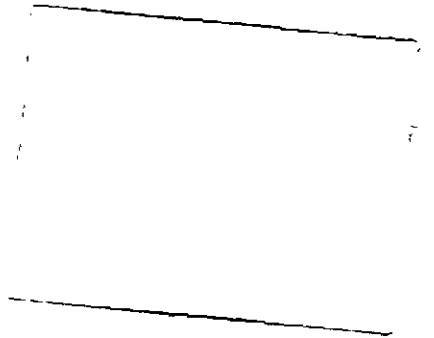


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REPORT  
PLAQUEMINES PARISH SCHOOL BOARD  
JUNE 30, 2004

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

Release Date 1-26-05

PLAQUEMINES PARISH SCHOOL BOARD

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## INDEPENDENT AUDITOR'S REPORT

December 10, 2004

Plaquemines Parish School Board  
P. O. Box 69  
Belle Chasse, LA 70037

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Plaquemines Parish School Board as of June 30, 2004 and for the year then ended, which collectively comprise the school board's basic financial statements as listed in the index to the report. These financial statements are the responsibility of the management of Plaquemines Parish School Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Those standards and OMB Circular A-133 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 opinion.

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

The management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 43 through 45 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying other supplemental information schedules listed in the index to the report are presented for the purpose of additional analysis and are not a part of the financial statements of the Plaquemines Parish School Board. The other supplemental information schedules on pages 46 – 53 have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole. The supplemental schedules on pages 64 - 77 have not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the schedules.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 10, 2004 on our consideration of the Plaquemines Parish School Board's internal control over financial reporting and 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.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

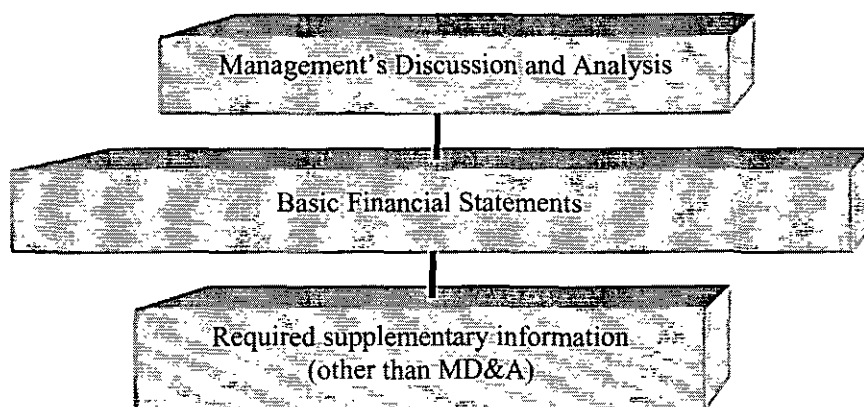
PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

The Management's Discussion and Analysis (MD&A) of the Plaquemines Parish School Board's financial performance presents a narrative overview and analysis of the school board's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information.

**Financial Highlights**

- The Plaquemines Parish School Board's assets exceeded its liabilities at June 30, 2004 by \$24,212,981.
- Net assets increased by \$4,103,759 for the year ended June 30, 2004.
- At June 30, 2004, the school board's governmental funds reported ending fund balances of \$11,068,696, an increase of \$4,859,030 from the prior year.
- The school board's total liabilities at June 30, 2004 were \$15,471,199 in comparison to \$15,007,983 at June 30, 2003.

The following graphic illustrates the minimum requirements for school districts established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

### **Government-Wide Financial Statements**

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

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

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

Both of the government-wide financial statements present functions of the school board that are principally supported by taxes and intergovernmental revenues (governmental activities). The school board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the school board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The school board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

### **Fund Financial Statements**

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

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

PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

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

The school board maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Title I which are considered major funds. The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the school board's programs. The sole fiduciary fund of the school board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

#### **Notes To The Financial Statements**

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



PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

**Financial Analysis of the Entity**

Statement of Net Assets  
as of June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u> (Restated)
Current and other assets	\$ 10,401,205	\$ 6,547,425
Investments	4,341,780	3,383,288
Capital assets	<u>24,941,195</u>	<u>25,186,492</u>
Total assets	<u>39,684,180</u>	<u>35,117,205</u>
Other liabilities	3,807,130	3,849,691
Compensated absences payable	2,012,565	1,956,297
Loan payable	526,909	572,728
Bonds payable	9,110,000	8,600,000
Capital leases payable	<u>14,595</u>	<u>29,267</u>
Total liabilities	<u>15,471,199</u>	<u>15,007,983</u>
Net assets:		
Invested in capital assets, net of debt	15,289,691	15,984,497
Restricted for Debt Service	2,067,734	2,031,879
Unrestricted	<u>6,855,556</u>	<u>2,092,846</u>
Total net assets	<u>\$ 24,212,981</u>	<u>\$ 20,109,222</u>

- Capital assets, which are reported net of accumulated depreciation, account for 63% of total assets.
- Bonds payable account for 59% of total liabilities.
- Net assets invested in capital assets, net of debt, account for 63% of total net assets.
- Total net assets have increased 30% from the prior year.

PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

Changes in Net Assets  
For the Years Ended June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u>
<b>REVENUE:</b>		
Program revenues:		
Charges for services	\$ 425,196	\$ 425,415
Operating grants and contributions	7,102,096	6,003,491
General revenues:		
Ad Valorem taxes	13,123,300	12,202,396
Sales taxes	12,862,065	10,150,180
Interest and investment earnings	69,226	253,208
Minimum Foundation Program	11,333,603	11,106,715
State revenue sharing	104,702	101,966
Other	<u>377,198</u>	<u>283,901</u>
Total revenue	<u>45,397,386</u>	<u>40,527,272</u>
<b>EXPENDITURES:</b>		
Regular education	15,989,851	15,044,321
Special education	6,113,526	5,876,138
Other education	494,944	859,702
Pupil support	1,635,351	1,493,017
Instructional staff support	1,888,425	1,755,915
General administration	1,529,376	1,414,941
School administration	2,002,383	1,830,835
Business services	572,656	601,389
Operations and maintenance	4,727,909	4,558,103
Student transportation	2,955,130	2,909,938
Central services	489,646	501,789
Food service	2,356,830	2,417,956
Community service programs	11,862	13,228
Capital outlay	20,210	5,922
Interest on long-term debt	427,455	442,556
Other	<u>78,073</u>	<u>249,761</u>
Total expenditures	<u>41,293,627</u>	<u>39,975,511</u>
Excess of revenues over expenses	<u>\$ 4,103,759</u>	<u>\$ 551,761</u>

Change in Net Assets

- There was a 27% increase in sales tax revenue due to an increase in taxable oil and gas related industry in the Parish and a large back tax collection from one company.
- There was an 8% increase in ad valorem tax due to the addition of 1.7 mills in a new tax for employee health benefits.
- There was a 2% increase in Minimum Foundation Program (MFP) revenue due to an increase of 146 students in the MFP count.

PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

**Capital Assets and Debt Administration**

Capital Assets

At June 30, 2004, the Plaquemines Parish School Board had \$45,564,386 invested in a broad range of capital assets, including land, buildings and improvements, equipment and vehicles.

This amount represents a net increase (including additions and deductions) of \$852,033, 2% over the prior year. The major additions for the year were computers, projectors and lighting projects.

Capital Assets (Net of Depreciation)		
	June 30, <u>2004</u>	June 30, <u>2003</u> (Restated)
Land	\$ 1,911,249	\$ 1,790,807
Buildings	20,182,151	20,564,976
Furniture and equipment	1,905,854	1,665,839
Transportation equipment	770,079	958,655
Construction in progress	<u>171,862</u>	<u>206,215</u>
Totals	<u>\$ 24,941,195</u>	<u>\$ 25,186,492</u>

Long Term Debt

The school board had \$9,110,000 in bonded debt outstanding at June 30, 2004, compared to \$8,600,000 at June 30, 2003, an increase of \$510,000, or 6%. The increase results from the issuance of \$1,300,000 in Series 2003 Sales Tax School Bonds and the payment of \$790,000 of principal on outstanding bonds.

The school board had \$526,909 in loans outstanding at June 30, 2004, compared to \$572,728 at June 30, 2003, a decrease of \$45,819 or 8%.

**Variations Between Original and Final Budgets**

- Actual ad valorem tax revenue exceeded budgeted amount due to the increase in housing developments and conservative budgeting.
- Actual sales tax revenue exceeded the budgeted amount due to a substantial delinquent collection and increased collections.

PLAQUEMINES PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004

**Variations Between Original and Final Budgets (Continued)**

- Other minor changes in other revenues were a wash.
- All regular salaries had been under budgeted due to unanticipated state payments to employees and the increase to ad valorem due to increased revenues.
- Some maintenance and supply areas were under budgeted.

**Economic Factors and Next Year's Budget**

The Plaquemines Parish School Board's elected officials and management considered the following factors and indicators when setting the budget for the year ended June 30, 2005:

- Although an increased fund balance is available for 2005, it will be necessary to continue to borrow temporary short-term funds through the LPFA until property tax revenue is received.
- An increase in sales tax revenues is planned for 2005 based on the actual receipts for 2004.
- With 2004 being a reassessment of taxable property with expected increased values, ad valorem taxes will be increased substantially for 2005.

**Contacting the Plaquemines Parish School Board's Management**

This financial report is designed to provide a general overview of the Plaquemines Parish School Board's *finances for those with an interest in the school board's financial position and operations.* Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Benja Fussell, Director of Finance and Management, Plaquemines Parish School Board, P. O. Box 69, Belle Chasse, LA 70037.

PLAQUEMINES PARISH SCHOOL BOARD  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

ASSETS:	
Cash and cash equivalents	\$ 5,178,700
Investments	3,018,507
Prepaid insurance	297,454
Accounts receivable	4,042,120
Accrued interest receivable	10,090
Inventory	51,431
Restricted assets:	
Cash and cash equivalents	819,101
Investments	1,323,273
Accrued interest receivable	2,309
Capital assets (Net of accumulated depreciation)	<u>24,941,195</u>
 TOTAL ASSETS	 <u>39,684,180</u>
LIABILITIES:	
Accounts payable	310,436
Cash overdraft	69,826
Salaries/deductions payable	3,294,027
Interest payable	132,841
Long-term liabilities:	
Due within one year	942,603
Due in more than one year	<u>10,721,466</u>
 TOTAL LIABILITIES	 <u>15,471,199</u>
NET ASSETS:	
Invested in capital assets, net of related debt	15,289,691
Restricted for:	
Debt Service	2,067,734
Unrestricted	<u>6,855,556</u>
 TOTAL NET ASSETS	 <u>\$ 24,212,981</u>

See accompanying notes.

**PLAQUEMINES PARISH SCHOOL BOARD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
	<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
	<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
	<u>Expenses</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
<b>FUNCTIONS/PROGRAMS</b>				
<b>Governmental activities:</b>				
<b>Instruction:</b>				
Regular programs	\$ 15,989,851	\$ -	\$ 306,247	\$ -
Special programs	6,113,526	-	3,361,191	-
Vocational education	65,984	-	67,718	-
Adult education	48,808	-	47,645	-
Other instructional programs	380,152	-	608,709	-
<b>Support services:</b>				
Pupil support	1,635,351	-	332,935	-
Instructional staff support	1,888,425	-	715,104	-
General administration	1,529,376	-	102,541	-
School administration	2,002,383	-	-	-
Business services	572,656	-	-	-
Operations and maintenance	4,727,909	-	12,342	-
Student transportation	2,955,130	-	80,618	-
Central services	489,646	-	-	-
Food service program	2,356,830	425,196	1,401,285	-
Community service program	11,862	-	-	-
Capital outlay	20,210	-	-	-
Miscellaneous	78,073	-	65,761	-
Interest on long-term debt	427,455	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 41,293,627</b>	<b>\$ 425,196</b>	<b>\$ 7,102,096</b>	<b>\$ -</b>
<b>Taxes:</b>				
Property taxes, levied for general purposes				13,093,283
Property taxes, levied for debt services				30,017
Sales and use taxes, levied for general purposes				12,862,065
State revenue sharing				104,702
<b>Grants and contributions not restricted to specific purposes:</b>				
Minimum Foundation Program				11,333,603
Interest and investment earnings				69,226
Miscellaneous				423,709
Loss on disposal of assets				(46,511)
				<u>37,870,094</u>
				Excess of revenues over expenses 4,103,759
				Net assets at beginning of year, as previously reported 18,590,934
				Prior period adjustment (Note 14) <u>1,518,288</u>
				Net assets at end of year <u>\$ 24,212,981</u>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2004

	General Fund	Title I	Other Governmental	Total
<b>ASSETS:</b>				
Cash (Note 13)	\$ 2,007,567	\$ -	\$ 2,501,886	\$ 4,509,453
Cash equivalents (Note 13)	1,416,593	-	71,755	1,488,348
Investments (Note 13)	2,626,452	-	1,715,328	4,341,780
Prepaid insurance	297,454	-	-	297,454
Accounts receivable (Note 4)	2,907,270	568,206	566,644	4,042,120
Interfund receivables (Notes 1 and 8)	791,404	-	25	791,429
Accrued interest receivable	10,090	-	2,309	12,399
Advances to Special Revenue Funds (Notes 1 and 8)	135,700	-	-	135,700
Inventory (Note 1)	-	-	51,431	51,431
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<b>\$ <u>10,192,530</u></b>	<b>\$ <u>568,206</u></b>	<b>\$ <u>4,909,378</u></b>	<b>\$ <u>15,670,114</u></b>
 <b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts payable (Note 7)	\$ 214,597	\$ -	\$ 95,839	\$ 310,436
Cash overdraft	-	45,208	24,618	69,826
Salaries/deductions payable (Note 7)	3,294,027	-	-	3,294,027
Interfund payables (Notes 1 and 8)	25	507,998	283,406	791,429
Advances from General Fund (Notes 1 and 8)	-	15,000	120,700	135,700
Total liabilities	<u>3,508,649</u>	<u>568,206</u>	<u>524,563</u>	<u>4,601,418</u>
 <b>FUND BALANCES: (Note 1)</b>				
Reserved - General Fund:				
Encumbrances (Note 12)	12,721	-	-	12,721
Scholarships (Note 12)	23,719	-	-	23,719
Apartment Maintenance (Note 12)	22,092	-	-	22,092
Protested Taxes (Note 12)	402,838	-	-	402,838
Reserved - Debt Service Funds:				
Debt Service (Note 12)	-	-	2,067,734	2,067,734
Unreserved - designated - General Fund:				
Capital Improvements (Note 12)	12,297	-	-	12,297
Insurance Deductibles (Note 12)	3,110,592	-	-	3,110,592
Unreserved - designated - Capital Projects Fund:				
Construction (Note 12)	-	-	1,287,299	1,287,299
Unreserved - undesignated - General Fund:				
Unreserved - undesignated - General Fund	3,099,622	-	-	3,099,622
Unreserved - undesignated - Special Revenue Funds:				
Unreserved - undesignated - Special Revenue Funds	-	-	1,029,782	1,029,782
Total fund balances	<u>6,683,881</u>	<u>          </u>	<u>4,384,815</u>	<u>11,068,696</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u>10,192,530</u></b>	<b>\$ <u>568,206</u></b>	<b>\$ <u>4,909,378</u></b>	<b>\$ <u>15,670,114</u></b>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2004

Total Fund Balances of Governmental Funds at June 30, 2004		\$ 11,068,696
Cost of capital assets at June 30, 2004	\$ 45,564,385	
Less: accumulated depreciation as of June 30, 2004:		
Buildings and improvements	(14,947,651)	
Equipment, furniture and vehicles	<u>(5,675,539)</u>	<u>24,941,195</u>
 Long-term liabilities at June 30, 2004:		
Bonds payable	(9,110,000)	
Loans payable	(526,909)	
Capital leases payable	(14,595)	
Compensated absences	(2,012,565)	
Accrued interest payable	<u>(132,841)</u>	<u>(11,796,910)</u>
 Total Net Assets of Governmental Activities at June 30, 2004		 <u>\$ 24,212,981</u>

See accompanying notes.



PLAQUEMINES PARISH SCHOOL BOARD  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2004

	General Fund	Title I	Other Governmental	Total
REVENUES: (Note 1)				
Local Sources:				
Ad valorem taxes (Note 3)	\$ 13,093,283	-	\$ 30,017	\$ 13,123,300
1% collection by Sheriff on taxes other than school taxes	368,911	-	-	368,911
Sales taxes	11,169,881	-	1,323,273	12,493,154
Special appropriation from Parish Government/General Fund	113,825	-	-	113,825
Tuition - summer school/driver's education	61,817	-	-	61,817
Interest earnings	157,755	-	87,925	245,680
Rent lease - 16th Section and other school lands	53,050	-	-	53,050
Food service income	-	-	425,196	425,196
Community service income	20,000	-	-	20,000
Apartment rents	81,381	-	-	81,381
Contributions and donations	65,762	-	5,720	71,482
Other	84,356	-	300	84,656
Revenue on behalf of LEA	8,980	-	-	8,980
Restricted Funds:				
State sources	1,735,530	-	26,172	1,761,702
Federal sources - through State	86,040	1,243,061	3,026,427	4,355,528
Federal sources - commodities	-	-	115,662	115,662
Federal sources - direct	-	-	753,034	753,034
Unrestricted Funds:				
State sources	11,074,451	-	259,152	11,333,603
Federal sources - through state	5,522	-	-	5,522
Federal sources - direct	39,166	-	-	39,166
Revenue sharing	104,702	-	-	104,702
Total revenues	<u>38,324,412</u>	<u>1,243,061</u>	<u>6,052,878</u>	<u>45,620,351</u>

PLAQUEMINES PARISH SCHOOL BOARD  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>General Fund</u>	<u>Title I</u>	<u>Other Governmental</u>	<u>Total</u>
<b>EXPENDITURES: (Note 1)</b>				
Instruction:				
Regular programs	\$ 15,855,748	-	-	\$ 15,855,748
Special programs	3,629,614	1,060,051	1,393,401	6,083,066
Vocational education	-	-	67,718	67,718
Adult education	-	-	47,645	47,645
Other instructional programs	410,237	-	3,500	413,737
Support Service Programs:				
Pupil support	1,259,910	-	331,669	1,591,579
Instructional staff support	1,119,029	125,951	587,765	1,832,745
General administration	1,426,778	944	762	1,428,484
School administration	1,941,659	-	-	1,941,659
Business services	583,501	-	-	583,501
Operations and maintenance	4,713,595	10,557	2,012	4,726,164
Student transportation	2,709,427	-	6,246	2,715,673
Central services	476,600	-	-	476,600
Food Service Program	678,201	-	1,601,257	2,279,458
Community Service Program	11,582	-	-	11,582
Capital outlay	-	-	477,962	477,962
Debt Service:				
Principal retirement	60,490	-	790,000	850,490
Interest payment	515	-	422,743	423,258
Miscellaneous:				
Bank, legal fees and other	-	-	4,030	4,030
Other - insurance claims, scholarship	74,043	-	-	74,043
Total expenditures	<u>34,950,929</u>	<u>1,197,503</u>	<u>5,736,710</u>	<u>41,885,142</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>3,373,483</u>	<u>45,558</u>	<u>316,168</u>	<u>3,735,209</u>

PLAQUEMINES PARISH SCHOOL BOARD  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>General Fund</u>	<u>Title I</u>	<u>Other Governmental</u>	<u>Total</u>
<b>OTHER FINANCING SOURCES</b>				
<b>(USES): (Note 1)</b>				
Transfers of indirect cost	\$ 100,835	\$ (45,558)	\$ (55,277)	\$ -
Operating transfers in	326,155	-	55,000	381,155
Sale of capital assets	275	-	-	275
Sales tax bonds issued	-	-	1,300,000	1,300,000
Gain (loss) on investments	(117,193)	-	(59,261)	(176,454)
Operating transfers out	(381,155)	-	-	(381,155)
Total other financing sources (uses)	<u>(71,083)</u>	<u>(45,558)</u>	<u>1,240,462</u>	<u>1,123,821</u>
<b>EXCESS OF REVENUES AND</b>				
<b>OTHER FINANCING SOURCES</b>				
<b>OVER EXPENDITURES AND OTHER</b>				
<b>FINANCING USES</b>				
Fund balances - beginning of year	3,302,400	-	1,556,630	4,859,030
	<u>3,381,481</u>	<u>-</u>	<u>2,828,185</u>	<u>6,209,666</u>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ <u>6,683,881</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>4,384,815</u></b>	<b>\$ <u>11,068,696</u></b>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004

Total net change in fund balances - governmental funds \$ 4,859,030

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

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

Capital outlays	\$ 1,066,782	
Depreciation expense	<u>(1,265,293)</u>	(198,511)

Add accumulated depreciation on capital assets retired during the year	167,964	
Less cost basis of capital assets retired during the year	<u>(214,750)</u>	(46,786)

Repayment of bond and loan principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 850,491

Proceeds from the sale of bonds is revenue in the governmental funds, but the proceeds increase long-term liabilities in the Statement of Net Assets. (1,300,000)

In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amounts used by \$56,268. (56,268)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. (4,197)

Change in net assets of governmental activities \$ 4,103,759

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2004

ASSETS

CASH	\$ <u>576,170</u>
TOTAL ASSETS	\$ <u><u>576,170</u></u>

LIABILITIES

DUE TO OTHERS - SCHOOL ACTIVITY FUNDS	\$ <u>576,170</u>
TOTAL LIABILITIES	\$ <u><u>576,170</u></u>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

INTRODUCTION

The Plaquemines Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Plaquemines Parish. The school board is authorized by LSA-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 eight schools within the parish with a total enrollment of 4,981 pupils. In conjunction with the regular educational programs, some of these schools offer head start, special education and/or adult education programs. In addition, the school board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

REPORTING ENTITY:

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

BASIS OF PRESENTATION:

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

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

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUNDS:

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

Funds of the school board are classified into two categories: governmental and fiduciary, as follows:

GOVERNMENTAL FUNDS:

Governmental funds account for all or most of the school board's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the school board. The following are the school board's primary governmental funds:

General Fund:

The General Fund is the primary operating fund of the school board and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and in accordance with school board policy.

Special Revenue Funds:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, or designated by the school board to be accounted for separately.

Debt Service Funds:

Debt service funds are established to meet requirements of bond ordinances and to account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

GOVERNMENTAL FUNDS: (Continued)

Capital Project Funds:

Capital project funds account for financial resources received and used for the acquisition, construction, or improvement of major capital facilities not reported in the other governmental funds.

FIDUCIARY FUND:

Fiduciary fund reporting focuses on net assets and changes in net assets. The only fund accounted for in this category by the school board is the school activities agency fund. The agency fund accounts for assets held by the school board as an agent for schools and school organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency fund has no measurement focus but does use the modified accrual basis of accounting.

MEASUREMENT FOCUS/BASIS OF ACCOUNTING:

Government-Wide Financial Statements:

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

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

Program Revenues:

Program revenues included in the Statement of Activities are derived directly from parties outside of 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.



PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

MEASUREMENT FOCUS/BASIS OF ACCOUNTING: (Continued)

Government-Wide Financial Statements: (Continued)

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 by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements:

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the Government-Wide Financial Statements are prepared. Governmental Fund Financial Statements therefore include a reconciliation with brief explanations to better identify the relationship between the Government-Wide Statements and the statements for governmental funds.

Fund Financial Statements report detailed information about the school board. The focus of governmental Fund Financial Statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

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

Revenues:

Federal and state entitlements are recorded as unrestricted grants-in-aid when available and measurable. Expenditure-driven federal and state grants are recorded as restricted grants-in-aid when the reimbursable expenditures have been incurred.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

MEASUREMENT FOCUS/BASIS OF ACCOUNTING:

Fund Financial Statements: (Continued)

Revenues: (Continued)

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February of the fiscal year.

Sales and use taxes are recorded as revenue in the month collected by the merchants.

Income on deposits, cash equivalents and investments is recorded when measurable and available.

Revenues from rentals, leases and royalties are recorded when earned.

Substantially all other revenues are recorded when received.

Expenditures:

Salaries are recorded as expenditures when earned. Nine-month employees' salaries are earned over a nine-month period but are paid over a twelve-month period.

Purchases of various operating supplies are recorded as expenditures in the accounting period purchased.

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 contractors.

Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are generally recognized when the related fund liability is incurred.

PLAQUEMINES PARISH SCHOOL BOARD  
 NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

MEASUREMENT FOCUS/BASIS OF ACCOUNTING: (Continued)

Fund 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, sale of capital assets, debt extinguishments, long-term debt proceeds) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

BUDGETS:

The following summarizes the budget activities of the school board for the year ended June 30, 2004:

	<u>2003-2004 Budget Year</u>
Completed & Available for Public Inspection	July 14, 2003
Public Notices	July 18, 25 and August 1, 2003
Public Hearing	August 4, 2003
Board Adoption	September 8, 2003

The school board adopted annual budgets for the General Fund and all Special Revenue Funds. Budgetary comparisons for the General Fund and the major Special Revenue Funds are included as required supplementary information.

The budget is prepared on the modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The Superintendent of Schools is authorized to transfer amounts between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by 5% or more and/or actual expenditures within a fund exceed budgeted expenditures by 5% or more, a budget revision is adopted by the school board in an open meeting. Budget amounts included in required supplementary information include the original adopted budget and the final revised budget.

INTERFUND RECEIVABLES/PAYABLES:

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables and short-term interfund loans are classified as interfund receivables/payables on the balance sheet in the Fund Financial Statements.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

ADVANCES TO OTHER FUNDS:

Non-current portions of long-term interfund loan receivables and payables are reported as advances.

INVENTORIES:

Inventory of the Food Service Fund consists of commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received and as expenses when consumed. Commodities are assigned values based on information provided by the United States Department of Agriculture on a first-in, first-out method.

Food purchased by the school board is expensed at the time of purchase.

CAPITAL ASSETS:

Capital assets are valued at historical cost, estimated cost, or fair value if donated. The school board maintains a threshold level of \$1,000 or more for capitalizing assets.

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

<u>Description</u>	<u>Estimated Lives</u>
<i>Buildings and building improvements</i>	<i>25 – 40 years</i>
<i>Furniture and fixtures</i>	<i>5 years</i>
<i>Vehicles</i>	<i>5 – 10 years</i>
<i>Equipment</i>	<i>5 – 20 years</i>

COMPENSATED ABSENCES:

The school board has two types of compensated absences which accumulate or vest as follows:

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

COMPENSATED ABSENCES: (Continued)

Vacation and Sick Leave:

Under the terms of state law and school board policy, teachers and other nine-month employees accrue 10 days of sick leave each school year, which can be accumulated without limitation. Upon retirement or death prior to retirement, unused accumulated sick leave of up to 25 days is paid to the employee or the employee's beneficiary at the employee's current rate of pay. Upon retirement, sick leave is used in the retirement benefit computation as earned service. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service. Under reduction in force, a laid-off employee may choose to be paid for his accumulated sick leave.

All 12-month employees accrue from 5 to 20 days vacation leave each year depending on length of service with the school board. Vacation leave can be accumulated up to 50 days. Upon termination, retirement, or death prior to retirement, unused accumulated vacation is paid at the employee's current rate of pay. In addition, these employees accrue from 10 to 18 days of sick leave each year depending on length of service with the school board. Unused accumulated sick leave for 12-month employees is paid in the manner described above for teachers and nine-month employees.

Sabbatical Leave:

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 years of continuous service. Leave may be granted for medical leave or for professional and cultural improvement.

The cost of leave privileges are recorded as an expenditure of the period in which paid in the Fund Financial Statements. The entire compensated absences liability is reported in the Government-Wide Financial Statements.

RESTRICTED NET ASSETS:

For the Government-Wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

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

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUND EQUITY:

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

INTERFUND TRANSACTIONS:

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

SALES AND USE TAXES:

The school board levies one percent sales and use tax with receipts deposited in the General Fund. The school board levies an additional one percent sales and use tax with receipts deposited to the Sales Tax Sinking Fund. The proceeds of this tax are dedicated and used for any lawful school purpose, including payments of salaries and fringe benefits, building operations and maintenance, and instructional programs, with any excess transferred to the General Fund. The tax is collected by the Sales Tax Department of the Plaquemines Parish Government.

FUND DESCRIPTIONS - MAJOR FUNDS:

Following are descriptions of the major funds reported in the Fund Financial Statements for the year ended June 30, 2004:

General Fund:

The General Fund is the primary operating fund of the school board and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and in accordance with school board policy.

No Child Left Behind – Title I:

This Special Revenue Fund is a program for economically and educationally deprived school children which is federally financed, state-administered and locally operated by the school board. The services are provided through various projects which are designated to meet the special needs of educationally deprived children. The activities supplement rather than replace state and local mandated activities. Program funds are obtained from federal grants through the State Department of Education.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

2. FUND DEFICITS:

There are no deficits in any individual funds at June 30, 2004.

3. LEVIED TAXES:

Property taxes are levied each November 1st on assessed value listed as of the prior January 1st for all real property, merchandise and movable property located in the parish. Taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. Assessed values are established by the Plaquemines Parish Assessor's Office and the State Tax Commission of actual value as specified by Louisiana Law. Property taxes are recorded as revenue by the school board in the year the taxes are received. A portion of exempt taxes due to homestead exemptions relating to constitutional special school taxes are reimbursed to the school board through state revenue sharing.

As required by the State of Louisiana Statute, prescribed deductions are made from the school board's property tax receipts for contributions to cover costs of various pension funds. For the year ended June 30, 2004, \$400,165 has been deducted from property tax receipts for amounts due to various pension funds.

The following is a summary of parish wide authorized and levied ad valorem taxes for the fiscal year ended June 30, 2004:

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>
Regular School Tax	6.03	6.03
Employee Health Benefits	1.70	1.70
Salaries #1	2.40	2.50
Maintenance and Operations	4.78	4.97
Salaries #2	7.50	7.50
Technology	1.00	1.00
Capital Improvements and Maintenance	1.00	1.00

The differences between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

4. ACCOUNTS RECEIVABLE:

The accounts receivable at June 30, 2004 are as follows:

	<u>General</u> <u>Fund</u>	<u>Title I</u>	<u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u>
TAXES:				
Sales	\$ 2,342,724	\$ --	\$ 204,754	\$ 2,547,478
Ad valorem	342,635	--	--	342,635
GRANTS:				
State	183,574	--	9,075	192,649
Federal - received through the State	27,814	568,206	352,815	948,835
OTHER	<u>10,523</u>	<u>--</u>	<u>--</u>	<u>10,523</u>
TOTALS	<u>\$ 2,907,270</u>	<u>\$ 568,206</u>	<u>\$ 566,644</u>	<u>\$ 4,042,120</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

5. EMPLOYEE RETIREMENT SYSTEMS:

Substantially all employees of the school board are members of two statewide retirement systems, both of which are cost-sharing multiple-employer public employee retirement systems (PERS). In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); and other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service.

Under LSERS, employees are eligible to retire after attaining age 60 and 10 years of accredited service, age 55 and 25 years of accredited service, or any age with 30 years of accredited service. The retirement benefit will be paid monthly based on 2.5% of average final compensation times the years of creditable service (including creditable unused sick and annual leave), plus an additional .5% of average final compensation times the years of creditable service in excess of 20 years, plus two dollars per month for each year of creditable service supplemental benefit, not to exceed average final compensation. The plan also includes disability retirement benefits.

The formula for annual maximum retirement benefits under TRS is 2 or 2.5% (Regular Plan) or 1 or 3% (Plan A) of final average salary for each year of credited service. Final average salary is based upon the member's highest successive thirty-six months of salary. Benefits are paid monthly for life.

Benefits of the systems are funded by employee and employer contributions. The contribution rates (as a percentage of covered salaries) are established by state law as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana School Employees' Retirement System	7.5%	11.2%
Louisiana Teachers' Retirement System - Regular	8.0%	13.8%
Louisiana Teachers' Retirement System - Plan A	9.1%	13.8%

The school board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the school board. For the year ended June 30, 2004, \$368,911 was remitted to the TRS by the Plaquemines Parish Sheriff for the school board from ad valorem tax and revenue sharing deductions. For the LSERS, the school board's employer contribution is partially funded by the Employer Credit Account of the LSERS. Act 278 of the 1999 regular session provided for the establishment of this account, which consists of accumulated excess employer contributions required by the constitution which exceeded the actuarially required employer rate for previous years. The remainder of the school board's employer contribution was funded by the State of Louisiana through annual appropriations. Benefits granted by the retirement system are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974.



PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

5. EMPLOYEE RETIREMENT SYSTEMS: (Continued)

The school board's required contributions to the system and the percentage contributed are as follows:

	<u>Required Contribution</u>	<u>Percent Contributed</u>
<u>Louisiana School Employees' Retirement System:</u>		
<u>Year Ended</u>		
June 30, 2004	\$ 318,532	99.35%
June 30, 2003	328,149	100.00
June 30, 2002	162,930	100.00

Louisiana Teachers' Retirement System:

Regular:

<u>Year Ended</u>		
June 30, 2004	\$ 2,701,713	100.32%
June 30, 2003	2,522,814	101.45
June 30, 2002	2,456,939	99.51

Louisiana Teachers' Retirement System:

Plan A:

<u>Year Ended</u>		
June 30, 2004	\$ 22,440	100.00%
June 30, 2003	22,391	100.00
June 30, 2002	21,388	100.00

Both systems issue publicly available financial reports that include financial statements and required supplementary information for each system. The LSERS report may be obtained by writing to the system at P.O. Box 44516, Baton Rouge, Louisiana 70804-4516. The TRS report may be obtained by writing to the system at P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

6. OTHER POST-EMPLOYMENT BENEFITS:

The Plaquemines Parish School Board provides certain continuing health care and life insurance benefits for its retired employees as required by state law. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through an insurance company, whose monthly premiums are paid jointly by the employee and by the school board. The school board recognizes the cost of providing these benefits (the board's portion of premiums) as an expenditure when the monthly premiums are paid. For the year ended June 30, 2004, the school board's portion of the premiums was \$474,745 for 192 retirees.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

7. ACCOUNTS, SALARIES/DEDUCTIONS AND OTHER PAYABLES:

The payables at June 30, 2004 are as follows:

	General Fund	Title I	Nonmajor Governmental Funds	Total
Salaries/deductions	\$ 3,294,027	\$ --	\$ --	\$ 3,294,027
Accounts payable	<u>214,597</u>	<u>--</u>	<u>95,839</u>	<u>310,436</u>
TOTAL	<u>\$ 3,508,624</u>	<u>\$ --</u>	<u>\$ 95,839</u>	<u>\$ 3,604,463</u>

8. INTERFUND PAYABLES/RECEIVABLES AND ADVANCES:

Individual balances due from/to other funds at June 30, 2004 are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 791,404	\$ 25
Special Revenue Fund:		
Adult Education	25	31
Drug-Free	--	18,478
Enhancing Education Through Technology	--	67
Special Education	--	179,657
Teaching, Learning Technology Center	--	5,324
Technical Preparation	--	3,500
Title I	--	507,998
Title II	--	73,989
Title V	--	1,319
Title XIX	--	1,000
Vocational Education	<u>--</u>	<u>41</u>
TOTAL	<u>\$ 791,429</u>	<u>\$ 791,429</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

8. INTERFUND PAYABLES/RECEIVABLES AND ADVANCES: (Continued)

Individual balances of advances to/from other funds at June 30, 2004 are as follows:

	<u>Advances To</u>	<u>Advances From</u>
General Fund	\$ --	\$ 135,700
Special Revenue Fund:		
Adult Education	10,800	--
Drug-Free	7,000	--
Migrant Education	5,000	--
School to Work	5,000	--
Special Education	10,000	--
Title I	15,000	--
Title II	5,000	--
Title V	12,900	--
Vocational Education	<u>65,000</u>	<u>--</u>
TOTAL	<u>\$ 135,700</u>	<u>\$ 135,700</u>

9. LEASES:

Operating:

The school board has recorded operating leases for office and computer equipment as expenses in the accompanying financial statements. For the year ended June 30, 2004, principal in the amount of \$281,340 was paid on the leases. For the year ended June 30, 2004, interest in the amount of \$73,246 was paid on the leases. The school board's policy is to expense lease payments in the year paid. The following is a schedule of future minimum lease payments under operating lease agreements as of June 30, 2004:

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2005	\$ 227,338
2006	78,454
2007	34,056
2008	23,168
2009	<u>2,070</u>
Total minimum lease payments	<u>\$ 365,086</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

9. LEASES: (Continued)Capital:

The school board has recorded capital leases for office equipment as assets and obligations in the accompanying Government-Wide Financial Statements. For the year ended June 30, 2004, principal in the amount of \$14,672 was paid on capital leases. For the year ended June 30, 2004, interest in the amount of \$515 was paid on capital leases. The following is a schedule of future minimum lease payments under capital lease agreements as of June 30, 2004:

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2005	\$ 6,937
2006	6,937
2007	1,170
Less: Amount representing interest	<u>(449)</u>
Present value of net minimum lease payment	<u>\$ 14,595</u>

The gross amount of assets recorded as capital assets acquired under capital leases is \$32,200 at June 30, 2004. Accumulated depreciation on these assets was \$6,623 at June 30, 2004.

10. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS:

A summary of changes in agency fund deposits due others follows:

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2004</u>
School Activity Accounts	<u>\$ 559,214</u>	<u>\$ 1,931,395</u>	<u>\$ 1,914,439</u>	<u>\$ 576,170</u>

11. GENERAL LONG-TERM OBLIGATIONS:

The following is a summary of the long-term obligation transactions for the year ended June 30, 2004:

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2004</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Anticipation certificate	\$ --	\$ 3,400,000	\$ 3,400,000	\$ --	\$ --
Bonded debt	8,600,000	1,300,000	790,000	9,110,000	830,000
Capital leases	29,267	--	14,672	14,595	6,609
Loan payable	572,728	--	45,819	526,909	45,818
Compensated absences payable	<u>1,956,297</u>	<u>56,268</u>	<u>--</u>	<u>2,012,565</u>	<u>60,176</u>
Total	<u>\$ 11,158,292</u>	<u>\$ 4,756,268</u>	<u>\$ 4,250,491</u>	<u>\$ 11,664,069</u>	<u>\$ 942,603</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

11. GENERAL LONG-TERM OBLIGATIONS: (Continued)

Capital Leases:

Capital leases represent obligations that are to be financed with future General Fund resources.

Compensated Absences:

Compensated absences payable will be liquidated by the fund where the salary costs originated. The additions for the year ended June 30, 2004 represent the net changes during the year. The records are maintained in such a manner that the additions and deletions could not readily be determined; therefore, the net change is reflected as additions in the year ended June 30, 2004.

Anticipation Certificate:

During the year ended June 30, 2004, the school board issued an anticipation certificate in the amount of \$3,400,000 to the Louisiana Public Facilities Authority. The certificate bore interest of 2.190% and was repaid during the year ended June 30, 2004.

Loan Payable:

The school board has an outstanding loan with the Louisiana Local Government Environmental Facilities and Community Development Authority for the purchase of computer equipment and a lighting project. The loan's original principal balance was \$630,000. The loan bears no interest and is payable in quarterly payments of \$11,455 ending November 1, 2015. Future loan payments are as follows:

Year Ended <u>June 30</u>	<u>Amount</u>
2005	\$ 45,818
2006	45,818
2007	45,818
2008	45,818
2009	45,818
Thereafter	<u>297,819</u>
	<u>\$ 526,909</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

11. GENERAL LONG-TERM OBLIGATIONS: (Continued)

Bonds and Certificates:

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2004, the school board had accumulated \$2,067,734 in the debt service funds for future debt requirements.

The following is a schedule of the outstanding bonds of the school board as of June 30, 2004:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturities</u>
Sales Tax School Bonds, Series 1998	03/01/98	\$ 8,115,000	3.65 – 4.65%	03/01/1999-2012
Sales Tax School Bonds, Series 1998B	04/01/98	1,800,000	4.45 – 7.00%	03/01/1999-2018
Sales Tax School Bonds, Series 2003	06/01/03	1,300,000	3.00 – 7.00%	03/01/2004 - 2018

The annual requirements to amortize principal and interest on bonds outstanding at June 30, 2004 are as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2005	\$ 830,000	\$ 398,523	\$ 1,228,523
2006	865,000	360,533	1,225,533
2007	900,000	322,433	1,222,433
2008	940,000	283,298	1,223,298
2009	985,000	243,008	1,228,008
2010-2018	<u>4,590,000</u>	<u>670,248</u>	<u>5,260,248</u>
	<u>\$ 9,110,000</u>	<u>\$ 2,278,043</u>	<u>\$ 11,388,043</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

12. RESERVED AND DESIGNATED FUND BALANCES:

Following are the details of reserved and designated fund balances which are reported in the Fund Financial Statements:

Designated for Capital Improvements:

The School Board passed a resolution on April 8, 1998 to establish a Capital Improvement Fund for building/facility construction and improvements. Deposits are made of revenues from 16th section lands, any unexpected excess settlement funds as designated by the board, and ending General Fund Balance in excess of 5% of the following year's proposed budget. The balance of this account at June 30, 2004 is \$12,297.

Designated for Insurance Deductibles:

The settlement of back sales and use taxes, certain refunds of insurance premiums, and a portion of the special appropriation from the parish government have been designated to fund the deductible amount on insurance policies. At June 30, 2004, the balance of this account is \$3,110,592.

Designated for Construction:

Monies in the Capital Projects Funds which are not reserved for current projects are designated for future construction projects. At June 30, 2004, the balance of this account is \$1,287,299.

Reserved for Debt Service:

Monies are reserved in the Debt Service Funds to pay the principal and interest maturing in future years on bonded debts and certificates of indebtedness. At June 30, 2004, the balance of the reserve is \$2,067,734.

Reserved for Encumbrances:

The amount of \$12,721 has been reserved for outstanding requisitions and purchase orders as of June 30, 2004.

Reserved for Apartment Maintenance:

Monies received for rent are reserved in the General Fund for repairs and maintenance on apartments owned by the school board. At June 30, 2004, the balance of the reserve is \$22,092.

PLAQUEMINES PARISH SCHOOL BOARD  
 NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

12. RESERVED AND DESIGNATED FUND BALANCES: (Continued)

Reserved for Scholarship:

Monies donated by various organizations are reserved for scholarships to qualified students of the Plaquemines Parish Schools. At June 30, 2004 the balance of the reserve is \$23,719.

Reserved for Protested Taxes:

Monies are reserved for property taxes paid in protest. At June 30, 2004, the balance in the reserve is \$402,838.

13. CASH, CASH EQUIVALENTS AND INVESTMENTS:

Following are the components of the school board's cash, cash equivalents and investments at June 30, 2004:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Cash	\$ 4,509,453	\$ 576,170
Cash equivalents	1,488,348	--
Investments	<u>4,341,780</u>	<u>--</u>
TOTAL	<u>\$ 10,339,581</u>	<u>\$ 576,170</u>

Cash:

The school board's bank deposits in Regions Bank were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board. As of June 30, 2004, the bank balances of the deposits totaled \$6,935,891.

Cash Equivalents:

The school board considers all highly-liquid debt instruments with a maturity of one year or less to be cash equivalents. The school board's cash equivalents include money market demand deposit accounts held with financial institutions, certificates of deposit, government money market funds and funds invested through the State Treasury. All cash equivalents are stated at cost.



PLAQUEMINES PARISH SCHOOL BOARD  
 NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

13. CASH, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Cash Equivalents: (Continued)

	<u>Amount</u>
Money market demand accounts were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board. As of June 30, 2004 bank balances of money market demand accounts were \$54,819.	\$ 54,873
Certificates of deposit were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board.	100,000
Cash equivalents of government money market funds consist of short-term government securities. The funds are held by a sub-custodian, managed and held in the name of the school board's broker-dealer.	626,729
Cash equivalents of pooled funds invested under contract with the State of Louisiana State Treasury. The funds are held in the name of the school board.	<u>706,746</u>
TOTAL CASH EQUIVALENTS	<u>\$ 1,488,348</u>

Investments:

Statutes authorize the school board to invest in direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies, provided such obligations are backed by the full faith and credit of the United States of America; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U.S. Government instrumentalities, which are federally sponsored; mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States or its agencies; and certain guaranteed investment contracts.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

13. CASH, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Investments: (Continued)

The school board's investments are described below to give an indication of the level of risk assumed by the entity 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 for which the securities are held by the broker's or dealer's trust department or agent in the school board's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the school board's name.

The school board's investments are carried at fair value and consist of notes and mortgages of the U.S. Government and federal agencies. The investments are held by the Federal Reserve Bank in the name of the school board's broker-dealer. The investments are managed by the school board's broker-dealer but are restricted by the bond indenture. The following is a schedule of investments by investment type:

	<u>Carrying Amount</u>
Federal Home Loan Bank	\$ 532,547
Federal Home Loan Mortgage Corporation	2,034,939
Federal National Mortgage Association	711,717
Government National Mortgage Association	<u>1,062,577</u>
	<u>\$ 4,341,780</u>

Market values are furnished by the school board's investment custodian.

14. CAPITAL ASSETS:

A summary of changes in capital assets is as follows:

	<u>Balance July 1, 2003</u>	<u>Prior Period Adjustments</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2004</u>
Capital assets not being depreciated:					
Land	\$ 1,750,807	\$ 40,000	\$ 120,442	\$ --	\$ 1,911,249
Construction in progress	<u>206,215</u>	<u>--</u>	<u>457,752</u>	<u>492,105</u>	<u>171,862</u>
Total capital assets not being depreciated	<u>1,957,022</u>	<u>40,000</u>	<u>578,194</u>	<u>492,105</u>	<u>2,083,111</u>

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

14. CAPITAL ASSETS: (Continued)

	<u>Balance</u> <u>July 1, 2003</u>	<u>Prior Period</u> <u>Adjustments</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2004</u>
Capital assets being depreciated:					
<i>Buildings and improvements</i>	\$ 32,543,054	\$ 2,270,960	\$ 315,788	\$ --	\$ 35,129,802
Furniture and equipment	4,040,778	79,254	650,634	151,289	4,619,377
Transportation equipment	<u>3,781,285</u>	<u>--</u>	<u>14,271</u>	<u>63,461</u>	<u>3,732,095</u>
 Total capital assets being depreciated	 <u>40,365,117</u>	 <u>2,350,214</u>	 <u>980,693</u>	 <u>214,750</u>	 <u>43,481,274</u>
Less accumulated depreciation for:					
<i>Buildings and improvements</i>	13,409,320	839,718	698,613	--	14,947,651
Furniture and equipment	2,421,985	32,208	366,149	106,819	2,713,523
Transportation equipment	<u>2,822,630</u>	<u>--</u>	<u>200,531</u>	<u>61,145</u>	<u>2,962,016</u>
 Total accumulated depreciation	 <u>18,653,935</u>	 <u>871,926</u>	 <u>1,265,293</u>	 <u>167,964</u>	 <u>20,623,190</u>
 Total capital assets being depreciated, net	 <u>21,711,182</u>	 <u>1,478,288</u>	 <u>(284,600)</u>	 <u>46,786</u>	 <u>22,858,084</u>
 Capital assets, net	 <u>\$ 23,668,204</u>	 <u>\$ 1,518,288</u>	 <u>\$ 293,594</u>	 <u>\$ 538,891</u>	 <u>\$ 24,941,195</u>

A prior period adjustment has been made to record capital assets (net of accumulated depreciation) in the amount of \$1,518,288 that were not previously included as capital assets.

Depreciation expense of \$1,265,293 for the year ended June 30, 2004 was charged to the following governmental functions:

## Instruction:

Regular programs	\$ 387,131
Special programs	148,446
Vocational education	1,653
Adult education	1,163
Other instructional programs	10,096

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

14. CAPITAL ASSETS: (Continued)

Support Service Programs:	
Pupil support services	\$ 38,840
Instructional staff services	44,725
General administration	103,098
School administration	47,383
Business services	14,239
Operation and maintenance of plant	119,296
Student transportation	237,418
Central services	11,631
Food Service Program	99,894
Community Service Program	<u>280</u>
Total	<u>\$ 1,265,293</u>

15. ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

16. SELF INSURANCE:

The school board is self-insured for workman's compensation in the amount of \$275,000 per accident. The excess is insured under an insurance policy. The fund is administered by an independent insurance service company.

The estimated claims liability is computed based on information received from the administrator of the plan. The following represents a reconciliation of total claims liability:

	<u>2004</u>	<u>2003</u>
Claims liability at July 1	\$ 6,878	\$ 15,703
Less: Claims paid during the year	(82,898)	(101,098)
Plus: Claims incurred	<u>134,861</u>	<u>92,273</u>
Claims liability at June 30	<u>\$ 58,841</u>	<u>\$ 6,878</u>

The claims liability at June 30, 2004 is presented at current value and has not been discounted.

PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

17. LOSS CONTINGENCY:

The school board is a defendant in lawsuits filed by various parties. For one lawsuit, the possible range of total loss is estimated by the school board's attorneys to be \$341,000 to \$375,000. The loss will be covered by insurance but the school board's \$100,000 deductible has been accrued in the financial statements in the prior year based on information available at that time. Two other lawsuits are pending for which the possible range of loss is estimated by the school board's attorneys to be \$-0- to \$45,000. No accrual has been made in the financial statements for these lawsuits. For the other lawsuits, the school board's attorneys have evaluated the likelihood of an unfavorable outcome to be remote or are unable to predict the outcome.

PLAQUEMINES PARISH SCHOOL BOARD  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES:</b>				
<b>Local Sources:</b>				
Ad valorem taxes	\$ 11,070,000	\$ 12,487,460	\$ 13,093,283	\$ 605,823
1% collection by Sheriff on taxes other than school taxes	300,000	300,000	368,911	68,911
Sales taxes	8,885,000	9,385,000	11,169,881	1,784,881
Special appropriation from Parish Government/General Fund	-	-	113,825	113,825
Tuition - summer school/ driver's education	65,000	61,702	61,817	115
Interest earnings	35,000	111,650	157,755	46,105
Rent lease - 16th Section and other school lands	3,000	42,000	53,050	11,050
Community service income	20,000	20,000	20,000	-
Apartment rents	-	85,000	81,381	(3,619)
Contributions and donations	1,000	52,000	65,762	13,762
Other	4,000	119,000	84,356	(34,644)
Revenue for/on behalf of LEA	12,400	12,400	8,980	(3,420)
<b>Restricted Funds:</b>				
State sources	890,580	909,246	1,735,530	826,284
Federal sources - through State	106,029	85,660	86,040	380
Federal sources - commodities	-	-	-	-
Federal sources - indirect	-	-	-	-
<b>Unrestricted Funds:</b>				
State sources	10,670,000	11,217,621	11,074,451	(143,170)
Federal sources - through State	-	-	5,522	5,522
Federal sources - direct	83,500	83,500	39,166	(44,334)
Revenue sharing	<u>100,000</u>	<u>100,000</u>	<u>104,702</u>	<u>4,702</u>
Total revenues	<u>32,245,509</u>	<u>35,072,239</u>	<u>38,324,412</u>	<u>3,252,173</u>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Regular programs	14,760,987	16,023,175	15,855,748	167,427
Special programs	3,725,421	3,702,458	3,629,614	72,844
Vocational education	-	-	-	-
Adult education	-	-	-	-
Other instructional programs	690,989	721,956	410,237	311,719

Continued

PLAQUEMINES PARISH SCHOOL BOARD  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
EXPENDITURES: (Continued)				
Support Service Programs:				
Pupil support	\$ 1,281,765	\$ 1,353,717	\$ 1,259,910	\$ 93,807
Instructional staff support	1,016,232	1,066,132	1,119,029	(52,897)
General administration	1,246,138	1,301,386	1,426,778	(125,392)
School administration	1,764,975	1,896,075	1,941,659	(45,584)
Business services	566,595	571,395	583,501	(12,106)
Operations and maintenance	4,123,595	4,459,582	4,713,595	(254,013)
Student transportation	2,442,183	2,571,583	2,709,427	(137,844)
Central services	471,580	471,580	476,600	(5,020)
Food Service Program	503,500	503,500	678,201	(174,701)
Community Service Program	13,725	13,725	11,582	2,143
Capital Outlay	-	-	-	-
Debt Service:				
Principal retirement	45,818	45,818	60,490	(14,672)
Interest payment	-	-	515	(515)
Miscellaneous:				
Bank, legal fees and other	-	-	-	-
Other - insurance claims, scholarship	-	90,000	74,043	15,957
Total expenditures	<u>32,653,503</u>	<u>34,792,082</u>	<u>34,950,929</u>	<u>(158,847)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(407,994)</u>	<u>280,157</u>	<u>3,373,483</u>	<u>3,093,326</u>
OTHER FINANCING SOURCES (USES):				
Transfers of indirect costs	110,000	110,000	100,835	(9,165)
Operating transfers in	419,000	569,155	326,155	(243,000)
Sale of capital assets	500	500	275	(225)
Gain (loss) on investments	-	-	(117,193)	(117,193)
Miscellaneous	200	4,200	-	(4,200)
Operating transfers out	(3,500)	(158,655)	(381,155)	(222,500)
Total other financing sources (uses)	<u>526,200</u>	<u>525,200</u>	<u>(71,083)</u>	<u>(596,283)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	118,206	805,357	3,302,400	2,497,043
Fund balances - beginning of year	<u>3,381,481</u>	<u>3,381,481</u>	<u>3,381,481</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,499,687</u>	<u>\$ 4,186,838</u>	<u>\$ 6,683,881</u>	<u>\$ 2,497,043</u>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD  
 BUDGETARY COMPARISON SCHEDULE  
 TITLE I  
FOR THE YEAR ENDED JUNE 30, 2004

	Title 1			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES:</b>				
<b>Restricted Funds:</b>				
Federal sources - through State	\$ 1,111,027	\$ 1,417,483	\$ 1,243,061	\$ (174,422)
Total revenues	<u>1,111,027</u>	<u>1,417,483</u>	<u>1,243,061</u>	<u>(174,422)</u>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Special programs	935,368	1,234,092	1,060,051	174,041
<b>Support Service Programs:</b>				
Instructional staff support	105,938	121,100	125,951	(4,851)
General administration	1,000	1,000	944	56
Operations and maintenance	5,240	5,240	10,557	(5,317)
Total expenditures	<u>1,047,546</u>	<u>1,361,432</u>	<u>1,197,503</u>	<u>163,929</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>63,481</u>	<u>56,051</u>	<u>45,558</u>	<u>(10,493)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers of indirect costs	(63,481)	(56,051)	(45,558)	10,493
Total other financing sources (uses)	<u>(63,481)</u>	<u>(56,051)</u>	<u>(45,558)</u>	<u>10,493</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	-	-	-	-
Fund balance - beginning of year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.



PLAQUEMINES PARISH SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
NONMAJOR FUND DESCRIPTIONS  
JUNE 30, 2004

SPECIAL REVENUE FUNDS:

No Child Left Behind - Title I Migrant Education:

The Title I Migrant Education Funds are used to provide additional instruction in reading and math to identified students through an individualized instruction program. The Title I Migrant Education Recruiter Program is used to enlist the cooperation of school systems in the multi-parish recruiting area, identify migrant children, establish contacts with migrant families, and assist in planning educational, health and social services for migrant children. Program funds are obtained from Federal grants through the State Department of Education.

No Child Left Behind - Title II:

The program funds are used to promote professional growth leading to improving certification in math and science.

No Child Left Behind - Title V:

This is a program by which the Federal government provides funds to the school board for audio-visual materials, equipment, and library resources.

Drug-Free Schools Program:

This program establishes and implements drug abuse education and prevention programs, and enforces drug-related rules and regulations of student conduct in the schools.

Title XIX:

This program's purpose is to improve the health status of eligible children by assuring the provision of preventive services, health assessment, and the necessary diagnosis, treatment and follow-up care in the context of an ongoing relationship between the patient and other health care givers.

Head Start Program:

This is a federally funded educational, social and health program for economically disadvantaged three to four-year old children.

Food Service:

The Food Service program provides nourishing meals for students in all grades. This program is supplemented by both Federal and State funds that are based on reimbursement and participation.

PLAQUEMINES PARISH SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
NONMAJOR FUND DESCRIPTIONS  
JUNE 30, 2004

SPECIAL REVENUE FUNDS: (Continued)

Adult Education:

The Adult Education Fund accounts for Federal and State grants received through the State Department of Education.

The Adult Education Program offers a basic and remedial academic curriculum to individuals at least 16 years of age or emancipated minors who have not obtained a high school diploma. The curriculum offered is intended to prepare the student for the high school equivalency examination. Students successfully completing the examination are awarded the High School Equivalency Examination Diploma.

Vocational Education:

Students in grades 9 through 12 have the opportunity to participate in vocational education through the state and federally funded programs. Courses in home economics, industrial arts, and business education offer training in job entry skills. Several co-op programs offer practical experiences in the job market.

Special Education Fund:

The Special Education Fund is a state and federally financed program of free education in the least restricted environment to children with exceptionalities.

Technical Preparation:

This federally-funded program is for the development and administration of Technical Preparation activities.

Teaching Learning Technology Center:

The purpose of this grant is to support the integration of educational technology into classrooms to improve teaching and learning.

Enhancing Education Through Technology:

The purpose of this grant is to enhance ongoing efforts to improve teaching and learning through the use of technology.

PLAQUEMINES PARISH SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
NONMAJOR FUND DESCRIPTIONS  
JUNE 30, 2004

SPECIAL REVENUE FUNDS: (Continued)

School to Work:

The Regional Council on School to Work (STW), an initiative of the Metrovision Economic Development Partnership, involves a broad coalition of representatives from business, labor, education, and government. It serves as a catalyst to create an effective STW system in Greater New Orleans and the River Region that better prepares students for careers and life-long learning. It connects school-based learning to the workplace through structured internship in local businesses.

Emergency Response and Crisis Management Plan:

This funding is used to strengthen the emergency preparedness of the school board in collaboration with the different agencies of the Plaquemines Parish Government.

DEBT SERVICE FUNDS:

General Obligation Sinking Fund:

The General Obligation Sinking Fund accounts for the proceeds of property taxes that are dedicated for debt service.

Sales Tax Bond Fund:

The Sales Tax Bond Fund accounts for the proceeds of a one percent sales and use tax levied and collected by the collecting agency.

Sales Tax Reserve Fund:

This Debt Service Fund accounts for the establishment of a reserve in the amount of \$1,100,000, or the highest combined principal and interest requirements for any succeeding bond year, ending March 1, which equaled \$1,232,453 as of June 30, 2004.

CAPITAL PROJECTS FUNDS:

1992 Sales Tax Construction Fund:

The Plaquemines Parish School Board issued \$11,000,000 of Sales Tax School Bonds, Series 1992, for the purpose of making capital improvements to the public school system of the Parish (including, but not limited to constructing, acquiring, erecting, improving, and repairing schools and school related facilities), payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special one percent sales and use tax. On March 2, 1998, the school board adopted a resolution to refinance \$7,220,000 of the Series 1992 Bonds and authorized the issuance of \$8,115,000 of its Sales Tax Refunding Bonds, Series 1998.

PLAQUEMINES PARISH SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
NONMAJOR FUND DESCRIPTIONS  
JUNE 30, 2004

CAPITAL PROJECTS FUNDS: (Continued)

1992 Sales Tax Construction Fund: (Continued)

The School Board authorized the issuance of \$1,800,000 of Sales Tax Bonds, Series 1998B pursuant to a resolution adopted on April 20, 1998 for the purpose of making capital improvements to the public school system of Plaquemines Parish.

2003 Sales Tax Construction Fund:

The School Board authorized the issuance of \$1,300,000 of Sales Tax Bonds, Series 2003 pursuant to a resolution adopted on April 14, 2003 for the purpose of making capital improvements to the public school system of Plaquemines Parish (including, but not limited to, constructing, acquiring, erecting, improvement and repairing schools and school related facilities).

PLAQUEMINES PARISH SCHOOL BOARD  
 SUPPLEMENTARY INFORMATION  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
JUNE 30, 2004

Special Revenue Funds

	<u>Migrant Education</u>	<u>Title II</u>	<u>Title V</u>	<u>Drug- Free</u>	<u>Title XIX</u>	<u>Head Start</u>	<u>Food Service</u>	<u>Adult Education</u>	<u>Vocational Education</u>	<u>Special Education</u>
<b>ASSETS:</b>										
Cash	\$ 5,000	\$ -	\$ 9,333	\$ 7,562	\$ 1,293	\$ 3,469	\$ 883,299	\$ 9,991	\$ 34,532	\$ 170,350
Cash equivalents	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	82,456	4,886	19,304	-	-	-	3,152	30,564	112,678
Interfund receivable	-	-	-	-	-	-	-	25	-	-
Accrued interest receivable	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	51,431	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 5,000</u>	<u>\$ 82,456</u>	<u>\$ 14,219</u>	<u>\$ 26,866</u>	<u>\$ 1,293</u>	<u>\$ 3,469</u>	<u>\$ 934,730</u>	<u>\$ 13,168</u>	<u>\$ 65,096</u>	<u>\$ 283,028</u>
<b>LIABILITIES:</b>										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,469	\$ -	\$ 2,337	\$ 55	\$ -
Cash overdraft	-	3,467	-	-	-	-	-	-	-	-
Interfund payables	-	73,989	1,319	18,478	1,000	-	-	31	41	179,657
Advances from										
General Fund	5,000	5,000	12,900	7,000	-	-	-	10,800	65,000	10,000
<b>Total liabilities</b>	<u>5,000</u>	<u>82,456</u>	<u>14,219</u>	<u>25,478</u>	<u>1,000</u>	<u>3,469</u>	<u>-</u>	<u>13,168</u>	<u>65,096</u>	<u>189,657</u>
<b>FUND EQUITY:</b>										
Unreserved fund balance	-	-	-	1,388	293	-	934,730	-	-	93,371
Reserved for debt service	-	-	-	-	-	-	-	-	-	-
Designated for construction	-	-	-	-	-	-	-	-	-	-
<b>Total fund equity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,388</u>	<u>293</u>	<u>-</u>	<u>934,730</u>	<u>-</u>	<u>-</u>	<u>93,371</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 5,000</u>	<u>\$ 82,456</u>	<u>\$ 14,219</u>	<u>\$ 26,866</u>	<u>\$ 1,293</u>	<u>\$ 3,469</u>	<u>\$ 934,730</u>	<u>\$ 13,168</u>	<u>\$ 65,096</u>	<u>\$ 283,028</u>

Special Revenue Funds					Capital Projects Fund		Debt Service Funds			Total
Technical Preparation	Teaching Learning Technology Center	Enhancing Education Through Technology	School To Work	Emergency Response	1992 Sales Tax Construction	2003 Sales Tax Construction	General Obligation Sinking Fund	Sales Tax Bond Fund	Sales Tax Reserve Fund	
\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 2,962	\$ 586,367	\$ -	\$ 731,337	\$ 51,391	\$ 2,501,886
-	-	-	-	-	-	35,382	-	-	36,373	71,755
-	-	-	-	-	-	673,758	-	-	1,041,570	1,715,328
3,500	103,669	1,681	-	-	-	-	-	204,754	-	566,644
-	-	-	-	-	-	-	-	-	-	25
-	-	-	-	-	-	-	-	-	2,309	2,309
-	-	-	-	-	-	-	-	-	-	51,431
<u>\$ 3,500</u>	<u>\$ 103,669</u>	<u>\$ 1,681</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 2,962</u>	<u>\$ 1,295,507</u>	<u>\$ -</u>	<u>\$ 936,091</u>	<u>\$ 1,131,643</u>	<u>\$ 4,909,378</u>
\$ -	\$ 78,808	\$ -	\$ -	\$ -	\$ -	\$ 11,170	\$ -	\$ -	\$ -	\$ 95,839
-	19,537	1,614	-	-	-	-	-	-	-	24,618
3,500	5,324	67	-	-	-	-	-	-	-	283,406
-	-	-	5,000	-	-	-	-	-	-	120,700
<u>3,500</u>	<u>103,669</u>	<u>1,681</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>11,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$24,563</u>
-	-	-	-	-	-	-	-	-	-	1,029,782
-	-	-	-	-	-	-	-	936,091	1,131,643	2,067,734
-	-	-	-	-	2,962	1,284,337	-	-	-	1,287,299
-	-	-	-	-	<u>2,962</u>	<u>1,284,337</u>	<u>-</u>	<u>936,091</u>	<u>1,131,643</u>	<u>4,384,815</u>
<u>\$ 3,500</u>	<u>\$ 103,669</u>	<u>\$ 1,681</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 2,962</u>	<u>\$ 1,295,507</u>	<u>\$ -</u>	<u>\$ 936,091</u>	<u>\$ 1,131,643</u>	<u>\$ 4,909,378</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 SUPPLEMENTARY INFORMATION  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2004

Special Revenue Funds

	Migrant Education	Title II	Title V	Drug- Free	Title XIX	Head Start	Food Service	Adult Education	Vocational Education	Special Education
<b>REVENUES:</b>										
Local sources:										
Interest earnings	\$ -	\$ -	\$ -	\$ -	\$ 8	\$ -	\$ 6,692	\$ -	\$ -	\$ -
Ad valorem taxes	-	-	-	-	-	-	-	-	-	-
Sales taxes	-	-	-	-	-	-	-	-	-	-
Food service income	-	-	-	-	-	-	425,196	-	-	-
Contributions and donations	-	-	-	4,308	-	-	-	-	-	1,412
Other	-	-	-	-	-	-	300	-	-	-
Restricted Funds:										
State sources	-	-	-	-	-	-	-	7,971	-	18,201
Federal sources - through State	40,511	341,374	33,172	35,230	1,266	-	1,285,623	39,674	67,718	981,479
Federal sources - commodities	-	-	-	-	-	-	115,662	-	-	-
Federal sources - direct	-	-	-	-	-	739,651	-	-	-	13,383
Unrestricted Funds:										
State sources	-	-	-	-	-	-	259,152	-	-	-
Total revenues	<u>40,511</u>	<u>341,374</u>	<u>33,172</u>	<u>39,538</u>	<u>1,274</u>	<u>739,651</u>	<u>2,092,625</u>	<u>47,645</u>	<u>67,718</u>	<u>1,014,475</u>
<b>EXPENDITURES:</b>										
Instruction:										
Special programs	37,502	261,350	31,853	12,094	-	486,934	-	-	-	562,457
Vocational education	-	-	-	-	-	-	-	-	67,718	-
Adult education	-	-	-	-	-	-	-	47,645	-	-
Other instructional programs	-	-	-	-	-	-	-	-	-	-
Support Service Programs:										
Pupil support	-	-	-	-	1,000	34,092	-	-	-	296,577
Instructional staff support	2,923	66,113	-	26,056	-	218,625	-	-	-	87,621
General administration	-	-	-	-	-	-	-	-	-	762
Operations and maintenance	86	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal retirement	-	-	-	-	-	-	-	-	-	-
Interest payment	-	-	-	-	-	-	-	-	-	-
Bank, legal fees and other	-	-	-	-	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-	-	-	-	6,246
Food service program	-	-	-	-	-	-	1,601,257	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>40,511</u>	<u>327,463</u>	<u>31,853</u>	<u>38,150</u>	<u>1,000</u>	<u>739,651</u>	<u>1,601,257</u>	<u>47,645</u>	<u>67,718</u>	<u>953,663</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>										
	-	<u>13,911</u>	<u>1,319</u>	<u>1,388</u>	<u>274</u>	-	<u>491,368</u>	-	-	<u>60,812</u>
<b>OTHER FINANCING SOURCES (USES):</b>										
Sales tax bonds issued	-	-	-	-	-	-	-	-	-	-
Transfer of indirect costs	-	(13,911)	(1,319)	-	-	-	-	-	-	(32,504)
Gain (loss) on investment	-	-	-	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	-	-	-	-	-	5,000
Total other financing sources (uses)	-	<u>(13,911)</u>	<u>(1,319)</u>	-	-	-	-	-	-	<u>(27,504)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>										
	-	-	-	<u>1,388</u>	<u>274</u>	-	<u>491,368</u>	-	-	<u>33,308</u>
<b>Fund balance - beginning of year</b>										
	-	-	-	-	19	-	443,362	-	-	60,063
<b>FUND BALANCE - END OF YEAR</b>										
	\$ -	\$ -	\$ -	\$ <u>1,388</u>	\$ <u>293</u>	\$ -	\$ <u>934,730</u>	\$ -	\$ -	\$ <u>93,371</u>

Special Revenue Funds					Capital Projects Fund		Debt Service Funds			Total
Technical Preparation	Teaching Learning Technology Center	Enhancing Education Through Technology	School To Work	Emergency Response	1992 Sales Tax Construction	2003 Sales Tax Construction	General Obligation Sinking Fund	Sales Tax Bond Fund	Sales Tax Reserve Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,273	\$ 28,972	\$ 88	\$ 13,516	\$ 37,376	\$ 87,925
-	-	-	-	-	-	-	30,017	-	-	30,017
-	-	-	-	-	-	-	-	1,323,273	-	1,323,273
-	-	-	-	-	-	-	-	-	-	425,196
-	-	-	-	-	-	-	-	-	-	5,720
-	-	-	-	-	-	-	-	-	-	300
-	-	-	-	-	-	-	-	-	-	26,172
3,500	141,264	33,462	-	22,154	-	-	-	-	-	3,026,427
-	-	-	-	-	-	-	-	-	-	115,662
-	-	-	-	-	-	-	-	-	-	753,034
-	-	-	-	-	-	-	-	-	-	259,152
<u>3,500</u>	<u>141,264</u>	<u>33,462</u>	<u>-</u>	<u>22,154</u>	<u>1,273</u>	<u>28,972</u>	<u>30,105</u>	<u>1,336,789</u>	<u>37,376</u>	<u>6,052,878</u>
-	-	-	-	1,211	-	-	-	-	-	1,393,401
-	-	-	-	-	-	-	-	-	-	67,718
-	-	-	-	-	-	-	-	-	-	47,645
3,500	-	-	-	-	-	-	-	-	-	3,500
-	-	-	-	-	-	-	-	-	-	331,669
-	134,261	32,116	-	20,050	-	-	-	-	-	587,765
-	-	-	-	-	-	-	-	-	-	762
-	1,699	-	-	-	150	77	-	-	-	2,012
-	-	-	-	-	-	-	-	790,000	-	790,000
-	-	-	-	-	-	-	-	422,743	-	422,743
-	-	-	-	-	-	-	-	4,030	-	4,030
-	-	-	-	-	-	-	-	-	-	6,246
-	-	-	-	-	-	-	-	-	-	1,601,257
-	-	-	-	-	450,836	27,126	-	-	-	477,962
<u>3,500</u>	<u>135,960</u>	<u>32,116</u>	<u>-</u>	<u>21,261</u>	<u>450,986</u>	<u>27,203</u>	<u>-</u>	<u>1,216,773</u>	<u>-</u>	<u>5,736,710</u>
-	5,304	1,346	-	893	(449,713)	1,769	30,105	120,016	37,376	316,168
-	-	-	-	-	-	1,300,000	-	-	-	1,300,000
-	(5,304)	(1,346)	-	(893)	-	(17,432)	-	-	-	(55,277)
-	-	-	-	-	159,813	-	(37,677)	-	(41,829)	(59,261)
-	-	-	-	-	-	-	-	-	(72,136)	55,000
-	(5,304)	(1,346)	-	(893)	159,813	1,282,568	(37,677)	-	(113,965)	1,240,462
-	-	-	-	-	(289,900)	1,284,337	(7,572)	120,016	(76,589)	1,556,630
-	-	-	-	-	292,862	-	7,572	816,075	1,208,232	2,828,185
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,962</u>	<u>\$ 1,284,337</u>	<u>\$ -</u>	<u>\$ 936,091</u>	<u>\$ 1,131,643</u>	<u>\$ 4,384,815</u>



PLAQUEMINES PARISH SCHOOL BOARD  
 SUPPLEMENTARY INFORMATION  
 SCHOOL ACTIVITY AGENCY FUND  
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2004

<u>SCHOOL</u>	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2004</u>
Alternative School	\$ -	\$ 3,010	\$ (1,970)	\$ 1,040
Belle Chasse High School	128,978	545,211	(527,038)	147,151
Belle Chasse Middle School	67,571	236,449	(214,574)	89,446
Belle Chasse Primary School	107,000	344,312	(356,570)	94,742
Boothville-Venice High School	52,800	165,817	(159,690)	58,927
Buras High School	101,267	277,877	(280,746)	98,398
Buras Middle School	36,156	96,955	(118,549)	14,562
Phoenix High School	8,430	103,466	(89,142)	22,754
Port Sulphur High School	<u>57,012</u>	<u>158,298</u>	<u>(166,160)</u>	<u>49,150</u>
TOTALS	\$ <u>559,214</u>	\$ <u>1,931,395</u>	\$ <u>(1,914,439)</u>	\$ <u>576,170</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF COMPENSATION PAID BOARD MEMBERS  
FOR THE YEAR ENDED JUNE 30, 2004

<u>Board Member</u>	<u>Amount</u>
Bobby Benefield	\$ 9,600
Sharon Branan (President 01/04 - 06/04)	10,200
Betty Dinette (President 07/03 - 12/03)	10,200
Joyce Lamkin	9,600
Carlton LaFrance	9,600
Nancy Lahaye	9,600
Paul Lemaire	9,600
Anthony St. Philip	9,600
Byron Williams	<u>9,600</u>
TOTAL	<u>\$ 87,600</u>

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the school board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The compensation of the school board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, each member of the school board receives \$800 per month and the president receives \$900 per month for performing the duties of this office.



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

December 10, 2004

Plaquemines Parish School Board  
Belle Chasse, Louisiana

We have audited the financial statements of the Plaquemines Parish School Board as of and for the year ended June 30, 2004 and have issued our report thereon dated December 10, 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted one immaterial instance of noncompliance that we have reported to management of the school board in a separate letter dated December 10, 2004.

### 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 opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a 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 Plaquemines Parish 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 schedule of findings and questioned costs as item 2004-01.

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 not a material weakness.

This report is intended for the information and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Hrapmann, Hogan & Maher, LLP*



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

December 10, 2004

Plaquemines Parish School Board  
Belle Chasse, Louisiana

Compliance

We have audited the compliance of Plaquemines Parish School Board, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 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 on the school board's compliance with those requirements.

In our opinion, the school board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

#### Internal Control Over Compliance

The management of the school board is responsible for establishing and maintaining effective *internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs*. In planning and performing our audit, we considered 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 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 and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

**PLAQUEMINES PARISH SCHOOL BOARD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Grant</u> <u>Number</u>		<u>Expenditures</u>
<b><u>MAJOR FEDERAL AWARDS</u></b>			
<u>Passed through the State of Louisiana:</u>			
<u>Department of Agriculture</u>			
		Child Nutrition Cluster:	
10.555	None	National School Lunch Program	\$ 975,960
10.553	None	National School Breakfast Program	<u>309,663</u>
		Total Department of Agriculture	<u>1,285,623</u>
<u>Department of Education</u>			
84.367A	04-50-38	Title II Part A, Teacher and Principal Training and Recruiting Fund	341,374
84.010A	04-T1-38	Title I Grants to Local Education Agencies (Educationally Deprived Children – Part A Basic)	1,243,061
		Special Education Cluster:	
84.027A	2804-B1-38	Special Education-Grants to States (IDEA, Part B)	737,122
84.173A	2804-P1-38	Special Education-Preschool Grants (IDEA Preschool)	<u>54,433</u>
		Total Department of Education	<u>2,375,990</u>
		Total Major Federal Awards Passed Through the State of Louisiana	3,661,613
<u>Received directly from the federal government:</u>			
<u>Department of Health and Human Services</u>			
93.600	06CH0423/11	Head Start Program	<u>739,651</u>
		TOTAL MAJOR PROGRAM EXPENDITURES	<u>4,401,264</u>
<b><u>NONMAJOR FEDERAL AWARDS</u></b>			
<u>Received directly from the federal government:</u>			
<u>Department of Agriculture</u>			
84.041	Not applicable	Impact Aid	<u>52,549</u>
		Total Nonmajor Federal Awards Received Directly from the Federal Government	<u>52,549</u>
<u>Passed through the State of Louisiana:</u>			
<u>Department of Agriculture</u>			
10.550	None	Food Distribution	<u>115,662</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2004

(Continued)

<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Grant</u> <u>Number</u>		<u>Expenditures</u>
<u>NONMAJOR FEDERAL AWARDS (Continued)</u>			
<u>Passed through the State of Louisiana: (Continued)</u>			
<u>Department of Health and Human Services</u>			
93.575	2804-38	U.S. Child Care and Development Block Grant	\$ 59,097
93.558	280436-38	Temporary Assistance for Needy Families	<u>26,943</u>
		Total Department of Health and Human Services	<u>86,040</u>
<u>Department of Education</u>			
84.002A	04-44-38	Adult Education – State Grant Program	39,674
84.011	04-M1-26	Migrant Education – Basic State Grant Program	40,511
84.048	2804-02-38	Vocational Education – Basic Grants to State	67,718
84.298A	04-80-38	Innovative Education Program Strategies – Title V	33,172
84.186A	04-70-38	Safe and Drug-Free Schools and Communities – State Grants – Title IV	35,230
84.278E	#1224/03-04TP	Technology Preparation	3,500
84.318X	0414-38	Teaching, Learning Technology Center	141,264
84.318X	0449-38	Enhancing Education Through Technology	33,462
84.276A	2801LI38C	Systematic Improvement Grants – Learn	144,772
84.184E	Q184E030471	Emergency Response and Crisis Management Plan	22,154
13.714	None	Title XIX – Health Care Services	<u>1,000</u>
		Total Department of Education	<u>562,457</u>
		Total Nonmajor Federal Awards Passed Through the State of Louisiana	<u>764,159</u>
		TOTAL NONMAJOR PROGRAM EXPENDITURES	<u>816,708</u>
		TOTAL PROGRAM EXPENDITURES	<u>\$ 5,217,972</u>



PLAQUEMINES PARISH SCHOOL BOARD  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Schedule of Expenditures of Federal Awards of the Plaquemines Parish School Board has been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. Expenditures are recognized when incurred.

2. DETERMINATION OF TYPE A AND B PROGRAMS:

Federal awards programs are classified as either Type A or Type B programs. For the period ending June 30, 2004, Type A programs consist of the federal programs that expended over \$300,000 and Type B programs are the programs that expended under \$300,000.



PLAQUEMINES PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004

SECTION II - FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

CAPITAL ASSETS: (2004-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all capital assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets.

The school board took a physical inventory of all capital assets as of June 30, 2004 but a number of assets including equipment, land and buildings acquired in previous years were not included in the inventory. The land and buildings were properly accounted for and insured by the school board. However, the assets inadvertently were not included on the inventory. An adjustment was made to add the assets to the inventory. The final inventory includes all assets.

We recommend that management of the school board continue improving the review of the inventory of assets on a regular basis to ensure that all assets acquired in current and previous years are properly included.

SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

None

PLAQUEMINES PARISH SCHOOL BOARD  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004

Findings Required To Be Reported Under Generally Accepted Governmental Auditing Standards:

CAPITAL ASSETS: (2003-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all capital assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its capital assets as of June 30, 2003.

It was noted that some asset additions were not recorded in the capital asset computerized system because asset additions were not reconciled to capital asset expenditures in all funds in the general ledger. It was also noted that some assets acquired in the subsequent year were included on the capital asset by location reports and that some assets acquired in the previous fiscal year were missing from the asset by location reports.

This finding has been resolved for the year ended June 30, 2004.

UNINSURED CASH: (2003-02)

Under state law, cash balances at all times must be secured by deposit insurance or pledged securities. At June 30, 2003, cash balances held for the school board by a sub-custodian in the amount of \$1,238,101 were not secured by deposit insurance or pledged securities, exposing the school board to the risk of loss of those funds. This resulted from the sub-custodian's failure to sweep the daily cash balances into governmental money market funds, as had been requested by the management of the school board.

This finding has been resolved for the year ended June 30, 2004.

Findings and Questioned Costs For Federal Awards

CAPITAL ASSETS: (2003-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all capital assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its capital assets as of June 30, 2003.

It was noted that some asset additions were not recorded in the capital asset computerized system because asset additions were not reconciled to capital asset expenditures in all funds in the general ledger. It was also noted that some assets acquired in the subsequent year were included on the capital asset by location reports and that some assets acquired in the previous fiscal year were missing from the asset by location reports.

This finding has been resolved for the year ended June 30, 2004.



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

December 10, 2004

Plaquemines Parish School Board  
Belle Chasse, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Plaquemines 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 Plaquemines 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. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

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

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

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

No exceptions were noted.

Education Levels of Public School Staff (Schedule 2)

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

No exceptions were noted.

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

No exceptions were noted.

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 determined if the individual's education level was properly classified on the schedule.

No exceptions were noted.

Number and Type of Public Schools (Schedule 3)

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

No exceptions were noted.

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.

Two out of twenty-five selected are not properly classified on the schedule.

Management's Response:

The process has already begun in verifying each individual's record for the proper amount of prior and local experience. The personnel director, Melvina Sias, will be the responsible supervisor to see that the input of this data is accomplished and maintained.

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.

Twenty-five out of twenty-five selected were not properly included on the schedule. For two items tested, approximately half of the salary amount was deleted because the salaries were erroneously considered to be duplicates. The differences in the other twenty-three items selected are minimal and result from extra compensation items not included in the schedule.

Management's Response:

This oversight was caused by the change of key personnel in the data processing department. The new director, Michael Bruney, has been informed of regulations and instructions for preparing this data. Steps will be taken to test new information prior to submission in the future.

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

No exceptions were noted for the recalculation of the amounts reported in the schedule; however, the schedule as reported was not corrected for the exceptions noted in item 7 above.

Class Size Characteristics (Schedule 6)

9. We obtained a supporting schedule 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 chose a random sample of 10 classes from the Louisiana State Department of Education Annual School Report System (as directed by the Louisiana State Department of Education) and then traced the sample to the October 1st roll books for those classes and determined if the class was properly classified in the Annual School Report System.

No exceptions were noted.

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 Plaquemines Parish School Board.

No exceptions were noted.

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 Plaquemines Parish School Board.

No exceptions were noted.

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 Plaquemines Parish School Board.

No exceptions were 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 Plaquemines 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.

*Duplantier, Hrapmann, Hogan & Maher, LLP*



PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE I  
 GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES  
 AND CERTAIN LOCAL REVENUE SOURCES  
JUNE 30, 2004

GENERAL FUND INSTRUCTIONAL AND EQUIPMENT EXPENDITURES	
General Fund Instructional Expenditures	
Teacher and Student Interaction Activities	\$ 12,684,923
Classroom Teacher Salaries	1,749,036
Other Instructional Staff Activities	3,876,512
Employee Benefit:	32,527
Purchased Professional and Technical Service	1,260,185
Instructional Materials and Supplies	<u>279,116</u>
Instructional Equipment	
Total Teacher and Student Interaction Activities:	\$ 19,882,299
Other Instructional Activities:	56,486
Pupil Support Activities	
Less: Equipment for Pupil Support Activities	<u>1,259,910</u>
Net Pupil Support Activities	1,259,910
Instructional Staff Services:	
Less: Equipment for Instructional Staff Service:	<u>1,119,028</u>
Net Instructional Staff Services:	<u>1,119,028</u>
Total General Fund Instructional Expenditures:	\$ <u>22,317,723</u>
Total General Fund Equipment Expenditure:	\$ <u>348,808</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE I (CONTINUED)  
 GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES  
 AND CERTAIN LOCAL REVENUE SOURCES  
JUNE 30, 2004

CERTAIN LOCAL REVENUE SERVICES:

Local Taxation Revenue:	
Constitutional Ad Valorem Taxes	\$ 3,168,756
Renewable Ad Valorem Tax	9,780,211
Debt Service Ad Valorem Tax	30,017
Up to 1% of Collections by the Sheriff on Taxes Other than School Tax	368,911
Sales and Use Taxes	12,493,154
Total Local Taxation Revenue	<u>\$ 25,841,049</u>
Local Earnings on Investment in Real Property	
Earnings from 16th Section Property	\$ 47,050
Earnings from Other Real Property	<u>\$ 47,050</u>
Total Local Earnings on Investment in Real Property	
State Revenue in Lieu of Taxes	
Revenue Sharing - Constitutional Tax	\$ 69,803
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue In Lieu of Taxes	<u>\$ 69,803</u>
Nonpublic Textbooks Revenue	<u>\$ 6,898</u>
Nonpublic Transportation Revenue	<u>\$ 74,372</u>

PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE 2  
 EDUCATIONAL LEVELS OF PUBLIC SCHOOL STAFF  
AS OF OCTOBER 1, 2003

Category	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	213	78%	61	100%	0	0%	0	0%
Master's Degree	43	16%	0	0%	8	47%	0	0%
Master's Degree + 30	12	4%	0	0%	9	53%	0	0%
Specialist in Education	2	1%	0	0%	0	0%	0	0%
Ph.D or Ed.D.	2	1%	0	0%	0	0%	0	0%
Total	272	100%	61	100%	17	100%	0	0%

PLAQUEMINES PARISH SCHOOL BOARD  
SCHEDULE 3  
NUMBER AND TYPE OF PUBLIC SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2004

Type	Number
Elementary	1
Middle/Jr. High	2
Secondary	2
Combination	4
Total	9

PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE 4  
 EXPERIENCE OF PUBLIC SCHOOL 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	0	0	2	1	1	1	3	8
Principals	0	0	0	1	2	1	5	9
Classroom Teachers	46	48	88	27	28	31	65	333
Total	46	48	90	29	31	33	73	350

PLAQUEMINES PARISH SCHOOL BOARD  
 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 Teacher's Salary Including Extra Compensation	\$37,620.63	\$37,505.66
Average Classroom Teacher's Salary Excluding Extra Compensation	\$36,743.71	\$36,625.83
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	343.01	337.68

PLAQUEMINES PARISH SCHOOL BOARD  
 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	Percent	Number		
Elementary	37.90	22	62.10	36	0.00	0	0.00	0	0.00	0		
Elementary Activity Classes	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0		
Middle/Jr. High	14.50	23	62.30	99	23.30	37	0.00	0	0.00	0		
Middle/Jr. High Activity Classes	0.00	0	34.60	9	50.00	13	15.40	4	0.00	0		
High	37.60	73	43.30	84	19.10	37	0.00	0	0.00	0		
High Activity Classes	82.90	29	0.00	0	11.40	4	5.70	2	0.00	0		
Combination	77.90	413	20.60	109	1.50	8	0.00	0	0.00	0		
Combination Activity Classes	87.70	64	8.20	6	2.70	2	1.40	1	0.00	0		

PLAQUEMINES PARISH SCHOOL BOARD  
 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
Grade 4	19	5	4	1	18	5	13	3	25	7	24	7
Advanced	97	26	66	17	79	21	89	24	92	24	64	17
Mastery	156	42	207	55	173	47	140	37	172	45	192	52
Approaching Basic	57	15	66	17	78	21	70	19	49	13	60	16
Unsatisfactory	45	12	36	9	20	5	62	17	41	11	27	7
Total	374		379		368		374		379		367	

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
Grade 8	7	2	2	1	4	1	2	1	0	0	4	1
Advanced	61	18	38	11	58	18	39	11	27	8	31	10
Mastery	134	39	145	43	130	41	161	46	162	49	172	55
Approaching Basic	92	26	113	34	107	34	102	29	96	29	80	25
Unsatisfactory	54	16	36	11	16	5	43	12	49	15	27	9
Total	348		334		315		347		334		314	





PLAQUEMINES PARISH SCHOOL BOARD  
 SCHEDULE 9  
 THE IOWA TESTS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Composite		
	2004	2003	2002
Test of Basic Skills (ITBS)			
Grade 3	62	64	63
Grade 5	63	64	51
Grade 6	47	44	52
Grade 7	49	52	49
Tests of Educational Development (ITED)			
Grade 9	53	52	48

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.



DUPLANTIER, HRAPMANN,  
HOGAN & MAHER, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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CLIFFORD J. GIFFIN, JR, C.P.A.  
DAVID A. BURGARD, C.P.A.  
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(1920-1996)  
JAMES MAHER, JR, C.P.A.  
(1921-1999)

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LA C.P.A.'S

December 10, 2004

Plaquemines Parish School Board  
557 F. Edward Hebert Blvd.  
Belle Chasse, LA 70037

In planning and performing our audit of the financial statements of the Plaquemines Parish School Board for the year ended June 30, 2004, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. However, we noted a certain matter involving the internal control and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect Plaquemines Parish School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements:

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, the following reportable condition is not believed to be a material weakness:

CAPITAL ASSETS: (2004-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all capital assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets.

The school board took a physical inventory of all capital assets as of June 30, 2004 but a number of assets including *equipment, land and buildings* acquired in previous years were not included in the inventory. The land and buildings were properly accounted for and insured by the school board. However, the assets inadvertently were not included on the inventory. An adjustment was made to add the assets to the inventory. The final inventory includes all assets.

We recommend that management of the school board continue improving the review of the inventory of assets on a regular basis to ensure that all assets acquired in current and previous years are properly included.

We noted the following instance of immaterial noncompliance:

BUDGET ACT: (2004-02)

During the audit, the school board's compliance with the Louisiana Budget Act was tested. As a result of our testing, it was discovered that the school board did not revise the budget in accordance with the Louisiana Budget Act for the Title I fund. Per LRS #39:1311A, the school board is required to amend its budget when revenues and other financing sources fall below 5% of the amounts budgeted for the general and special revenue funds. As a result, the school board is not in compliance with the Louisiana Budget Act for the Title I fund.

We recommend that the budget be reviewed periodically and amended when required by state law.

STATUS OF PRIOR YEAR FINDINGS:

Following is the status of items reported in the management comment letter for the year ended June 30, 2003:

CAPITAL ASSETS: (2003-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all capital assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of all capital assets as of June 30, 2003.

It was noted that some asset additions were not recorded in the capital asset computerized system because asset additions were not reconciled to capital asset expenditures in all funds in the general ledger. It was also noted that some assets acquired in the subsequent fiscal year were included on the capital asset by location reports and that some assets acquired in the previous fiscal year were missing from the asset by location reports.

This finding has been resolved for the year ended June 30, 2004.

UNINSURED CASH: (2003-02)

Under state law, cash balances at all times must be secured by deposit insurance or pledged securities. At June 30, 2003, cash balances held for the school board by a sub-custodian in the amount of \$1,238,101 were not secured by deposit insurance or pledged securities, exposing the school board to the risk of loss of those funds. This resulted from the sub-custodian's failure to sweep the daily cash balances into governmental money market funds, as had been requested by the management of the school board.

*This finding has been resolved for the year ended June 30, 2004.*

STUDENT ACTIVITY FUNDS: (2003-03)

At times there was a lack of segregation of duties in the handling of disbursements of school activity funds of one school. Checks were prepared, signed and recorded by one individual who also prepared quarterly financial statements. It was also noted that supporting documentation for deposits and disbursements was unable to be located in several cases and that some disbursements were not authorized by the principal. Event admission and concession sales deposits were not reconciled to account for the number of items sold and the start up cash received.

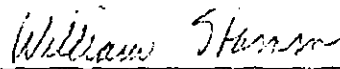
We recommended that different employees perform the separate duties of signing checks, processing cash disbursements and maintaining books of original entry. We recommended that supporting documentation be maintained for each deposit and disbursement and that all disbursements be authorized by the principal. We also recommended that event admission and concession sales and start up money be reconciled at the end of each event.

*This finding has been resolved for the year ended June 30, 2004.*

This report is intended for the information and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

DUPLANTIER, HRAPMANN, HOGAN, & MAHER, L.L.P.

  
\_\_\_\_\_  
William G. Stamm, CPA  
Partner

*Plaquemines Parish School Board*  
*Belle Chasse Office*

December 17, 2004

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State of Louisiana  
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JAMES C. HOYLE  
Superintendent

Gentlemen:

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District 8

BETTY A. DINETTE  
District 9

Following is the Corrective Action Plan for Audit Findings 2004-01 and 2004-02 reported in our audit report and management letter for the year ended June 30, 2004.

**2004-01**

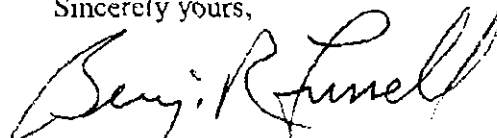
**Capital Assets** – A thorough and more comprehensive review process of capital assets has been implemented to ensure that all fixed assets are included in the inventory. Coordinated efforts of the purchasing director, Sharon Zilucca, and the Finance Director, Benja Fussell, reviewing purchases and acquisitions from all sources will be conducted quarterly.

**2004-02**

**Budget Act** – The Title I Director, Eva Jones, along with Carla Newman, Federal Accountant, and other federal staff will review the budget status continually. Even though the budgets have been approved by the state federal department, the staff is now informed of the necessity to also follow the Louisiana Budget Act and will follow the proper procedures when necessary.

Should you need further information, please contact this office.

Sincerely yours,



Benja R. Fussell, Director  
FINANCE & MANAGEMENT