	-	244,969	496,157
Facilities acquisition and construction	1,059,077	-	-	2,633,767	3,692,844	5,675,460
Debt service:						
Principal retirement	-	-	4,904,044	1,246,777	6,150,821	5,982,231
Interest and fiscal charges	37,632	-	4,573,907	471,393	5,082,932	5,703,103
Total expenditures	163,458,819	16,271,609	9,481,351	38,610,247	227,822,026	217,890,266
Excess (deficiency) of revenues over expenditures	(4,389,568)	358,438	162,206	(2,617,930)	(6,486,854)	(5,232,629)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from the issuance of debt	-	-	13,043,293	6,064,492	19,107,785	4,350,000
Transfer to escrow agent	-	-	(13,043,293)	(2,805,000)	(15,848,293)	(3,025,000)
Transfers in	3,854,040	-	-	1,909,108	5,763,148	2,892,584
Transfers out	(1,715,658)	-	(200,000)	(2,354,040)	(4,269,698)	(2,899,134)
Total other financing sources (uses)	2,138,382	-	(200,000)	2,814,560	4,752,942	1,318,450
Excess (deficiency) of revenues and other sources over expenditures and other uses	(2,251,186)	358,438	(37,794)	196,630	(1,733,912)	(3,914,179)
FUND BALANCES, BEGINNING	15,935,001	3,412,338	13,042,524	6,188,869	38,578,732	42,492,911
FUND BALANCES, ENDING	\$ 13,683,815	\$ 3,770,776	\$ 13,004,730	\$ 6,385,499	\$ 36,844,820	\$ 38,578,732

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2004

Total net change in fund balances for the year ended June 30, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$(1,733,912)
Add: Facilities acquisition, construction costs and equipment which are considered as expenditures on Statement	2,742,275
Less: Depreciation expense for year ended June 30, 2004	(7,011,300)
Add: Bond principal retirement considered as an expenditure on Statement	6,150,821
Add: Excess of compensated absences used over compensated absences earned	149,868
Add: Excess of insurance claims paid over claims incurred	35,173
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	138,002
Less: Net loss of the Group Insurance Internal Service Fund	(1,853,060)
Less: Proceeds from issuance of certificates of indebtedness	(19,107,785)
Add: Payment to escrow to refund debt	<u>15,848,293</u>
Total change in net assets for the year ended June 30, 2004 per Statement of Activities	<u>\$(4,641,625)</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Proprietary Fund - Group Insurance Internal Service Fund

Statement of Net Assets  
June 30, 2004 and 2003

	Governmental Activities- Group Insurance Fund	
	2004	2003
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 5,837,249	\$ 2,958,764
Investments	-	3,971,748
Receivables - Accounts	60,807	33,652
Total current assets	\$ 5,898,056	\$ 6,964,164
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 34,290	\$ 30,991
Claims payable	3,118,020	2,400,650
Due to other funds	29,930	29,272
Deferred revenue	1,645,061	1,579,436
Total current liabilities	4,827,301	4,040,349
<b>NET ASSETS</b>		
Net assets:		
Unrestricted	1,070,755	2,923,815
Total liabilities and net assets	\$ 5,898,056	\$ 6,964,164

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



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Proprietary Fund - Group Insurance Internal Service Fund

Statement of Revenues, Expenses and Changes in Fund Net Assets  
For the Years Ended June 30, 2004 and 2003

	Governmental Activities- Group Insurance Fund	
	<u>2004</u>	<u>2003</u>
OPERATING REVENUE		
Charges for services	\$ <u>25,609,347</u>	\$ <u>24,981,249</u>
OPERATING EXPENSES		
Contractual services	999,561	839,034
Premium payments	1,896,287	1,739,553
Claim payments	22,993,750	19,805,947
Other operating expenses	<u>159,628</u>	<u>140,274</u>
Total operating expenses	<u>26,049,226</u>	<u>22,524,808</u>
OPERATING INCOME (LOSS)	(439,879)	2,456,441
NONOPERATING REVENUE		
Interest earned on interest-bearing deposits and investments	<u>80,269</u>	<u>63,726</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(359,610)</u>	<u>2,520,167</u>
TRANSFERS IN (OUT)		
Transfer to General Fund	(1,500,000)	-
Transfer from General Fund	<u>6,550</u>	<u>6,550</u>
Total transfers in (out)	<u>(1,493,450)</u>	<u>6,550</u>
NET INCOME (LOSS)	(1,853,060)	2,526,717
NET ASSETS, BEGINNING	<u>2,923,815</u>	<u>397,098</u>
NET ASSETS, ENDING	<u>\$ 1,070,755</u>	<u>\$ 2,923,815</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Proprietary Fund - Group Insurance Internal Service Fund

Statement of Cash Flows  
For the Years Ended June 30, 2004 and 2003

	Governmental Activities- Group Insurance Fund	
	2004	2003
Cash flows from operating activities:		
Receipts from interfund services provided	\$25,647,817	\$25,037,001
Claim payments	(22,276,378)	(19,865,076)
Payments to suppliers	(2,969,875)	(2,632,872)
Payments to employees	(82,304)	(77,517)
Net cash provided by operating activities	319,260	2,461,536
Cash flows from noncapital financing activities:		
Cash received from other funds	658	711,270
Transfer to General Fund	(1,500,000)	-
Transfer from General Fund	6,550	6,550
Net cash provided (used) by noncapital financing activities	(1,492,792)	717,820
Cash flows from investing activities:		
Interest on investments	80,269	63,726
Net increase (decrease) in cash and cash equivalents	(1,093,263)	3,243,082
Cash and cash equivalents, beginning of period	6,930,512	3,687,430
Cash and cash equivalents, end of period	\$ 5,837,249	\$ 6,930,512
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (439,879)	\$ 2,456,441
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(27,155)	12,938
Increase in accounts payable	3,299	8,472
Increase (decrease) in claims payable	717,370	(59,129)
Increase in deferred revenue	65,625	42,814
Net cash provided by operating activities	\$ 319,260	\$ 2,461,536

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Proprietary Fund - Group Insurance Internal Service Fund

Statement of Cash Flows (Continued)  
For the Years Ended June 30, 2004 and 2003

	Governmental Activities- Group Insurance Fund	
	2004	2003
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash and interest-bearing deposits	\$ 2,958,764	\$ 1,751,295
Investments, at cost	3,971,748	1,936,135
Total cash and cash equivalents	6,930,512	3,687,430
Cash and cash equivalents, end of period -		
Cash and interest-bearing deposits	5,837,249	2,958,764
Investments, at cost	-	3,971,748
Total cash and cash equivalents	5,837,249	6,930,512
Net increase (decrease)	\$ (1,093,263)	\$ 3,243,082

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Statement of Fiduciary Net Assets  
June 30, 2004  
With Comparative Totals for June 30, 2003

	Agency Funds	Private Purpose Trust Funds	Totals	
			2004	2003
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 8,834,119	\$ -	\$ 8,834,119	\$4,522,427
Investments	320,348	39,921	360,269	4,769,474
Total assets	9,154,467	39,921	9,194,388	9,291,901
<b>LIABILITIES</b>				
Due to other governmental units	5,952,888	-	5,952,888	6,214,803
School activity funds payable	3,201,579	-	3,201,579	3,037,520
Total liabilities	9,154,467	-	9,154,467	9,252,323
<b>NET ASSETS</b>				
Restricted for specific purposes	\$ -	\$ 39,921	\$ 39,921	\$ 39,578

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Statement of Changes in Fiduciary Net Assets  
Private Purpose Trust Funds  
For the Years Ended June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u>
ADDITIONS		
Interest	\$ 383	\$ 575
DEDUCTIONS		
Special programs	<u>40</u>	<u>74</u>
Change in net assets	343	501
Net assets - beginning	<u>39,578</u>	<u>39,077</u>
Net assets - ending	<u>\$39,921</u>	<u>\$39,578</u>

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Lafayette Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsection of this note.

A. Financial Reporting Entity

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

The School Board operates 41 schools within the parish with a total enrollment of 30,038 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

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

Fund Financial Statements

The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the School Board.

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

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

The School Board reports the following major governmental funds:

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The 2002 Sales Tax Special Revenue Fund accounts for the collection of a one-half cent sales tax dedicated to paying the costs of salaries and related benefits of classroom teachers.

The Sales Tax Revenue Bond Debt Service Fund accounts for the accumulated resources for and the payment of the sales tax revenue bonds principal, interest, and related costs.

Additionally, the School Board reports the following fund types:

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

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

Capital Projects Funds

Capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). Separate capital projects funds are maintained to account for a portion of the proceeds of a 1% sales tax, various sales tax revenue bond proceeds and other revenue sources.

Proprietary Funds -

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

Internal Service Fund

The Internal Service Fund is used to account for the accumulation of resources for and the payment of benefits by the School Board's group self-insurance program.



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

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

Fiduciary Funds -

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

School Activity Fund – accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales Tax Fund – accounts for monies collected on behalf of other taxing authorities within the parish.

Private-purpose trust funds – accounts for the receipt and distribution of contributions from private sources restricted for scholarships, student loans, athletics, and educational assistance.

C. Measurement Focus/ Basis of Accounting

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

Measurement Focus

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

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

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

Basis of Accounting

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

Program revenues

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

Allocation of indirect expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Revenues

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

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

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned.

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

Substantially all other revenues are recorded when received.

Expenditures

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

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

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

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

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

The proprietary, agency and the private purpose trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Other Financing Sources (Uses)

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

Deferred Revenues

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

In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized. The value of commodities provided by the federal government to the School Lunch Program is also included in deferred revenue until consumed.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

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

Investments

Under state law the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 2004, all of the School Board's investments are in LAMP, which are stated at amortized cost.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes, sales and use taxes, and federal and state grants.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items.

Inventories

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

Inventory of the General Fund consists of school supplies purchased which are valued at cost (first-in, first-out).

Inventory of the School Food Service Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Food and Consumer Service through the Louisiana Department of Agriculture. The commodities are recorded as revenues and expenditures when consumed. Commodities inventory at year-end is recorded as deferred revenue. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

Capital Assets

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

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

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

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

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

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

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2001 were considered to be part of the cost of buildings and improvements. *In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other depreciable capital assets.*

#### Compensated Absences

Teachers and other nine-month employees accrue ten days sick leave per year, which may be accumulated. Upon retirement, unused accumulated sick leave of up to twenty-five days is paid to employees at the employee's current rate of pay, and accumulated sick leave in excess of twenty-five days is used in the retirement benefit computation as earned service.

All twelve-month employees earn from 12 to 18 days of both annual and sick leave each year depending on length of service with the School Board. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to employees at the employee's current rate of pay and accumulated sick leave in excess of 25 days is used in the retirement benefit computation as earned service. Annual leave is credited at the end of each fiscal year and must be used in the following fiscal year or is lost.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Due to its restrictive nature, sabbatical leave is accounted for as an expenditure in the period taken and no liability is recorded in advance of the sabbatical.

For fund financial statements, vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt. No expenditure is reported for these amounts.

No liability is recorded for nonvesting accumulating rights to receive vacation pay. A liability has been recorded for up to 25 days of accumulated sick leave for those employees eligible for retirement as of June 30, 2004.

At June 30, 2004, employees of the School Board have accumulated and vested \$2,645,437 of compensated absence benefits payable. Salary related payments, including the School Board's share of social security taxes, medicare taxes and retirement benefits are not accrued since they are not applicable to sick leave paid upon retirement.

Long-term debt

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

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds, sales tax bonds, lease revenue bonds, and capital lease payable. For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34, the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Equity Classifications

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

- a. *Invested in capital assets, net of related debt* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net assets* – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net assets* – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

E. Budget Practices

The proposed budget for 2004 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2004 budget on August 20, 2003. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Capital Projects Funds, was published in the official journal ten days prior to the public hearing.

The budgets for the General, Special Revenue, and Debt Service Funds for the fiscal year 2004 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP). The Capital Projects Funds' budgets were prepared on a project basis and, therefore, are not presented.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. With the exception of the multi-year projects in the capital project funds, appropriations lapse at the end of each fiscal year.



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The level of control over the budget is exercised at the function or program level for the General, Special Revenue, and Debt Service Funds, and at the project level for the Capital Projects Funds. The Superintendent and/or assistant superintendents are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget were not material.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized for the General Fund, special revenue funds, and capital projects funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbered appropriations lapse at the close of the fiscal year but are appropriately provided for in the subsequent year's budget. Encumbrances outstanding at year-end are reported as a reservation of fund balance on the balance sheet.

G. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales taxes	See Note 11
Ad valorem taxes	See Note 3

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

H. Capitalization of Interest Expense

It is the policy of the School Board to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At June 30, 2004 there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

I. 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Report Classification

Certain previously reported amounts for the year ended June 30, 2003 have been reclassified to conform to the June 30, 2004 classifications.

(2) Cash and Investments

A. Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2004, the School Board has cash and interest-bearing deposits (book balances) totaling \$58,228,551 as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Demand deposits	\$ 1,736,056	\$ 1,113,483	\$ 2,849,539
Interest-bearing accounts	47,058,376	7,593,710	54,652,086
Time deposits	<u>600,000</u>	<u>126,926</u>	<u>726,926</u>
Total	<u>\$49,394,432</u>	<u>\$ 8,834,119</u>	<u>\$58,228,551</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2004, are secured as follows:

Bank balances	<u>\$64,451,111</u>
Federal deposit insurance	842,619
Pledged securities	<u>63,608,492</u>
Total federal insurance and pledged securities	<u>\$64,451,111</u>

B. Investments

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

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc.; a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. The fair value of the School Board's investment in LAMP is the same as the value of the pool shares. Normally, investments are required to be reported at fair value. For purposes of determining participants' shares, investments are valued at amortized cost. Investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

At June 30, 2004, the School Board's investments totaled \$13,737,421 of which \$13,377,152 was for governmental activities and \$360,269 was for fiduciary funds. Investment information is as follows:

<u>Description</u>	<u>Category</u>	<u>Interest Rate</u>	<u>Reported Amount</u>	<u>Approximate Fair Value</u>
Louisiana Asset Management Pool (LAMP)	N/A	Variable	<u>\$ 13,737,421</u>	<u>\$ 13,737,421</u>

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2004, taxes were levied by the School Board on June 16, 2004 and were billed to taxpayers by the Assessor in November 2004. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

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

LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

For the year ended June 30, 2004, taxes were levied on property with net assessed valuations totaling \$831,002,237 and were dedicated as follows:

Constitutional school tax	4.59 mills
Special school maintenance and operational tax	7.27 mills
Special school improvement tax	5.00 mills
School operations tax (1985)	<u>16.70</u> mills
Total General Fund assessment	33.56 mills
School District No. 1 (Debt Service Fund)	<u>0.72</u> mills
Total assessment	<u>34.28</u> mills

Gross taxes levied for the current fiscal year totaled \$28,521,198. After deductions for various pension distributions and uncollectible taxes and collections of back taxes, net taxes remitted to the School Board amounted to \$27,170,401.

(4) Receivables

Receivables at June 30, 2004 of \$613,838 consisted of the following:

Accounts	\$ 601,372
Accrued interest	1,328
Other	<u>11,138</u>
	<u>\$ 613,838</u>

(5) Due from Other Governmental Agencies

Due from other governmental agencies of \$6,581,153 consisted of the following at June 30, 2004:

State of Louisiana, Department of Education for various appropriations and reimbursements	\$6,359,660
Other municipalities and agencies for various reimbursements	<u>221,493</u>
	<u>\$6,581,153</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(6) Capital Assets

Capital assets balances and activity for the year ended June 30, 2004 is as follows:

	<u>Balance</u> 6/30/2003	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 6/30/2004
Capital assets not being depreciated:				
Land	\$ 5,771,814	\$ -	\$ -	\$ 5,771,814
Construction in progress	153,239	661,856	260,014	555,081
Other capital assets:				
Building and improvements	193,181,003	1,690,120	-	194,871,123
Furniture and equipment	<u>17,269,641</u>	<u>650,313</u>	<u>577,944</u>	<u>17,342,010</u>
Total	<u>216,375,697</u>	<u>3,002,289</u>	<u>837,958</u>	<u>218,540,028</u>
Less accumulated depreciation:				
Buildings and improvements	68,932,685	5,445,144	-	74,377,829
Furniture and equipment	<u>9,020,852</u>	<u>1,566,156</u>	<u>577,944</u>	<u>10,009,064</u>
Total	<u>77,953,537</u>	<u>7,011,300</u>	<u>577,944</u>	<u>84,386,893</u>
Net capital assets	<u>\$138,422,160</u>	<u>\$ (4,009,011)</u>	<u>\$ 260,014</u>	<u>\$134,153,135</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 2,822,767
Special education programs	1,035,181
Vocational education programs	118,823
Other instructional programs	197,398
Special programs	397,844
Adult and continuing education programs	43,898
Pupil support services	274,782
Instructional staff support services	317,990
General administration	101,498
School administration	330,685
Business services	52,667
Operation and maintenance of plant services	476,481
Student transportation services	451,187
Central services	53,153
Food services	328,878
Communities service programs	<u>8,068</u>
Total depreciation expense	<u>\$ 7,011,300</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(7) Accounts, Salaries, and Other Payables

At June 30, 2004, accounts, salaries, and other payables consisted of the following:

Salaries	\$ 14,202,090
Accrued payroll taxes and payroll related liabilities	9,967,552
Group insurance claims payable	3,185,284
Accounts	3,136,351
Contracts	227,131
Retainages	58,712
Other liabilities	36,166
	<u>\$ 30,813,286</u>

(8) Short Term Debt

During the year, the School Board issued anticipation certificates, Series 2003E in order to fund current operations until property tax revenues were received. The certificates were paid off on March 1, 2004. Short-term activity for the year ended June 30, 2004, is summarized as follows:

	Beginning Balance	Proceeds	Repayment	Ending Balance
Anticipation certificates	\$ -	\$ 4,900,000	\$ 4,900,000	\$ -

(9) Long-Term Liabilities

The School Board issues general obligation bonds, secured by ad valorem taxes, and sales tax revenue bonds, secured by sales tax collections, to provide for the acquisition and construction of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the Board and are generally issued as 20 or 30-year serial bonds. The School Board also issued lease revenue bonds, secured by General Fund revenues, to finance the purchase of specific equipment used in the energy efficiency management program. As discussed in Note (9), these bonds were advance refunded during the current fiscal year.

During the fiscal year ending June 30, 2001, the School Board entered into a lease agreement in the amount of \$1,345,000 to purchase an IBM AS/400 720 mainframe computer and several school buses. In accordance with Financial Accounting Standard No. 13, the lease met the criteria for recordation as a capital lease. At June 30, 2004, these assets had a value of \$906,027 (net of \$438,973 of accumulated depreciation), which is included in the furniture and equipment capital asset class.

LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

During the fiscal year ended June 30, 2002, the School Board received loan proceeds in the amount of \$3,001,060 from a Louisiana Qualified Zone Academy Bond Program (QZAB). The funds from these bonds will be used to make improvements to existing schools.

All of the School Board's long-term debt is associated with governmental activities. Workmen's compensation claims are generally liquidated by the General and School Food Service Special Revenue Funds. Claims and judgments (included in insurance claims) and compensated absences are generally liquidated by the General Fund and arbitrage is generally liquidated by the capital projects funds. Long-term debt currently outstanding is as follows:

General obligation bonds:

<u>Issued Amount</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
\$2,810,000	03/01/04	03/01/09	2.00-2.63	\$2,810,000

Sales tax bonds:

<u>Issued Amount</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
7,620,000	10/01/95	04/01/15	4.80-5.00	5,730,000
60,000,000	04/01/98	04/01/18	4.40-6.00	52,960,000
9,950,000	09/01/99	04/01/19	4.70-6.00	9,025,000
12,000,000	08/01/01	04/01/21	4.35-5.25	11,210,000
<u>12,895,000</u>	03/01/04	04/01/13	2.00-4.00	<u>12,895,000</u>
<u>\$ 102,465,000</u>				<u>\$ 91,820,000</u>



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Capital lease, QZAB, and certificates of indebtedness payable:

<u>Issued Amount</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
\$ 1,345,000	06/06/01	09/26/06	4.68	\$ 702,403
3,001,060	02/01/02	11/01/15	0	2,509,977
4,350,000	11/26/02	11/01/10	3.75	4,015,000
<u>3,250,000</u>	12/15/03	11/01/13	3.68	<u>3,250,000</u>
<u>\$ 11,946,060</u>				<u>\$ 10,477,380</u>

A. Changes in General Long-Term Liabilities

During the year ended June 30, 2004, the following changes occurred in long-term liabilities transactions and balances:

	<u>Balance 7/1/2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2004</u>	<u>Due Within One Year</u>
General Obligation					
Bonds	\$ 3,285,000	\$ 2,810,000	\$ 3,285,000	\$ 2,810,000	\$ 530,000
Sales Tax					
Revenue Bonds	96,445,000	12,895,000	17,520,000	91,820,000	5,195,000
Capital Lease	915,921	-	213,518	702,403	223,511
QZAB Bonds	2,728,236	-	218,259	2,509,977	218,259
2002 Certificates of Indebtedness	4,350,000	-	335,000	4,015,000	510,000
2003 Certificates of Indebtedness	-	3,250,000	-	3,250,000	260,000
Insurance Claims	3,223,827	1,970,174	2,005,347	3,188,654	1,863,456
Compensated					
Absences	<u>2,795,305</u>	<u>336,394</u>	<u>486,262</u>	<u>2,645,437</u>	<u>491,354</u>
	<u>\$ 113,743,289</u>	<u>\$ 21,261,568</u>	<u>\$ 24,063,386</u>	<u>\$ 110,941,471</u>	<u>\$ 9,291,580</u>

Unamortized bond related items:

Less: unamortized loss on refunding	(413,089)
Add: unamortized premium	<u>147,689</u>
	<u>\$ 110,676,071</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2005	\$ 530,000	\$ 62,094	\$ 592,094
2006	545,000	51,494	596,494
2007	560,000	40,594	600,594
2008	580,000	29,394	609,394
2009	595,000	15,619	610,619
	<u>\$2,810,000</u>	<u>\$ 199,195</u>	<u>\$3,009,195</u>

Annual debt service requirements to maturity for the sales tax bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2005	\$ 5,195,000	\$ 4,228,989	\$ 9,423,989
2006	5,440,000	3,978,145	9,418,145
2007	5,710,000	3,714,638	9,424,638
2008	5,995,000	3,438,913	9,433,913
2009	6,300,000	3,143,115	9,443,115
2010-2014	34,060,000	11,423,130	45,483,130
2015-2019	27,240,000	3,928,795	31,168,795
2020-2021	1,880,000	142,250	2,022,250
	<u>\$91,820,000</u>	<u>\$33,997,975</u>	<u>\$125,817,975</u>

Annual debt service requirements to maturity for the capital lease, QZAB, and certificates of indebtedness are as follows:

Year Ending June 30	Principal	Interest	Total
2005	\$ 1,211,769	\$ 288,688	\$ 1,500,457
2006	1,257,230	248,886	1,506,116
2007	1,313,180	207,106	1,520,286
2008	1,098,259	163,416	1,261,675
2009	1,133,259	129,979	1,263,238
2010-2014	4,136,295	217,179	4,353,474
2015-2016	327,388	-	327,388
	<u>\$10,477,380</u>	<u>\$1,255,254</u>	<u>\$11,732,634</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(10) Advance Refunding

On March 1, 2004, the School Board issued \$2,810,000 of general obligation bonds, Series 2004 with an interest rate ranging from 2.00% to 2.63%. The School Board issued the bonds to advance refund \$5,535,000 of general obligation bonds, Series 1993 with an interest rate ranging from 4.40% to 5.00%. The School Board transferred the net proceeds along with existing resources to an escrow agent to be used to pay off the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next five years by \$225,489 and resulted in an economic gain of \$194,281.

On March 1, 2004, the School Board issued \$12,895,000 of sales tax bonds, Series 2004 with an interest rate ranging from 2.00% to 4.00%. The School Board issued the bonds to advance refund \$19,000,000 of sales tax bonds, Series 1994 with an interest rate ranging from 4.80% to 4.88%. The School Board transferred the net proceeds along with existing resources to an escrow agent to be used to pay off the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$964,310 and resulted in an economic gain of \$1,088,570.

(11) Sales and Use Taxes

In accordance with a proposition approved by the voters of Lafayette Parish on September 18, 1965, the School Board collects a one percent sales and use tax on all taxable sales within the Parish. One half of tax proceeds must be used for teachers' salaries and for expenses of operating the schools. The remainder may be used for capital improvements or operational purposes, as the School Board determines, or for the payment of bonded indebtedness.

Upon receipt from the Sales Tax Collector, one half of each month's collections is deposited directly into the operating accounts of the General Fund. The remaining one half of each month's collections are used (1) to make required monthly deposits into the sinking fund for Sales Tax Revenue Bonds and (2) to purchase capital improvements or pay school operating expenses from the Capital Improvement Program accounts.

At June 30, 2004, various Public School Bonds with outstanding principal balances totaling \$91,820,000 were secured by a pledge and dedication of proceeds of the one percent sales and use tax described in the preceding paragraphs.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

In accordance with a proposition approved by the voters on November 21, 1987, the School Board collects a one-half percent sales and use tax on all taxable sales within the Parish. Upon receipt from the Sales Tax Collector, each month's collections are deposited directly into a separate account within the General Fund. These tax proceeds must be used for the priorities set forth in the sales tax election. During the current fiscal year, these proceeds were expended as follows:

	<u>Current Year Expenditures</u>
First, the restoration of a five percent salary reduction for school employees.	\$ 5,853,974
Second, the restoration of the reduction in funding for material of instruction and for certain educational programs.	708,567
Third, to provide up to \$250,000 per year for the removal of asbestos from school buildings until completion of project.	-
Fourth, funding to pay on behalf of active and retired employees one half of the total premium for employee only coverage of a board approved health plan.	8,784,234
Fifth, to provide funding for establishment of certain enhancement programs.	1,318,087
Sixth, if proceeds of tax exceed the amounts necessary to fund the above, the excess will be used exclusively for pay increases of school employees or establishment of instructional programs.	<u>-</u>
Total expenditures	<u>\$16,664,862</u>

The following is a reconciliation of unexpended one-half cent sales tax that is reserved in the General Fund:

Sales tax collected	\$ 16,664,862
Balance reserved at June 30, 2003	<u>-</u>
Amount available to be expended	16,664,862
Less: Expenditures	<u>16,664,862</u>
Unexpended balance reserved in the General Fund at June 30, 2003	<u>\$ -</u>

In accordance with a proposition approved by the voters on November 17, 2001, the School Board collects an additional one-half cent sales and use tax on all taxable sales and services within the Parish dedicated to paying the costs of salaries and related benefits of classroom teachers and the establishment of a teachers salary reserve fund.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The following is a reconciliation of unexpended one-half cent sales tax that is reserved in the 2002 Sales Tax Fund:

Sales tax collected	\$ 16,492,297
Balance reserved at June 30, 2003	<u>3,412,338</u>
Amount available to be expended	19,904,635
Add: Interest reserve	67,567
Less: Expenditures	<u>16,201,426</u>
Unexpended balance reserved in the General Fund at June 30, 2004	<u>\$ 3,770,776</u>

(12) Retirement Plans

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

A. Teachers' Retirement System of Louisiana (TRS)

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

**Funding Policy:** Plan members are required to contribute 8.0 percent and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.8 and 5.0 percent of annual covered payroll for the Regular Plan and Plan B, respectively. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. The \$1,036,320 of payments made by the state and the parish tax collector on behalf of the School Board is reflected in the accompanying basic financial statements as both revenue and expenditures.

LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

Contributions by plan members and the School Board to the TRS for the years ending June 30, 2004, 2003, and 2002, were \$25,265,128, \$23,640,571, and \$20,979,929, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LASERS)

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

**Funding Policy:** Plan members are required to contribute 7.5 percent of their annual covered salary and the school board is required to contribute at an actuarially determined rate. In previous years, the School Board had been contributing at the rate of 8.5 percent of annual covered payroll. During the fiscal years ended June 30, 2003 and 2002, the School Board's contribution requirement to the plan was remitted from a credit that was accumulated through prior year excess contributions. This excess resulted from the difference between the actual amount contributed and the actuarially determined rate. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

Contributions by plan members and the School Board to the LASERS for the years ending June 30, 2004, 2003, and 2002 were \$1,491,922, \$654,993, and \$600,243, respectively, equal to the required contributions for each year.

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

In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 30 percent) and the School Board (approximately 70 percent). The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The School Board's cost of providing these benefits to retirees totaled \$2,448,982 for 2004 and encompasses 1,452 former employees qualified to receive such benefits.

LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

(14) Risk Management

A. Commercial Insurance Coverage

The School Board purchases commercial insurance for property coverage, general liability, and automobile liability. The deductibles per occurrence for these coverages are \$1,000,000, \$250,000 and \$100,000, respectively. A fund balance designation of \$250,000 has been set up in the General Fund to provide funding for any claims that may arise up to the deductibles. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

B. Workers' Compensation

The School Board has established a limited risk management program for workers' compensation. The School Board hired F.A. Richard and Associates (FARA) as administrator for this program. During the fiscal years ended 2004 and 2003, \$1,965,983 and \$1,650,922, respectively, were incurred in benefits and administrative costs. The School Board purchases commercial insurance for individual claims in excess of \$250,000.

The liabilities for unpaid workers' compensation claims are represented by the outstanding claim reserves. These reserves are estimates of the ultimate potential payments to be made on each claim, considering the medical is in litigation; and, considering all expenses which may be required in the handling of the file such as cost of independent medical exams, legal fees and the like.

Workers' compensation claims are paid according to established payment schedules set by the Louisiana legislature and the Department of Labor. Wage benefits are calculated according to a set formula based on a fee schedule. In some cases, FARA, the third party administrator of Lafayette Parish School System's workers' compensation fee schedule. In those cases, claim reserves reflect the discounted costs.

The School Board has no claims for which annuity contracts have been purchased.

LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

C. Reconciliation of Claims Liabilities – Workers’ Compensation

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
2002-2003	\$ 2,430,024	\$ 1,650,922	\$ 1,415,319	\$2,665,627
2003-2004	\$ 2,665,627	\$ 1,965,983	\$ 1,816,425	\$2,815,185

D. Group Self-Insurance

The School Board also established a limited risk management program for group hospitalization insurance. This plan provides employee health benefits up to \$1,000,000 in a lifetime maximum. The School Board purchases commercial insurance for individual claims in excess of \$200,000.

The General and Special Revenue Funds of the School Board participate in the program and make payments to the Self-Insurance Fund based on amounts needed to pay prior and current year claims. The claims liability of \$3,118,020 reported in the fund at June 30, 2004, is based on the loss that is probable to have been at the date of the financial statements and the amount of the loss that can be reasonably estimated. The School Board currently does not discount its claims liabilities.

E. Reconciliation of Claims Liabilities – Group Hospitalization

Changes in the claims liability amount for the group hospitalization risk management program are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
2002-2003	\$ 2,459,779	\$19,805,947	\$19,865,076	\$2,400,650
2003-2004	\$ 2,400,650	\$22,993,748	\$22,276,378	\$3,118,020



LAFAYETTE PARISH SCHOOL BOARD  
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Notes to the Basic Financial Statements (Continued)

Claims payable for group hospitalization of \$3,118,020 at June 30, 2004 was determined as follows:

1.	Claims incurred prior to June 30, 2004 and paid subsequently:		
	Paid as of	Amount	
	July 31, 2004	\$1,722,284	
	August 31, 2004	655,585	
	September 30, 2004	211,881	\$2,589,750
2.	Claims incurred prior to June 30, 2004 and unpaid at October 31, 2004:		
	a. Pending claims at October 31, 2004	13,006	
	b. Unprocessed claims pending and unprocessed at October 31, 2004	549,481	
	Total claims pending and unprocessed	562,487	
	Claim payments as a percentage of total charges incurred	39.53%	222,375
3.	Provision for claims incurred but not reported		305,895
	Total claims payable		\$3,118,020

The provision for claims incurred but not reported of \$305,895 was calculated utilizing historical information adjusted for current trends.

(15) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2004, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board. As a result of the review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," or "remote," as defined by the Governmental Accounting Standards Board. The amount of claims and lawsuits which have been classified as "reasonably possible" individually range from \$85,000 to \$439,500. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits would not have a material adverse effect on the School Board's financial position.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Grant Audits

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

C. Arbitrage Rebate

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax-exempt debt make arbitrage calculations annually on bond issues issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U.S. Department of the Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax-exempt rates and investing the proceeds in higher yielding taxable securities.

Based upon arbitrage rebate calculations made as of June 30, 2004, for the Lafayette Parish School Board, it was determined that no liability existed at June 30, 2004.

D. Construction Commitments

The School Board has construction commitments outstanding at June 30, 2004 in the amount of \$269,703.

(16) Compensation of Board Members

A detail of the compensation paid to individual board members for the year ended June 30, 2004 follows:

	<u>Amount</u>
Guidry, John Earl	\$ 9,600
LaCombe, Carl J.	9,600
Hardy, Ricky	9,600
Sam, Edward	9,600
Hefner, Michael	10,200
Wilson, Beverly	9,600
Thibodaux, David	10,200
Cox, Judy	9,600
Gibson, Kay	9,600
	<u>\$ 87,600</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(17) Fund Balances, Reserved and Designated

At the fund financial statement level, fund balances have been reserved and designated for the following purposes:

Governmental fund balances reserved for:

General Fund -

Inventory	\$ 362,431
Encumbrances	902,649
Prepaid items	1,977,051
Workers compensation	<u>600,000</u>
	<u>3,842,131</u>

Special revenue funds -

Encumbrances	5,744
One half cent sales tax	3,770,776
Inventory	<u>491,514</u>
	<u>4,268,034</u>

Debt service funds -

Debt retirement	<u>13,843,488</u>
-----------------	-------------------

Capital projects funds -

Encumbrances	175,651
Incomplete contracts	<u>269,703</u>
	<u>445,354</u>

Total reserved fund balances - governmental funds	<u>\$22,399,007</u>
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Private trust fund balances reserved for -

Scholarships	\$ 9,242
Student loans	14,982
Comeaux High School athletics	2,207
Educational assistance	<u>13,490</u>

Total reserved fund balances - private trust funds	<u>\$39,921</u>
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LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Governmental fund balances unreserved, designated for:

General Fund -		
Insurance claims	\$ 250,000	
Self-Insurance	750,000	
L. D. Consortitium	1,488	
Subsequent years' expenditures	<u>1,048,524</u>	
	2,050,012	
Capital projects funds -		
Capital expenditures	<u>2,106,759</u>	
Total governmental fund balances, unreserved and designated	<u>\$4,156,771</u>	

(18) Excess of Expenditures over Appropriations

For the year ended June 30, 2004, the following funds had actual expenditures over appropriations, at the functional level, as follows.

Fund and Function	Budget	Actual	Excess
General Fund:			
Regular programs	71,182,446	71,887,702	(705,256)
Operation and maintenance of plant services	13,463,521	13,928,003	(464,482)
Special Revenue Funds:			
Consolidated Special Revenue -			
Regular programs	430,226	680,872	(250,646)
Vocational education programs	12,005	19,000	(6,995)
Other instructional programs	652,355	1,032,411	(380,056)
Special programs	128,490	203,347	(74,857)
Adult and continuing education programs	196,335	310,718	(114,383)
Pupil support services	4,423	7,000	(2,577)
Instructional staff support services	693,272	1,097,167	(403,895)
School administration	7,965	12,605	(4,640)
Business services	23,265	36,819	(13,554)
Consolidated Other Federal Programs -			
Special programs	254,521	266,204	(11,683)
School Food Service -			
Food services	9,397,624	9,660,916	(263,292)
Debt Service Fund:			
Consolidated School District #1 -			
Debt service	638,703	705,668	(66,965)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(19) Interfund Transactions

A. Interfund receivables and payables, by fund, at June 30, 2004 are as follows:

	Interfund Receivables	Interfund Payables
Major funds:		
General Fund	\$ 10,044,246	\$ 3,574,786
2002 Sales Tax	1,347,545	2,617,426
Sales Tax Revenue Bond Sinking Fund	785,332	-
Total major funds	12,177,123	6,192,212
Nonmajor funds:		
Consolidated Other IASA	555	1,211,628
Consolidated Special Education	-	817,344
Consolidated Adult Education	403,044	543,392
Consolidated Special Revenue	2,874,795	1,625,808
Consolidated Federal Programs	22,422	1,932,816
Child Development Program	-	1,170,971
Consolidated Other Federal Programs	114,717	257,791
Consolidated Direct Federal	-	225,739
School Food Service	-	1,803,229
Consolidated School District #1	1,171	880
Capital Improvements Program	250,465	33,293
1999 Bond Construction	-	187
2001 Bond Construction	-	232
Self-funded Construction	16,663	15,503
Total nonmajor funds	3,683,832	9,638,813
Internal service fund:		
Group Self Insurance Fund	-	29,930
Total	\$ 15,860,955	\$ 15,860,955

The amounts due from the General Fund from various other funds are for reimbursements owed for expenditures paid for those funds. The other receivable balances are for short-term loans.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Transfers consisted of the following at June 30, 2004:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
General Fund	\$ 3,854,040	\$ 1,715,658
Sales Tax Revenue Bonds	-	200,000
Total major funds	<u>3,854,040</u>	<u>1,915,658</u>
Nonmajor funds:		
Consolidated Other IASA	-	102,485
Consolidated Special Education	-	175,401
Consolidated Adult Education	-	47,577
Consolidated Federal Programs	-	275,591
Child Development Program	-	159,388
Consolidated Other Federal Programs	-	3,539
Consolidated Direct Federal	-	9,715
School Food Service	476,640	-
Other Debt Service	1,011,668	-
Capital Improvements Program	420,800	1,580,344
Total nonmajor funds	<u>1,909,108</u>	<u>2,354,040</u>
Internal service fund:		
Group Self Insurance Fund	<u>6,550</u>	<u>1,500,000</u>
Total	<u>\$ 5,769,698</u>	<u>\$ 5,769,698</u>

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

(20) Subsequent Events

In October 2004 the School Board issued \$5,000,000 of anticipation certificates, Series 2004B for the purpose of funding operations until property tax revenues are received. The certificates will bear interest at a rate or rates not to exceed 4.00% per year and will become due on March 1, 2005.

In October 2004, the School Board authorized the issuance of \$4,000,000 of Certificates of Indebtedness, Series 2004 for the purpose of acquiring, constructing, and improving school and school related improvements, including necessary fixtures, furnishings and equipment. The certificates will bear interest at a rate or rates not exceeding 6.00% per year and are anticipated to be issued on January 19, 2005.



LAFAYETTE PARISH  
SCHOOL SYSTEM

REQUIRED  
SUPPLEMENTARY  
INFORMATION





LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004				
	Budget		Actual	Variance	2003 Actual
	Original	Final		Positive (Negative)	
<b>REVENUES</b>					
Parish sources:					
Ad valorem taxes	\$25,815,270	\$27,488,566	\$27,579,650	\$ 91,084	\$26,248,988
Sales taxes	45,629,962	46,082,587	44,701,439	(1,381,148)	43,704,331
Other	<u>2,680,282</u>	<u>2,498,649</u>	<u>2,591,040</u>	<u>92,391</u>	<u>2,309,247</u>
Total parish sources	74,125,514	76,069,802	74,872,129	(1,197,673)	72,262,566
State sources	83,168,942	83,994,735	84,045,504	50,769	80,913,469
Federal sources	608,563	-	151,618	151,618	618,798
Total revenues	<u>157,903,019</u>	<u>160,064,537</u>	<u>159,069,251</u>	<u>(995,286)</u>	<u>153,794,833</u>
<b>EXPENDITURES</b>					
Current:					
Instruction -					
Regular programs	68,428,465	71,182,446	71,887,702	(705,256)	68,350,703
Special education programs	25,422,308	26,445,458	26,140,461	304,997	25,191,263
Vocational education programs	2,756,234	2,867,162	2,768,418	98,744	2,771,513
Other instructional programs	4,494,357	4,675,237	4,626,035	49,202	4,858,105
Special programs	231,810	241,138	213,889	27,249	214,048
Adult and continuing education programs	23,748	24,704	22,898	1,806	24,093
Support services -					
Pupil support services	6,986,081	7,267,244	7,092,087	175,157	6,888,525
Instructional staff support services	6,261,435	6,513,434	6,114,870	398,564	6,470,246
General administration	3,028,365	3,150,245	2,963,835	186,410	2,887,501
School administration	9,828,660	10,224,226	9,979,589	244,637	9,910,382
Business services	1,374,683	1,430,009	1,312,799	117,210	1,214,668
Operation and maintenance of plant services	12,942,630	13,463,521	13,928,003	(464,482)	12,478,927
Student transportation services	12,849,316	13,366,451	13,251,500	114,951	11,170,889
Central services	1,539,020	1,600,960	1,490,866	110,094	1,435,451
Non-instructional services -					
Food services	340,745	354,458	324,189	30,269	289,374
Community service programs	301,976	314,129	244,969	69,160	168,196
Facilities acquisition and construction	1,111,100	1,155,818	1,059,077	96,741	68,956
Debt service:					
Principal retirement	-	-	-	-	748,972
Interest and fiscal charges	36,176	37,632	37,632	-	268,922
Total expenditures	<u>157,957,109</u>	<u>164,314,272</u>	<u>163,458,819</u>	<u>855,453</u>	<u>155,410,734</u>
Excess (deficiency) of revenues over expenditures	<u>(54,090)</u>	<u>(4,249,735)</u>	<u>(4,389,568)</u>	<u>(139,833)</u>	<u>(1,615,901)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond proceeds	-	-	-	-	3,025,000
Transfer to escrow agent	-	-	-	-	(3,025,000)
Transfers in	2,503,344	3,812,731	3,854,040	41,309	1,987,271
Transfers out	<u>(2,449,254)</u>	<u>(1,834,109)</u>	<u>(1,715,658)</u>	<u>118,451</u>	<u>(411,863)</u>
Total other financing sources (uses)	<u>54,090</u>	<u>1,978,622</u>	<u>2,138,382</u>	<u>159,760</u>	<u>1,575,408</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (2,271,113)</u>	<u>(2,251,186)</u>	<u>\$ 19,927</u>	<u>(40,493)</u>
FUND BALANCE, BEGINNING			<u>15,935,001</u>		<u>15,975,494</u>
FUND BALANCE, ENDING			<u>\$13,683,815</u>		<u>\$15,935,001</u>

GAAP is the budgetary basis used in the preparation of this schedule.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
2002 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004			Variance Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>REVENUES</b>					
Parish sources					
Sales taxes	\$ 16,712,340	\$ 16,712,340	\$ 16,552,925	\$(159,415)	\$ 16,165,254
Interest	17,750	17,750	77,122	59,372	13,659
Total revenues	<u>16,730,090</u>	<u>16,730,090</u>	<u>16,630,047</u>	<u>(100,043)</u>	<u>16,178,913</u>
<b>EXPENDITURES</b>					
Current:					
Instruction -					
Regular programs	13,468,213	13,468,213	13,099,122	369,091	11,698,488
Special education programs	2,151,833	2,151,833	2,092,863	58,970	1,869,082
Vocational education programs	361,399	361,399	351,495	9,904	313,911
Other instructional programs	11,731	11,731	11,410	321	10,190
Support services -					
Pupil support services	365,203	365,203	355,195	10,008	317,215
Instructional staff support services	299,550	299,550	291,341	8,209	260,189
General administration	72,161	72,161	70,183	1,978	62,679
Total expenditures	<u>16,730,090</u>	<u>16,730,090</u>	<u>16,271,609</u>	<u>458,481</u>	<u>14,531,754</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	358,438	<u>\$ 358,438</u>	1,647,159
FUND BALANCE, BEGINNING			<u>3,412,338</u>		<u>1,765,179</u>
FUND BALANCE, ENDING			<u>\$ 3,770,776</u>		<u>\$ 3,412,338</u>

GAAP is the budgetary basis used in the preparation of this schedule.

OTHER  
SUPPLEMENTARY  
INFORMATION  
(OPTIONAL)



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Revenues  
Budget (GAAP Basis) and Actual  
June 30, 2004

With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources:				
Ad valorem taxes	\$ 27,488,566	\$ 27,579,650	\$ 91,084	\$ 26,248,988
Sales taxes	46,082,587	44,701,439	(1,381,148)	43,704,331
Interest on interest-bearing deposits	250,000	337,997	87,997	385,031
Rentals, leases and royalties	450,000	514,342	64,342	504,627
Other -				
Tuition (summer school and drivers education)	283,355	267,597	(15,758)	305,845
Miscellaneous	1,515,294	1,471,104	(44,190)	1,113,744
Total parish sources	<u>76,069,802</u>	<u>74,872,129</u>	<u>(1,197,673)</u>	<u>72,262,566</u>
State sources:				
State Public School Fund - equalization	80,755,409	80,755,409	-	76,977,411
Other -				
Salary increase	2,400	20,833	18,433	647,153
Revenue sharing	1,775,196	1,805,737	30,541	1,803,810
Transportation of non-public students	617,411	617,411	-	567,305
PIPS	660,152	668,537	8,385	738,313
Non-public textbooks	184,167	177,577	(6,590)	179,477
Total state sources	<u>83,994,735</u>	<u>84,045,504</u>	<u>50,769</u>	<u>80,913,469</u>
Federal sources:				
Federal grants	-	151,618	151,618	618,798
Total revenues	<u>\$ 160,064,537</u>	<u>\$ 159,069,251</u>	<u>\$ (995,286)</u>	<u>\$ 153,794,833</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>EXPENDITURES</b>				
Current:				
Instruction - regular programs:				
Salaries -				
Kindergarten teachers	\$ 4,017,591	\$ 4,081,045	\$ (63,454)	\$ 3,744,536
Elementary teachers	35,275,188	35,813,885	(538,697)	34,410,550
Secondary teachers	10,414,402	10,865,830	(451,428)	11,658,061
Teachers' aides	911,360	906,675	4,685	714,212
Substitute teachers	1,193,548	1,359,390	(165,842)	1,024,897
Sabbatical leave	349,170	259,200	89,970	280,764
Purchased services	136,140	108,391	27,749	107,369
Instructional materials and supplies	725,450	639,182	86,268	610,424
Employee benefits	15,607,828	15,418,706	189,122	14,050,303
Equipment	416,367	335,872	80,495	404,890
Repairs and maintenance	155,082	134,081	21,001	144,140
Textbooks	1,961,333	1,960,378	955	1,196,354
Miscellaneous	18,987	5,067	13,920	4,203
Total instruction - regular programs	<u>71,182,446</u>	<u>71,887,702</u>	<u>(705,256)</u>	<u>68,350,703</u>
Instruction - special education programs:				
Salaries -				
Teachers	12,631,015	12,515,131	115,884	12,849,147
Speech therapists	2,207,682	2,168,356	39,326	2,181,182
Aides	4,273,250	4,156,042	117,208	3,746,200
Substitutes	435,126	495,535	(60,409)	380,903
Sabbatical leave	92,676	91,267	1,409	101,488
Purchased services	52,896	54,680	(1,784)	58,318
Travel	52,566	51,922	644	43,119
Equipment	51,069	41,196	9,873	56,529
Employee benefits	6,083,603	6,043,680	39,923	5,402,230
Material and supplies	441,169	401,957	39,212	286,730
Gifted textbooks/equipment	124,406	120,695	3,711	85,417
Total instruction - special education programs	<u>26,445,458</u>	<u>26,140,461</u>	<u>304,997</u>	<u>25,191,263</u>
Instruction - vocational education programs:				
Salaries	2,028,257	1,970,402	57,855	2,095,605
Supplies	138,934	111,325	27,609	69,806
Equipment	81,254	76,367	4,887	39,379
Repairs and maintenance	3,385	3,369	16	539
Purchased services	85,913	82,571	3,342	42,217
Employee benefits	529,419	524,384	5,035	523,967
Total instruction - vocational education programs	<u>2,867,162</u>	<u>2,768,418</u>	<u>98,744</u>	<u>2,771,513</u>

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
Instruction - other instructional programs:				
Salaries	3,666,231	3,636,695	29,536	3,858,037
Rental of equipment	5,146	3,696	1,450	1,748
Equipment	36,669	35,491	1,178	13,918
Repairs and maintenance	-	-	-	38,190
Employee benefits	941,840	934,013	7,827	926,575
Purchased services	500	-	500	76
Other	24,851	16,140	8,711	19,561
Total instruction - other instructional programs	<u>4,675,237</u>	<u>4,626,035</u>	<u>49,202</u>	<u>4,858,105</u>
Special program expenses:				
Employee benefits	<u>241,138</u>	<u>213,889</u>	<u>27,249</u>	<u>214,048</u>
Instruction - adult and continuing education programs				
Employee benefits	15,557	13,808	1,749	15,206
Travel	1,090	1,090	-	1,062
Material and supplies	<u>8,057</u>	<u>8,000</u>	<u>57</u>	<u>7,825</u>
Total instruction - adult and continuing education programs	<u>24,704</u>	<u>22,898</u>	<u>1,806</u>	<u>24,093</u>
Support services - pupil support services:				
Visiting teachers and supervisors -				
Salaries	185,003	184,445	558	168,256
Travel and other	30,113	20,352	9,761	4,664
Guidance services -				
Counselor salaries	2,843,738	2,792,338	51,400	2,888,668
Clerical/secretarial salaries	43,743	40,756	2,987	36,847
Travel	9,820	8,683	1,137	4,275
Supplies	66,629	62,631	3,998	47,392
Repairs and maintenance	2,700	2,421	279	4,028
Other	30,300	22,345	7,955	17,137
Health personnel -				
Salaries	297,652	277,501	20,151	293,436
Other	24,853	24,372	481	7,188
Student assessment and appraisal -				
Salaries	1,956,205	1,937,634	18,571	1,887,326
Clerical salaries	79,582	78,143	1,439	63,337
Supplies	45,627	17,489	28,138	14,952

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003
	Budget	Actual		Actual
Other pupil support -				
Salaries	135,339	115,935	19,404	121,030
Supplies and materials	42,620	38,178	4,442	30,650
Repairs and maintenance	1,452	1,356	96	-
Employee benefits	<u>1,471,868</u>	<u>1,467,508</u>	<u>4,360</u>	<u>1,299,339</u>
Total support services - pupil support services	<u>7,267,244</u>	<u>7,092,087</u>	<u>175,157</u>	<u>6,888,525</u>
Support services - instructional staff support services:				
Salaries -				
Instructional directors and supervisors	577,187	526,458	50,729	414,547
Supervisors - special areas	1,307,057	1,176,241	130,816	1,706,547
Secretarial assistance	198,680	198,411	269	169,881
Travel	39,247	30,538	8,709	43,433
Conferences, workshops and evaluations	7,772	1,896	5,876	7,134
Purchased educational services	525,871	350,340	175,531	348,679
Supplies and materials	342,137	362,589	(20,452)	239,786
Equipment	335,521	299,135	36,386	432,940
Library expenditures -				
Salaries	1,797,269	1,808,515	(11,246)	1,823,777
Library books	352,169	344,211	7,958	339,122
Employee benefits	<u>1,030,524</u>	<u>1,016,536</u>	<u>13,988</u>	<u>944,400</u>
Total support services - instructional staff support services	<u>6,513,434</u>	<u>6,114,870</u>	<u>398,564</u>	<u>6,470,246</u>
Support services - general administration:				
School Board members -				
Mileage and per diem	87,600	87,600	-	87,600
Legal and accounting services	388,106	281,245	106,861	430,359
Advertising	-	-	-	9,380
Claims paid	139,087	105,618	33,469	220,915
Fees for tax collections -				
Pension Fund deductions	310,171	310,171	-	308,847
Sales tax office expense	452,625	452,625	-	431,217
Election fees	-	-	-	11,505
Insurance	887,500	874,064	13,436	598,094
Other board expenditures	17,300	14,710	2,590	10,957
Superintendent -				
Salary	157,053	156,930	123	129,107
Secretarial salaries	69,868	71,352	(1,484)	67,955
Travel	21,549	14,986	6,563	12,139
Other	11,042	3,637	7,405	3,576

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003
	Budget	Actual		Actual
Assistant superintendents -				
Salary	170,402	169,761	641	162,947
Travel	16,784	15,053	1,731	22,509
Secretarial salaries	179,203	175,805	3,398	164,917
Other	14,102	8,679	5,423	5,569
Material and supplies	10,911	8,920	1,991	8,637
Equipment	7,912	7,912	-	4,000
Employee benefits	209,030	204,767	4,263	197,271
Total support services - general administration	<u>3,150,245</u>	<u>2,963,835</u>	<u>186,410</u>	<u>2,887,501</u>
Support services - school administration:				
Salaries -				
Principals and assistant principals	5,471,284	5,363,788	107,496	5,258,818
Secretaries and clerks	2,293,392	2,192,709	100,683	2,159,266
Travel	17,110	9,728	7,382	9,089
Telephone service for schools	154,248	152,611	1,637	331,776
Materials, supplies and other	88,527	69,781	18,746	71,646
Equipment	34,719	31,127	3,592	34,092
Employee benefits	2,164,946	2,159,845	5,101	2,045,695
Total support services - school administration	<u>10,224,226</u>	<u>9,979,589</u>	<u>244,637</u>	<u>9,910,382</u>
Support services - business services:				
Salaries -				
Accounting and clerical staff	614,293	603,717	10,576	568,032
Purchasing and warehouse	293,531	293,032	499	278,334
Advertising	19,887	19,103	784	13,662
Contracted services	25,761	16,234	9,527	15,295
Travel	2,235	1,417	818	1,604
Material and supplies	125,112	44,090	81,022	39,153
Employee benefits	288,860	287,064	1,796	246,420
Office equipment	7,097	4,477	2,620	15,953
Postage	49,897	42,540	7,357	31,646
Repairs and maintenance	3,336	1,125	2,211	4,569
Total support services - business services	<u>1,430,009</u>	<u>1,312,799</u>	<u>117,210</u>	<u>1,214,668</u>

(continued)



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2004

With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
Support services - operation and maintenance of plant services:				
Salaries -				
Supervisor of maintenance	148,045	148,042	3	93,015
Other maintenance personnel	1,401,634	1,361,775	39,859	1,322,075
Custodial personnel	3,386,746	2,995,323	391,423	2,889,955
Clerical	118,833	118,563	270	88,864
Utilities	2,290,290	3,380,746	(1,090,456)	2,963,286
Insurance	731,559	730,215	1,344	986,964
Telephone	360,447	338,852	21,595	99,017
Repair and upkeep of buildings	1,152,165	1,134,255	17,910	587,344
Rentals	55,982	61,212	(5,230)	67,238
Repair and upkeep of equipment	537,268	518,390	18,878	659,488
Travel	-	-	-	51
Equipment	201,247	165,932	35,315	212,655
Maintenance supplies	1,178,571	1,085,460	93,111	1,058,909
Contracted services	105,455	105,346	109	103,994
Employee benefits	1,705,049	1,672,530	32,519	1,268,784
Gasoline	90,230	111,362	(21,132)	77,288
Total support services - operation and maintenance of plant services	<u>13,463,521</u>	<u>13,928,003</u>	<u>(464,482)</u>	<u>12,478,927</u>
Support services - student transportation services:				
Supervisor -				
Salary	25,935	25,689	246	2,637
Supplies and other	168,078	159,388	8,690	26,547
Salaries -				
Bus drivers	4,437,611	4,405,409	32,202	4,311,964
Bus attendants	810,312	810,219	93	598,822
Substitutes	597,621	601,644	(4,023)	573,843
Clerical	83,959	83,734	225	80,815
Other	248,227	243,279	4,948	237,970
Bus drivers' lease and operating allowance	3,933,176	3,933,084	92	2,918,945
Repairs and maintenance	64,322	55,049	9,273	178,448
Cost of gasoline, tires and oil	284,955	351,691	(66,736)	361,473
Insurance	44,639	44,131	508	44,131
Rental	326,755	326,755	-	302,320
Equipment	62,800	54,965	7,835	8,415
Employee benefits	2,278,061	2,156,463	121,598	1,524,559
Total support services - student transportation services	<u>13,366,451</u>	<u>13,251,500</u>	<u>114,951</u>	<u>11,170,889</u>

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
Support services - central services:				
Personnel services -				
Salaries	282,794	287,586	(4,792)	317,112
Other	156,230	154,519	1,711	92,069
Public information services -				
Salaries	125,562	123,650	1,912	139,103
Equipment	59,420	59,354	66	7,356
Other expenditures	70,003	37,780	32,223	47,049
Data processing -				
Salaries	315,151	255,763	59,388	273,190
Purchased services	149,983	145,805	4,178	118,090
Other expenditures	39,621	27,479	12,142	13,805
Equipment	23,936	22,665	1,271	9,047
Materials and supplies	190,157	189,167	990	207,862
Employee benefits	188,103	187,098	1,005	210,768
Total support services - central services	<u>1,600,960</u>	<u>1,490,866</u>	<u>110,094</u>	<u>1,435,451</u>
Food services:				
Employee benefits	259,288	229,988	29,300	225,745
Repairs and maintenance	45,170	44,927	243	47,013
Food purchases	50,000	49,274	726	-
Other	-	-	-	16,616
Total food services	<u>354,458</u>	<u>324,189</u>	<u>30,269</u>	<u>289,374</u>
Community service programs:				
Civic appropriations	232,780	173,662	59,118	101,843
Equipment	1,800	1,625	175	-
Salaries	38,707	38,707	-	37,762
Travel	725	760	(35)	492
Materials and supplies	2,320	1,881	439	979
Other expenditures	25,940	16,644	9,296	16,041
Employee benefits	11,857	11,690	167	11,079
	<u>314,129</u>	<u>244,969</u>	<u>69,160</u>	<u>168,196</u>
Facilities acquisition and construction:	<u>1,155,818</u>	<u>1,059,077</u>	<u>96,741</u>	<u>68,956</u>
Debt service:				
Principal retirement	-	-	-	748,972
Interest and fiscal charges	37,632	37,632	-	268,922
Total debt service	<u>37,632</u>	<u>37,632</u>	<u>-</u>	<u>1,017,894</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 164,314,272</u>	<u>\$ 163,458,819</u>	<u>\$ 855,453</u>	<u>\$ 155,410,734</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Sales Tax Revenue Bonds Debt Service Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources -				
Sales tax	\$ 9,558,071	\$ 9,503,637	\$ (54,434)	\$ 9,556,639
Interest	161,708	139,920	(21,788)	201,788
Total revenues	<u>9,719,779</u>	<u>9,643,557</u>	<u>(76,222)</u>	<u>9,758,427</u>
<b>EXPENDITURES</b>				
Current:				
Support services -				
General administration	13,700	3,400	10,300	3,300
Debt service:				
Principal retirement	4,810,000	4,904,044	(94,044)	4,555,000
Interest and fiscal charges	4,748,356	4,573,907	174,449	5,008,517
Total expenditures	<u>9,572,056</u>	<u>9,481,351</u>	<u>90,705</u>	<u>9,566,817</u>
Excess of revenues over expenditures	<u>147,723</u>	<u>162,206</u>	<u>14,483</u>	<u>191,610</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the issuance of debt	-	13,043,293	13,043,293	-
Transfer to escrow agent	-	(13,043,293)	(13,043,293)	-
Transfers in	-	-	-	-
Transfers out	(200,000)	(200,000)	-	(500,000)
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>(500,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ (52,277)</u>	<u>(37,794)</u>	<u>\$ 14,483</u>	<u>(308,390)</u>
FUND BALANCE, BEGINNING		<u>13,042,524</u>		<u>13,350,914</u>
FUND BALANCE, ENDING		<u>\$13,004,730</u>		<u>\$13,042,524</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet - By Fund Type  
June 30, 2004  
With Comparative Totals for June 30, 2003

	Special Revenue	Debt Service	Capital Projects	Totals	
				2004	2003
<b>ASSETS</b>					
Cash and interest-bearing deposits	\$ 4,712,369	\$ 839,932	\$ 2,769,068	\$ 8,321,369	\$ 6,193,925
Investments	-	-	285,327	285,327	5,349,966
Receivables:					
Notes receivable	-	-	40,436	40,436	75,818
Due from other funds	3,415,533	1,171	267,128	3,683,832	1,460,239
Due from other governmental agencies -					
State Department of Education	6,359,660	-	-	6,359,660	5,595,379
Other	-	-	-	-	4,116
Other	4,224	-	6,914	11,138	8,832
Prepaid items	3,718	-	-	3,718	174,869
Inventory, at cost	676,598	-	-	676,598	696,748
<b>TOTAL ASSETS</b>	<b>\$ 15,172,102</b>	<b>\$ 841,103</b>	<b>\$ 3,368,873</b>	<b>\$ 19,382,078</b>	<b>\$ 19,559,892</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 413,328	\$ -	\$ 89,227	\$ 502,555	\$ 579,673
Contracts payable	-	-	227,131	227,131	352,825
Retainage payable	-	-	58,712	58,712	127,562
Due to other funds	9,588,718	880	49,215	9,638,813	12,064,019
Due to other governmental units	18,385	-	-	18,385	4,022
Deferred revenue	2,549,518	1,465	-	2,550,983	242,922
Total liabilities	12,569,949	2,345	424,285	12,996,579	13,371,023
Fund balances:					
Reserved for encumbrances	5,744	-	175,651	181,395	45,538
Reserved for inventory	491,514	-	-	491,514	512,923
Reserved for incomplete contracts	-	-	269,703	269,703	390,240
Reserved for debt retirement	-	838,758	-	838,758	922,762
Unreserved, designated for capital expenditures	-	-	2,106,759	2,106,759	2,912,447
Unreserved, undesignated	2,104,895	-	392,475	2,497,370	1,404,959
Total fund balances	2,602,153	838,758	2,944,588	6,385,499	6,188,869
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 15,172,102</b>	<b>\$ 841,103</b>	<b>\$ 3,368,873</b>	<b>\$ 19,382,078</b>	<b>\$ 19,559,892</b>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Type  
For the Year Ended June 30, 2004  
With Comparative Totals for the Year Ended June 30, 2003

	Special Revenue	Debt Service	Capital Projects	Totals	
				2004	2003
<b>REVENUES</b>					
Parish sources -					
Ad valorem taxes	\$ -	\$ 627,071	\$ -	\$ 627,071	\$ 627,368
Sales taxes	-	-	526,188	526,188	993,259
Other	1,943,427	11,440	82,324	2,037,191	1,913,470
State sources	3,915,263	-	-	3,915,263	3,358,020
Federal sources	<u>28,886,604</u>	-	-	<u>28,886,604</u>	<u>26,033,347</u>
Total revenues	<u>34,745,294</u>	<u>638,511</u>	<u>608,512</u>	<u>35,992,317</u>	<u>32,925,464</u>
<b>EXPENDITURES</b>					
<b>Current:</b>					
<b>Instruction -</b>					
Regular programs	725,444	-	-	725,444	846,335
Special education programs	3,199,548	-	-	3,199,548	2,804,664
Vocational education programs	488,080	-	-	488,080	609,924
Other instructional programs	1,295,966	-	60,498	1,356,464	593,240
Special programs	11,866,483	-	-	11,866,483	11,006,031
Adult and continuing education programs	1,310,072	-	-	1,310,072	1,112,696
<b>Support services -</b>					
Pupil support services	889,971	-	6,393	896,364	810,932
Instructional staff support services	3,249,432	-	-	3,249,432	2,847,115
General administration	11,996	26,339	6,190	44,525	46,487
School administration	61,533	-	-	61,533	87,150
Business services	286,407	-	-	286,407	227,730
Operation and maintenance of plant services	128,622	-	411,543	540,165	892,816
Student transportation services	198,760	-	249,865	448,625	324,293
Central services	123,097	-	-	123,097	72,661
<b>Non-instructional services -</b>					
Food services	9,662,071	-	-	9,662,071	9,060,499
Community services	-	-	-	-	327,961
Facilities acquisition and construction	-	-	2,633,767	2,633,767	5,606,504
<b>Debt service:</b>					
Principal retirement	-	1,246,777	-	1,246,777	678,259
Interest and fiscal charges	-	470,559	834	471,393	425,664
Total expenditures	<u>33,497,482</u>	<u>1,743,675</u>	<u>3,369,090</u>	<u>38,610,247</u>	<u>38,380,961</u>
Excess (deficiency) of revenues over expenditures	<u>1,247,812</u>	<u>(1,105,164)</u>	<u>(2,760,578)</u>	<u>(2,617,930)</u>	<u>(5,455,497)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from certificates of indebtedness	-	-	3,250,000	3,250,000	1,325,000
Proceeds from the issuance of debt	-	2,814,492	-	2,814,492	-
Transfer to escrow agent	-	(2,805,000)	-	(2,805,000)	-
Transfers in	476,640	1,011,668	420,800	1,909,108	905,313
Transfers out	<u>(773,696)</u>	-	<u>(1,580,344)</u>	<u>(2,354,040)</u>	<u>(1,987,271)</u>
Total other financing sources (uses)	<u>(297,056)</u>	<u>1,021,160</u>	<u>2,090,456</u>	<u>2,814,560</u>	<u>243,042</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	950,756	(84,004)	(670,122)	196,630	(5,212,455)
FUND BALANCES, BEGINNING	<u>1,651,397</u>	<u>922,762</u>	<u>3,614,710</u>	<u>6,188,869</u>	<u>11,401,324</u>
FUND BALANCES, ENDING	<u>\$2,602,153</u>	<u>\$ 838,758</u>	<u>\$ 2,944,588</u>	<u>\$ 6,385,499</u>	<u>\$ 6,188,869</u>

# NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes.

## **Consolidated Other (NCLB)**

The purpose of this fund is to account for federal funds received under Title II, III, IV, and V of the No Child Left Behind (NCLB) Act of 2001. These funds are used for various purposes including, but not limited to, staff development, drug education, innovative educational programs, and the purchase of equipment and computers for classrooms. Some of the funds are also used to support non-public schools.

## **Consolidated Special Education**

The purpose of this fund is to account for several federal and state programs restricted to *exceptional children with disabilities and the gifted*. Donations restricted for use in handicapped programs are accounted for in this fund.

## **Consolidated Adult Education**

The purpose of this fund is to account for federal, state, or local programs for adult, young adult, and early childhood education. These sources are utilized to provide instruction to adults working toward high school diplomas, to provide counseling to potential high school dropouts, to provide instruction in vocational education to children with disabilities, and to provide continuing education courses.

## **Consolidated Special Revenue**

The purpose of this fund is to account for state and federal programs that provide supplemental education programs for high-risk children and teacher training.

### **Consolidated Federal Programs**

The Consolidated Federal Programs Special Revenue Fund accounts for Title I, other federally funded programs, donations, and programs for pre-school and homeless children. Title I of the No Child Left Behind (NCLB) Act of 2001 provides funds for supplementary instruction with emphasis on reading and math. The federal funds for Title I are allocated and administered by the state for at-risk students.

### **Child Development Program**

The purpose of this fund is to account for federal funds used in the Headstart and LA-4 programs. Headstart funds provide a quality early childhood education for three- and four-year-old children meeting federal poverty guidelines. LA-4 funds provide a quality pre-school education for every four-year-old child qualifying for free/reduced lunch.

### **Consolidated Other Federal Programs**

The purpose of this fund is to account for federal funds used to break the cycle of poverty and illiteracy by integrating early childhood education, adult education, parenting education and parent and child interactive activities to ensure high risk children have equal opportunity.

### **Consolidated Direct Federal**

These federal funds support academic achievement by planning and implementation of small, safe, and successful learning environments in large public high schools. These funds also support programs to raise student achievement by improving teachers' knowledge, understanding, and appreciation of American History.

### **School Food Service**

The purpose of this fund is to account for the provision of meals to school children, including the breakfast and lunch programs. All activities necessary to provide such meals are accounted for in this fund including, but not limited to, administration, operations, and maintenance.



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LAFAYETTE PARISH  
SCHOOL SYSTEM

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LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Funds

Combining Balance Sheet  
June 30, 2004  
With Comparative Totals for June 30, 2003

	<u>Consolidated Other NCLB</u>	<u>Consolidated Special Education</u>	<u>Consolidated Adult Education</u>	<u>Consolidated Special Revenue</u>
ASSETS				
Cash and interest-bearing deposits	\$ 7,339	\$ 16,520	\$ 30,907	\$ 819
Investments	-	-	-	-
Receivables:				
Due from other funds	555	-	403,044	2,874,795
Due from other governmental agencies -				
State Department of Education	1,232,709	842,220	270,608	1,123,614
Other	-	89	-	-
Prepaid items	-	-	-	-
Inventory, at cost	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ASSETS	<u>\$ 1,240,603</u>	<u>\$ 858,829</u>	<u>\$ 704,559</u>	<u>\$ 3,999,228</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 26,490	\$ 24,876	\$ 8,176	\$ 7,616
Due to other funds	1,211,628	817,344	543,392	1,625,808
Due to other governmental units	2,485	-	148	669
Deferred revenue	-	-	-	2,365,019
Total liabilities	<u>1,240,603</u>	<u>842,220</u>	<u>551,716</u>	<u>3,999,112</u>
Fund balances:				
Reserved for encumbrances	-	-	473	-
Reserved for inventory	-	-	-	-
Unreserved, undesignated	-	16,609	152,370	116
Total fund balances	<u>-</u>	<u>16,609</u>	<u>152,843</u>	<u>116</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,240,603</u>	<u>\$ 858,829</u>	<u>\$ 704,559</u>	<u>\$ 3,999,228</u>

Consolidated Federal Programs	Child Development Program	Consolidated		Consolidated Direct Federal	School Food Service	Totals	
		Other Federal Programs				2004	2003
\$ 40,340	\$ 1,359,123	\$ 6,124	\$ 137,053	\$ 3,114,144	\$ 4,712,369	\$ 6,083,797	
-	-	-	-	-	-	509,113	
22,422	-	114,717	-	-	3,415,533	1,393,184	
1,994,665	460,519	161,229	97,346	176,750	6,359,660	5,595,379	
4,135	-	-	-	-	4,224	1,918	
-	3,718	-	-	-	3,718	174,869	
-	-	-	-	676,598	676,598	696,748	
<u>\$ 2,061,562</u>	<u>\$ 1,823,360</u>	<u>\$ 282,070</u>	<u>\$ 234,399</u>	<u>\$ 3,967,492</u>	<u>\$ 15,172,102</u>	<u>\$ 14,455,008</u>	
\$ 128,746	\$ 3,555	\$ 12,199	\$ 8,660	\$ 193,010	\$ 413,328	\$ 545,598	
1,932,816	1,170,971	257,791	225,739	1,803,229	9,588,718	12,012,534	
-	15,083	-	-	-	18,385	4,022	
-	-	-	-	184,499	2,549,518	241,457	
<u>2,061,562</u>	<u>1,189,609</u>	<u>269,990</u>	<u>234,399</u>	<u>2,180,738</u>	<u>12,569,949</u>	<u>12,803,611</u>	
-	-	5,271	-	-	5,744	11,019	
-	-	-	-	491,514	491,514	512,923	
-	633,751	6,809	-	1,295,240	2,104,895	1,127,455	
-	633,751	12,080	-	1,786,754	2,602,153	1,651,397	
<u>\$ 2,061,562</u>	<u>\$ 1,823,360</u>	<u>\$ 282,070</u>	<u>\$ 234,399</u>	<u>\$ 3,967,492</u>	<u>\$ 15,172,102</u>	<u>\$ 14,455,008</u>	

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2004  
With Comparative Totals for June 30, 2003

	Consolidated Other NCLB	Consolidated Special Education	Consolidated Adult Education	Consolidated Special Revenue
<b>REVENUES</b>				
Parish sources	\$ -	\$ 6,571	\$ 16,603	\$ -
State sources	-	106,090	-	3,365,738
Federal sources	<u>2,691,260</u>	<u>4,337,059</u>	<u>2,035,059</u>	<u>34,201</u>
Total revenues	<u>2,691,260</u>	<u>4,449,720</u>	<u>2,051,662</u>	<u>3,399,939</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	-	300	3,964	680,872
Special education programs	-	3,184,591	-	-
Vocational education programs	-	-	412,569	19,000
Other instructional programs	-	-	186,191	1,032,411
Special programs	2,327,572	-	112,726	203,347
Adult and continuing education programs	-	-	999,354	310,718
Support services -				
Pupil support services	40,635	453,229	121,824	7,000
Instructional staff support services	212,225	494,320	66,025	1,097,167
General administration	3,400	393	-	-
School administration	262	15,948	7,436	12,605
Business services	2,311	16,578	-	36,819
Operation and maintenance of plant services	2,370	33,545	443	-
Student transportation services	-	72,490	-	-
Central services				
Non-instructional services -				
Food services	-	-	-	-
Community services	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>2,588,775</u>	<u>4,271,394</u>	<u>1,910,532</u>	<u>3,399,939</u>
Excess (deficiency) of revenues over expenditures	<u>102,485</u>	<u>178,326</u>	<u>141,130</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(102,485)</u>	<u>(175,401)</u>	<u>(47,577)</u>	<u>-</u>
Total other financing sources (uses)	<u>(102,485)</u>	<u>(175,401)</u>	<u>(47,577)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	2,925	93,553	-
FUND BALANCES, BEGINNING	<u>-</u>	<u>13,684</u>	<u>59,290</u>	<u>116</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 16,609</u>	<u>\$ 152,843</u>	<u>\$ 116</u>

Consolidated Federal Programs	Child Development Program	Consolidated Other Federal Programs	Consolidated Direct Federal	School Food Service	Totals	
					2004	2003
\$ 131,132	\$ 56,416	\$ -	\$ -	\$ 1,732,705	\$ 1,943,427	\$ 1,726,717
-	-	-	-	443,435	3,915,263	3,358,020
<u>7,147,701</u>	<u>4,594,639</u>	<u>548,567</u>	<u>237,764</u>	<u>7,260,354</u>	<u>28,886,604</u>	<u>26,033,347</u>
<u>7,278,833</u>	<u>4,651,055</u>	<u>548,567</u>	<u>237,764</u>	<u>9,436,494</u>	<u>34,745,294</u>	<u>31,118,084</u>
37,141	-	-	3,167	-	725,444	846,335
14,957	-	-	-	-	3,199,548	2,804,664
-	-	56,511	-	-	488,080	609,924
7,818	-	69,546	-	-	1,295,966	566,878
5,646,920	3,309,714	266,204	-	-	11,866,483	11,006,031
-	-	-	-	-	1,310,072	1,112,696
101,267	6,009	160,007	-	-	889,971	810,932
741,351	413,831	-	224,513	-	3,249,432	2,847,115
7,900	-	-	303	-	11,996	10,303
23,741	1,541	-	-	-	61,533	87,150
224,575	6,124	-	-	-	286,407	227,730
63,330	28,868	-	66	-	128,622	178,099
11,647	114,623	-	-	-	198,760	306,196
123,097	-	-	-	-	123,097	72,661
1,155	-	-	-	9,660,916	9,662,071	9,060,499
-	-	-	-	-	-	327,961
-	-	-	-	-	-	320,800
<u>7,004,899</u>	<u>3,880,710</u>	<u>552,268</u>	<u>228,049</u>	<u>9,660,916</u>	<u>33,497,482</u>	<u>31,195,974</u>
<u>273,934</u>	<u>770,345</u>	<u>(3,701)</u>	<u>9,715</u>	<u>(224,422)</u>	<u>1,247,812</u>	<u>(77,890)</u>
-	-	-	-	476,640	476,640	371,542
<u>(275,591)</u>	<u>(159,388)</u>	<u>(3,539)</u>	<u>(9,715)</u>	<u>-</u>	<u>(773,696)</u>	<u>(817,619)</u>
<u>(275,591)</u>	<u>(159,388)</u>	<u>(3,539)</u>	<u>(9,715)</u>	<u>476,640</u>	<u>(297,056)</u>	<u>(446,077)</u>
(1,657)	610,957	(7,240)	-	252,218	950,756	(523,967)
<u>1,657</u>	<u>22,794</u>	<u>19,320</u>	<u>-</u>	<u>1,534,536</u>	<u>1,651,397</u>	<u>2,175,364</u>
<u>\$ -</u>	<u>\$ 633,751</u>	<u>\$ 12,080</u>	<u>\$ -</u>	<u>\$ 1,786,754</u>	<u>\$ 2,602,153</u>	<u>\$ 1,651,397</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Consolidated Other NCLB

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources	\$ -	\$ -	\$ -	\$ 25,821
Federal sources	<u>2,699,006</u>	<u>2,691,260</u>	<u>(7,746)</u>	<u>2,200,535</u>
Total revenues	<u>2,699,006</u>	<u>2,691,260</u>	<u>(7,746)</u>	<u>2,226,356</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Special programs	2,335,318	2,327,572	7,746	1,997,026
Support services -				
Pupil support services	40,635	40,635	-	5,000
Instructional staff support services	212,225	212,225	-	119,003
General administration	3,400	3,400	-	2,400
School administration	262	262	-	125
Business services	2,311	2,311	-	2,534
Operation and maintenance of plant services	2,370	2,370	-	-
Non-instructional services -				
Food services	-	-	-	700
Total expenditures	<u>2,596,521</u>	<u>2,588,775</u>	<u>7,746</u>	<u>2,126,788</u>
Excess of revenues over expenditures	102,485	102,485	-	99,568
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(102,485)</u>	<u>(102,485)</u>	<u>-</u>	<u>(99,568)</u>
Excess of revenues over expenditures and other uses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
<b>FUND BALANCE, BEGINNING</b>				
		<u>-</u>		<u>-</u>
<b>FUND BALANCE, ENDING</b>				
		<u>\$ -</u>		<u>\$ -</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Consolidated Special Education

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources	\$ -	\$ 6,571	\$ 6,571	\$ 8,480
State sources	106,090	106,090	-	112,019
Federal sources	<u>4,406,889</u>	<u>4,337,059</u>	<u>(69,830)</u>	<u>3,720,232</u>
Total revenues	<u>4,512,979</u>	<u>4,449,720</u>	<u>(63,259)</u>	<u>3,840,731</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	305	300	5	-
Special education programs	3,233,935	3,184,591	49,344	2,780,009
Support services -				
Pupil support services	460,252	453,229	7,023	335,880
Instructional staff support services	501,979	494,320	7,659	435,188
General administration	399	393	6	303
School administration	16,195	15,948	247	10,442
Business services	16,835	16,578	257	12,487
Operation and maintenance of plant services	34,065	33,545	520	39,090
Student transportation services	<u>73,613</u>	<u>72,490</u>	<u>1,123</u>	<u>51,570</u>
Total expenditures	<u>4,337,578</u>	<u>4,271,394</u>	<u>66,184</u>	<u>3,664,969</u>
Excess of revenues over expenditures	175,401	178,326	2,925	175,762
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(175,401)</u>	<u>(175,401)</u>	<u>-</u>	<u>(171,813)</u>
Excess of revenues over expenditures and other uses	<u>\$ -</u>	2,925	<u>\$ 2,925</u>	3,949
<b>FUND BALANCE, BEGINNING</b>		<u>13,684</u>		<u>9,735</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 16,609</u>		<u>\$ 13,684</u>

LAFAYETTE PARISH SCHOOL BOARD

Lafayette, Louisiana

Nonmajor Special Revenue Fund

Consolidated Adult Education

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources	\$ -	\$ 16,603	\$ 16,603	\$ 17,130
State sources	-	-	-	319,110
Federal sources	<u>2,087,477</u>	<u>2,035,059</u>	<u>(52,418)</u>	<u>1,986,675</u>
Total revenues	<u>2,087,477</u>	<u>2,051,662</u>	<u>(35,815)</u>	<u>2,322,915</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	4,053	3,964	89	91,099
Vocational education programs	421,845	412,569	9,276	420,759
Other instructional programs	190,377	186,191	4,186	201,265
Special programs	115,261	112,726	2,535	159,446
Adult and continuing education programs	1,021,823	999,354	22,469	1,111,563
Support services -				
Pupil support services	124,563	121,824	2,739	114,388
Instructional staff support services	67,510	66,025	1,485	99,647
School administration	7,603	7,436	167	12,803
Operation and maintenance of plant services	<u>453</u>	<u>443</u>	<u>10</u>	<u>5,108</u>
Total expenditures	<u>1,953,488</u>	<u>1,910,532</u>	<u>42,956</u>	<u>2,216,078</u>
Excess of revenues over expenditures	133,989	141,130	7,141	106,837
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(47,577)</u>	<u>(47,577)</u>	<u>-</u>	<u>(57,424)</u>
Excess of revenues over expenditures and other uses	<u>\$ 86,412</u>	93,553	<u>\$ 7,141</u>	49,413
<b>FUND BALANCE, BEGINNING</b>		<u>59,290</u>		<u>9,877</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 152,843</u>		<u>\$ 59,290</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Consolidated Special Revenue

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
State sources	\$ 3,309,812	\$ 3,365,738	\$ 55,926	\$2,472,958
Federal sources	38,524	34,201	(4,323)	30,925
Total revenues	<u>3,348,336</u>	<u>3,399,939</u>	<u>51,603</u>	<u>2,503,883</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	670,538	680,872	(10,334)	690,695
Vocational education programs	18,712	19,000	(288)	-
Other instructional programs	1,016,741	1,032,411	(15,670)	338,241
Special programs	200,260	203,347	(3,087)	235,781
Adult and continuing education programs	306,002	310,718	(4,716)	1,133
Support services -				
Pupil support services	6,894	7,000	(106)	-
Instructional staff support services	1,080,515	1,097,167	(16,652)	1,216,796
School administration	12,414	12,605	(191)	11,652
Business services	36,260	36,819	(559)	9,585
Total expenditures	<u>3,348,336</u>	<u>3,399,939</u>	<u>(51,603)</u>	<u>2,503,883</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>	-
FUND BALANCE, BEGINNING		<u>116</u>		<u>116</u>
FUND BALANCE, ENDING		<u>\$ 116</u>		<u>\$ 116</u>



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Consolidated Federal Programs

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance Positive (Negative)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources	\$ -	\$ 131,132	\$ 131,132	\$ 11,203
Federal sources	<u>7,287,133</u>	<u>7,147,701</u>	<u>(139,432)</u>	<u>6,443,892</u>
Total revenues	<u>7,287,133</u>	<u>7,278,833</u>	<u>(8,300)</u>	<u>6,455,095</u>
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	37,141	37,141	-	20,040
Special education programs	14,957	14,957	-	24,655
Vocational education programs	-	-	-	161
Other instructional programs	7,818	7,818	-	26,581
Special programs	5,653,563	5,646,920	6,643	4,692,123
Support services -				
Pupil support services	101,267	101,267	-	196,691
Instructional staff support services	741,351	741,351	-	657,531
General administration	7,900	7,900	-	7,600
School administration	23,741	23,741	-	21,593
Business services	224,575	224,575	-	197,351
Operation and maintenance of plant services	63,330	63,330	-	104,998
Student transportation services	11,647	11,647	-	153,465
Central services	123,097	123,097	-	72,661
Non-instructional services -				
Food services	<u>1,155</u>	<u>1,155</u>	<u>-</u>	<u>710</u>
Total expenditures	<u>7,011,542</u>	<u>7,004,899</u>	<u>6,643</u>	<u>6,176,160</u>
Excess of revenues over expenditures	275,591	273,934	(1,657)	278,935
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(275,591)</u>	<u>(275,591)</u>	<u>-</u>	<u>(277,594)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ -</u>	<u>(1,657)</u>	<u>\$ (1,657)</u>	<u>1,341</u>
FUND BALANCE, BEGINNING		<u>1,657</u>		<u>316</u>
FUND BALANCE, ENDING		<u>\$ -</u>		<u>\$ 1,657</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Child Development Program

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance -	2003
	Budget	Actual	Favorable (Unfavorable)	Actual
<b>REVENUES</b>				
Parish sources	\$ -	\$ 56,416	\$ 56,416	\$ 24,895
Federal sources	<u>4,604,418</u>	<u>4,594,639</u>	<u>(9,779)</u>	<u>4,559,089</u>
<b>Total revenues</b>	<u>4,604,418</u>	<u>4,651,055</u>	<u>46,637</u>	<u>4,583,984</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Instruction -</b>				
Special programs	3,309,714	3,309,714	-	3,596,359
<b>Support services -</b>				
Pupil support services	6,009	6,009	-	6,305
Instructional staff support services	413,831	413,831	-	318,950
School administration	1,541	1,541	-	30,535
Business services	6,124	6,124	-	5,773
Operation and maintenance of plant services	28,868	28,868	-	28,903
Student transportation services	114,623	114,623	-	101,161
<b>Non-instructional services -</b>				
Community services	<u>-</u>	<u>-</u>	<u>-</u>	<u>327,961</u>
<b>Total expenditures</b>	<u>3,880,710</u>	<u>3,880,710</u>	<u>-</u>	<u>4,415,947</u>
<b>Excess of revenues over expenditures</b>	723,708	770,345	46,637	168,037
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(159,388)</u>	<u>(159,388)</u>	<u>-</u>	<u>(202,256)</u>
<b>Excess (deficiency) of revenues over expenditures and other uses</b>	<u>\$ 564,320</u>	610,957	<u>\$ 46,637</u>	(34,219)
<b>FUND BALANCE, BEGINNING</b>		<u>22,794</u>		<u>57,013</u>
<b>FUND BALANCE, ENDING</b>		<u>\$ 633,751</u>		<u>\$ 22,794</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
Consolidated Other Federal Programs

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
REVENUES				
Federal sources	<u>\$ 544,124</u>	<u>\$ 548,567</u>	<u>\$ 4,443</u>	<u>\$ 740,544</u>
EXPENDITURES				
Current:				
Instruction -				
Regular programs	-	-	-	44,501
Vocational education programs	56,511	56,511	-	189,004
Other instructional programs	69,546	69,546	-	791
Special programs	254,521	266,204	(11,683)	325,296
Support services -				
Pupil support services	<u>160,007</u>	<u>160,007</u>	<u>-</u>	<u>152,668</u>
Total expenditures	<u>540,585</u>	<u>552,268</u>	<u>(11,683)</u>	<u>712,260</u>
Excess (deficiency) of revenues over expenditures	3,539	(3,701)	(7,240)	28,284
OTHER FINANCING USES				
Transfers out	<u>(3,539)</u>	<u>(3,539)</u>	<u>-</u>	<u>(8,964)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ -</u>	<u>(7,240)</u>	<u>\$ (7,240)</u>	<u>19,320</u>
FUND BALANCE, BEGINNING		<u>19,320</u>		<u>-</u>
FUND BALANCE, ENDING		<u>\$ 12,080</u>		<u>\$ 19,320</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
*Nonmajor Special Revenue Fund*  
Consolidated Direct Federal

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
REVENUES				
Federal sources	\$ 237,764	\$ 237,764	\$ -	\$ -
EXPENDITURES				
Current:				
Instruction -				
Regular programs	3,167	3,167	-	-
Support services -				
Instructional staff support services	224,513	224,513	-	-
General administration	303	303	-	-
Operation and maintenance of plant services	66	66	-	-
Total expenditures	<u>228,049</u>	<u>228,049</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	9,715	9,715	-	-
OTHER FINANCING USES				
Transfers out	<u>(9,715)</u>	<u>(9,715)</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
FUND BALANCE, BEGINNING		<u>-</u>		<u>-</u>
FUND BALANCE, ENDING		<u>\$ -</u>		<u>\$ -</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Special Revenue Fund  
School Food Service

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>REVENUES</b>				
Parish sources	\$ 1,826,789	\$ 1,732,705	\$ (94,084)	\$ 1,639,188
State sources	456,555	443,435	(13,120)	453,933
Federal sources	<u>6,863,200</u>	<u>7,260,354</u>	<u>397,154</u>	<u>6,351,455</u>
Total revenues	<u>9,146,544</u>	<u>9,436,494</u>	<u>289,950</u>	<u>8,444,576</u>
<b>EXPENDITURES</b>				
Current:				
Non-instructional services -				
Food services	9,397,624	9,660,916	(263,292)	9,059,089
Facilities acquisition and construction	-	-	-	320,800
Total expenditures	<u>9,397,624</u>	<u>9,660,916</u>	<u>(263,292)</u>	<u>9,379,889</u>
Deficiency of revenues over expenditures	(251,080)	(224,422)	26,658	(935,313)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>463,520</u>	<u>476,640</u>	<u>13,120</u>	<u>371,542</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ 212,440</u>	252,218	<u>\$ 39,778</u>	(563,771)
FUND BALANCE, BEGINNING		<u>1,534,536</u>		<u>2,098,307</u>
FUND BALANCE, ENDING		<u>\$ 1,786,754</u>		<u>\$ 1,534,536</u>

# NON-MAJOR DEBT SERVICE FUNDS

Debt Service funds are used to account for the accumulation of resources for the payment of debt principal, interest, and related costs.

## **Consolidated School District #1**

The purpose of the fund is to accumulate funds for payment of one remaining bond issue. The bonds were issued by Consolidated School District No. 1 for the purpose of acquiring land for building sites and playgrounds, purchasing, erecting and/or improving school buildings and other related facilities, acquiring necessary equipment and furnishings and asbestos abatement. The bond issue is financed by a special property tax on property within the territorial limits of Consolidated School District No. 1 (Lafayette Parish).

## **Other Debt Service**

The purpose of this fund is to account for debt service expenditures that are not directly related to bond issues. Such debt includes certificates of indebtedness, lease financing, and qualified zone academy bonds (QZAB). This debt usually has shorter terms and does not require a reserve fund or specific identification of resources used to pay the debt. In an effort to more clearly disclose the total debt obligation of the School Board, this fund was established to allow specific identification of debt obligations previously accounted for in various other funds.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Debt Service Fund

Combining Balance Sheet  
June 30, 2004 and 2003  
With Comparative Totals for June 30, 2003

	Consolidated School District #1	Other Debt Service	<u>Totals</u>	
			<u>2004</u>	<u>2003</u>
ASSETS				
Cash and interest-bearing deposits	\$ 839,932	\$ -	\$ 839,932	\$ 53,341
Investments	-	-	-	866,770
Receivables:				
Due from other funds	1,171	-	1,171	-
Due from other governmental agencies	-	-	-	4,116
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ASSETS	<u>\$ 841,103</u>	<u>\$ -</u>	<u>\$ 841,103</u>	<u>\$ 924,227</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deferred revenue	\$ 1,465	\$ -	\$ 1,465	\$ 1,465
Due to other funds	880	-	880	-
Total liabilities	2,345	-	2,345	1,465
Fund balance:				
Reserved for debt retirement	838,758	-	838,758	922,762
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 841,103</u>	<u>\$ -</u>	<u>\$ 841,103</u>	<u>\$ 924,227</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2004  
With Comparative Totals for June 30, 2003

	Consolidated School District #1	Other Debt Service	Totals	
			2004	2003
<b>REVENUES</b>				
Parish sources -				
Ad valorem taxes	\$ 627,071	\$ -	\$ 627,071	\$ 627,368
Other	11,440	-	11,440	13,743
Total revenues	<u>638,511</u>	<u>-</u>	<u>638,511</u>	<u>641,111</u>
<b>EXPENDITURES</b>				
Current:				
Support services -				
General administration	26,339	-	26,339	26,319
Debt service:				
Principal retirement	480,000	766,777	1,246,777	460,000
Interest and fiscal charges	225,668	244,891	470,559	183,323
Total expenditures	<u>732,007</u>	<u>1,011,668</u>	<u>1,743,675</u>	<u>669,642</u>
Deficiency of revenues over expenditures	<u>(93,496)</u>	<u>(1,011,668)</u>	<u>(1,105,164)</u>	<u>(28,531)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	2,814,492	-	2,814,492	-
Transfer to escrow agent	(2,805,000)	-	(2,805,000)	-
Transfers in	-	1,011,668	1,011,668	-
Total other financing sources (uses)	<u>9,492</u>	<u>1,011,668</u>	<u>1,021,160</u>	<u>-</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>(84,004)</u>	<u>-</u>	<u>(84,004)</u>	<u>(28,531)</u>
FUND BALANCES, BEGINNING	<u>922,762</u>	<u>-</u>	<u>922,762</u>	<u>951,293</u>
FUND BALANCES, ENDING	<u>\$ 838,758</u>	<u>\$ -</u>	<u>\$ 838,758</u>	<u>\$ 922,762</u>



LAFAYETTE PARISH SCHOOL BOARD

Lafayette, Louisiana

Nonmajor Debt Service Fund

Consolidated School District #1

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance Favorable (Unfavorable)	2003
	Budget	Actual		
<b>REVENUES</b>				
Parish sources -				
Ad valorem taxes	\$ 597,504	\$ 627,071	\$ 29,567	\$ 627,368
Interest	10,800	11,440	640	13,743
Total revenues	<u>608,304</u>	<u>638,511</u>	<u>30,207</u>	<u>641,111</u>
<b>EXPENDITURES</b>				
Current:				
Support services -				
General administration	44,000	26,339	17,661	26,319
Debt service:				
Principal retirement	480,000	480,000	-	460,000
Interest and fiscal charges	158,703	225,668	(66,965)	183,323
Total expenditures	<u>682,703</u>	<u>732,007</u>	<u>(49,304)</u>	<u>669,642</u>
Deficiency of revenues over expenditures	<u>(74,399)</u>	<u>(93,496)</u>	<u>(19,097)</u>	<u>(28,531)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the issuance of debt	-	2,814,492	2,814,492	-
Transfer to escrow agent	-	(2,805,000)	(2,805,000)	-
Total other financing sources (uses)	<u>-</u>	<u>9,492</u>	<u>9,492</u>	<u>-</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>(74,399)</u>	<u>(84,004)</u>	<u>(9,605)</u>	<u>(28,531)</u>
FUND BALANCE, BEGINNING	<u>922,762</u>	<u>922,762</u>	<u>-</u>	<u>951,293</u>
FUND BALANCE, ENDING	<u>\$ 848,363</u>	<u>\$ 838,758</u>	<u>\$ (9,605)</u>	<u>\$ 922,762</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Debt Service Fund  
Other Debt Service

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance Favorable (Unfavorable)	2003
	Budget	Actual		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service:				
Principal retirement	1,124,412	766,777	357,635	-
Interest and fiscal charges	355,077	244,891	110,186	-
Total expenditures	<u>1,479,489</u>	<u>1,011,668</u>	<u>467,821</u>	<u>-</u>
Deficiency of revenues over expenditures	(1,479,489)	(1,011,668)	467,821	-
OTHER FINANCING SOURCES				
Transfers in	<u>1,479,489</u>	<u>1,011,668</u>	<u>(467,821)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# NON-MAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for capital asset acquisition, construction, and improvements of public school facilities.

## **Capital Improvements Program**

The purpose of this fund is to account for the portion of the proceeds of the one percent sales tax deposited on a monthly basis and dedicated to the purchase of capital improvements and equipment purchases.

## **1999 Bond Construction Fund**

Proceeds from a \$9,950,000 bond sale in early fiscal year 2000 were deposited to this fund to complete the projects begun in the 1998 construction fund.

## **Self-Funded Construction Fund**

Proceeds from a portion of the one percent sales tax are deposited on a monthly basis to fund minor renovations and improvements. This allows a more timely and conscientious response to some of the renovations and improvement needs of the school system.

## **2001 Bond Construction Fund**

Proceeds from a \$12,000,000 bond sale were deposited to this fund to construct a new elementary school of choice focusing on technology and the arts.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Capital Projects Funds

*Combining Balance Sheet*  
June 30, 2004  
With Comparative Totals for June 30, 2003

	Capital Improvements Program	1999 Bond Construction	Self-Funded Construction	2001 Bond Construction	Totals	
					2004	2003
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$679,590	\$507,892	\$1,565,846	\$ 15,740	\$2,769,068	\$ 56,787
<i>Investments</i>	-	-	285,327	-	285,327	3,974,083
Receivables:						
Notes receivable	40,436	-	-	-	40,436	75,818
Due from other funds	250,465	-	16,663	-	267,128	67,055
Other	6,914	-	-	-	6,914	6,914
<b>TOTAL ASSETS</b>	<b><u>\$977,405</u></b>	<b><u>\$507,892</u></b>	<b><u>\$1,867,836</u></b>	<b><u>\$ 15,740</u></b>	<b><u>\$3,368,873</u></b>	<b><u>\$ 4,180,657</u></b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 67,121	\$ 4,944	\$ 17,162	\$ -	\$ 89,227	\$ 34,075
Contracts payable	-	-	227,131	-	227,131	352,825
Retainage payable	-	9,282	49,430	-	58,712	127,562
Due to other funds	33,293	187	15,503	232	49,215	51,485
Total liabilities	<u>100,414</u>	<u>14,413</u>	<u>309,226</u>	<u>232</u>	<u>424,285</u>	<u>565,947</u>
Fund balances:						
Reserved for encumbrances	173,219	1,440	992	-	175,651	34,519
Reserved for incomplete contracts	-	-	269,703	-	269,703	390,240
Unreserved -						
Designated for capital expenditures	311,297	492,039	1,287,915	15,508	2,106,759	2,912,447
Undesignated	392,475	-	-	-	392,475	277,504
Total fund balances	<u>876,991</u>	<u>493,479</u>	<u>1,558,610</u>	<u>15,508</u>	<u>2,944,588</u>	<u>3,614,710</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$977,405</u></b>	<b><u>\$507,892</u></b>	<b><u>\$1,867,836</u></b>	<b><u>\$ 15,740</u></b>	<b><u>\$3,368,873</u></b>	<b><u>\$ 4,180,657</u></b>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
June 30, 2004  
With Comparative Totals for June 30, 2003

	Capital	1999 Bond	Self-Funded	2001 Bond	Totals	
	Improvements Program				Construction	Construction
<b>REVENUES</b>						
Parish sources:						
Sales taxes	\$ 326,188	\$ -	\$ 200,000	\$ -	\$ 526,188	\$ 993,259
Interest	13,742	7,084	26,217	533	47,576	107,424
Miscellaneous	34,748	-	-	-	34,748	65,586
Total revenues	<u>374,678</u>	<u>7,084</u>	<u>226,217</u>	<u>533</u>	<u>608,512</u>	<u>1,166,269</u>
<b>EXPENDITURES</b>						
Current:						
Other instructional programs -						
Equipment	<u>60,498</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,498</u>	<u>26,362</u>
Pupil support services -						
Equipment	<u>6,393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,393</u>	<u>-</u>
General administration -						
Audit services	-	-	-	-	-	5,080
Liability insurance	-	-	-	-	-	2,875
Repairs and maintenance	6,190	-	-	-	6,190	-
Equipment	-	-	-	-	-	1,910
	<u>6,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,190</u>	<u>9,865</u>
Operation and maintenance of plant services -						
Grounds upkeep, repairs and maintenance	304	-	293	-	597	45,890
Vehicle purchases	1,620	-	-	-	1,620	19,437
Lease of buildings	409,326	-	-	-	409,326	425,218
Professional and technical services	-	-	-	-	-	224,172
	<u>411,250</u>	<u>-</u>	<u>293</u>	<u>-</u>	<u>411,543</u>	<u>714,717</u>
Student transportation services -						
Equipment	<u>249,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,865</u>	<u>18,097</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)  
For the Year Ended June 30, 2004  
With Comparative Totals for June 30, 2003

	Capital	1999 Bond Construction	Self-Funded Construction	2001 Bond Construction	Totals	
	Improvements Program				2004	2003
Facilities acquisition and construction -						
Salaries and employee benefits	-	15	117,310	-	117,325	113,777
Architect and engineering	-	9,174	77,534	-	86,708	148,187
Construction of buildings	-	-	119,017	-	119,017	936,552
Improvements to existing buildings	205,012	97,767	618,751	87,177	1,008,707	2,307,975
Building acquisitions	1,102,930	-	-	-	1,102,930	919,611
Furniture and equipment	-	-	43,892	400	44,292	793,589
Land improvements	-	-	-	-	-	2,250
Professional and technical services	-	-	25,763	-	25,763	42,845
Materials and supplies	110,865	172	2,290	-	113,327	2,810
Miscellaneous	-	-	15,698	-	15,698	18,108
	<u>1,418,807</u>	<u>107,128</u>	<u>1,020,255</u>	<u>87,577</u>	<u>2,633,767</u>	<u>5,285,704</u>
Debt service:						
Principal retirement	-	-	-	-	-	218,259
Interest and fiscal charges	834	-	-	-	834	242,341
	<u>834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>460,600</u>
Total expenditures	<u>2,153,837</u>	<u>107,128</u>	<u>1,020,548</u>	<u>87,577</u>	<u>3,369,090</u>	<u>6,515,345</u>
Deficiency of revenues over expenditures	<u>(1,779,159)</u>	<u>(100,044)</u>	<u>(794,331)</u>	<u>(87,044)</u>	<u>(2,760,578)</u>	<u>(5,349,076)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from the issuance of debt	3,250,000	-	-	-	3,250,000	1,325,000
Transfers from other funds	420,800	-	-	-	420,800	533,771
Transfers to other funds	(1,580,344)	-	-	-	(1,580,344)	(1,169,652)
Total other financing sources (uses)	<u>2,090,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,090,456</u>	<u>689,119</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	311,297	(100,044)	(794,331)	(87,044)	(670,122)	(4,659,957)
FUND BALANCES, BEGINNING	<u>565,694</u>	<u>593,523</u>	<u>2,352,941</u>	<u>102,552</u>	<u>3,614,710</u>	<u>8,274,667</u>
FUND BALANCES, ENDING	<u>\$ 876,991</u>	<u>\$ 493,479</u>	<u>\$ 1,558,610</u>	<u>\$ 15,508</u>	<u>\$ 2,944,588</u>	<u>\$ 3,614,710</u>



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LAFAYETTE PARISH  
SCHOOL SYSTEM

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# FIDUCIARY FUNDS

## **Agency Funds**

**Sales Tax Fund:** The purpose of this fund is to account for the collection and distribution of sales and use taxes collected by the School Board on its own behalf and on the behalf of the Lafayette Parish Government and other taxing authorities within Lafayette Parish.

**School Activity Fund:** The purpose of this fund is to account for individual school funds on deposit in various bank accounts.

## **Private Purpose Funds**

**The Afro-American Education Fund:** The purpose of this fund is to account for contributions from private sources restricted to the provision of scholarship aid to deserving African-American students.

**The Student Loan Fund:** The purpose of this fund is to provide loans to worthy high school graduates to enable them to continue their education. It is provided for in Louisiana Revised Statute 17:1751 and has been inactive since it was established.

**The Kleban Trust Fund:** The purpose of the fund is to account for contributions from private sources restricted to the purchase of an award for an outstanding athlete at Comeaux High School.

**The Jowella Ardoin Trust Fund:** The purpose of this fund is to account for the contributions from fellow employees, friends and family that were to originally be used for a reward leading to the arrest and conviction of the intruder that took her life. In 1999, a suspect confessed and the funds were set aside, as stipulated, to help cover future educational costs for her grandchildren.



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Agency Funds  
Combining Statement of Assets and Liabilities  
June 30, 2004  
With Comparative Totals for June 30, 2003

	<u>Sales Tax Fund</u>	<u>School Activity Funds</u>	<u>Totals</u>	
			<u>2004</u>	<u>2003</u>
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$5,951,558	\$2,882,561	\$8,834,119	\$4,522,427
Investments	<u>1,330</u>	<u>319,018</u>	<u>320,348</u>	<u>4,729,896</u>
 Total assets	 <u>\$5,952,888</u>	 <u>\$3,201,579</u>	 <u>\$9,154,467</u>	 <u>\$9,252,323</u>
<b>LIABILITIES</b>				
Liabilities:				
Due to other governmental units	\$5,952,888	\$ -	\$5,952,888	\$6,214,803
School activity funds payable	<u>-</u>	<u>3,201,579</u>	<u>3,201,579</u>	<u>3,037,520</u>
 Total liabilities	 <u>\$5,952,888</u>	 <u>\$3,201,579</u>	 <u>\$9,154,467</u>	 <u>\$9,252,323</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Agency Funds

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2004

	Balance July 1, 2003	Additions	Deductions	Balance June 30, 2004
<u>SALES TAX FUND</u>				
ASSETS				
Cash and interest-bearing deposits	\$1,800,881	\$144,553,100	\$140,402,423	\$5,951,558
Investments	4,413,922	11,703,619	16,116,211	1,330
TOTAL ASSETS	<u>\$6,214,803</u>	<u>\$156,256,719</u>	<u>\$156,518,634</u>	<u>\$5,952,888</u>
LIABILITIES				
Due to other governmental units	<u>\$6,214,803</u>	<u>\$144,553,100</u>	<u>\$144,815,015</u>	<u>\$5,952,888</u>
<u>SCHOOL ACTIVITY FUNDS</u>				
ASSETS				
Cash and interest-bearing deposits	\$2,721,546	\$ 10,362,631	\$ 10,201,616	\$2,882,561
Investments	315,974	3,044	-	319,018
TOTAL ASSETS	<u>\$3,037,520</u>	<u>\$ 10,365,675</u>	<u>\$ 10,201,616</u>	<u>\$3,201,579</u>
LIABILITIES				
School activity funds payable	<u>\$3,037,520</u>	<u>\$ 10,365,675</u>	<u>\$ 10,201,616</u>	<u>\$3,201,579</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and interest-bearing deposits	\$4,522,427	\$154,915,731	\$150,604,039	\$8,834,119
Investments	4,729,896	11,706,663	16,116,211	320,348
TOTAL ASSETS	<u>\$9,252,323</u>	<u>\$166,622,394</u>	<u>\$166,720,250</u>	<u>\$9,154,467</u>
LIABILITIES				
Due to other governmental units	6,214,803	144,553,100	144,815,015	5,952,888
School activity funds payable	<u>3,037,520</u>	<u>10,365,675</u>	<u>10,201,616</u>	<u>3,201,579</u>
TOTAL LIABILITIES	<u>\$9,252,323</u>	<u>\$154,918,775</u>	<u>\$155,016,631</u>	<u>\$9,154,467</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
Sales Tax Agency Fund

Comparative Schedule of Cash Receipts and Disbursements  
For the Years Ended June 30, 2004 and 2003

	2004	2003
RECEIPTS		
Sales taxes	\$ 143,046,521	\$ 138,479,121
Hotel/motel tax	1,423,201	1,257,576
Interest on investments	83,378	84,880
Total receipts	144,553,100	139,821,577
DISBURSEMENTS		
Collection costs:		
Salaries	359,606	339,347
Employer's contribution to retirement expense	51,701	49,509
Group insurance	36,366	37,639
Office supplies and equipment	9,752	9,736
Printing	1,603	3,675
Postage	35,388	34,721
Telephone	6,792	6,895
Computer services	24,549	21,571
Legal and professional fees	458,647	412,353
Travel	8,942	6,252
Office space and utilities	41,978	40,609
Other	35,452	28,171
	1,070,776	990,478
Tax proceeds distributed to taxing authorities, net of collection costs	143,744,239	138,517,764
Total disbursements	144,815,015	139,508,242
Increase (decrease) in cash and investments	(261,915)	313,335
CASH AND INVESTMENTS BALANCE, BEGINNING	6,214,803	5,901,468
CASH AND INVESTMENTS BALANCE, ENDING	\$ 5,952,888	\$ 6,214,803

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana  
School Activity Agency Fund

Schedule of Changes in Deposits Due Others  
For the Year Ended June 30, 2004

Schools	Balance July 1, 2003	Additions	Deductions	Balance June 30, 2004
Acadian Middle	\$ 30,121	\$ 169,321	\$ 172,873	\$ 26,569
Acadiana High	248,205	1,060,163	1,061,604	246,764
Alleman Middle	55,497	367,276	357,895	64,878
Boucher Elementary	5,721	61,371	53,828	13,264
Breaux, Paul Middle	64,769	278,024	301,876	40,917
Broadmoor Elementary	53,098	237,539	217,903	72,734
Broussard Middle	51,233	185,740	197,483	39,490
Burke Elementary	61,719	204,050	211,736	54,033
Carencro Heights Elementary	12,775	45,095	47,842	10,028
Carencro Middle	65,241	203,963	205,665	63,539
Carencro High	161,874	900,103	877,393	184,584
Comeaux High	518,928	1,112,211	1,129,171	501,968
K. Drexel Elementary	44,747	113,158	117,877	40,028
Duson Elementary	13,110	51,884	51,562	13,432
Evangeline Elementary	18,610	113,040	100,105	31,545
Ernest Gallet Elementary	53,350	273,497	267,378	59,469
J. W. Faulk Elementary	22,938	36,397	38,554	20,781
J.W. James Elementary	27,263	167,942	171,154	24,051
Judice Middle	47,411	191,201	170,177	68,435
L. Leo Judice Elementary	35,688	52,971	49,997	38,662
Lafayette Middle	29,302	88,654	87,257	30,699
Lafayette High	327,912	1,119,362	1,074,457	372,817
G. T. Lindon	50,127	212,471	212,381	50,217
Live Oak	68,767	82,265	90,076	60,956
Edgar Martin Middle	106,491	418,302	410,071	114,722
Milton Elementary	60,003	245,307	230,762	74,548
S. J. Montgomery Elementary	80,738	117,651	110,778	87,611
Moss Annex	11,128	22,256	19,894	13,490
N. P. Moss Middle	14,995	114,539	99,862	29,672
Myrtle Place Elementary	14,527	63,215	52,892	24,850
Northside High	128,704	391,369	420,210	99,863
Ossun Elementary	10,929	117,562	104,814	23,677
Plantation Elementary	24,286	237,661	214,633	47,314
Prairie Elementary	70,971	282,995	281,554	72,412
Ridge Elementary	28,307	194,398	200,335	22,370
Scott Middle	138,279	203,504	184,203	157,580
Truman Elementary	15,596	18,008	20,539	13,065
Vermilion Elementary	7,108	29,195	31,209	5,094
Westside Elementary	24,788	69,810	66,420	28,178
Woodvale Elementary	134,756	231,333	232,260	133,829
Youngsville Middle	69,994	168,301	157,086	81,209
Lafayette Parish Career Center	14,373	85,318	77,891	21,800
Lafayette Charter	3,634	8,235	8,831	3,038
Adult Education	-	6,893	1,186	5,707
CAPS/LAPS - LeRosen	9,507	12,125	9,942	11,690
<b>TOTAL BALANCES</b>	<b><u>\$ 3,037,520</u></b>	<b><u>\$ 10,365,675</u></b>	<b><u>\$ 10,201,616</u></b>	<b><u>\$ 3,201,579</u></b>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Private Purpose Trust Funds  
Combining Balance Sheet  
June 30, 2004

With Comparative Totals for June 30, 2003

	Afro-American	Student	Kleban	Jowella	Totals	
	Education	Loan	Trust	Ardoin	2004	2003
	Fund	Fund	Fund	Fund		
<b>ASSETS</b>						
Investments	<u>9,242</u>	<u>14,982</u>	<u>2,207</u>	<u>13,490</u>	<u>39,921</u>	<u>39,578</u>
Total assets	<u>\$ 9,242</u>	<u>\$ 14,982</u>	<u>\$ 2,207</u>	<u>\$ 13,490</u>	<u>\$ 39,921</u>	<u>\$ 39,578</u>
<b>FUND BALANCES</b>						
Fund balances:						
Reserved for specific purposes	<u>9,242</u>	<u>14,982</u>	<u>2,207</u>	<u>13,490</u>	<u>39,921</u>	<u>39,578</u>
Total fund balances	<u>\$ 9,242</u>	<u>\$ 14,982</u>	<u>\$ 2,207</u>	<u>\$ 13,490</u>	<u>\$ 39,921</u>	<u>\$ 39,578</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Private Purpose Trust Funds  
Combining Statement of Changes in Net Assets  
For the Year Ended June 30, 2004  
With Comparative Totals for June 30, 2003

	Afro-American Education Fund	Student Loan Fund	Kleban Trust Fund	Jowella Ardoin Trust Fund	<u>Totals</u>	
					2004	2003
<b>ADDITIONS</b>						
Parish sources -						
Interest	\$ 89	\$ 143	\$ 22	\$ 129	\$ 383	\$ 575
<b>DEDUCTIONS</b>						
Special programs	<u>-</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>40</u>	<u>74</u>
Excess (deficiency) of revenues over expenditures	89	143	(18)	129	343	501
NET ASSETS, BEGINNING	<u>9,153</u>	<u>14,839</u>	<u>2,225</u>	<u>13,361</u>	<u>39,578</u>	<u>39,077</u>
NET ASSETS, ENDING	<u>\$9,242</u>	<u>\$14,982</u>	<u>\$2,207</u>	<u>\$13,490</u>	<u>\$39,921</u>	<u>\$39,578</u>

# CAPITAL ASSETS — GOVERNMENTAL FUNDS



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Capital Assets - By Source  
June 30, 2004 and 2003

	2004	2003
<b>CAPITAL ASSETS</b>		
Land	\$ 5,771,814	\$ 5,771,814
Buildings and improvements	194,871,123	193,181,003
Furniture and equipment	17,342,010	17,269,641
Construction in progress	555,081	153,239
<b>TOTAL CAPITAL ASSETS</b>	<b>\$218,540,028</b>	<b>\$216,375,697</b>
<b>INVESTMENT IN CAPITAL ASSETS FROM:</b>		
General and Capital Projects Funds	\$213,888,554	\$211,804,526
Federal and state grants	1,016,507	1,026,550
School Food Service Fund	2,958,783	2,868,437
Donated land	676,184	676,184
<b>TOTAL INVESTMENT IN CAPITAL ASSETS</b>	<b>\$218,540,028</b>	<b>\$216,375,697</b>



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Changes in Capital Assets - By Function  
For the Year Ended June 30, 2004

Function	July 1, 2003	Additions	Deductions	June 30, 2004
<b>SUPPORT SERVICES</b>				
Pupil support services	\$ 199,729,983	\$ 2,028,103	\$ 252,933	\$ 201,505,153
Instructional staff support services	1,262,476	-	-	1,262,476
General administration services	3,639,713	-	-	3,639,713
Business and central services	2,473,623	-	-	2,473,623
Operation and maintenance of plant services	1,211,766	-	-	1,211,766
Student transportation services	<u>7,904,897</u>	<u>312,330</u>	<u>325,011</u>	<u>7,892,216</u>
Total support services	216,222,458	2,340,433	577,944	217,984,947
Construction in progress	<u>153,239</u>	<u>661,856</u>	<u>260,014</u>	<u>555,081</u>
TOTAL CAPITAL ASSETS	<u>\$ 216,375,697</u>	<u>\$ 3,002,289</u>	<u>\$ 837,958</u>	<u>\$ 218,540,028</u>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Capital Assets - By Function  
June 30, 2004

Function	Land	Building and Improvement	Furniture and Equipment	Totals
<b>SUPPORT SERVICES</b>				
Pupil support services	\$ 5,715,428	\$ 191,582,638	\$ 4,207,087	\$ 201,505,153
Instructional staff support services	-	-	1,262,476	1,262,476
General administration services	33,500	2,833,859	772,354	3,639,713
Business and central services	22,886	454,626	1,996,111	2,473,623
Operation and maintenance of plant services	-	-	1,211,766	1,211,766
Student transportation services	-	-	7,892,216	7,892,216
<b>TOTAL SUPPORT SERVICES</b>	<u>\$ 5,771,814</u>	<u>\$ 194,871,123</u>	<u>\$ 17,342,010</u>	217,984,947
Construction in progress				<u>555,081</u>
<b>TOTAL CAPITAL ASSETS</b>				<u>\$ 218,540,028</u>



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LAFAYETTE PARISH  
SCHOOL SYSTEM

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# STATISTICAL SECTION





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LAFAYETTE PARISH  
SCHOOL SYSTEM

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**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table 1

GOVERNMENT-WIDE REVENUES BY SOURCE (1)  
Last Three Fiscal Years (2)  
(Unaudited)

<u>Fiscal Year</u>	<u>Grants &amp; Contributions</u>	<u>Property Taxes</u>	<u>Sales &amp; Use Taxes</u>	<u>Non-grant State Funding</u>	<u>Interest, Miscellaneous &amp; Charges</u>	<u>Total</u>
2002	24,959,369	25,298,074	59,603,845	76,520,398	4,779,165	191,160,851
2003	30,724,907	26,876,356	70,419,483	80,620,620	4,079,997	212,721,363
2004	33,305,038	30,012,458	71,284,189	81,888,214	4,925,542	221,415,441

(1) Includes revenues from all governmental and internal service funds.

(2) Only the last three fiscal years are shown because government-wide financial statements were not required until GASB 34 was implemented.

Source: Lafayette Parish School System

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table II

**GOVERNMENT-WIDE EXPENSES BY FUNCTION (1)**  
Last Three Fiscal Years (2)  
(Unaudited)

Fiscal Year	<u>Instruction</u>	<u>Support Services</u>	<u>Food &amp; Community Services</u>	<u>Interest &amp; Facilities Acquisition</u>	<u>Total</u>
2002	123,332,247	54,462,574	9,355,199	5,579,302	192,729,322
2003	134,779,650	59,940,729	10,097,158	5,187,786	210,005,323
2004	144,945,076	64,635,459	10,374,999	6,101,532	226,057,066

(1) Includes expenses from all governmental and internal service funds.

(2) Only the last three fiscal years are shown because government-wide financial statements were not required until GASB 34 was implemented.

Source: Lafayette Parish School System

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

**FUND FINANCIAL REVENUES BY SOURCE (1)**  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	LOCAL		
	Ad Valorem Taxes	Sales Taxes	Other Local Revenue
1995	13,012,906	36,137,260	6,357,834
1996	13,720,968	39,451,682	7,097,042
1997	16,919,456	43,312,353	7,358,782
1998	17,918,375	47,982,996	8,168,713
1999	18,787,674	48,460,222	9,634,099
2000	19,898,762	49,369,480	7,499,573
2001	20,943,955	51,986,707	6,919,692
2002	25,298,074	59,603,843	5,153,845
2003	26,876,356	70,419,483	4,438,164
2004	28,206,721	71,284,189	4,845,273

(1) Includes revenues from all governmental funds.

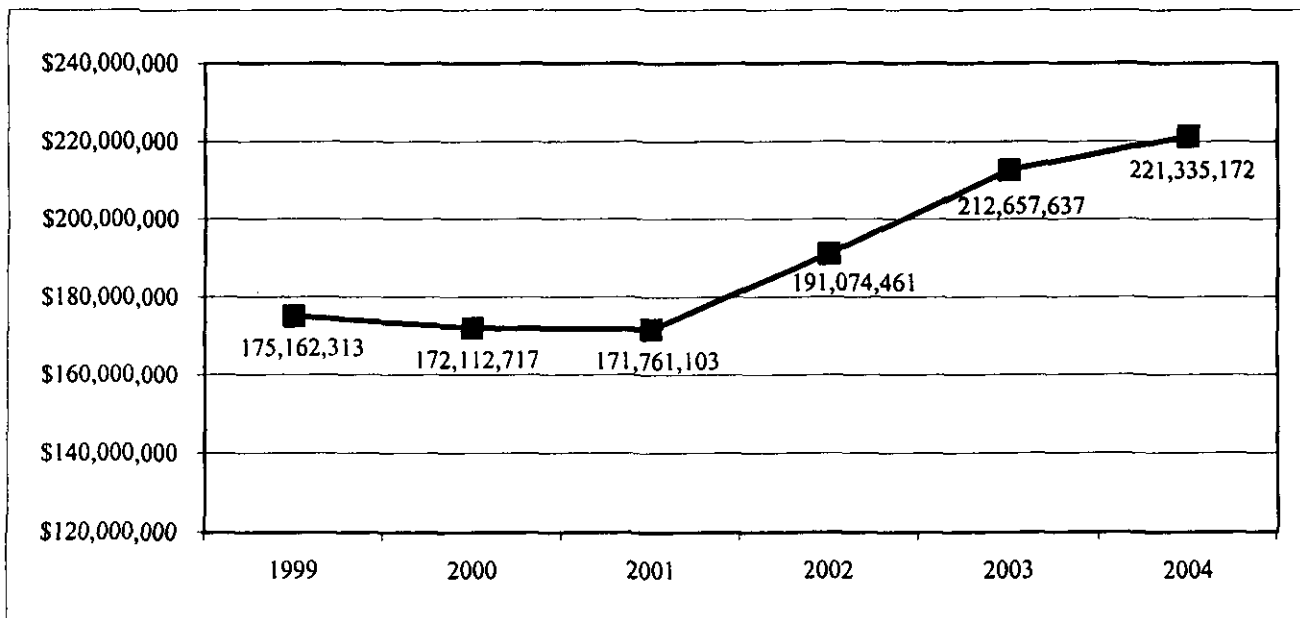
Source: Lafayette Parish School System



Table III

<u>FEDERAL</u>	<u>STATE</u>		
Federal Revenue	State Equalization	Other State Revenue	<u>Total</u>
15,494,458	62,255,441	7,677,648	140,935,547
15,981,699	63,688,645	5,391,758	145,331,794
16,961,242	67,182,388	5,009,284	156,743,505
17,660,726	69,785,316	7,374,312	168,890,438
19,493,186	71,754,284	7,032,848	175,162,313
19,835,770	69,380,742	6,128,390	172,112,717
17,994,996	67,909,366	6,006,387	171,761,103
21,354,229	73,496,686	6,167,784	191,074,461
26,652,145	76,977,411	7,294,078	212,657,637
29,038,222	80,755,409	7,205,358	221,335,172

Total Revenues  
1999-2004



**LAFAYETTE PARISH SCHOOL SYSTEM**

Lafayette, Louisiana

**FUND FINANCIAL EXPENDITURES BY FUNCTION (1)**

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Instruction Regular Programs	Instruction Special Programs	Supporting Services			
			Pupil Support	Instructional Staff Support	General Administration	School Administration
1995	52,295,502	26,913,569	5,624,274	4,685,708	1,361,915	6,263,292
1996	54,096,610	28,719,984	5,998,362	4,906,276	2,171,625	7,081,229
1997	61,432,226	31,216,704	6,459,141	5,100,967	2,089,406	7,222,137
1998	61,711,554	37,242,430	6,431,524	8,796,618	2,273,281	7,704,671
1999	67,835,139	40,275,801	6,760,480	8,627,395	2,129,308	8,192,703
2000	67,156,989	40,215,329	6,575,641	8,064,440	2,142,675	8,057,141
2001	67,844,823	39,218,182	6,620,915	7,081,464	1,949,666	8,335,023
2002	73,884,748	44,663,694	7,513,003	7,401,748	2,468,239	9,092,972
2003	80,895,526	51,378,760	8,016,672	9,577,550	2,999,967	9,997,532
2004	85,712,268	54,448,116	8,343,646	9,655,643	3,081,943	10,041,122

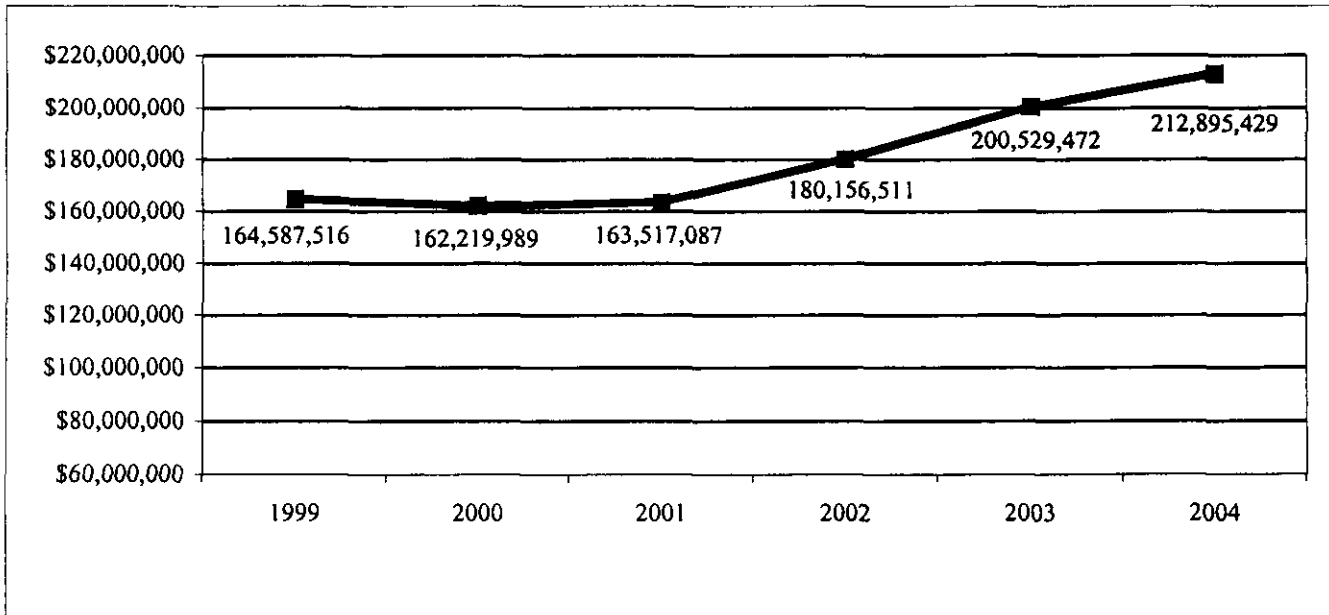
(1) Includes expenditures from all governmental funds, excludes expenditures for debt service and facilities acquisition and construction

Source: Lafayette Parish School System

Table IV

Supporting Services			
Business Service	Central Services	Other Support Services	Total
840,025	1,048,742	25,731,993	124,765,020
1,197,980	924,868	24,819,240	129,916,174
983,390	940,972	26,562,316	142,007,259
1,230,213	1,074,363	27,742,442	154,207,096
1,064,521	1,389,776	28,312,393	164,587,516
1,179,113	1,510,167	27,318,494	162,219,989
1,269,089	1,649,817	29,548,108	163,517,087
1,366,684	1,432,584	32,332,839	180,156,511
1,442,398	1,508,112	34,712,955	200,529,472
1,599,206	1,613,963	38,399,522	212,895,429

Total Expenditures  
1999-2004



**LAFAYETTE PARISH SCHOOL SYSTEM**

Lafayette, Louisiana

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

(Unaudited)

<u>ASSESSMENT YEAR</u>	<u>COLLECTION YEAR</u>	<u>CURRENT TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS (2)</u>
1994	1995	34,211,832	34,098,945
1995	1996	35,778,738	35,695,460
1996	1997	39,491,259	39,309,021
1997	1998	43,534,769	43,482,938
1998	1999	43,147,949	45,946,459
1999	2000	48,062,197	47,753,260
2000	2001	50,897,852	50,897,850
2001	2002	59,933,189	57,405,658
2002	2003	63,897,733	63,897,718
2003	2004	69,215,473	69,215,484

(1) Because interest and penalties are included, this percentage may exceed 100%.

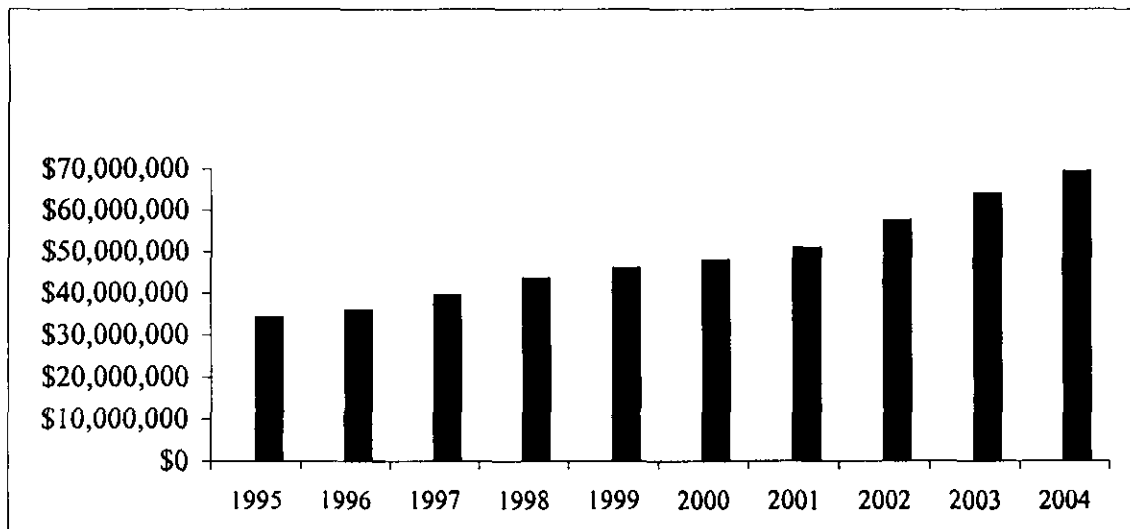
(2) Records of parish-wide tax collections obtained from the Lafayette Parish Sheriff Department-Tax Collectors Division.

Source:Lafayette Parish School System & Lafayette Parish Sheriff Department Tax Collector Division

Table V

<u>% OF CURRENT TAX COLLECTED</u>	<u>INTEREST AND PENALTIES</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>RATIO OF TAX COLLECTIONS TO LEVY (1)</u>
99.7%	28,254	34,127,199	99.8%
99.8%	49,267	35,744,727	99.9%
99.5%	50,989	39,360,010	99.7%
99.9%	49,003	43,531,941	100.0%
106.5%	53,803	46,000,262	106.6% (1)
99.4%	174,786	47,928,046	99.7%
100.0%	85,984	50,983,833	100.2% (1)
95.8%	82,731	57,488,389	95.9%
100.0%	110,262	64,007,980	100.2% (1)
100.0%	79,676	69,295,160	100.1% (1)

Property Tax Collections  
1995-2004



**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table VI

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
Last Ten Fiscal Years  
(Unaudited)

ASSESSEMENT YEAR	COLLECTION YEAR	(1) TOTAL ASSESSED VALUE	(1) TOTAL TAXABLE VALUE	ESTIMATED ACTUAL VALUE	RATIO OF ASSESSED TO ESTIMATED VALUE
1994	1995	545,302,878	374,982,463	2,542,364,956	14.7%
1995	1996	691,859,146	394,084,426	3,231,671,743	12.2%
1996	1997	736,912,486	482,702,506	3,375,909,330	14.3%
1997	1998	783,185,323	520,232,400	3,512,304,397	14.8%
1998	1999	824,767,112	559,232,867	3,656,893,080	15.3%
1999	2000	879,927,716	592,233,411	3,800,907,820	15.6%
2000	2001	1,016,794,854	747,278,456	5,010,727,323	14.9%
2001	2002	1,063,999,041	794,612,876	5,161,547,670	15.4%
2002	2003	1,106,861,667	831,002,237	5,346,052,970	15.5%
2003	2004	1,213,764,199	925,133,827	6,061,235,783	15.3%

(1) The difference in total assessed value and total taxable value is due to a homestead exemption of \$75,000.

NOTE: The following are the assessment rates:

Land, net of homestead exemptions	10%
Residential, net of homestead exemptions	10%
All others	15%

SOURCE: Lafayette Parish Tax Assessor

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table VII

COMPUTATION OF DIRECT AND OVERLAPPING/UNDERLYING GENERAL BONDED DEBT  
June 30, 2004  
(Unaudited)

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
Lafayette Parish School Board	\$ 2,810,000	100%	\$ 2,810,000
Overlapping:			
Parish of Lafayette	\$ 18,606,000	100%	\$ 18,606,000
Lafayette Parish Bayou Vermilion District	-	100%	-
Total Overlapping	<u>\$ 18,606,000</u>		<u>\$ 18,606,000</u>
Underlying:			
Lafayette Public Power Authority	\$ 91,780,000	100%	\$ 91,780,000
Town of Broussard	4,595,193	100%	4,595,193
City of Carencro	2,840,000	100%	2,840,000
City of Scott	780,000	100%	780,000
Town of Youngsville	2,040,000	100%	2,040,000
Total Underlying	<u>\$ 102,035,193</u>		<u>\$ 102,035,193</u>
Grand Total	<u><u>\$ 123,451,193</u></u>		<u><u>\$ 123,451,193</u></u>

Source: Respective governmental entities

## LAFAYETTE PARISH SCHOOL SYSTEM

Lafayette, Louisiana

### PROPERTY TAX RATES

(Per \$1,000 of Assessed Value)

Last Ten Fiscal Years of Collection

(Unaudited)

	<u>1995</u>	<u>1996</u>	<u>1997</u>
Parish Tax	3.16	3.16	3.16
Parish Tax (City)	1.58	1.58	1.58
Airport Maintenance	1.46	1.46	1.46
Courthouse and Jail Maintenance	2.34	2.34	2.34
Library Maintenance	n/a	n/a	n/a
Bridge and Maintenance	3.56	3.56	4.17
Health Unit	1.01	1.01	1.01
Juvenile Detention Home Maintenance	1.17	1.17	1.17
Drainage Maintenance	2.68	2.68	2.82
Teche Vermilion Fresh	1.00	1.00	1.00
Water Maintenance	n/a	n/a	n/a
Minimum Security Facility Maintenance	2.06	2.06	2.06
Public Improvement Bonds (B & I)	3.24	4.67	3.92
Mosquito Abatement	n/a	n/a	n/a
School Tax (Constitutional)	4.59	4.59	4.59
Special School Tax	7.27	7.27	7.27
Special School Improvement Maintenance Operations	5.00	5.00	5.00
School District #1 (B & I)	2.22	2.10	1.60
Law Enforcement District	16.79	16.79	16.79
Fire Protection District #1 (B & I)	n/a	n/a	n/a
Fire Protection & Waterworks District #2 (B & I)	n/a	n/a	n/a
Road District #1 (B & I)	n/a	n/a	n/a
Road District #2 (B & I)	n/a	n/a	n/a
School - 1985 Operation	16.70	16.70	16.70
Assessment District	1.62	1.62	1.62
Library 1997-2006	2.48	2.91	2.91
Lafayette Economic Development Authority	2.00	2.00	2.00
Lafayette Parish Bayou Vermilion (B & I)	1.25	1.25	1.25
Lafayette Parish Bayou Vermilion Maintenance	0.75	0.75	0.75
Library 1999-2008	1.61	1.61	1.61
Library 2003-2013	n/a	n/a	n/a
Sub-District of DDA	9.33	9.33	9.33
	<u>94.87</u>	<u>96.61</u>	<u>96.11</u>

Source: Parish of Lafayette Assessor-2004 Grand Recapitulation of the Assessment Roll for Lafayette Parish.



Table VIII

<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
3.16	3.16	3.05	3.05	3.05	3.05	3.05
1.58	1.58	1.53	1.52	1.52	1.52	1.52
1.46	1.46	1.41	1.41	1.41	1.41	1.71
2.34	2.34	2.25	2.25	2.25	2.25	2.25
n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.17	4.17	4.01	4.01	4.01	4.01	4.01
1.01	1.01	0.97	1.00	1.00	1.00	0.99
1.17	1.17	1.13	1.13	1.13	1.13	1.13
2.85	2.85	2.74	2.74	2.74	2.74	3.34
1.00	1.00	1.00	1.00	1.00	1.00	1.00
n/a	n/a	n/a	n/a	n/a	n/a	n/a
2.06	2.06	1.98	1.98	1.98	1.98	1.98
3.89	3.89	3.68	3.10	3.10	3.10	2.50
n/a	n/a	n/a	1.50	1.50	1.50	1.50
4.59	4.59	4.59	4.59	4.59	4.59	4.59
7.27	7.27	7.27	7.27	7.27	7.27	7.27
5.00	5.00	5.00	5.00	5.00	5.00	5.00
0.90	0.90	0.80	0.80	0.80	0.80	0.72
16.79	16.79	16.79	16.79	16.79	16.79	16.79
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
16.70	16.70	16.70	16.70	16.70	16.70	16.70
1.62	1.62	1.56	1.56	1.56	1.56	1.56
2.91	2.91	2.80	2.80	2.80	2.80	2.80
2.00	2.00	1.92	1.92	1.92	1.92	1.79
1.25	1.25	0.45	0.45	0.45	0.45	0.20
0.75	0.75	0.75	0.75	0.75	0.75	0.75
1.61	1.61	1.55	1.55	1.55	1.55	1.55
n/a	n/a	n/a	n/a	n/a	n/a	1.64
9.33	9.33	9.33	10.36	10.36	10.36	10.15
<u>95.41</u>	<u>95.41</u>	<u>93.26</u>	<u>95.23</u>	<u>95.23</u>	<u>95.23</u>	<u>96.49</u>

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table IX

**PRINCIPAL TAXPAYERS**  
For the Year Ended June 30, 2004  
(Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percent Total Valuation (1)</u>
Bell South & Subsidiaries	Communications	\$29,268,500	2.41%
Stuller, Inc.	Manufacturing	13,082,920	1.08%
Iberia Savings Bank	Financial Services	11,681,970	0.96%
Bank One	Financial Services	10,616,135	0.87%
Wal Mart/Sams	Retail Sales	10,172,940	0.84%
Southwest LA Electric Membership Corp.	Utilities	8,883,050	0.73%
Halliburton Energy Services	Oilfield Service	8,497,830	0.70%
Columbia Hospitals	Medical	7,366,240	0.61%
Baker Huges Oilfield Operations	Oilfield Service	6,681,290	0.55%
Cox Communications	Communications	6,495,610	0.54%
		<u>\$112,746,485</u>	<u>9.29%</u>

(1) The total assessed valuation is based on the Abstract of Assessments, Parish of Lafayette-2004, in the amount of \$1,213,764,199

Source: Lafayette Parish Tax Assessor

LAFAYETTE PARISH SCHOOL SYSTEM  
Lafayette, Louisiana

Table X

COMPUTATION OF LEGAL DEBT MARGIN  
June 30, 2004  
(Unaudited)

Assessed Valuation		<u>\$925,133,827</u>
Debt Limitation - 35% of Total Assessed Value		\$323,796,839
Debt Applicable to Limitation:		
Total General Obligation Bonded Debt	\$2,810,000	
Less: Amount Available for Repayment of General Obligation Bonds	<u>841,103</u>	
Total General Obligation Debt Applicable to Limitation		<u>1,968,897</u>
Legal Debt Margin		<u>\$321,827,942</u>

Source: Lafayette Parish School System

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

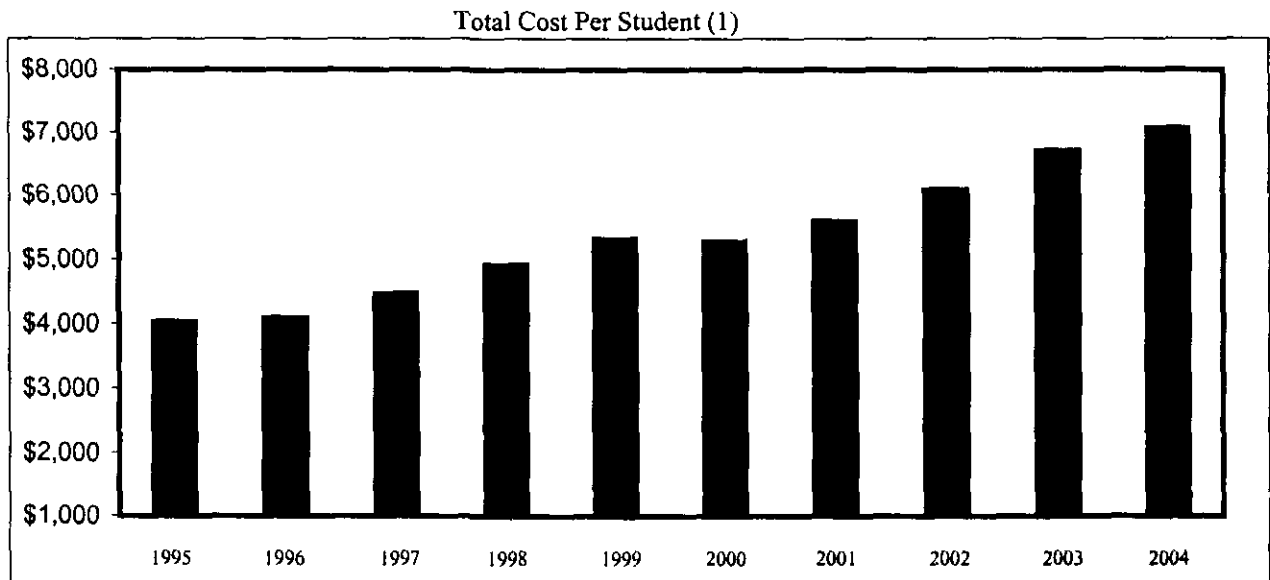
Table XI

**STATE SUPPORT AND LOCAL SUPPORT PER STUDENT**  
Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Number of Students</u>	<u>State Support</u>	<u>State Support Per Students</u>	<u>Total Student Expenditures</u>	<u>Total Cost Per Student (1)</u>	<u>Local Support</u>	<u>Local Support Per Students</u>
1995	30,374	69,933,089	2,302	123,192,131	4,056	40,444,698	1,332
1996	30,857	69,080,403	2,239	126,909,141	4,113	44,190,122	1,432
1997	30,653	72,191,672	2,355	137,483,915	4,485	51,525,168	1,681
1998	30,843	77,159,628	2,502	152,440,927	4,942	60,398,887	1,958
1999	30,479	78,787,132	2,585	162,853,034	5,343	64,301,583	2,110
2000	30,466	75,509,132	2,478	161,630,133	5,305	65,285,500	2,143
2001	29,314	73,900,799	2,521	164,767,381	5,621	68,390,520	2,333
2002	29,509	79,664,467	2,700	180,156,511	6,105	78,029,267	2,644
2003	29,802	84,271,489	2,828	200,529,472	6,729	90,168,196	3,026
2004	30,038	87,960,767	2,928	212,895,429	7,088	93,445,603	3,111

(1) Includes General Fund and Special Revenue Funds, since these funds are more representative of operational cost, excluding debt service and capital projects funds.

Source: Lafayette Parish School System



**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table XII

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND  
NET BONDED DEBT PER CAPITA**  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt	Funds Available in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1995	178,305	374,982,463	7,255,000	633,616	6,621,384	1.8%	37
1996	180,222	394,084,426	6,700,000	700,402	5,999,598	1.5%	33
1997	181,363	482,702,506	6,115,000	850,390	5,264,610	1.1%	29
1998	184,521	520,232,400	5,495,000	1,004,218	4,490,782	0.9%	24
1999	187,001	559,232,867	4,990,000	1,127,926	3,862,074	0.7%	21
2000	188,620	592,233,411	4,595,000	1,087,299	3,509,701	0.6%	19
2001	192,448	747,278,456	4,180,000	996,463	3,183,537	0.4%	17
2002	192,714	794,612,876	3,745,000	952,758	2,792,242	0.4%	14
2003	192,591	831,002,237	3,285,000	924,227	2,360,773	0.3%	12
2004	194,239	925,133,827	2,810,000	841,103	1,968,897	0.2%	10

(1) Source: Louisiana Tech Survey ( 1995-1999, 2001-2004)  
U.S. Census (2000)

(2) Source: Lafayette Parish Assessor - Collection Year Assessed Values.

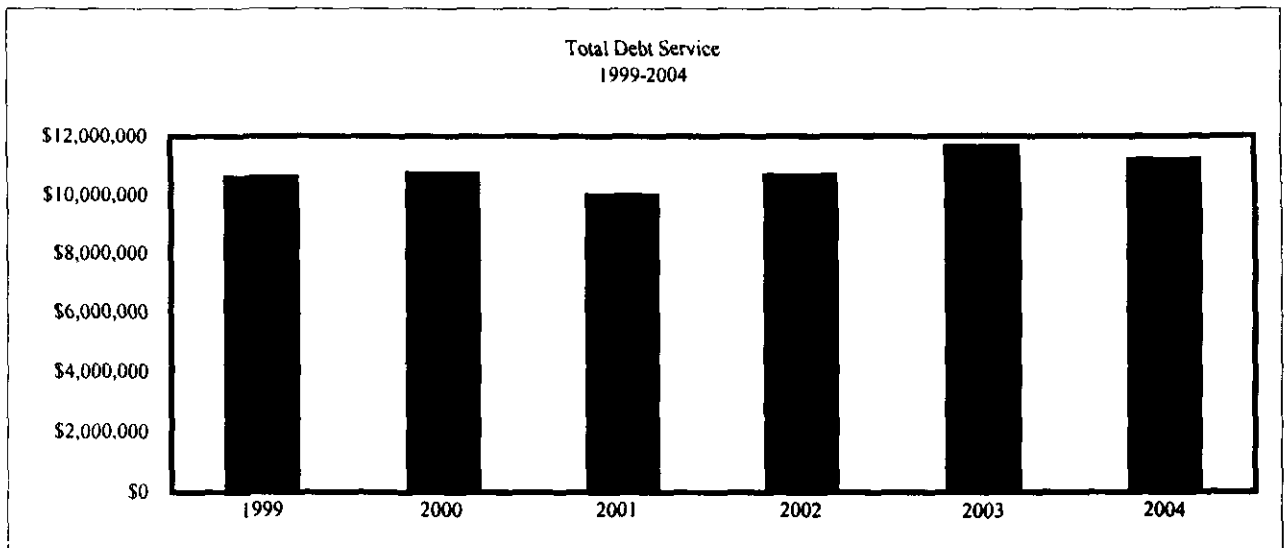
(3) Actual/Projection not available until January, 2005. Based on population count of previous year.

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

Table XIII

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
BONDED DEBT TO TOTAL GENERAL AND SPECIAL REVENUE FUND EXPENDITURES**  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Principal Payments	Interest Payments	Total Debt Service	Total General and Special Revenue Fund Expenditures	Ratio of Debt Service to Total General Expenditures
1995	5,520,000	3,196,483	8,716,483	124,765,020	6.99%
1996	6,015,000	2,939,973	8,954,973	129,916,174	6.89%
1997 (1)	3,570,000	2,704,202	6,274,202	142,007,259	4.42%
1998 (1)	4,690,000	2,745,798	7,435,798	154,207,096	4.82%
1999 (1)	5,295,004	5,331,863	10,626,867	164,587,516	6.46%
2000 (1)	5,427,905	5,317,347	10,745,252	162,219,989	6.62%
2001 (1)	4,739,276	5,275,893	10,015,169	163,517,087	6.12%
2002 (1)	5,239,672	5,443,264	10,682,936	180,156,511	5.93%
2003 (1)	5,982,231	5,703,103	11,685,334	200,529,472	5.83%
2004 (1)	6,150,821	5,082,932	11,233,753	212,895,429	5.28%



Source: Lafayette Parish School System

(1) Includes debt service payments made by the General Fund and Capital Improvements Program Fund, excluding any bond issuance costs.

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

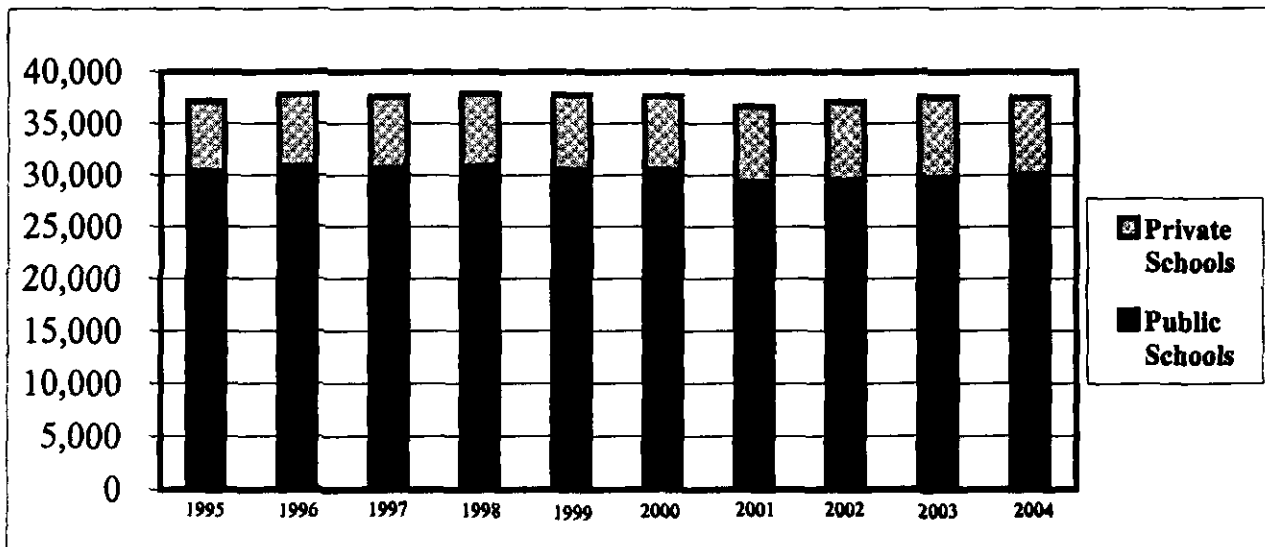
Table XIV

**DEMOGRAPHIC STATISTICS**  
Last Ten Fiscal Years  
(Unaudited)

Year Ended June 30	Estimated Population	Total Unemployment Rate (1)	Total School Enrollment	Public Schools		Private Schools	
				Number of Students	% of Total Students	Number of Students	% of Total Students
1995	178,305 (2)	6.3%	37,196	30,374	18.2%	6,763	18.2%
1996	180,222 (2)	4.7%	38,241	30,857	18.1%	6,910	18.1%
1997	181,363 (2)	4.7%	37,425	30,653	18.5%	6,941	18.5%
1998	184,521 (2)	4.5%	37,338	30,843	18.9%	7,074	18.9%
1999	187,001 (2)	4.7%	37,753	30,479	19.3%	7,274	19.3%
2000	188,620 (2)	4.3%	37,634	30,466	19.0%	7,168	19.0%
2001	192,448 (2)	4.2%	36,627	29,314	20.0%	7,313	20.0%
2002	192,714 (2)	4.9%	37,109	29,509	20.5%	7,600	20.5%
2003	192,591 (2)	5.3%	37,547	29,802	20.6%	7,745	20.6%
2004	194,239 (2)	5.2%	37,496	30,038	19.9%	7,458	19.9%

- (1) U.S. Department of Labor  
(2) Louisiana Tech Survey

Total Enrollment for Public and Private Schools



**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

**PROPERTY VALUES, CONSTRUCTION, AND BANK DEPOSITS**  
Last Ten Years  
(Unaudited)

Lafayette Parish Property Value (1)

Assessment Year	Collection Year	Residential and Commercial Land				Agricultural	State Assessed
		Residential	Commercial				
1994	(4) 1995	79,529,637	198,111,506	213,940,395	3,144,310	50,577,030	
1995	1996	104,726,587	257,726,429	275,420,190	3,162,340	50,823,600	
1996	1997	107,984,543	267,571,340	305,938,693	3,126,330	52,291,580	
1997	1998	112,622,878	279,112,490	334,178,055	3,077,470	54,194,430	
1998	1999	116,725,142	291,739,160	357,149,910	3,042,240	56,110,660	
1999	2000	123,696,613	308,348,433	386,603,100	2,939,560	58,340,010	
2000	2001	143,152,432	406,065,778	403,070,319	2,992,035	61,514,290	
2001	2002	147,713,892	417,597,262	432,902,970	2,921,207	62,863,710	
2002	2003	151,994,430	433,116,447	457,320,431	2,876,089	61,554,260	
2003	2004	171,328,974	496,145,517	481,329,185	2,648,073	62,312,450	

(1) Lafayette Parish Tax Assessors Office

(2) Parish Of Lafayette, Metro Code

(3) F.D.I.C. - Total demand deposits from Lafayette Parish Banks & Thrifts @ 6/30/04.

(4) Residential and commercial property values previously included land values. Subsequent to 1994, land values are shown separately.



Table XV

Total	Commercial Construction (2)		Residential Construction (2)		Bank Deposits (3) (Millions)
	Units	Total	Units	Total	
545,302,878	61	27,943,427	780	76,985,963	1,941,344
691,859,146	89	55,920,647	693	67,313,155	1,796,854
736,912,486	81	49,159,788	837	87,122,766	2,112,346
783,185,323	94	44,790,545	761	84,054,151	2,369,018
824,767,112	126	92,149,642	718	91,562,470	2,278,019
879,927,716	70	67,540,765	628	83,677,620	2,290,032
1,016,794,854	102	45,064,267	510	73,833,800	2,509,900
1,063,999,041	94	93,562,693	682	91,700,483	2,463,000
1,106,861,657	105	105,693,807	848	112,918,401	2,683,475
1,213,764,199	96	74,067,762	917	132,937,478	2,780,545

**LAFAYETTE PARISH SCHOOL SYSTEM**  
Lafayette, Louisiana

XVI

**MISCELLANEOUS STATISTICAL DATA**  
(Unaudited)

-SIXTH LARGEST SCHOOL PARISH IN THE STATE

-Year of Organization:	1870
-Geographical Area:	270 Square Miles
-Parish Population:	194,239
-Accreditation:	Southern Association of Colleges and Schools

<u>Number of Schools in Lafayette Parish</u>		<u>Student Enrollment</u>	
Elementary	24	Elementary	13,949
Middle	11	Middle	7,758
High	6	High	8,331
 Total	41	 Total	30,038

Number of Teachers and Level of Degree

<u>Degree</u>	<u>Number of Teachers</u>	<u>% of Total</u>
Bachelor of Arts	1,570	65.6%
Masters Degree	565	23.6%
Masters Degree +30	197	8.2%
Educational Specialist	56	2.3%
Doctorate	7	0.3%
Total	2,395	100.0%

Enrollment Projections

2005	29,814
2006	30,191
2007	30,551
2008	30,847
2009	30,875

Source: Lafayette Parish School System

# SINGLE AUDIT SECTION



# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

Dr. James H. Easton Superintendent,  
and Members of the Lafayette Parish School Board  
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafayette Parish School Board, (the School Board) as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 12, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 04-1 (C).

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 04-2 (IC).

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Fax (337) 893-7946

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the School Board, the School Board's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

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

Lafayette, Louisiana  
November 12, 2004

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

Dr. James H. Easton, Superintendent  
and Members of the Lafayette Parish School Board  
Lafayette, Louisiana

### Compliance

We have audited the compliance of the Lafayette Parish School Board (the School Board) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2004.

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### Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with 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 the 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.

This report is intended for the information of the School Board, the School Board's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

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

Lafayette, Louisiana  
November 12, 2004

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

Federal Grantor/Pass-Through Grantor/ Program Title	Project Number	CFDA Number	Revenue Recognized	Expenditures
U. S. Department of Education:				
Direct Program:				
Project Save	S184K000107	84.184K	<u>123,674</u>	<u>123,674</u>
Project Fact	T293B000054	84.293B	<u>21,460</u>	<u>21,460</u>
Project Life	T294A020092	84.294A	<u>11,037</u>	<u>11,037</u>
Smaller Learning Communities	V215L032050	84.215L	<u>103,909</u>	<u>103,909</u>
Teaching American History	U215X030028	84.215X	<u>133,855</u>	<u>133,855</u>
Passed through State Department of Education:				
Adult Education State Grant Programs -				
Adult Education Basic Program	0444-28, 0344-28	84.002A	356,257	356,257
Adult Education Program Carryover	0244-28-C	84.002A	7,711	7,711
Adult Education Family Literacy	0343-28	84.002A	105	105
Adult Education Family Literacy	0443-28	84.002A	145,538	145,538
Adult Education Language/Civics	0307-28	84.002A	8,542	8,542
Adult Education English/Civics	0407-28	84.002A	11,093	11,093
Adult Education One Stop Center	0313-28	84.002A	355	355
Adult Education One Stop Center	0413-28	84.002A	4,128	4,128
Adult Education Corrections	0423-28	84.002A	15,538	15,538
Adult Literacy Partnership	603637	84.002A	<u>213,564</u>	<u>96,579</u>
			<u>762,831</u>	<u>645,846</u>
After School Learning Center -				
21st Century Community Learning Centers	03-CC-28	84.287C	<u>365,685</u>	<u>365,685</u>
Advanced Placement Fee -				
Advanced Placement Fee Payment Program	280426-28	84.330A	<u>513</u>	<u>513</u>
Vocational Education-Basic Grants to States -				
Carl Perkins Basic Grant	280402-28	84.048A	369,438	369,438
Carl Perkins Basic Grant	280302-28-C	84.048A	<u>8,508</u>	<u>8,508</u>
			<u>377,946</u>	<u>377,946</u>
Safe and Drug Free Schools & Comm. -				
IASA Title IV C/O 03	03-70-28-C/O 04	84.186A	41,151	41,151
IASA Title IV FY 04	04-70-28	84.186A	126,900	126,900
IASA Title IV FY 03	03-70-28	84.186A	2,952	2,952
IASA Title IV C/O 03	02-70-08	84.186A	<u>11,753</u>	<u>11,753</u>
			<u>182,756</u>	<u>182,756</u>
Special Education-Preschool Grants -				
SPED IDEA-Part B, 3-5	03-P1-28	84.173A	30,517	30,517
SPED IDEA-Part B, 3-5	04-P1-28	84.173A	146,962	146,962
Special Education-Grants to States -				
SPED IDEA-Part B	03-B1-28	84.027A	1,175,769	1,175,769
SPED IDEA-Part B	03-B1-28, 04-B1-28	84.027A	2,818,729	2,818,729
SPED IDEA-Supplemental	28-03-B8-28	84.027A	139,468	139,468
LA. Assistive Technology	2803TR28	84.027A	<u>25,615</u>	<u>25,615</u>
			<u>4,337,060</u>	<u>4,337,060</u>

(continued)



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2004

Federal Grantor/Pass-Through Grantor/ Program Title	Project Number	CFDA Number	Revenue Recognized	Expenditures
Title I Grants to Local Education Agencies -				
Title I-Part A Basic Grant	03-T1-28, 04-T1-28	84.010A	6,658,818	6,658,818
IASA Title I	03-T1-28 C/O 04	84.010A	<u>488,883</u>	<u>488,883</u>
			<u>7,147,701</u>	<u>7,147,701</u>
Innovative Education Program Strategies -				
IASA Title V	03-80-28, 04-80-28	84.298A	136,737	136,737
IASA Title VI	02-00-28	84.298A	<u>3,121</u>	<u>3,121</u>
			<u>139,858</u>	<u>139,858</u>
English Language Acquisition -				
IASA Title III Student Influx	04-S3-28, 03-S3-28	84.365A	29,332	29,332
IASA Title III FY 04	2804-60-28	84.365A	31,859	31,859
IASA Title III FY 03	03-60-28	84.365A	<u>14,024</u>	<u>14,024</u>
			<u>75,215</u>	<u>75,215</u>
Eisenhower Professional Development State Grants -				
IASA Title II	04-50-28, 03-50-28	84.281A	1,848,586	1,848,586
IASA Title II	03-50-28 C/O 03	84.281A	65,578	65,578
IASA Title II	02-50-28 C/O 03	84.281A	<u>13,580</u>	<u>13,580</u>
			<u>1,927,744</u>	<u>1,927,744</u>
Education for Homeless Children and Youth -				
Homeless	04-HI-28, 03-HI-28	84.196A	72,131	72,131
Homeless	02-HI-28-C	84.196A	<u>2,584</u>	<u>2,584</u>
			<u>74,715</u>	<u>74,715</u>
Even Start-State Educational Agencies -				
Even Start	04-FI-28, 03-FI-28	84.213C	241,129	241,129
Even Start	02-FI-28-C	84.213C	<u>12,411</u>	<u>12,411</u>
			<u>253,540</u>	<u>253,540</u>
Temporary Assistance For Needy Families-				
Adult Ed LEA/LCTCS	03LG-28	93.558	53,106	53,106
Adult Ed Fame IST	590507	93.558	64,196	105,467
Early Childhood Development	CFMS#601686	93.558	3,307,756	3,039,204
TANF-Pre GED	0336-28, 280436-28	93.558	49,271	56,511
Family/Adult Literacy Workkeys	03WK-28	93.558	147,920	147,920
Starting Points Preschool	0438-28	93.558	<u>120,561</u>	<u>103,666</u>
			<u>3,742,810</u>	<u>3,505,874</u>
Refugee Children -				
Refugee Children School Impact	04-X3-28, 03-X3-28	93.576	<u>20,671</u>	<u>20,671</u>
Education Technology State Grant-				
Enhancing Education through Technology	0449-28, 0349-28	84.318X	<u>173,975</u>	<u>173,975</u>
Total U.S. Department of Education			<u>19,976,955</u>	<u>19,623,034</u>
U.S. Department of Transportation:				
Passed through State Department of Transportation -				
Preteen Pedalers Program	744-28-0007	20.205	<u>34,201</u>	<u>34,201</u>

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2004

Federal Grantor/Pass-Through Grantor/ Program Title	Project Number	CFDA Number	Revenue Recognized	Expenditures
<i>U.S. Department of Health and Human Services:</i>				
Passed through State Department of Social Services- Family Independence Work Program	583407	93.558	78,063	78,063
Child Care	588934	93.558	1,082,884	740,475
Passed through the Louisiana Supreme Court				
Truancy	N/A	93.558	160,004	160,004
Passed through SMILE Community Action Agency- Head Start				
	N/A	93.600	204,000	204,004
Total U.S. Department of Health and Human Services			1,559,152	1,216,747
<i>U.S. Department of Labor:</i>				
Passed through local Workforce Investment Act Office -				
W.I.A. Comp. Training for Youth Development	595, 592	17.250A	61,088	61,088
W.I.A. Innovative Youth Training Program	594, 591	17.250A	29,056	29,056
Total U.S. Department of Labor			90,144	90,144
<i>Food and Consumer Service:</i>				
Passed through State Department of Agriculture -				
USDA Commodities	N/A	10.550	543,507	550,524
Passed through State Department of Education -				
National School Lunch Program -				
National School Lunch-School Milk	N/A	10.555A	4,965,796	4,965,796
After School Snack Program	N/A	10.555A	121,441	121,441
			5,087,237	5,087,237
School Breakfast Program -				
National School Breakfast Program	N/A	10.553A	1,302,780	1,302,780
Summer Food Service Program for Children -				
Summer Food Service Program	N/A	10.559A	326,829	326,829
Total Food and Consumer Service			7,260,353	7,267,370
<i>U.S. Department of Defense:</i>				
NJROTC Program	N/A	N/A	151,618	151,618
TOTAL FEDERAL AWARDS			\$ 29,038,222	\$ 28,348,913

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2004

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Lafayette Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2004. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The following programs are considered major federal programs of the School Board: School Food Service.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2004.

(3) Relationship to Fund Financial Statements

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

From federal sources:	
General Fund	\$ 151,618
Special Revenue Funds	<u>28,886,604</u>
Total	<u>\$29,038,222</u>

(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports except for the amounts in reports submitted as of a date subsequent to June 30, 2004, which will differ from the schedule by the amount of encumbrances as of June 30, 2004.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2004

Part I. Summary of Auditor's Results:

1. An unqualified report was issued on the financial statements.
2. A reportable condition in internal control was disclosed by the audit of the financial statements. The reportable condition was considered to be a material weakness.
3. There was one material instance of noncompliance.
4. No reportable conditions in internal control over the major program were disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The following program was considered to be a major program: School Food Service.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$850,467.
9. The auditee did qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Compliance Findings –

See Compliance Finding 04-1 (C) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

Internal Control –

See Internal Control Finding 04-2 (IC) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

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

There are no findings that are required to be reported under the above guidance.

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
For the Year Ended June 30, 2004

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<b>CURRENT YEAR (6/30/04) --</b>			
<u>Compliance:</u>			
04-1 (C)	2003	The School Board violated Article 7 Section 14 of the Louisiana constitution by expending school activity funds on meals and gifts during the fiscal year ended June 30, 2004.	No
 <u>Internal Control:</u>			
04-2 (IC)	2004	The School Board did not properly follow the established control procedures to insure complete and accurate fixed asset listings. The fixed asset records should be supported by adequate supporting documentation.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
<p>Management has spent considerable efforts to come to a resolution on this issue. Under the guidance of our auditors and the Louisiana Legislative Auditor, we have created a new policy setting up a special fund to handle issues of employee appreciation without violating Article 7 Section 14 of the Louisiana Constitution. However, the adoption of the policy by the School Board has been delayed to allow input from site administrators who are questioning some of the details of the policy and what exactly would cause a violation of the law. Discussions are ongoing on this issue with the goal of quickly bringing a policy to the Board that would both meet the needs of the school and not violate any laws.</p>	<p>Matt Dugas, Director of Finance</p>	<p>2/16/05</p>
<p>In the past management implemented the proper procedures to adequately insure complete and accurate fixed asset listings. Part of the process of setting up the proper procedures, as recommended by literature available on the subject, was to raise the threshold to a more manageable level. The raising of the threshold provided greater control over a smaller number of more valuable assets. Unfortunately, the State informed us that the threshold had to be set to \$1,000 for fixed assets even though Federal grant regulations allow a threshold of \$5,000. The lowering of the threshold substantially increased the number of assets that had to be tracked even though the dollar value of the assets is consistent with prior years. In addition, the staff member in charge of accounting for fixed assets experienced a life threatening illness which, unknown to management, caused a loss of focus on the area. Now that management is aware of the problem, staffing issues have been addressed. Beginning in January of 2005, a clerical level employee will be assigned to deal with some of the volume issues caused by the lower threshold. This person will be under the direction of a new staff accountant hired to replace the retiring employee formerly in charge of fixed assets.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/05</p>

(continued)

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
For the Year Ended June 30, 2004

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<u>Management Letter Continued:</u>			
04-3(ML)	2004	The School Board is paying cell phone bills for some employees. Some of the invoices appear to be excessive and paid 100% by the School Board with no reimbursement for personal usage.	Yes
04-4(ML)	2004	The School Board has had and is continuing to encounter budget shortfalls in its General Fund. Prior to the final acceptance of a grant award, the budget, grant, and financial departments should determine the cost impact to the general fund and report this to the Board for approval. The Board should develop a policy to require that all costs involved in administering grant awards be paid by the grant funding.	No
04-5(ML)	2004	For the past several years, the General Fund has been experiencing deficiencies of revenues over expenditures which has caused a continuing decline in the fund balance. The Board should consider reviewing the General Fund expenditures to determine ways to reduce spending by possibly eliminating programs and/or expenditures that may not have been cost beneficial. Additionally, class sizes should be reviewed and the School District should consider setting these limits to operate within the revenues available.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
<p>A new procedure was put in place to prevent abuse of cell phones in the system. The new procedure requires that most employees that are determined to need a cell phone for their position must get their own personal cell phone. The School System then provides a flat reimbursement allowance that is determined by the need of the position being held by the employee. The employee must furnish an invoice proving that they spent at least the amount of the flat reimbursement for the cell phone they used for School System business. If the actual amount spent is less than the reimbursement rate, the employee will only receive reimbursement for the amount spent. Employees having cell phones that remain in the name of the School System are required to highlight personal calls each month and submit a check for the personal percentage of the bill.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/04</p>
<p>The Grants Administration &amp; Management Office is currently in the process of developing standard practices and procedures for receiving, processing, and evaluating requests from schools and departments requiring grant money. This will include, <u>but is not limited to</u>, the review of the proposed grant application, including budget detail, by the grants office, financial/accounting department, and appropriate instructional department prior to application submission. Additionally, the Grants Office is presently developing a specific policy identifying what grants officially require board approval as there are several mini-grants which are controlled at the school campus-level that do not require board approval. Finally, specific policies addressing the administration and management of awarded grants with respect to total grant self-sufficiency are under development.</p>	<p>Dr. James Easton, Supt.</p>	<p>6/30/05</p>
<p>The budget adopted for the 2004-2005 fiscal year has revenue equaling expenditures. Part of the effort in reaching this balance was an increase of class size by one student to save in excess of \$2,600,000. Through a combination of additional revenues and difficult spending cuts, the administration was able to present a balanced General Fund budget to the Board for adoption. The Board, in conjunction with the Chamber of Commerce, has brought in a class size expert to help the Board focus its class reduction effort to the most educationally effective areas. A Board retreat is planned to take place before the budgeting process for fiscal year 2005-2006 gets underway to set goals and spending priorities.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/05</p>

(continued)



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
For the Year Ended June 30, 2004

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<u>Management Letter (Continued):</u>			
04-6 (ML)	2004	During the fiscal year ended June 30, 2004, the Group Self -Insurance Fund experienced an operating loss of \$439,879. Consideration should be given to exploring plan adjustments in order for the fund to be self-sufficient. Additionally, procedures should be established in order to ascertain that amounts due to the fund for reimbursements from the stop-loss insurance are calculated correctly and properly remitted.	No
04-7(ML)	2002	Management should closely monitor operation of the School Food Service Department. During the fiscal year ended June 30, 2004, the fund incurred a deficiency of revenues over expenditures (before transfers) of \$224,422. The Board should explore ways to increase revenues and/or reduce expenditures in order for the fund to be self-sufficient and not require any transfers from the General Fund.	No

Corrective Action Plan

	<u>Name of Contact Person</u>	<u>Anticipated Date of Completion</u>
<p>The health insurance program continues to face increases in prescription drug costs, and this fiscal year rising health care and prescription costs caused the fund to experience a \$439,879 operating loss. In an effort to eliminate an operating loss next fiscal year, the plan increased premiums by 10% effective January 1, 2005. As utilization of the plan increases along with the expected increase in health costs, management will continue to explore benefit design options as we face the challenge of weighing benefit changes against a premium increase or subsidy from the General Fund. Additionally, management in the insurance department, with assistance from Health-Plus Consulting, is in the process of reviewing options concerning the stop-loss program. One of the options being reviewed is to pull the stop-loss coverage from Blue Cross and assign it to another vendor, since we have concerns that Blue Cross is not diligently monitoring large claims. We are also exploring the option of placing the claims administration of the plan with another TPA. Our goal is to find a partner who shares fully in our commitment to control claims costs through disease management and other measures. We believe there are other ways to mitigate claims other than limiting benefits.</p>	<p>Ramona Bernard, Director of Human Resources &amp;Risk Mgmt.</p>	<p>6/30/05</p>
<p>A large part of the operating deficit is due to a conscious decision to upgrade and replace obsolete and broken kitchen equipment in our cafeterias. The decision to feed every child regardless as to whether they have paid for their meal or not has also contributed to the situation. To offset these issues we are pursuing increasing our extra sales and our after school snack program as well as realizing receivables due through a collection agency. Of course, we will continue to have old equipment to replace in FY 04-05 and we are also acquiring new computer equipment for the entire operation. We are mindful of the deficit and our fund balance and we believe these actions will ultimately strengthen and improve our operating and financial posture.</p>	<p>Jules Gaudin, Deputy Supt.and CFO</p>	<p>6/30/05</p>

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (continued)  
For the Year Ended June 30, 2004

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<u>PRIOR YEAR (6/30/03) --</u>			
<u>Compliance:</u>			
03-1 (C)	2003	The School Board violated Article 7 Section 14 of the Louisiana constitution by expending school activity funds on meals and gifts during the fiscal year ended June 30, 2003.	No
 <u>Management Letter:</u>			
03-2(ML)	2002	Management should closely monitor operations of the School Food Service Department. During the fiscal year ended June 30, 2003, the fund incurred a deficiency of revenues over expenditures (before transfers) of \$935,313 as compared to the prior year deficiency of \$474,059. The Board should explore ways to increase revenues and/or reduce expenditures.	No
03-3(ML)	2000	The School Board's average class sizes were below the Board mandated class size policy. The School Board should allow management to approve additional discretionary variances above the Board approved ratios, in order to keep average class sizes as close to the board mandated pupil/teacher ratio as possible. The average class sizes are approximately half the size of the maximum class size regulated by the State of Louisiana. It is also recommended that the Board consider raising the class size closer to the State mandated maximum.	Partial

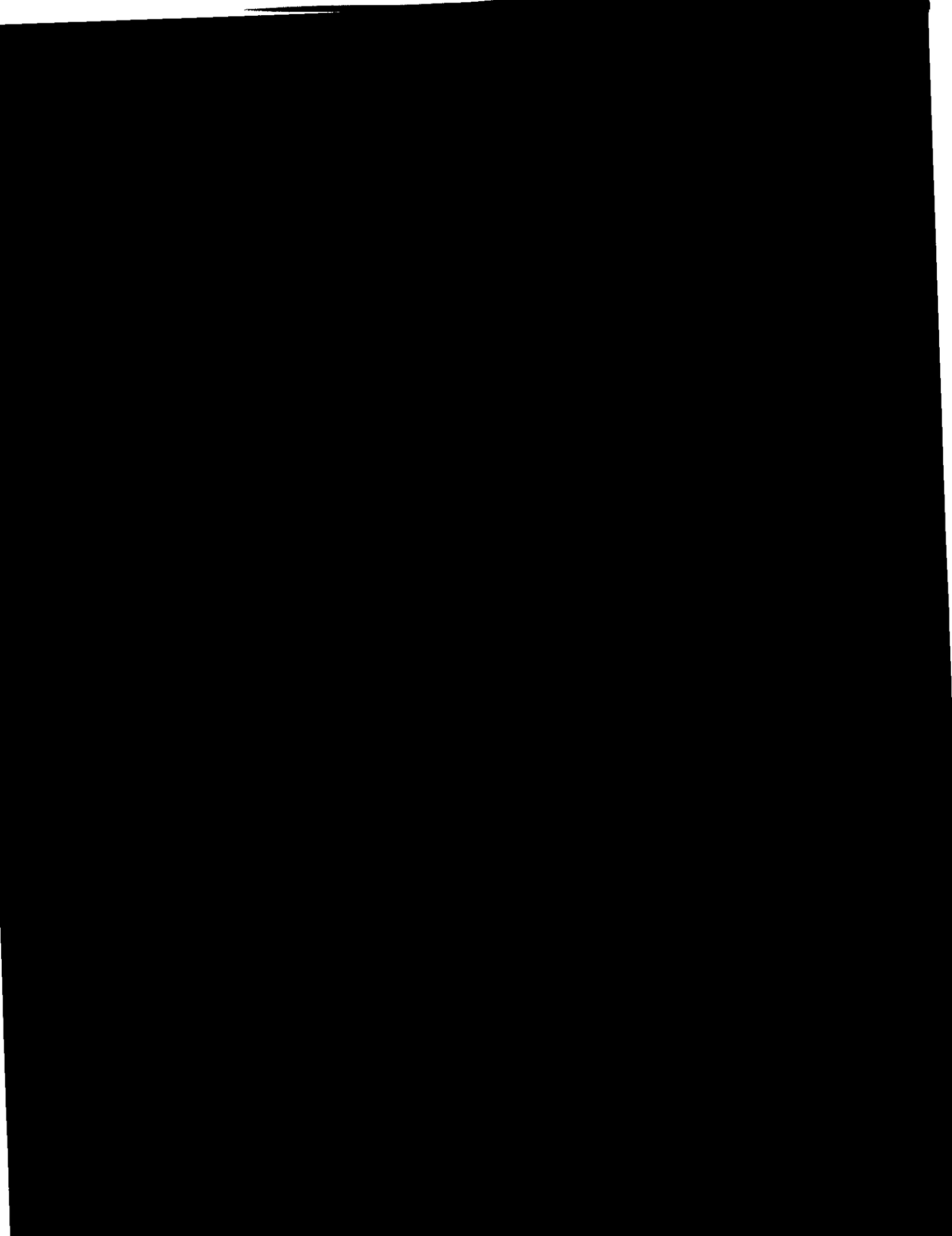
<u>Corrective Action Plan</u>	<u>Name of Contact Person</u>	<u>Anticipated Date of Completion</u>
<p>In the future, school officials will adhere to Article 7 Section 14 of the Louisiana Constitution by disallowing the expenditures of school activity fund monies for the purchase of gifts and meals. During the current school year the administration plans to set up a private purpose trust fund to accept donations to provide monies for employee appreciation items and events. The plan is to manage the fund centrally yet provide accounting for revenues and expenses by individual sites. The use of such a fund has been approved by the Louisiana Legislative Auditor and does not violate Article 7 Section 14 of the Louisiana Constitution.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/04</p>
<p>The administration will closely monitor School Food Service Department operations in an effort to reduce expenditures, specifically, reviewing employee costs, and reduce future deficiencies of revenues over expenditures in that fund.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/04</p>
<p>The Board has given administration flexibility to allow certain discretionary variances in class sizes to avoid splitting classes into units significantly smaller than the Board approved ratios. In addition, a new acting Human Resource director has been placed into position. This new director has a greater emphasis on compliance with set formula and disclosure to the Board of individuals hired and funding sources for each position. Under new leadership, a committee approach with representation from the financial area will be utilized to ensure that the hiring process does not exceed budgetary allocations.</p>	<p>Matt Dugas, Director of Finance</p>	<p>6/30/04</p>



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LAFAYETTE PARISH  
SCHOOL SYSTEM

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# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## MANAGEMENT LETTER

Dr. James H. Easton, Superintendent,  
and Members of the Lafayette Parish School Board  
Lafayette, Louisiana

During our audit of the basic financial statements of the Lafayette Parish School Board for the year ended June 30, 2004, we noted certain areas in which improvements in the accounting system and financial practices of the School Board should be considered.

- (1) Management should closely monitor operations of the School Food Service Department. *During the fiscal year ended June 30, 2004, the fund incurred a deficiency of revenues over expenditures (before transfers) of \$224,422. The Board should explore ways to increase revenues and/or reduce expenditures in order for the fund to be self-sufficient and not require any transfers from the General Fund.*
- (2) The School Board is paying cell phone bills for some employees. *Some of the invoices appear to be excessive and paid 100% by the School Board with no reimbursement for personal usage.*
- (3) The School Board has had and is continuing to encounter budget shortfalls in its General Fund. *Prior to the final acceptance of a grant award, the budget, grant, and financial departments should determine the cost impact to the General Fund and report this to the Board for approval. The Board should develop a policy to require that all costs involved in administering grant awards be paid by the grant funding.*
- (4) For the past several years, the General Fund has been experiencing deficiencies of revenues over expenditures which have caused a continuing decline in the fund balance. *The Board should consider reviewing the General Fund expenditures to determine ways to reduce spending by possibly eliminating programs and/or expenditures that may not have been cost beneficial. Additionally, class sizes should be reviewed and the School District should consider setting these limits to operate within the revenues available.*
- (5) During the fiscal year ended June 30, 2004, the Group Self-Insurance Fund experienced an operating loss of 439,879. *Consideration should be given to exploring plan adjustments in order for the fund to be self-sufficient. Additionally, procedures should be established in order to ascertain that amounts due to the fund for reimbursements from the stop-loss insurance are calculated correctly and properly remitted.*

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Dr. James H. Easton, Superintendent,  
and Members of the Lafayette Parish School Board  
Page 2

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance, please feel free to contact us.

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

Lafayette, Louisiana  
November 12, 2004



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**LAFAYETTE PARISH SCHOOL BOARD**

**SPECIAL AGREED-UPON PROCEDURES  
REPORT ON SCHOOL BOARD  
PERFORMANCE MEASURES**

Fiscal Year Ended June 30, 2004

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**KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC**  
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CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

\* A Professional Accounting Corporation

Dr James Easton, Superintendent  
and Members of the Lafayette Parish School Board  
Lafayette, Louisiana

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

There were no exceptions noted.

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**II. Education Levels of Public School Staff (Schedule 2)**

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

There were no exceptions noted.

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

There were no exceptions noted.

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

There were no exceptions noted.

**III. Number and Type of Public Schools (Schedule 3)**

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

There were no exceptions noted.

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

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

There were no exceptions noted.

**V. Public Staff Data (Schedule 5)**

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

*There were no exceptions noted.*

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

There were no exceptions noted.

**VI. Class Size Characteristics (Schedule 6)**

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

There were no exceptions noted.

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

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

There were no exceptions noted.

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

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

There were no exceptions noted.

**IX. The Iowa Tests (Schedule 9)**

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

There were no exceptions noted.

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

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

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

Lafayette, Louisiana  
December 7, 2004

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 1

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2004

**General Fund Instructional and Equipment Expenditures**

General fund instructional expenditures:

Teacher and student interaction activities -

Classroom teacher salaries	\$ 68,859,122
Other instructional staff activities	9,460,330
Employee benefits	23,107,999
Purchased professional and technical services	252,654
Instructional materials and supplies	3,225,237
Instructional equipment	<u>504,197</u>

Total teacher and student interaction activities \$ 105,409,539

Other instructional activities 218,980

Pupil support activities 7,047,984

Less: Equipment for pupil support activities (9,982)

Net pupil support activities 7,038,002

Instructional staff services 6,047,601

Less: Equipment for instructional staff services (299,135)

Net instructional staff services 5,748,466

Total general fund instructional expenditures \$ 118,414,987

Total general fund equipment expenditures \$ 1,147,050

**Certain Local Revenue Sources**

Local taxation revenue:

Constitutional ad valorem taxes \$ 3,676,921

Renewable ad valorem tax 23,199,518

Debt service ad valorem tax -

Up to 1% of collections by the Sheriff on taxes  
other than school taxes 703,211

Sales and use taxes 61,254,364

Total local taxation revenue \$ 88,834,014

Local earnings on investment in real property:

Earnings from 16th section property \$ 362,998

Earnings from other real property 125,871

Total local earnings on investment in real property \$ 488,869

State revenue in lieu of taxes:

Revenue sharing - constitutional tax \$ 1,805,737

Revenue sharing - other taxes -

Revenue sharing - excess portion -

Other revenue in lieu of taxes -

Total state revenue in lieu of taxes \$ 1,805,737

Nonpublic textbook revenue \$ 177,577

Nonpublic transportation revenue \$ 617,411

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 2

Education Levels of Public School Staff  
As of October 1, 2003

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a bachelor's degree								
Bachelor's degree	1,516	64.96%	33	100.00%				
Master's degree	553	23.69%			39	41.94%		
Master's degree + 30	201	8.61%			31	33.33%		
Specialist in education	52	2.23%			21	22.58%		
Ph. D. or Ed. D.	12	0.51%			2	2.15%		
Total	2,334	100.00%	33	100.00%	93	100.00%	-	



LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 3

Number and Type of Public Schools  
For the Year Ended June 30, 2004

Type	Number
Elementary	24
Middle/Junior high	11
Secondary	6
Combination	3
Total	44

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 4

Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2003

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant principals	12	9	22	-	2	1	1	47
Principals	-	-	17	14	6	8	1	46
Classroom teachers	196	160	524	295	337	279	576	2,367
Total	208	169	563	309	345	288	578	2,460

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 5

Public School Staff Data  
For the Year Ended June 30, 2004

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average classroom teachers' salary including extra compensation	40,267.00	40,267.00
Average classroom teachers' salary excluding extra compensation	40,102.00	40,072.00
Number of teacher full-time equivalents (FTEs) used in computation of average salaries	2,096	2,090

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 6

Class Size Characteristics  
As of October 1, 2003

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	78.8%	664	20.6%	173	0.6%	5	0.0%	0
Elementary activity classes	81.6%	427	16.8%	88	0.8%	4	0.8%	4
Middle/Junior high	60.3%	1134	35.4%	665	4.3%	81	0.0%	0
Middle/Junior high activity classes	47.7%	261	21.0%	115	19.2%	105	12.1%	66
High	43.8%	942	39.9%	857	16.3%	350	0.0%	0
High activity classes	48.7%	334	31.7%	217	13.9%	95	5.7%	39
Combination	99.3%	136	0.7%	1	0.0%	0	0.0%	0
Combination activity classes	100.0%	1	0.0%	0	0.0%	0	0.0%	0

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

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 7

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
Grade 4												
Advanced	67	3	40	2	119	5	67	3	100	5	77	3
Mastery	500	21	362	16	448	19	412	17	402	18	340	14
Basic	898	39	1,008	46	920	38	909	39	992	45	946	40
Approaching basic	518	22	539	24	649	27	454	20	417	19	559	23
Unsatisfactory	341	15	263	12	253	11	482	21	299	13	466	20
Total	2,324		2,212		2,389		2,324		2,210		2,388	

District Achievement Level Results	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
Grade 8												
Advanced	49	2	33	1	71	3	49	2	7	0	35	2
Mastery	565	23	461	20	492	22	341	14	310	13	314	14
Basic	853	36	894	39	827	38	1,063	44	1,100	48	1,033	47
Approaching basic	544	22	618	27	523	24	603	25	547	24	462	21
Unsatisfactory	410	17	304	13	288	13	359	15	340	15	352	16
Total	2,421		2,310		2,201		2,415		2,304		2,196	

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 8

The Graduation Exit Exam for the 21st Century  
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	43	2	13	1	26	1	270	14	209	10	222	11
Mastery	472	24	257	13	335	17	397	21	410	19	355	17
Basic	818	43	925	45	873	44	739	38	730	34	672	32
Approaching basic	357	19	436	21	442	22	248	13	310	15	297	14
Unsatisfactory	231	12	411	20	323	16	276	14	473	22	546	26
Total	1,921		2,042		1,999		1,930		2,132		2,092	

District Achievement Level Results	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	70	4	34	2	39	2	15	1	22	1	13	1
Mastery	363	21	303	17	282	17	241	14	264	15	159	10
Basic	672	40	779	45	595	37	916	54	852	49	758	46
Approaching basic	351	21	368	21	348	22	346	21	358	21	302	19
Unsatisfactory	231	14	257	15	349	22	167	10	244	14	382	24
Total	1,687		1,741		1,613		1,685		1,740		1,614	

LAFAYETTE PARISH SCHOOL BOARD  
Lafayette, Louisiana

SCHEDULE 9

The IOWA Tests  
For the Year Ended June 30, 2004

	Composite		
	2004	2003	2002
Test of basic skills (ITBS)			
Grade 3	62	59	56
Grade 5	61	59	54
Grade 6	50	46	56
Grade 7	54	56	59
Tests of educational development (ITED)			
Grade 9	57	54	51

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