

LIVINGSTON PARISH SCHOOL BOARD

**REPORT ON AUDIT OF BASIC
FINANCIAL STATEMENTS**

JUNE 30, 2011

LIVINGSTON, LOUISIANA

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

Release Date **JAN 11 2012**

LIVINGSTON PARISH SCHOOL BOARD

TABLE OF CONTENTS

JUNE 30, 2011

	<u>Schedule</u>	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report	-	-	1 - 2
Required Supplemental Information			
Management's Discussion and Analysis	-	-	3 - 17
Basic Financial Statements			
Government-Wide Financial Statements:			
Statement of Net Assets	-	A	18
Statement of Activities	-	B	19
Fund Financial Statements:			
Balance Sheet - Governmental Funds	-	C	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	-	D	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	-	E	22 - 23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	-	F	24
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund	-	G	25 - 26
Statement of Fiduciary Net Assets	-	H	27
Notes to Basic Financial Statements	-	-	28 - 62

LIVINGSTON PARISH SCHOOL BOARD

TABLE OF CONTENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Schedule</u>	<u>Statement</u>	<u>Page</u>
Schedules Required by State Law (R.S. 24:514 Performance and Statistical Data):			
Agreed-Upon Procedures Report	-	-	63 - 65
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	1	-	66 - 67
Education Levels of Public School Staff	2	-	68
Number and Type of Public Schools	3	-	69
Experience of Public Principals and Full-time Classroom Teachers	4	-	70
Public School Staff Data	5	-	71
Class Size Characteristics	6	-	72
Louisiana Educational Assessment Program (LEAP)	7	-	73
The Graduation Exit Exam	8	-	74
iLEAP Tests	9	-	75 - 77
Other Supplementary Information:			
Major Capital Projects Fund - By District:			
Combining Balance Sheet - By District	10	-	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By District	11	-	79
Nonmajor Governmental Funds:			
Combining Balance Sheet	12	-	80

LIVINGSTON PARISH SCHOOL BOARD

TABLE OF CONTENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Schedule</u>	<u>Statement</u>	<u>Page</u>
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	13	-	81 - 82
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Nonmajor Special Revenue Funds:			
Elementary and Secondary Education Act Title I - Chapter 1	14-1	-	83
Public Law 94-142 - Special Education	14-2	-	84
Maintenance of Schools	14-3	-	85
School Lunch	14-4	-	86
Special Federal Fund	14-5	-	87
Other Federal ESEA Fund	14-6	-	88
Debt Service Fund:			
Combining Balance Sheet - By District	15	-	89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By District	16	-	90
Fiduciary Funds:			
Combining Statement of Fiduciary Net Assets	17	-	91

LIVINGSTON PARISH SCHOOL BOARD

TABLE OF CONTENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Schedule</u>	<u>Statement</u>	<u>Page</u>
Schedules of Changes in Deposits Due Others:			
School Activity Fund	18-1	-	92 - 93
Sales Tax Fund	18-2	-	94
General:			
Schedule of Compensation Paid Board Members	19	-	95
Schedule of Expenditures of Federal Awards	20	-	96 - 99
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	-		100 - 101
Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	-		102 - 103
Schedule of Findings and Questioned Costs	-		104 - 105
Summary Schedule of Prior Audit Findings	-		106

2322 Tremont Drive • Baton Rouge, LA 70809
178 Del Orleans Avenue, Suite C • Denham Springs, LA 70726
Phone: 225.928.4770 • Fax: 225.926.0945
www.htbcpa.com

December 19, 2011

INDEPENDENT AUDITOR'S REPORT

Livingston Parish School Board
Livingston, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparison statement of the general fund, the fiduciary fund statement and the aggregate remaining fund information of the Livingston Parish School Board as of and for the year ended June 30, 2011, which collectively comprise the Livingston Parish School Board's basic financial statements, as listed in the table of contents. We have also audited the financial statements of each of the School Board's major capital projects fund combining statements, nonmajor governmental funds combining statements, each special revenue funds budgetary comparison statements and each fiduciary fund presented as supplementary schedules as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the management of the Livingston Parish School Board. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Livingston Parish School Board's June 30, 2010 financial statements and, in our report dated December 10, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, the budgetary comparison statement of the General Fund, the fiduciary fund statement and the aggregate remaining fund information as well as the aggregate nonmajor governmental funds and the budgetary comparison for the special revenue funds.

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, and the provisions of Office of Management and Budget 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 the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the budgetary comparison statement of the general fund, the fiduciary fund statement and the aggregate remaining fund information of the Livingston Parish School Board as of June 30, 2011, 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. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major capital projects fund combining statements, nonmajor governmental funds combining

statements, each special revenue funds budgetary comparison statements and each fiduciary fund of the Livingston Parish School Board as of June 30, 2011, 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.

As described in Note 1 to the basic financial statements, the Livingston Parish School Board adopted the provisions of Governmental Accounting Standards Board Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions, in 2011.

In accordance with Government Auditing Standards, we have also issued our report dated December 19, 2011, on our consideration of the Livingston Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Livingston Parish School Board's financial statements as a whole. The schedules required by state law, and the schedule of compensation paid to board members are presented for the purpose of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements of the Livingston Parish School Board. The schedule of compensation paid to board members and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The schedules required by state law have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,

Harold A. Boulton, CPA

MANAGEMENT'S DISCUSSION AND ANALYSIS

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

The Management's Discussion and Analysis (MD&A) of the Livingston Parish School Board provides an overview and overall review of the School System's financial activities for the fiscal year ended June 30, 2011. The intent of the MD&A is to look in layman's terms at the School System's financial performance as a whole. It should, therefore, be read in conjunction with the School System's Annual Financial Statements and the notes thereto.

The MD&A is a new element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2010-2011 fiscal year include the following:

- ❖ Net assets decreased by \$4,299,190 for the year ended June 30, 2011. As discussed below, the decrease in net assets was the result of a decrease in total assets of \$3,569,972 coupled with an increase in total liabilities of \$729,218.
- ❖ Total assets decreased by \$3,569,972 attributed to the following elements:

	June 30, 2011	June 30, 2010	Amount Increase (Decrease)	Percent of Increase (Decrease)
Cash and Cash Equivalents	\$ 67,744,909	\$ 81,054,228	\$(13,309,319)	(16.42) %
Receivables	9,222,276	11,028,773	(1,806,497)	(16.38) %
Inventory	1,185,209	1,083,453	101,756	9.39 %
Deferred Bond Issuance Costs	627,494	713,273	(85,779)	(12.03) %
Capital Assets, Net of Accumulated Depreciation	<u>174,884,076</u>	<u>163,354,209</u>	<u>11,529,867</u>	7.06 %
Total Assets	<u>\$ 253,663,964</u>	<u>\$ 257,233,936</u>	<u>\$ (3,569,972)</u>	(1.39) %

The main reason for the decrease in cash was due to expenditures for construction projects. Receivables decreased due to a decrease in amount due for federal and state grants/programs reimbursements. The inventory increase reflects normal fluctuation of commodity items used by the School Food Service Program, School Supply, Textbooks/Workbooks, Computer Repair Parts and Maintenance Materials. Capital assets increased because of the continued capital outlay and construction within the Districts. Total capital outlay recorded in all funds in the current year amounted to \$17 million. At June 30, 2011, major incomplete construction projects in the Districts totaled \$13,712,527.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

During the current fiscal year, the School System purchased 31 buses/vehicles at a cost of \$579,005 and purchased other large equipment totaling over \$300,000.

❖ Total Liabilities increased \$729,218 due to the following items:

	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>Amount Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Accounts, Salaries, and Other Payables	21,616,940	\$ 22,954,720	(1,337,780)	(5.83) %
Interest Payable	681,310	532,706	148,604	27.90 %
Long-Term Liabilities	<u>110,650,850</u>	<u>108,732,456</u>	<u>1,918,394</u>	1.76 %
 Total Liabilities	 <u>132,949,100</u>	 <u>\$132,219,882</u>	 <u>729,218</u>	 0.55 %

General payables increased in long-term liabilities due to the annual increase in the Other Post Employment Benefits liability.

❖ General revenues increased by \$2,184,178 from fiscal year 2010 to fiscal year 2011. Primary increases and decreases are discussed below.

- Property tax revenue levied increased by \$152,132 (1.01%) due to increased property value assessment and growth within the parish.
- Sales and use tax revenue increased \$830,497 (2.76%).
- Earnings on investments increased \$344,521 (59.59%) due to an increase in additional available funds and in the interest rates.
- Other local revenue decreased \$793,310 (51.95%) due to a decrease in various revenues.
- The largest revenue source continues to be the Minimum Foundation Program (MFP) distribution from the State, amounting to \$140,265,256. This is an increase of \$1,632,809 (1.18%) from the prior year. The School Board is one of several in Louisiana considered to be "POOR" in terms of its ability to generate revenues on its own. Therefore, since 1992-93, when a new MFP formula was implemented, Livingston Parish has seen its MFP funding increasing; (70% of general fund expenditures must be spent on instructional activities), and (50% of all new MFP money received must go to increase teacher salaries). However, in the 2009/10 and 2010/11 fiscal years, the State did not fund the 2.75% growth factor that is added into the MFP formula resulting in a loss of state revenue.
- Other state revenue and grants increased \$13,203 (1.47%) from the prior year caused primarily by an increase in state grant allocations.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

- ❖ Expenses continue to increase due to the huge influx of students into the parish. The largest expenditure of the School System continues to be payroll. This includes maintaining and upgrading salaries, along with adding staff and increased benefit costs, primarily health insurance and retirement contributions. The next largest expenditure was construction costs which includes the construction of a new high school, which is scheduled to open in 2012/13, and major additions to several other facilities. Other large expenses include the cost of fuel and food and the cost of other postemployment benefits.

OVERVIEW OF THE FINANCIAL STATEMENTS

The School Board's Report on the Audit of Basic Financial Statements consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a whole, i.e., an entire operating entity. Beginning on page 17, the "Basic Financial Statements" Section, consisting of the Statement of Net Assets and the Statement of Activities, provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. They present an aggregate view of the School Board's finances. These statements seek to answer the question, "How did the School Board do financially during the 2010/2011 fiscal year?" These statements include *all assets and liabilities* using the *accrual basis* of accounting used by most private-sector enterprises. The *accrual basis* takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

By showing the change in net assets for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The changes, which are discussed in this MD&A, may be financial or non-financial in nature. Non-financial factors which may have an impact on the School Board's financial condition include increases in or erosion of the property or sales tax base within the Parish, student enrollment, facilities maintenance and condition, mandated educational programs for which little or no funding is provided, or other external factors.

To provide more in-depth reporting of the School Board's financial position and the results of operations, fund basis financial information is presented in the "Fund Financial Statements" section beginning on page 19. The Fund Financial Statements, which should be familiar to those who have read previous governmental financial statements, report governmental activities on more of a current rather than long-term basis, indicating sources and uses of funding, as well as resources available for spending in future periods.

Fund Financial Statements also provide more in-depth data on the School Board's most significant fund, its General Fund. This fund is considered a "major fund" under GASB Statement No. 34. The relationship between governmental *activities* reported in the Basic Financial Statements and the governmental *funds* reported in the Fund Financial Statements are reconciled in the financial statements (See Statements D and F).

The Statement of Fiduciary Net Assets - presents financial information relative to assets held by the School Board on behalf of students and others in a position of trust, and accounted for in the School Activity Fund and Sales Tax Collection Fund. See Schedule 18-1 for school-by-school information on the School Activity Fund and Schedule 18-2 for the receipts and disbursements of sales tax collections for the year ended June 30, 2011.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

GOVERNMENTAL ACTIVITIES

As reported in the *Statement of Activities* on page 18, the cost of the School Board's *governmental* activities for the year ended June 30, 2011 was \$227,390,713. However, not all of this cost was borne by the taxpayers of Livingston Parish. Of this amount, \$5,084,512 was paid by those who used or benefited from services rendered (e.g., charges for school lunches and summer school tuition) and \$29,024,188 was paid through various federal and state grants. Consequently, the net cost of \$193,282,013, a 5.11% increase over the prior year, after taking into consideration these fees and subsidies, was paid by the taxpayers of the Parish through ad valorem taxes, sales and use taxes, the Minimum Foundation Program (MFP) from the State of Louisiana, and other general revenues.

Table I below shows the total cost of services and the net cost of these services (after charges for services and grants received) for the largest categories of expenses of the School Board for the year ended June 30, 2011. The "net cost" presentation allows Parish taxpayers to determine the remaining cost of the various categories which were borne by them, and allows them the opportunity to assess the cost of each of these functions in comparison to the perceived benefits received.

TABLE I
Total and Net Cost of Governmental Activities
Year Ended June 30, 2011 and 2010

	2011		2010	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:				
Regular Education Programs	\$ 95,655,595	\$ 91,037,974	\$ 92,149,444	\$84,521,492
Special Education Programs	33,169,558	28,497,282	28,099,635	22,720,726
Other Instructional Programs	12,276,111	5,216,701	16,196,876	7,686,372
Support Services:				
Student Services	9,945,603	8,005,559	12,503,979	10,453,832
Instructional Staff Support	8,054,830	4,178,454	7,725,221	5,288,539
General and School Administration	17,595,374	16,734,719	17,397,984	16,617,631
Business and Central Services	4,104,364	3,174,001	3,990,548	2,971,263
Plant Services	17,557,749	17,426,454	16,512,370	16,252,529
Student Transportation	11,955,589	11,784,487	11,066,757	10,903,404
School Food Services	13,789,069	4,000,988	13,384,292	3,784,526
Community Service Programs	76,478	15,001	96,601	15,001
Interest on Long-Term Debt	3,210,393	3,210,393	2,672,032	2,672,032
Totals	\$ 227,390,713	\$ 193,282,013	\$221,795,739	\$183,887,347

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and manage money for particular purposes, some parish-wide, some by individual districts, and some by site, (e.g., dedicated taxes and grant programs). The Fund basis financial statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2011, its combined fund balance was \$56,535,454, as compared to its combined fund balance of \$70,211,734 as of June 30, 2010, a decrease of \$13,676,280. The General Fund, the main operational arm of the School Board, saw its total fund balance decrease by \$3,664,346. While General Fund Revenues increased by \$723,771, General Fund Expenditures increased by \$6,699,963 and Other Financing Sources (Uses) (Transfers to Other Funds) decreased by \$246,270, thereby decreasing current year Excess of Revenues and Other Sources over Expenditures and Other Uses from \$2,065,576 to (\$3,664,346) a total decrease of \$5,729,922.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less than, and/or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The Original Budget for the School Board was adopted on August 19, 2010, and the Final Budget was adopted June 16, 2011. The budget amendments decreased total anticipated revenues by 1.42% and decreased projected expenditures by 0.82%.

A schedule showing the School Board's General Fund's Original and Final Budget compared with Actual operating results is provided in this report, Statement G. The School Board generally did better than had been budgeted in its major fund since it practices conservative budgeting in which revenues are forecasted very conservatively and expenditures are budgeted with worst case scenarios in mind. The General Fund finished the fiscal year about \$5,404,815 more than had been budgeted.

The fiscal year 2012 General Fund budget, adopted on September 1, 2011, showed anticipated revenues of \$185,674,104, projected expenditures of \$177,615,155, and net transfers out of \$12,003,602 resulting in a projected decrease of \$3,944,653 for the year. Transfers out include \$6,220,902 to the Capital Projects Fund, \$1,320,000 to Maintenance Fund, \$962,700 to the Sinking Fund (Debt Service) and \$3,500,000 to School Food Service Fund.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2011, the School Board had \$174,884,076 invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year, and depreciation of depreciable assets for the year. Table II below shows the net book value of capital assets at June 30, 2011 and 2010.

TABLE II
Net Capital Assets
at June 30, 2011 and 2010

	2011	2010
Land	\$ 11,302,211	\$ 10,758,708
Construction in Progress	13,712,527	10,838,069
Buildings and Improvements	138,861,183	130,874,826
Furniture and Equipment	2,599,984	2,766,023
Library Books and Textbooks	6,007,791	5,732,247
Vehicles	2,400,380	2,384,336
Total	\$ 174,884,076	\$ 163,354,209

During the current fiscal year, \$19,175,554 of assets were capitalized as additions while \$960,132 were deleted, consisting of obsolete items. Depreciation for the year ended June 30, 2011 amounted to a net of \$4,702,254 on buildings and improvements and \$2,938,979 on movables such as furniture, vehicles, and equipment.

In the 2010-2011 fiscal year, the following land was acquired:

Walker District #04 – 1.76 Acres	\$ 243,575
Doyle District #26 – 40.27 Acres	233,300
Springfield District #27 – 7.19 Acres	66,628
Total	\$ 543,503

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

During the fiscal year ended June 30, 2011, the following major construction projects were completed:

Project	Total Cost of Project
Denham Springs District #01	
Lewis Vincent Elementary – Multi-Purpose Building	\$ 569,524
Northside Elementary – Multi-Purpose Building	498,113
Southside Elementary – Multi-Purpose Building	684,471
Denham Springs High – Football Stadium Renovation	<u>836,594</u>
Total District #01	2,588,702
Walker District #04	
South Fork Elementary – New School	8,427,887
North Corbin Elementary – Multi-Purpose Building	1,218,451
Walker Freshman High – Auditorium Restoration	<u>433,786</u>
Total District #04	<u>10,080,124</u>
Grand Total	<u>\$ 12,668,826</u>

At June 30, 2011 the following major projects were included in incomplete construction:

Project	Project Cost to June 30, 2011	Total Estimated Project Cost
Denham Springs District #01		
Gray's Creek Elementary – Multi-Purpose Building	\$ 385,235	\$ 568,958
Denham Springs High – Technology Building	307,206	3,599,248
Eastside Elementary – Multi-Purpose Building	2,200	2,200
Denham Springs Freshman High – Technology Building	<u>561,082</u>	<u>4,053,804</u>
Total District #01	1,255,723	8,224,210
Live Oak District #22		
Live Oak High – New School	<u>12,456,804</u>	<u>25,522,735</u>
Total District #04	<u>12,456,804</u>	<u>25,522,735</u>
Grand Total	<u>\$ 13,712,527</u>	<u>\$ 33,746,945</u>

All funding for the construction in progress is coming from the individual Districts except for the Live Oak District #22 in which \$20,000,000 in bonds were sold in the previous year to fund the District's projects and an additional \$10,000,000 in bonds will be sold in fiscal 2011/12.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

The School Board has no significant infrastructure assets which would require capitalization and depreciation. All parking lots, sidewalks, etc. are considered to be part of the cost of buildings, and depreciated with the buildings.

All depreciation of capital assets is under the straight-line method. Useful lives for buildings are for 40 years, while those for furniture, fixtures, vehicles and equipment vary for 5 to 10 years.

DEBT

At June 30, 2011, the School System had outstanding bonded indebtedness of \$77,102,447 as compared to \$81,724,634 at June 30, 2010.

The School System's bonds were last rated October 11, 2011, at which time they were given a rating of AA+ by Moody's Investors Service. The legal debt limit of the School System fixed by Louisiana Revised Statute 39:562(L) at 35% of the total assessed valuation of property in the Parish was approximately \$238,000,000 at June 30, 2011.

ECONOMIC FACTORS

Livingston Parish is located in the southeastern portion of Louisiana, approximately 30 miles east of the state capital of Baton Rouge. The parish consists of 642 square miles on 410,880 acres and is 32 miles long by 30 miles wide. The geographical landscape of the parish varies. The northern part of the parish consists of rolling terrain covered by slash pine and hardwood forests approximately 50 feet above sea level. In the southern end of the parish, the land submerges into rich cypress forests and marshes that border on Lake Maurepas and the Amite River. Between lie a variety of streams, bayous and swales. It is bordered by St. Helena Parish on the North, Tangipahoa Parish on the East, East Baton Rouge Parish on the West, and Lake Maurepas, St. John the Baptist Parish and Ascension Parish on the South.

Interstate 12 provides highway access connecting to Interstates 10, 55 and 59 within a 60 mile radius. The I-12 corridor has been a "national hot spot" for business development and will continue to be a driver of Louisiana's economy. Livingston Parish is just 15 miles from deepwater at the Port of Greater Baton Rouge which provides direct connections to the Ports of New Orleans and Mobile. The Canadian National Railway (CN) operates within the parish, including the Livingston Industrial Park. The CN line runs through the southeastern major distribution markets south into Mexico and north across Canada. The Kansas City Southern Class I also travels along the parish's industrial park.

Just 20 minutes away is the Baton Rouge Metropolitan Airport which offers frequent, nonstop flights to five major hubs on four of the world's largest airlines, providing single connection service to most major spots on the globe. Travelers to the parish and capital region have the best of both worlds by also having access to international flights and additional domestic flights through the Louis Armstrong New Orleans International Airport which is about an hour away.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

Livingston Parish is primarily described as a rural parish with a population of 128,026 based on the 2010 census. The main population areas compromise the following: two cities (Denham Springs – pop. 10,215 and Walker – pop. 6,138), three towns (Livingston – pop. 1,769, Albany – pop. 1,088 and Springfield – pop. 487), and three villages (Killian – pop. 1,206, French Settlement – pop. 1,116 and Port Vincent – pop. 741).

Livingston Parish has been among the two fastest growing parishes in the state for the past decade – increasing its population from 91,814 in 2000 to today's population of 128,026 (an increase of approximately 39.44%). Hurricane Katrina made landfall in south Louisiana in August 2005 and in the following year, the parish took on nearly 6,000 residents. The Livingston Parish Planning Department reported they issued 406 new home permits thus far in 2011 and in the first six months of 2011, the number of permits for new businesses is already 30% higher than for all of 2010 and on target to top even the 2006 highs. The parish anticipates this to continue as people learn about the quality of life advantages in Livingston Parish.

On the Livingston Parish 2011 tax roll, the total assessed property value is approximately \$644,565,930 and the taxable value is \$419,730,950, which is approximately a 4.95% increase over the prior year. Increased population and development of rural lands continues to elevate property values in addition to a once every four years assessment done in 2008 of existing properties.

The Livingston Parish School System is amongst the top systems in the State in student enrollment increases (averaging over 300 + students in each of the past three years); present enrollment is approximately 25,000 (includes Pre-K); 43 schools (pre-K through high school), up from 30 schools in 1990; two new elementary schools and a junior high school opened in 2010/11 and a new high school is currently under construction and is scheduled to open in 2012/13. This highlights that not only is our school population increasing, but also that this increase is on an escalating basis. The Livingston Parish School System's District "Accountability Report Card" released by the State reflected a performance score of 107.5, ranking tenth in the State. Livingston Parish businesses and residents cited public schools in the parish as one of the community's strongest assets.

Livingston Parish has earned a growing reputation as a great place to live. In addition, the parish is now considered a hot spot for business. Livingston Parish is in the midst of a commercial boom that is expected to soar. The once rural community offers almost everything businesses want when they are looking to invest. It has great schools, a growing population, abundant family housing, high quality of life, unbeatable location, untapped opportunity, well planned infrastructure and business-friendly leadership.

A united effort between the public and private sectors announced in November 2008 that they will assist in the continued economic growth of Livingston Parish. *Livingston Tomorrow* is the economic development plan outlining the strategies and goals that will create at least 12,000 jobs with significantly higher wages over the next five years; stable and growing tax base; new market opportunities for existing business;

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

protection of existing business investments; individual engagement in the community growth; and unparalleled quality of life. The core mission of *Livingston Tomorrow* is based on the concept of "economic vitality" and the need to have a strong, healthy, local economy aimed at improving the economic quality of life for residents and businesses. Our business leaders and decision makers continue to see the need to attract new businesses and maintain and grow existing businesses, and the *Livingston Tomorrow* campaign will insure that we have sufficient funding for these endeavors.

In addition to the formation of an economic development strategic plan for the parish, Livingston Parish leaders came together and created a long-term vision for the parish which includes goals for the short and long-term. They are as follows:

- Goal #1 – Business Attraction and Retention: Initiate efforts to recruit businesses that require a skilled workforce and will serve as a catalyst to increase business retention and expansion activities within the parish, helping to create new jobs in Livingston Parish.
- Goal #2 – Community Marketing and Investor Relations: "Brand" Livingston Parish and promote our community as a world-class business and personal destination by increasing awareness and knowledge of the parish.
- Goal #3 – Accelerate Economic Programs to Assist Business: Promote programs that assist new and existing businesses to expand in Livingston Parish.
- Goal #4 – Public Policy and Government Affairs: Create a well-oiled political and public policy advocacy effort to draw attention to Livingston Parish's need from the perspective of governmental agencies.
- Goal #5 – Workforce Development and Education: Build intellectual capital in the region by providing leadership, direction and business involvement for educational and workplace improvement in the parish.
- Goal #6 – Economic Diversification and Sustainability: Develop strategies for economic diversification, expand current retention and expansion services for local industry and make Livingston Parish a business center of U.S. industry.

The parish's largest city, Denham Springs, includes a downtown antique district with 30 antique shops, in addition to numerous restaurants, hotels and other retail stores. Located off Wax Road, south of I-12, is Greystone Golf and Country Club. Greystone is a 350-acre development, featuring a golf course, club house, pool, tennis courts, lake and trails along with some 350 upscale homes.

In Denham Springs, a Bass Pro Shop is the anchor to a 75-acre development at I-12 and Range Avenue. The 163,000 square foot store includes Islamorada Fish Company Restaurant which seats 300 people. The outdoor store features hand-painted murals from renowned artists depicting scenes that are typical of southern Louisiana. Record wildlife mounts are displayed alongside local historical prints depicting early Louisiana residents enjoying sporting adventures. The bayou theme includes a uniquely designed aquarium, an alligator pit, a huge snapping turtle and museum quality wildlife dioramas. There is an expansive boat showroom featuring Gator Trax boats built right here in the town of Springfield and the store is setting records in boat sales. It's also setting attendance records nationwide for cities of this size.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

The entire store is a tribute to the vast diversity of the Louisiana landscape and its people and like other Bass Pro Shops Outdoor World stores, takes on the flavor and atmosphere of the region. For a sample of the store's unique flair, visit www.livingstonparish.com/bass_pro_inside. Bass Pro provides 300+ permanent jobs and opened in February 2008. It is estimated the Bass Pro Shop and accompanying hotels and restaurants will achieve annual sales of \$62 million.

Sam's Club purchased 17 acres in the Bass Pro Shops development. Construction has begun and the store plans to open in mid-2012 with estimated gross sales of approximately \$80 million. Nearby, restaurants are installing themselves in the Amite Crossing strip mall. Numerous restaurants, such as a jambalaya shop, a sushi restaurant, a steakhouse, a Mexican restaurant and a national chain hot wing restaurant, are conveniently located next to Bass Pro Shops.

In early February 2011, ground was broken on the first of three phases of Juban Crossing, a \$350 million mixed use development off Juban Road and I-12. Developers anticipate approximately 1.2 million square feet of retail space. Phase One of the 471-acre development will have between 300,000 and 450,000 square feet of retail shopping. Phase One will also have a 14-screen movie theater and seven restaurants. Plans for Phase Two include two large anchor department or specialty stores, eight smaller retail spots and five restaurants. Phase Three plans for a hotel, a home improvement center and garden center, an anchor department store and four undesignated spots. Future phases may include 800 single-family homes, 300 apartment units, additional hotels, office space and a town square. Juban Crossing may ultimately create up to 5,000 jobs. It is predicted that local governments in Livingston Parish will realize nearly \$22 million in additional tax collections over the next 25 years and that property tax payments, once all residential units are complete, will be more than \$3.2 million per year. Its developer, Creekstone Companies, stated that Juban Crossing is the largest single development ever proposed for Livingston Parish. Some retail stores will be open for business in the fall of 2012.

Bercen, Inc. moved its headquarters, as well as its research and development and technical service laboratories, from Cranston, Rhode Island to Denham Springs. Along with relocating its headquarters and laboratories, Bercen expanded its local manufacturing operation for a total capital investment of \$5 million along with adding 20 high-paying professional jobs and 92 jobs indirectly.

In August 2011, CAP Technologies in Baton Rouge announced its move into a mostly new and renovated 50,000 square-foot location in Denham Springs. The company is retrofitting and expanding a former plant. The improvements are resulting in an \$8.1 million capital investment. CAP uses an electronic process to clean and coat metal so it can be used for other purposes. Its technology is patented in 21 nations, with additional patents pending. CAP Technologies is a company that attracts significant venture capital, creates high-paying jobs and carves a new, important market niche as an economic driver firm.

Watson is a small but growing unincorporated town located in the northwest corner of Livingston Parish. It is one of the fastest growing areas in Livingston Parish. Watson retains that small town quality of life but is located close enough to Baton Rouge and Denham Springs to take advantage of their amenities. Watson has seen a steady growth in local businesses in the past few years and continues to grow as the population does. The area is home to numerous shops, restaurants and businesses and construction has begun on a new Wal-Mart store.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

In 2011, Walker became Livingston Parish's newest City and is the home of Wal-Mart, CVS Pharmacy, Walgreens, and its first hotel, LaQuinta Inn. Stine Lumber Company expanded its Louisiana operation with a new retail center in Walker. The 120,000 square foot home improvement center employs 80. The investment in the building and inventory exceeded \$15 million. One of the city's major thoroughfares, Highway 447, hosts numerous restaurants and other businesses.

In late January 2011, Our Lady of the Lake Regional Medical Center broke ground on their 236 acre site located on Highway 447 near I-12 for a multimillion-dollar expansion in Livingston Parish. The site near Walker will include a free-standing, 24/7 emergency room – the first of its kind in the state – and a healthcare facility offering diagnostic services and outpatient treatment. Preliminary plans also included a 50,906 square foot nursing home, assisted living houses and a building dedicated to “all-inclusive care for the elderly”. The plans include six medical office buildings, a fitness center, a community center with a walking path, a conference and lodging center, a community education building, and parking garages. Our Lady of the Lake Livingston is scheduled to open in the summer of 2012 and will create over 200 healthcare jobs in the first year of operation. Officials believe additional access to healthcare will bring even more jobs.

The new Walker Museum is home to a vast collection of artifacts documenting South Louisiana's rich history. Visitors can browse hundreds of photographs documenting life in early Louisiana, and hear Walker's oldest families share animated stories of how the town came to be. The museum also is home to the Community Art Gallery, which features monthly exhibits of some of Livingston Parish's most gifted artists. For more information, visit the museum's website at www.museum.walker.la.us.

On Louisiana Highway 190 near the town of Walker, the Livingston Parish Industrial Park houses Shaw Sunland Fabricators and Waste Management, a Fortune 500 company. A new manufacturer, Compressor Engineering Corporation (CECO) of Houston, Texas, opened its \$5 million 44,000 square foot facility on a seven-acre tract adjacent to Shaw. The company has grown into the world's largest independent manufacturer of engine and compressor replacement parts. Its customers include gas pipelines, gathering and processing companies, petrochemical, industrial and refrigeration plants worldwide. Shaw Sunland is currently planning a \$2.1 million expansion.

Just down the highway from the Livingston Parish Industrial Park, Gilchrist Construction Company has purchased 12 acres in the Co-Mar Industrial Park and began operation of their \$2 million asphalt plant in early 2011. K&W Patten's Metal Express is building a new manufacturing facility, a \$1.2 million capital investment, in Co-Mar. The company produces metal roofing and steel building products for residential or commercial projects and is expected to be operational in the fall of 2011. The manufacturing operation will provide capital investment, tax revenues and employment opportunities for the communities.

Construction on the North Oaks Health System has been completed and the facility opened in January 2011. The 2-story 47,000 square foot medical complex represents a total investment of \$32 million and is located on 34 acres of land on the south side of the I-12 Colyell/Satsuma interchange. The outpatient complex offers a wide range of outpatient diagnostic and treatment services, including cardiology, laboratory, radiology and rehabilitation services; an Urgent Care Center, a Family Medicine Clinic; a

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

Specialty Clinic; and a Conference Room for health education. In the first year that the medical complex is operational, North Oaks employs approximately 100 health care professionals with an estimated \$4.4 million payroll and projects economic impact of \$13.2 million cycling through the community annually.

Also at the Satsuma interchange, you will find Suma Crossing. It will be one of the area's most beautiful and functional mixed-use developments. Featuring New Orleans style architecture with a contemporary flair, the development will be based on the traditional neighborhood plan combining the best of residential living, recreational areas and professional offices with retail shops, specialty stores, dining and entertainment. The Suma Hill Conference Center, an 800-seat theater, has featured Branson, Missouri-style performers which include Tony Roi as Elvis, Penny Gilley, Doug Gabriel, Clay Cooper and the Lowe Family.

The David Toms Signature Golf Course and residential development, Carter Plantation, a 7,000 plus-yard, par-72 course, has been named among the "Top 10 Courses You Can Play" by Golf Magazine. The residential resort and golf community, located in Springfield, surrounds a historic plantation home that dates back to the early 19th Century and presently offers home sites, accommodations, meeting space, a first-class restaurant and recreation facilities.

The Village of French Settlement hosts the annual Creole Festival and is home of the Creole House. The home, an authentic Creole cottage, represents the culture and customs of the people of French, Spanish and German origin and exhibits hundreds of artifacts from the early 1800's. The Hungarian Settlement near Albany is the largest settlement of people of Hungarian descent in the United States. The rural ethnic settlement draws hundreds of guests to their Hungarian Festival each October which was instituted to preserve Hungarian food, music, dance and culture. Restoration of the old Hungarian school is underway to convert the school into a new Hungarian Museum. More information can be found at www.hungarianmuseum.com.

Livingston Parish also boasts the Veterans' Memorial Plaza which honors living and deceased veterans across the nation. Located in Albany, the stunning plaza consists of five brick walls that will display the names of men and women who have served in all branches of the military. At the center is a massive American flag mounted atop a lighted 60-foot flagpole. The memorial itself is flanked by ten 30-foot flagpoles bearing flags representing the Army, the Navy, the Air Force, the Marines, the U.S. Coast Guard, the Merchant Marines, POWs and MIAs, the State of Louisiana, the AMVETS and the American Legion. Future phases of the memorial will include a statute overlooking the plaza and an open-air outdoor classroom with bleachers adjacent to it.

Location scouts from Hollywood have toured potential locations in Livingston Parish for upcoming filming of feature films. Parish officials took them to various sites and they were pleased with the unique beauty of Livingston Parish. In August 2005, Warner Brothers released the movie "The Dukes of Hazzard". Scenes from the movie were filmed near French Settlement and featured stars including Johnny Knoxville, Jessica Simpson, Burt Reynolds and Willie Nelson.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

While retail, tourism and timber are all important to the local economy, there are also several major manufacturing operations, including Ferrara Fire Apparatus in Holden, the fourth largest manufacturer of fire trucks in the United States. The company manufactures a complete line of fire, emergency and rescue vehicles.

The major employer of Livingston Parish is the Livingston Parish School Board with approximately 3,300 employees and a budget in excess of \$250 million while Wal-Mart is second and Shaw Sunland Fabricators is third. Most of our population finds employment within the Baton Rouge metropolitan area and along the Mississippi River, which is laced with companies in the high-tech oil and chemical industries.

Magnificent natural resources like Lake Maurepas, the Tickfaw River and the Amite River make boating, tubing, kayaking and fishing in Livingston Parish major activities for residents of the entire Capital Region. Other outdoor activities include camping, water skiing, swamp tours, boat races and river parades. Near the town of Springfield, you'll find the Tickfaw State Park, a 1,200-acre park located along three miles of the Tickfaw River. The park offers diverse recreational, nature and educational opportunities. This State Park has it all. Camping, fishing, hiking, bird watching, biking and canoeing are just some of the things you can enjoy while you are here at the park. The many alligators are a must see in the fishing pond.

Music has been and still is a vital part of Livingston Parish for many decades. This can be seen and heard at the Old South Jamboree which holds country and bluegrass music shows. In the Denham Springs Historical Downtown Antique area, one can also find free outdoor concerts. These concerts feature local artist performing music from jazz to gospel music and even magic shows. The concerts are held at the Train Station Park pavilion. Our parish is also well known as being the home of the award winning Livingston Parish Children's Choir and Chorale.

But Livingston Parish is not all down to earth. Perhaps its most unique asset is the Laser Interferometer Gravitational Wave Observatory (LIGO) federal research project, one of only two such sites in the world which is located near the town of Livingston. While scientists study gravitational waves, education directors conduct free tours of the facility and the Science Education Center has over forty hands-on interactive science exhibits that relate to the science of LIGO. Tours include a 20-minute video called Einstein's Messengers, and there is plenty of time to explore the exhibits that will fascinate and challenge visitors. For more information about tours and programs, see the LIGO website, www.ligo-la.caltech.edu.

The Livingston Parish Convention & Visitors Bureau Tourist Center is located off I-12 at the Albany exit. Visitors will find a wealth of information located just inside the center. Free brochures, maps, magazines and newspapers are available. Anyone wanting additional help uncovering Livingston Parish's "treasures" can call 225-567-7899 or 888-317-7899, email info@visitlivingstonparish.com or they can check out the website, www.visitlivingstonparish.com. The website provides information on cities and towns, lodging, outdoor activities, shopping, attractions, restaurants and much more.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2011

Additional information on Livingston Parish can be found at the following websites:

- Livingston Economic Development Council – www.ledc.net
- Livingston Parish Government – www.livingstonparishla.gov
- Livingston Parish Chamber of Commerce – www.livingstonparishchamber.org
- Livingston Business & Real Estate Journal – www.livingstonbusiness.com

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

While this report is designed to provide full and complete disclosure of the financial conditions and operations of the Livingston Parish School Board, citizens' groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Terry E. Hughes, Business Manager, at the Livingston Parish School Board Office, 13909 Florida Blvd, P. O. Box 1130, Livingston, LA 70754-1130, or by calling 225-686-4235, during regular business hours, Monday thru Friday, 8:00 a.m. to 4:00 p.m., central time. Ms. Hughes' e-mail address is Terry.Hughes@lpsb.org.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

JUNE 30, 2011

(With Comparative Totals as of June 30, 2010)

ASSETS

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Cash and Cash Equivalents	\$ 12,594,909	\$ 30,904,228
Investments	55,150,000	50,150,000
Receivables	9,222,276	11,028,773
Inventory	1,185,209	1,083,453
Deferred Bond Issuance Costs	627,494	713,273
Capital Assets:		
Land and Construction in Progress	25,014,738	21,596,777
Other Capital Assets (Net of Accumulated Depreciation)	149,869,338	141,757,432
 Total Assets	 <u>\$ 253,663,964</u>	 <u>\$ 257,233,936</u>

LIABILITIES

Accounts, Salaries, and Other Payables	\$ 21,616,940	\$ 22,954,720
Interest Payable	681,310	532,706
Long-Term Liabilities:		
Due Within One Year	8,230,070	7,136,552
Due in More than One Year	102,420,780	101,595,904
 Total Liabilities	 132,949,100	 132,219,882

NET ASSETS

Invested in Capital Assets, Net of Related Debt	105,976,075	100,530,995
Restricted for:		
Debt Service Fund	8,011,862	7,389,579
Maintenance of Schools	1,513,422	1,498,723
General Fund	26,460,386	26,385,811
Unrestricted (Deficit)	(21,246,881)	(10,791,054)
 Total Net Assets	 <u>120,714,864</u>	 <u>125,014,054</u>
 Total Liabilities and Net Assets	 <u>\$ 253,663,964</u>	 <u>\$ 257,233,936</u>

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

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

(With Comparative Totals For the Year Ended June 30, 2010)

FUNCTIONS/PROGRAMS	Program Revenues				Total Governmental Activities - Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2011	2010
Governmental Activities:						
Instruction:						
Regular Programs	\$ 95,655,595	\$ 313,668	\$ 4,303,953	\$ -	\$ (91,037,974)	\$ (84,521,492)
Special Programs	33,169,558	733	4,663,918	7,625	(28,497,282)	(22,720,726)
Vocational Programs	3,116,606	-	314,573	-	(2,802,033)	(2,804,349)
Adult Continuing Education Programs	181,972	-	184,893	-	2,921	2,718
All Other Programs	8,977,533	320,236	6,239,708	-	(2,417,589)	(4,884,741)
Support Services:						
Student Services	9,945,603	-	1,940,044	-	(8,005,559)	(10,453,832)
Instructional Staff Support	8,054,830	1,145	3,875,231	-	(4,178,454)	(5,288,539)
General Administration	7,104,188	787,057	-	-	(6,317,131)	(7,202,293)
School Administration	10,491,186	70,806	2,792	-	(10,417,588)	(9,415,338)
Business Services	2,102,831	288,788	641,430	-	(1,172,613)	(1,119,847)
Plant Services	17,557,749	45,940	85,355	-	(17,426,454)	(16,252,529)
Student Transportation Services	11,955,589	146,687	24,415	-	(11,784,487)	(10,903,404)
Central Services	2,001,533	145	-	-	(2,001,388)	(1,851,416)
Food Services	13,789,069	3,109,307	6,678,774	-	(4,000,988)	(3,784,526)
Community Service Programs	76,478	-	61,477	-	(15,001)	(15,001)
Interest on Long-Term Debt	3,210,393	-	-	-	(3,210,393)	(2,672,032)
Total Governmental Activities	\$ 227,390,713	\$ 5,084,512	\$ 29,016,563	\$ 7,625	(193,282,013)	(183,887,347)
Taxes:						
Property Taxes, Levied for General Purposes					8,849,426	8,508,684
Property Taxes, Levied for Debt Services					6,423,428	6,612,038
Sales and Use Taxes, Levied for General Purposes					29,923,494	29,136,253
Sales and Use Taxes, Levied for Debt Services					956,948	913,692
State Revenue Sharing					894,516	874,168
Grants and Contributions not Restricted to Specific Purposes:						
Minimum Foundation Program					140,265,256	138,632,447
Other					17,808	24,953
Interest and Investment Earnings					922,631	578,110
Net Gain (Loss) on Sale of Assets					(4,454)	(8,780)
Miscellaneous					733,770	1,527,080
Total General Revenues and Special Items					188,982,823	186,798,645
Change in Net Assets					(4,299,190)	2,911,298
Net Assets - Beginning of Year					125,014,054	122,102,756
Net Assets - End of Year					\$ 120,714,864	\$ 125,014,054

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

FUND FINANCIAL STATEMENTS

LIVINGSTON PARISH SCHOOL BOARD

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

<u>ASSETS</u>	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2011	2010
Cash and Cash Equivalents	\$ 2,648,857	\$ 6,337,262	\$ 3,595,588	\$ 12,581,707	\$ 30,816,680
Cash with Fiscal Agent	13,202	-	-	13,202	87,548
Investments (Certificates of Deposit Maturities Greater Than 90 Days)	41,650,000	7,000,000	6,500,000	55,150,000	50,150,000
Receivables	3,214,871	18,396	5,989,009	9,222,276	11,028,773
Due from Other Funds	5,761,899	375	-	5,762,274	8,464,164
Inventory	1,018,856	-	166,353	1,185,209	1,083,453
Total Assets	\$ 54,307,685	\$ 13,356,033	\$ 16,250,950	\$ 83,914,668	\$ 101,630,618
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts, Salaries and Other Payables	\$ 19,046,300	\$ 2,230,116	\$ 340,524	\$ 21,616,940	\$ 22,954,720
Due to Other Funds	-	375	5,761,899	5,762,274	8,464,164
Total Liabilities	19,046,300	2,230,491	6,102,423	27,379,214	31,418,884
Fund Balances:					
Nonspendable:					
Inventory	1,018,856	-	166,353	1,185,209	1,083,453
Restricted For:					
Contracts	-	9,089,684	-	9,089,684	20,185,186
Debt Service	-	-	8,011,862	8,011,862	7,389,579
Maintenance of Schools	-	-	1,513,422	1,513,422	1,498,723
Construction, Utilities and Maintenance	23,349,769	-	-	23,349,769	23,297,612
Educational Excellence	2,288,772	-	-	2,288,772	2,390,748
E-Rate	731,951	-	-	731,951	615,159
Other	89,894	-	-	89,894	82,292
Assigned To:					
Capital Projects	-	2,035,858	-	2,035,858	1,598,630
School Lunch Program	-	-	456,890	456,890	361,666
Property Damage Insurance	-	-	-	-	936,048
General Liability Insurance	-	-	-	-	2,490,296
Workers Compensation Insurance	-	-	-	-	358,989
Other Post Employment Benefits	1,948,650	-	-	1,948,650	1,771,500
Unassigned:	5,833,493	-	-	5,833,493	6,151,853
Total Fund Balances	35,261,385	11,125,542	10,148,527	56,535,454	70,211,734
Total Liabilities and Fund Balances	\$ 54,307,685	\$ 13,356,033	\$ 16,250,950	\$ 83,914,668	\$ 101,630,618

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

LIVINGSTON PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

	<u>2011</u>	<u>2010</u>
Total Fund Balances - Governmental Funds	\$ 56,535,454	\$ 70,211,734
Cost of Capital Assets	276,298,997	258,083,575
Less: Accumulated Depreciation	<u>(101,414,921)</u>	<u>(94,729,366)</u>
	174,884,076	163,354,209
Deferred Bond Issuance Costs	627,494	713,273
Elimination of Interfund Assets and Liabilities:		
Due from Other Funds	5,762,274	8,464,164
Due to Other Funds	<u>(5,762,274)</u>	<u>(8,464,164)</u>
	-	-
Long-Term Liabilities:		
Accumulated Unfunded Other Postemployment Benefits Payable	(19,217,257)	(13,068,594)
Compensated Absences	(11,248,755)	(10,363,296)
Claims and Judgments	(3,140,000)	(3,710,000)
Bonds Payable	(69,835,777)	(73,591,299)
Certificates of Indebtedness Payable	(7,266,670)	(8,133,335)
Deferred Premium on Bonds	(193,218)	(200,125)
Deferred Amount on Refunding	250,827	334,193
Accrued Interest Payable	<u>(681,310)</u>	<u>(532,706)</u>
	<u>(111,332,160)</u>	<u>(109,265,162)</u>
Net Assets	<u>\$ 120,714,864</u>	<u>\$ 125,014,054</u>

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

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2011	2010
Revenues:					
Local Sources:					
Taxes:					
Ad Valorem	\$ 4,123,436	\$ 1,969,159	\$ 9,180,259	\$ 15,272,854	\$ 15,120,722
Sales and Use	29,923,494	-	956,948	30,880,442	30,049,945
Other	466,830	-	-	466,830	446,695
Rentals, Leases and Royalties	100,028	-	-	100,028	67,475
Tuition	317,570	-	-	317,570	313,793
Interest Earnings	695,206	140,787	86,638	922,631	578,110
Food Services	-	-	3,109,006	3,109,006	3,222,181
Other	2,873,975	254,517	11,062	3,139,554	4,026,717
State Sources:					
Unrestricted Grants-in-Aid	140,339,889	220,903	616,788	141,177,580	139,531,568
Restricted Grants-in-Aid	1,542,346	-	-	1,542,346	3,479,971
Federal Sources:					
Unrestricted - Indirect Cost Recoveries	-	-	620,688	620,688	704,000
Restricted Grants-in-Aid - Subgrants	105	-	24,883,698	24,883,803	26,602,293
Other - Commodities	-	-	667,214	667,214	572,347
Total Revenues	180,382,879	2,585,366	40,132,301	223,100,546	224,715,817
Expenditures:					
Instruction:					
Regular Programs	89,659,788	-	2,994,496	92,654,284	88,934,666
Special Programs	28,094,768	-	3,722,337	31,817,105	26,812,488
Vocational Programs	2,688,109	-	314,573	3,002,682	2,864,686
Adult and Continuing Education Programs	76,591	-	104,552	181,143	130,518
Other Programs	3,079,494	-	5,739,469	8,818,963	12,779,739
Support Services:					
Pupil Support	7,750,907	-	1,940,044	9,690,951	12,169,183
Instructional Staff Support	3,751,521	-	3,875,231	7,626,752	7,178,575

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2011	2010
Expenditures (Continued):					
Support Services (Continued):					
General Administration	2,320,567	79,138	383,960	2,783,665	2,856,915
School Administration	10,176,162	-	2,792	10,178,954	9,177,277
Business Services	1,954,078	-	20,742	1,974,820	1,997,433
Plant Services	13,393,930	-	3,749,826	17,143,756	16,088,232
Transportation Services	10,892,189	-	24,415	10,916,604	10,024,717
Central Services	1,939,211	-	-	1,939,211	1,795,895
Food Services	-	-	13,442,354	13,442,354	12,998,250
Community Service Programs	15,001	-	61,477	76,478	96,601
Capital Outlay	908,385	16,086,787	7,625	17,002,797	30,952,468
Debt Service:					
Principal Retirement	-	-	4,622,187	4,622,187	4,679,833
Interest and Bank Charges	-	-	2,899,551	2,899,551	2,472,318
Cost of Issuance	-	-	-	-	119,194
Total Expenditures	<u>176,700,701</u>	<u>16,165,925</u>	<u>43,905,631</u>	<u>236,772,257</u>	<u>244,128,988</u>
Excess (Deficiency) of Revenues Over Expenditures	3,682,178	(13,580,559)	(3,773,330)	(13,671,711)	(19,413,171)
Other Financing Sources (Uses):					
Sale of Capital Assets	-	-	-	-	-
Other	(4,569)	-	-	(4,569)	-
Issuance of Long Term Debt	-	-	-	-	29,000,000
Premium on Bond Issuance	-	-	-	-	4,457
Transfers In	620,688	3,100,000	5,040,358	8,761,046	9,000,794
Transfers Out	<u>(7,962,643)</u>	<u>(177,715)</u>	<u>(620,688)</u>	<u>(8,761,046)</u>	<u>(9,000,794)</u>
Total Other Financing Sources (Uses)	<u>(7,346,524)</u>	<u>2,922,285</u>	<u>4,419,670</u>	<u>(4,569)</u>	<u>29,004,457</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(3,664,346)	(10,658,274)	646,340	(13,676,280)	9,591,286
Fund Balances at Beginning of Year	<u>38,925,731</u>	<u>21,783,816</u>	<u>9,502,187</u>	<u>70,211,734</u>	<u>60,620,448</u>
Fund Balances at End of Year	<u>\$ 35,261,385</u>	<u>\$ 11,125,542</u>	<u>\$ 10,148,527</u>	<u>\$ 56,535,454</u>	<u>\$ 70,211,734</u>

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

LIVINGSTON PARISH SCHOOL BOARD

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	<u>2011</u>	<u>2010</u>
Total Net Change in Fund Balances - Governmental Funds	\$ (13,676,280)	\$ 9,591,286
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.		
Capital Outlays	17,002,797	30,952,468
Library Books and Textbooks Purchased	2,172,757	1,834,084
Depreciation Expense	(7,641,233)	(6,803,871)
Add accumulated depreciation on capital assets retired during the year	955,678	1,507,311
Less cost basis of capital assets retired during the year	(960,132)	(1,516,091)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Issuance of General Obligation Bonds	-	(20,000,000)
Issuance of Certificates of Indebtedness	-	(9,000,000)
Premium Received on Issuance of General Obligation Bonds	-	(4,457)
Increase in Other Postemployment Benefits Obligation Net	(6,148,663)	(7,222,416)
General Obligation Bond Principal Repayments	3,755,522	3,559,046
Certificates of Indebtedness Principal Repayments	866,665	866,665
Capital Lease Principal Payments	-	254,122
Cost of Issuance of General Obligation Bonds	-	119,194
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
(Increase) Decrease in Compensated Absences Payable	(885,459)	(106,329)
(Increase) Decrease in Claims and Judgments Payable	570,000	(920,000)
Amortization of Cost of Issuance	(85,779)	(81,899)
Amortization of Deferred Amounts on Refunding	(83,366)	(83,366)
Amortization of Premium Received on Issuance of General Obligation Bonds	6,907	6,458
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.		
	<u>(148,604)</u>	<u>(40,907)</u>
Change in Net Assets of Governmental Activities	<u>\$ (4,299,190)</u>	<u>\$ 2,911,298</u>

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

LIVINGSTON PARISH SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:				
Local Sources:				
Taxes:				
Ad Valorem	\$ 4,010,000	\$ 4,145,000	\$ 4,123,436	\$ (21,564)
Sales and Use	29,645,000	29,645,000	29,923,494	278,494
Other	475,000	475,000	466,830	(8,170)
Rentals, Leases and Royalties	89,772	89,000	100,028	11,028
Tuition	335,000	335,000	317,570	(17,430)
Interest Earnings	690,200	729,868	695,206	(34,662)
Other	2,759,600	2,700,800	2,873,975	173,175
State Sources:				
Unrestricted Grants-in-Aid	143,049,789	140,348,841	140,339,889	(8,952)
Restricted Grants-in-Aid	1,650,576	1,638,587	1,542,346	(96,241)
Federal Sources:				
Restricted Grants-in-Aid	-	-	105	105
Total Revenues	<u>182,704,937</u>	<u>180,107,096</u>	<u>180,382,879</u>	<u>275,783</u>
Expenditures:				
Instruction:				
Regular Programs	92,452,710	90,317,188	89,659,788	657,400
Special Programs	25,600,835	27,517,381	28,094,768	(577,387)
Vocational Programs	2,834,000	2,730,000	2,688,109	41,891
Other Programs	4,594,356	3,262,346	3,079,494	182,852
Adult and Continuing Education Programs	82,469	144,812	76,591	68,221
Support Services:				
Pupil Support	8,383,600	8,485,500	7,750,907	734,593
Instructional Staff Support	4,714,172	3,765,721	3,751,521	14,200
General Administration	2,501,400	2,449,312	2,320,567	128,745
School Administration	10,058,417	10,135,200	10,176,162	(40,962)
Business Services	2,113,950	2,046,175	1,954,078	92,097
Plant Services	13,447,738	13,614,126	13,393,930	220,196

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Expenditures (Continued):				
Support Services (Continued):				
Transportation Services	10,498,550	11,004,250	10,892,189	112,061
Central Services	2,078,900	2,119,100	1,939,211	179,889
Community Service Programs	15,001	15,001	15,001	-
Capital Outlay	882,500	1,173,445	908,385	265,060
Debt Service:				
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>180,258,598</u>	<u>178,779,557</u>	<u>176,700,701</u>	<u>2,078,856</u>
Excess (Deficiency) of Revenues Over Expenditures	2,446,339	1,327,539	3,682,178	2,354,639
Other Financing Sources (Uses):				
Sale of Capital Assets	1,000	1,000	-	(1,000)
Other	-	-	(4,569)	(4,569)
Transfers In	525,000	500,000	620,688	120,688
Transfers Out	<u>(11,567,700)</u>	<u>(10,897,700)</u>	<u>(7,962,643)</u>	<u>2,935,057</u>
Total Other Financing Sources (Uses)	<u>(11,041,700)</u>	<u>(10,396,700)</u>	<u>(7,346,524)</u>	<u>3,050,176</u>
Excess (Deficiency) of Revenues and Other Sources Over Expendi- tures and Other Uses	(8,595,361)	(9,069,161)	(3,664,346)	5,404,815
Fund Balance at Beginning of Year	<u>38,925,731</u>	<u>38,925,731</u>	<u>38,925,731</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 30,330,370</u>	<u>\$ 29,856,570</u>	<u>\$ 35,261,385</u>	<u>\$ 5,404,815</u>

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

LIVINGSTON PARISH SCHOOL BOARD

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

	ASSETS	
	<u>2011</u>	<u>2010</u>
Cash and Cash Equivalents	\$ <u>7,430,432</u>	\$ <u>7,115,738</u>
Total Assets	\$ <u><u>7,430,432</u></u>	\$ <u><u>7,115,738</u></u>
	LIABILITIES	
Amounts Held for School Activities	\$ 4,628,144	\$ 4,562,990
Deposits Due to Others	<u>2,802,288</u>	<u>2,552,748</u>
Total Liabilities	\$ <u><u>7,430,432</u></u>	\$ <u><u>7,115,738</u></u>

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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

INTRODUCTION

The Livingston Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Livingston 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 forty-two schools, a special education center, the Livingston Parish Literacy and Technology Center and the Option III Center, within the parish with a total enrollment of approximately 25,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

(1) Summary of Significant Accounting Policies -

A. Basis of Presentation

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

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*, issued in June 1999.

B. Reporting Entity

For financial reporting purposes, the School Board includes all funds, schools, and agencies that are within the oversight responsibility of the School Board. The oversight responsibility derived by the School Board is related to its scope of public service and gives it the authority to establish public schools as it deems necessary. This oversight responsibility also allows the School Board to determine the number of teachers and employees to be employed, to establish the financial interdependency of the funds, to appoint management, and to significantly influence operations and accountability for fiscal matters.

Certain units of local government over which the School Board exercises no oversight responsibility, such as the Parish Council, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Livingston Parish School Board.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

The Governmental Accounting Standards Board (GASB) Statements No. 14 and No. 37, the Financial Reporting Entity, established criteria for determining which component units should be considered part of the Livingston Parish School Board for financial reporting purposes. The basic criteria are as follows:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the School Board to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the School Board.
2. Organizations for which the School Board does not appoint a voting majority but are fiscally dependent on the School Board.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the School Board's management has determined the following entity to be a discretely presented component unit in the financial reporting entity. At June 30, 2011, no financial transactions have occurred by the entity that would require it to be included in the current year financial statements.

The Livingston Parish Public Benefit Corporation was formed on May 20, 2002 as a private Louisiana nonprofit corporation and a public benefit corporation established for charitable, scientific and educational purposes for the benefit of the Livingston Parish School Board. Once created, the Corporation entered into a cooperative endeavor agreement with the School Board and the Southeastern Educational Foundation (the Foundation), a Louisiana nonprofit corporation and a wholly owned subsidiary of the Southeastern Development Foundation, a Louisiana nonprofit corporation organized for the benefit of Southeastern Louisiana University. Under the terms of the cooperative endeavor agreement, the Corporation entered into a lease for land from the School Board and the Corporation is authorized to sublease the land to the Foundation. In addition, the Foundation is required to construct and operate the Livingston Parish Literacy and Technology Center in accordance with a court order issued in the matter of *"In Re Combustion, Inc."* Civil Action 94-MDL-4000, United States District Court, Western District of Louisiana. Once the facility is completed, the cooperative endeavor agreement authorizes the Corporation to lease a portion of the completed facility from the Foundation. Due to the substance of the lease the School Board is handling this lease as a capital lease within these financial statements. The initial lease payment of \$1,000,000 was due by the School Board upon receipt of evidence of substantial completion of the facility which occurred during the year ended June 30, 2006. The School Board is required to make additional five annual lease payments of \$260,475 due on January 1 each year.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

The School Board made a final payment of \$260,475 during the prior fiscal year (including interest of \$6,353). See note 11 for further details. At June 30, 2011, the Livingston Parish Public Benefit Corporation had no assets or liabilities to report.

C. 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 management by segregating transactions related to certain School Board functions and activities. A fund is defined as 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 discussed below.

Governmental Funds

Governmental funds are used to 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:

Governmental Fund Types:

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

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs for each district.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities and for the major repairs thereto.

Fiduciary Fund Type:

Agency Funds - Agency funds account for assets held by the School Board as an agent for schools and school organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

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

Program Revenues

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

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

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. The major funds of the School Board are the General Fund and the Capital Projects Fund.

The modified accrual basis of accounting is used by Governmental Funds. 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 (generally 60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. The Governmental Funds use the following practices in recording revenues and expenditures:

Revenues

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

Federal and State entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and State grants are recorded when the reimbursable expenditures have been incurred.

Sales and use tax revenues are recorded in the month collected by the vendor even though not paid to the School Board until the subsequent month.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned. Nine-month employee salaries are earned over a 9-month period, but are paid over a 12-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death. Principal and interest on general long-term obligations are recognized when due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of fixed assets, long-term debt proceeds, bank loan proceeds, etc., are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

E. Budget Practices

The School Board adopts budgets for the General Fund, each Special Revenue Fund, the Debt Service Fund and the Capital Projects Fund.

The proposed budgets for the fiscal year ended June 30, 2011, were made available for public inspection and comments from taxpayers. The budgets, which included proposed expenditures and the means of financing them, were published in the official journal fifteen days prior to the public hearing on the budgets for the year ended June 30, 2011. At this meeting, the proposed budgets were legally adopted by the School Board.

The budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are not 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 parish schools is authorized to transfer between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. Cash and Cash Equivalents

Cash and cash equivalents include interest bearing demand deposits and amounts in time deposits with maturities less than 90 days. Under state law, the School Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash and cash equivalents are stated at cost, which approximates market value.

Certificates of deposit with maturities greater than 90 days are classified as investments and are stated at cost, which also approximates market value.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

H. Inventory

Inventory of the General Fund is valued at cost and consists of expendable materials and supplies, which are recorded as an expenditure when consumed, using the first-in, first-out method.

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

I. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. 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. Useful lives vary from 40 to 50 years for buildings, and 6 to 20 years for equipment.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2003 were considered to be part of the cost of buildings or other immovable property such as stadiums. Since 2003, if such items are built or constructed, they are capitalized and depreciated over their estimated useful lives.

J. Compensated Absences

All 12-month employees earn from 5 to 20 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated without limitation, but must be used prior to retirement or termination.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

All school board employees earn from 10 to 18 days of sick leave each year, depending upon the number of months employed. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned between July 1, 1988 and June 30, 1990 under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service. For sick leave earned after June 30, 1990, a maximum of one year of accumulated sick leave earned, which excludes the twenty-five days paid, can be converted to one year of earned service. All remaining accumulated sick leave earned after June 30, 1990, after converting one year of sick leave into one year of earned service, may only be added to the member's service credit if purchased.

Sabbatical leave may only be granted for medical leave and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

K. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Balance Reserves

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.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

M. Net Assets

Net assets represent the difference between assets and liabilities in the GWFS. "Net assets invested in capital assets, net of related debt" consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the GWFS when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

N. Sales and Use Taxes

The School Board receives a two and one-half percent sales and use tax. The sales and use tax is collected by the sales tax department of the School Board and is included in the revenues of the General Fund. The proceeds of the tax are dedicated to the payment of salaries of school teachers and other school employees; the payment of utilities; and constructing, maintaining or operating school buildings and other school related facilities, including the acquisition of sites.

In addition, on October 5, 2002, the voters in School Board District No. 22 approved a ½ percent sales and use tax for the purpose of constructing and acquiring a new elementary school and providing renovations and improvements to the existing buildings within the school district. Also, on September 18, 2004, the voters in School Board District No. 33 approved a one percent sales and use tax for the purpose of constructing and improving or renovating school buildings within the School District.

The School Board is also authorized to collect sales and use taxes levied by the following governmental entities:

Livingston Parish Council
Law Enforcement Subdistrict A
Gravity Drainage District No. 1
Gravity Drainage District No. 2
Gravity Drainage District No. 5
City of Denham Springs
City of Walker
Town of Livingston
Village of Albany
Town of Springfield
Livingston Parish Tourist Commission
Denham Springs Economic Development District

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

The School Board receives a collection fee from each of these entities at a rate of 2% on the first \$1,000,000 collected and then 1.5% on the amounts collected in excess of \$1,000,000. The collection and distribution of the sales taxes are accounted for in the Sales Tax Agency Fund.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

P. Fund Equity

The School Board implemented the provisions of Governmental Accounting Standards Board Statement No. 54 which redefined how fund balances are presented in fund financial statements, effective July 1, 2010. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action of the School Board. These amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned - Amounts that are designated as committed by the School Board but are not spendable until a budget ordinance is passed.

Unassigned - All amounts not included in other spendable classifications. The School Board has not adopted a policy to maintain the general fund's unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the Balance Sheet - Governmental Funds (page 19). As noted above, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the School Board or the Assignment has been changed by the School Board. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

(2) Cash and Cash Equivalents -

The School Board maintains various deposit accounts for the current operations of certain individual funds of the School Board. In addition, it maintains a cash investment pool with the Board's paying agent for all remaining funds. Each fund's portion of the cash and investment pool is included in that fund's Cash and Cash Equivalent account.

The School Board also maintains certificates of deposits with maturities greater than 90 days. These certificates are classified as Investments.

Interest earned on pooled cash and investments is allocated to the participating funds based upon their combined participating balances.

At June 30, 2011, the carrying amount of the School Board's Cash and Cash Equivalents and Investments (checking accounts, savings accounts, and certificates of deposits) was \$75,175,341 and the confirmed bank balances were \$75,530,426. Cash and Cash Equivalents and Investments are stated at cost, which approximates market.

The following is a summary of Cash and Cash Equivalents and Investments at June 30, 2011, classified by credit risk:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Deposits in Bank Accounts per Balance Sheets:			
Cash and Cash Equivalents	\$12,594,909	\$7,430,432	\$20,025,341
Certificates of Deposits	<u>55,150,000</u>	<u>-</u>	<u>55,150,000</u>
Total	<u>\$67,744,909</u>	<u>\$7,430,432</u>	<u>\$75,175,341</u>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it. As of June 30, 2011, \$74,750,422 of the School Board's bank balances of \$75,530,426 was exposed to custodial credit risk because it was insured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's name.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

(3) Ad Valorem Taxes -

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land are to be assessed at 15% and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from Ad Valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Assessor bills and collects the property taxes using the assessed value determined by his office.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

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

	<u>Authorized</u>	<u>Levied</u>		<u>Millage</u>	<u>Millage</u>
Parishwide Taxes:					
Constitutional	3.29	3.29			
Additional Support	7.18	7.18			
Maintenance	7.00	7.00			
Construction	5.00	5.00			
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	
District Taxes -					
Bond and Interest	-	53.76	-	53.76	

Any differences between authorized and levied millages are the result of reassessment of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

Total Ad Valorem Taxes Levied	\$15,858,139
Less: Amounts Deemed Uncollectible	<u>(585,285)</u>
	15,272,854
Add: Prior Year Taxes Collected in Current Year	<u>-</u>
Net Ad Valorem Taxes Collectible	<u>\$15,272,854</u>

Ad Valorem taxes receivable at June 30, 2011, totaled \$125,053.

(4) Receivables -

The receivables at June 30, 2011, are as follows:

	<u>Federal</u>	<u>State</u>	<u>Sales</u>	<u>Ad Valorem</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
	<u>Grants</u>	<u>Grants</u>	<u>Taxes</u>	<u>Taxes</u>			
General Fund	\$ -	\$ 141,708	\$2,717,434	\$ 33,813	\$ 4,709	\$317,207	\$ 3,214,871
Capital Projects Fund	-	-	-	16,147	2,249	-	18,396
Nonmajor Funds	<u>5,817,998</u>	<u>-</u>	<u>81,271</u>	<u>75,093</u>	<u>10,225</u>	<u>4,422</u>	<u>5,989,009</u>
Totals	<u>\$5,817,998</u>	<u>\$ 141,708</u>	<u>\$2,798,705</u>	<u>\$ 125,053</u>	<u>\$ 17,183</u>	<u>\$321,629</u>	<u>\$ 9,222,276</u>

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

(5) Interfund Receivables, Payables - Transfers In, Transfers Out -

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 5,761,899	\$ -
Capital Projects Funds:		
District No. 27	-	375
District No. 31	<u>375</u>	<u>-</u>
Total Capital Projects Fund	375	375
Special Revenue Funds:		
Elementary and Secondary Education Act:		
Chapter 1	-	1,256,620
Special Education Fund	-	2,589,937
Special Federal Fund	-	1,609,212
Other Federal ESEA Fund	<u>-</u>	<u>306,130</u>
Total Special Revenue Funds	<u>-</u>	<u>5,761,899</u>
Total	<u>\$ 5,762,274</u>	<u>\$ 5,762,274</u>
	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 620,688	\$ 7,962,643
Special Revenue Funds:		
Elementary and Secondary Education Act:		
Chapter 1	-	164,736
Special Education	-	318,944
Maintenance of Schools	827,715	-
School Lunch	3,250,000	-
Special Federal	-	94,150
Other Federal ESEA	<u>-</u>	<u>42,858</u>
Total Special Revenue Funds	4,077,715	620,688

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	Transfers In	Transfers Out
Debt Service Funds:		
District No. 4	854,000	-
District No. 24	34,978	-
District No. 31	73,665	-
Total Debt Service Funds	962,643	-
Capital Projects Fund:		
District No. 1	2,350,000	-
District No. 4	750,000	-
District No. 31	-	177,715
Total Capital Projects Fund	3,100,000	177,715
Total	\$ 8,761,046	\$ 8,761,046

(6) Changes in Capital Assets -

Capital asset activity for the year ended June 30, 2011 is as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
<u>Governmental Activities:</u>				
Capital Assets not being Depreciated:				
Land	\$ 10,758,708	\$ 543,503	\$ -	\$ 11,302,211
Construction in Progress	10,838,069	15,543,284	(12,668,826)	13,712,527
Total Capital Assets not being Depreciated	21,596,777	16,086,787	(12,668,826)	25,014,738
Capital Assets being Depreciated:				
Buildings and Improvements	207,351,469	12,688,611	-	220,040,080
Furniture and Equipment	5,626,124	317,220	(36,320)	5,907,024
Library Books and Textbooks	17,982,408	2,172,757	(923,812)	19,231,353
Vehicles	5,526,797	579,005	-	6,105,802
Total Capital Assets being Depreciated	236,486,798	15,757,593	(960,132)	251,284,259

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
Less: Accumulated Depreciation for:				
Buildings and Improvements	76,476,643	4,702,254	-	81,178,897
Furniture and Equipment	2,860,101	478,805	(31,866)	3,307,040
Library Books and Textbooks	12,250,161	1,897,213	(923,812)	13,223,562
Vehicles	<u>3,142,461</u>	<u>562,961</u>	<u>-</u>	<u>3,705,422</u>
Total Accumulated Depreciation	<u>94,729,366</u>	<u>7,641,233</u>	<u>(955,678)</u>	<u>101,414,921</u>
Total Capital Assets being Depreciated, Net	<u>141,757,432</u>	<u>8,116,360</u>	<u>(4,454)</u>	<u>149,869,338</u>
Total Governmental Activities Capital Assets, Net	<u>\$163,354,209</u>	<u>\$24,203,147</u>	<u>\$(12,673,280)</u>	<u>\$174,884,076</u>

Depreciation expense of \$7,641,233 for the year ended June 30, 2011 was charged to the following governmental functions:

Instruction:

Regular Education	\$ 1,594,554
Special Education	13,069
Vocational Education	15,107
Other Education Programs	8,422

Support Services:

Instructional Staff Support	479,164
General Administration (Including all Buildings)	4,786,365
School Administration	2,964
Business Services	53,424
Plant Services	120,692
Central Services	35,508
Student Transportation Services	507,782
School Food Services	<u>24,182</u>
Total	<u>\$ 7,641,233</u>

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

(7) Accounts, Salaries, and Other Payables -

The payables at June 30, 2011, are as follows:

	<u>Accounts</u>	<u>Salaries</u>	<u>Withholdings</u>	<u>Employee Benefits</u>	<u>Total</u>
General Fund	\$ 819,570	\$9,720,655	\$7,975,209	\$ 530,866	\$19,046,300
Capital Projects Fund	2,230,116	-	-	-	2,230,116
Nonmajor Funds	<u>340,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>340,524</u>
Total	<u>\$3,390,210</u>	<u>\$9,720,655</u>	<u>\$7,975,209</u>	<u>\$ 530,866</u>	<u>\$21,616,940</u>

(8) Defined Benefit Pension Plans -

A. Plan Descriptions, Contribution Information and Funding Policies -

Every employee of Livingston Parish Public Schools contributes to some type of retirement plan. Substantially, most employees are members of either Teachers' Retirement System of Louisiana (TRSL), or State of Louisiana School Employees' Retirement System (LSERS). In general, professional employees, including, but not limited to, classroom teachers, educators not working in the classroom, principals, accountants, bookkeepers, secretaries, paraprofessionals, and School Food Service employees are members of TRSL. LSERS members included employees who work more than 20 hours per week in the position of Bus Aide, Bus Driver, Custodian or Maintenance.

The following is a summary of eligibility factors, contribution methods, and benefit provisions.

	<u>Teachers' Retirement System of Louisiana - Regular Plan</u>	<u>Teachers' Retirement System of Louisiana - Plan A</u>	<u>State of Louisiana School Employees' Retirement System</u>
Eligibility to Participate	Employees that meet the legal definition of a "teacher" in accordance with Louisiana Revised Statutes 11:701(23)(a).	Employees paid with school food service funds in which the parish has withdrawn from Social Security coverage.	Membership is mandatory for all employees under age 60 employed by a Louisiana Parish or City School Board who work more than 20 hours as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	<u>Teachers' Retirement System of Louisiana - Regular Plan</u>	<u>Teachers' Retirement System of Louisiana - Plan A</u>	<u>State of Louisiana School Employees' Retirement System</u>
Authority Establishing Contribution Obligations and Benefits	State Statute	State Statute	State Statute
Plan Members' Contribution Rate (Percent of Covered Payroll)	8.00%	9.10%	7.50% - Hired before July 1, 2010 8.00% - Hired on or after July 1, 2010
School Board's Contribution Rate (Percent of Covered Payroll)	20.20%	20.20%	24.30%
Period Required to Vest	5 years	5 years	10 years (Membership prior to January 1, 2010) 5 Years (Membership after December 31, 2009)
Benefits and Eligibility for Distribution (Full-time)	Benefit based on a percentage of the member's average salary for the 36 highest successive months using the following require- ments:	Benefit based on a percentage of the member's average salary for the 36 highest successive months using the following require- ments:	Final average compensation is based on when membership begins:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Teachers' Retirement System of Louisiana - Regular Plan

Membership prior to July 1, 1999

Years Service	Min. Age	Formula Percentage
5	60	2.0%
20	Any Age	2.0%
25	55	2.5%
30	Any Age	2.5%
20	65	2.5%

Membership between July 1, 1999 and December 31, 2010

Years Service	Min. Age	Formula Percentage
5	60	2.5%
20*	Any Age	2.5%
25	55	2.5%
30	Any Age	2.5%

*Actuarially Reduced Benefit

Membership on or after January 1, 2011

Benefit based on 60 highest successive months which are subject to the 15% salary limitation.

Years Service	Min. Age	Formula Percentage
5	60	2.5%
20*	Any Age	2.5%

*Actuarially Reduced Benefit

Teachers' Retirement System of Louisiana - Plan A

Membership includes School Food Service Workers who were active members of the School Lunch Employees' Retirement System on July 1, 1983, when the System merged with TRSL.

Years Service	Min. Age	Formula Percentage
5	60	3.0%
25	55	3.0%
30	Any Age	3.0%

Plan A Members who did not contribute to retirement until their employers withdrew from Social Security coverage will receive:

- One percent for those years before withdrawal plus

- \$24 per year for each year that retirement was not paid

State of Louisiana School Employees' Retirement System

Membership prior to July 1, 2006: Benefit based on 36 highest successive months which are subject to the 10% salary limitation.

Membership on or after July 1, 2006 through June, 2010: Benefit based on 60 highest successive months which are subject to the 10% salary limitation.

Membership on or after July 1, 2010: Benefit based on 60 highest successive months which are subject to the 15% salary limitation.**
**Salary is limited by applicable percentage (10 or 15%) for each 12 month period.

Accrual Rate for Calculation of Benefits

- Member prior to July 1, 2010 – 3.33%
- Member on or after July 1, 2010 – 2.5%

Early Retirement:

Member Prior to July 1, 2010

Years Service	Min. Age	Formula Percentage
20*	Any Age	3.33%

Member on or after July 1, 2010

Years Service	Min. Age	Formula Percentage
20*	Any Age	2.5%

*Actuarially Reduced Benefit

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Teachers' Retirement
System of Louisiana -
Regular Plan

Teachers' Retirement
System of Louisiana -
Plan A

State of Louisiana
School Employees'
Retirement System

Regular Service Retirement:
Member on or before June 30,
2010

<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
10	60	3.33%
20*	Any Age	3.33%
25	55	3.33%
30	Any Age	3.33%

*Actuarially Reduced Benefit

Member on or after July 1, 2010

<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
5	60	2.5%
20*	Any Age	2.5%

*Actuarially Reduced Benefit

Deferred Retirement
Option

Yes

<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
20	65	2.5%
25	55	2.5%
30	Any Age	2.5%
10	60	2.0%
5*	60	2.5%

*Membership on or after January 1, 2011, allows for DROP participation if the member has five years of service credit at age 60 in conformance with the retirement eligibility provisions provided by Act No. 992 of the 2010 R.S.

Yes

<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
10	60	3.0%
25	55	3.0%
30	Any Age	3.0%

Yes

Member prior to July 1, 2010		
<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
10	60	3.33%
25	55	3.33%
30	Any Age	3.33%

Member on or after July 1, 2010

<u>Years</u>	<u>Min.</u>	<u>Formula</u>
<u>Service</u>	<u>Age</u>	<u>Percentage</u>
5	60	2.5%

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Provisions for: Cost of Living Adjustments (Normal Retirement)	Yes	Yes	Yes
Death (Duty, Non-Duty, Post Retirement)	Yes	Yes	Yes
Disability (Duty, Non-Duty)	Yes	Yes	Yes
Cost of Living Allowances	Yes	Yes	Yes

B. Trend Information -

Contributions required by State statute:

<u>Fiscal Year</u>	<u>Teachers' Retirement System of Louisiana - Regular Plan</u>		<u>Teachers' Retirement System of Louisiana - Plan A</u>		<u>State of Louisiana School Employees' Retirement System</u>	
	<u>Required Contribution</u>	<u>Percentage Contributed</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>
2002	\$ 8,032,885	100%	\$ 45,635	100%	\$ -	N/A
2003	\$ 8,580,196	100%	\$ 41,839	100%	\$ -	N/A
2004	\$ 9,493,360	100%	\$ 36,851	100%	\$ -	N/A
2005	\$11,445,128	100%	\$ 37,077	100%	\$ 953,322	100%
2006	\$12,770,586	100%	\$ 29,355	100%	\$1,222,461	100%
2007	\$13,876,912	100%	\$ 33,310	100%	\$1,545,886	100%
2008	\$17,235,237	100%	\$ 10,139	100%	\$1,749,675	100%
2009	\$17,152,858	100%	\$ 5,539	100%	\$1,841,646	100%
2010	\$17,391,534	100%	\$ 5,384	100%	\$1,732,526	100%
2011	\$22,653,846	100%	\$ 7,825	100%	\$2,414,069	100%

Trend information showing the progress of the Systems in accumulating sufficient assets to pay benefits when due is presented in their annual financial reports. Copies of these reports may be obtained from the respective State retirement systems.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

C. Deferred Compensation Plan -

In addition to the above mentioned retirement plans, on May 5, 1994, the School Board adopted a resolution establishing a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code. All part-time, seasonal and temporary employees of the School Board are eligible to participate in this plan. Participation in this plan is at a rate of 7.5% of compensation with contributions to the plan funded 1.3% by the employer and 6.2% by the employee. During the current fiscal year, total contributions to the plan amounted to \$256,683 which consisted of \$44,490 from the School Board and \$212,193 from the employees.

The School Board has implemented GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". Under this statement governments who have no responsibility for the plan and are not formally considered the plan's trustee are not required to report the plan in its financial statements. Since the School Board's plan is held in a custodial account with a third party administrator, the assets and liabilities are not presented in the School Board's financial statements as of June 30, 2011.

(9) Changes in Agency Fund Deposits Due Others -

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

	School Activity Fund	Sales Tax Fund	Total
Balance - June 30, 2010	\$ 4,562,990	\$ 2,552,748	\$ 7,115,738
Additions	11,089,952	65,029,507	76,119,459
Deductions	<u>(11,024,798)</u>	<u>(64,779,967)</u>	<u>(75,804,765)</u>
Balance - June 30, 2011	<u>\$ 4,628,144</u>	<u>\$ 2,802,288</u>	<u>\$ 7,430,432</u>

(10) Long-Term Debt -

The following is a summary of the long-term obligation transactions for the year ended June 30, 2011:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	Bonded Debt	Certificates of Indebtedness	Compensated Absences	Claims and Judgments	Post- Employment Benefits	Total
Long-Term Obligations - July 1, 2010	\$ 73,457,231	\$ 8,133,335	\$ 10,363,296	\$ 3,710,000	\$ 13,068,594	\$ 108,732,456
Additions	-	-	3,069,183	1,272,000	11,819,796	16,160,979
Amortization of Deferred Amounts on Refunding	83,366	-	-	-	-	83,366
Amortization on Premium Received on Issuance of Bond	(6,907)	-	-	-	-	(6,907)
Deductions	(3,755,522)	(866,665)	(2,183,724)	(1,842,000)	(5,671,133)	(14,319,044)
Long-Term Obligations - June 30, 2011	<u>\$ 69,778,168</u>	<u>\$ 7,266,670</u>	<u>\$ 11,248,755</u>	<u>\$ 3,140,000</u>	<u>\$ 19,217,257</u>	<u>\$ 110,650,850</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2011:

	Bonded Debt	Certificates of Indebtedness	Compensated Absences	Claims and Judgments	Post- Employment Benefits	Total
Current Portion	\$ 4,551,216	\$ 866,665	\$ 2,812,189	\$ -	\$ -	\$ 8,230,070
Long-Term Portion	65,226,952	6,400,005	8,436,566	3,140,000	19,217,257	102,420,780
Total	<u>\$ 69,778,168</u>	<u>\$ 7,266,670</u>	<u>\$ 11,248,755</u>	<u>\$ 3,140,000</u>	<u>\$ 19,217,257</u>	<u>\$ 110,650,850</u>

Bonded Debt

All school board bonds outstanding at June 30, 2011 in the amount of \$69,835,777 consist of general obligation bonds with final maturities from 2013 to 2030 and interest rates from .1 percent to 12.00 percent. Bond principal and interest payable in the next fiscal year is \$4,627,074 and \$2,862,554, respectively. Bonded debt is comprised of the following individual issues which are payable from the debt service funds:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation					
Bonds - Secured					
by Ad Valorem Taxes:					
School District No. 1:					
03/01/02	\$6,455,000	3.00-4.40%	2014	\$ 201,612	\$ 2,285,000
12/01/07	\$26,000,000	3.88-5.00%	2027	9,554,944	22,950,000
School District No. 4:					
03/01/02	\$2,840,000	3.00-4.40%	2014	89,147	1,010,000
01/01/05	\$12,000,000	3.06-5.00%	2024	3,515,002	10,490,000
School District No. 22:					
12/01/96	\$1,500,000	4.75-10.00%	2016	89,750	575,000
01/01/02	\$2,515,000	4.40%	2017	203,945	1,210,000
02/01/03	\$9,000,000	4.00-4.55%	2022	1,794,180	6,385,000
06/01/10	\$20,000,000	2.00-4.13%	2030	8,791,188	20,000,000
School District No. 24:					
11/22/05	\$ 217,000	3.60-5.00%	2013	4179	65,777
07/11/06	\$1,525,000	3.75-4.13%	2014	43,798	680,000
School District No. 27-A:					
07/11/06	\$1,690,000	3.75-4.13%	2014	46,189	725,000
School District No. 31:					
04/01/96	\$ 725,000	5.30-12.00%	2016	44,981	275,000
08/01/01	\$ 450,000	.1%-6.50%	2016	30,690	200,000
School District No. 32-A:					
08/01/01	\$1,400,000	.1%-6.5%	2016	96,273	625,000
07/11/06	\$1,225,000	3.85-4.30%	2016	90,377	685,000
School District No. 33:					
01/01/05	\$1,750,000	3.75-5.00%	2024	455,017	1,395,000
07/11/06	\$ 635,000	3.75-4.13%	2014	<u>18,062</u>	<u>280,000</u>
Total General Obligation Bonds				<u>25,069,334</u>	<u>69,835,777</u>
Total Bonded Debt				<u>\$ 25,069,334</u>	<u>\$ 69,835,777</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish and the avails of a ½% sales and use tax within School Board District No. 22 within Livingston Parish. At June 30, 2011 the School Board has accumulated \$8,011,862 in the Debt Service Funds for future debt requirements. The bonds are due, by years, as follows:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2012	\$ 4,627,074	\$ 2,862,554	\$ 7,489,628
2013	4,888,703	2,678,507	7,567,210
2014	5,125,000	2,484,668	7,609,668
2015	3,940,000	2,275,328	6,215,328
2016	4,155,000	2,112,663	6,267,663
2017-2021	20,140,000	8,097,937	28,237,937
2022-2026	19,170,000	3,868,428	23,038,428
2027-2030	<u>7,790,000</u>	<u>689,249</u>	<u>8,479,249</u>
	69,835,777	<u>\$25,069,334</u>	<u>\$94,905,111</u>
Unamortized Deferred Amount on Refunding	(250,827)		
Unamortized Premium On Bond Issuance	<u>193,218</u>		
	<u>\$69,778,168</u>		

Prior Years Advance Refundings

During the 2002 fiscal year, the School Board issued \$11,810,000 of general obligation refunding bonds to provide resources to purchase U.S. Government, State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$10,810,000 of general obligation bonds. At June 30, 2011, the principal balance on the defeased bonds is \$4,565,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from these financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$1,029,722. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. At June 30, 2011, the unamortized balance is \$250,827. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$957,672 and resulted in an economic gain of \$714,206.

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded by ad valorem taxes, in excess of thirty-five percent of the assessed value of taxable property. At June 30, 2011, the statutory limit is approximately \$221,000,000 and outstanding general obligation bonded debt funded by ad valorem taxes totals \$69,835,777.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Certificates of Indebtedness

On October 1, 2009, the School Board issued two Qualified School Construction Bonds (QSCB) Certificates of Indebtedness Series 2009 A for \$8,000,000 in School District 4 and Series 2009 B for \$1,000,000 in School District 31. The QSCB were allocated to the School Board by the Louisiana Department of Education from its allocation received by section 54F of the Internal Revenue Code and according to provisions of section 1521 of the American Recovery and Reinvestment Act. Under the provisions of the QSCB program, the School Board was able to borrow the funds at a .75% interest rate and the bank loaning the funds receives a tax credit of 25% of 5.96% credit rate on the outstanding balance of the bonds. The actual interest on these Certificates of Indebtedness is 2.24% after factoring the tax credits received by the bank. The following schedule lists the Certificates of Indebtedness outstanding by District:

	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
Certificates of Indebtedness					
School District No. 4:					
10/01/09	\$8,000,000	0.75%	2019	\$ 216,000	\$ 6,400,000
School District No. 31:					
10/01/09	\$1,000,000	0.75%	2024	<u>45,500</u>	<u>866,670</u>
Total Certificates of Indebtedness				<u>\$ 261,500</u>	<u>\$ 7,266,670</u>

The Certificates of Indebtedness are due, by years, along with actual interest and interest saved is as follows:

Year Ending June 30	Principal Payments	Interest Payments at 0.75%	Total	Interest Payments at 2.24%	Interest Saved Under QSCB
2012	\$ 866,665	\$ 54,500	\$ 921,165	\$ 162,773	\$ 108,273
2013	866,665	48,000	914,665	143,360	95,360
2014	866,665	41,500	908,165	123,947	82,447
2015	866,665	35,000	901,665	104,533	69,533
2016	866,665	28,500	895,165	85,120	56,620
2017 to 2021	2,733,325	51,000	2,784,325	152,323	101,323
2022 to 2024	200,020	3,000	203,020	8,960	5,960
	<u>\$ 7,266,670</u>	<u>\$ 261,500</u>	<u>\$ 7,528,170</u>	<u>\$ 781,016</u>	<u>\$ 519,516</u>

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

As indicated in the above schedule, the School Board will pay \$261,500 in interest using the 0.75% rate instead of \$781,016 using the 2.24% rate or a difference of \$519,516. The difference or contribution is netted with interest expense in the debt service fund.

Compensated Absences

At June 30, 2011, employees of the School Board have accumulated and vested \$11,248,755 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

Post-Employment Benefits

Plan Description. Livingston Parish School Board participates in a fully insured health insurance and life insurance program administered by the Louisiana Office of Group Benefits (OGB).

Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at www.groupbenefits.org - "Quick Links" - "Health Plans". The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. The OGB "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Most of the employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. For employees not covered by TRSL, it was assumed that age 60 and 10 years of service also applied in addition to the foregoing provisions.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the cost of the retiree life insurance. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced by 25% at age 65 and by an additional 25% at age 70 according to the OGB plan provisions.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

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

Fund Policy. Until Fiscal Year Ending June 30, 2007, the Livingston Parish School Board recognized the cost of providing post-employment medical and life benefits (the Livingston Parish School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the Fiscal Year beginning July 1, 2007, the Livingston Parish School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In Fiscal Year Ending June 30, 2011, the Livingston Parish School Board's portion of health care funding cost for retired employees totaled \$5,625,764 and life totaled \$45,369. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the table included in the Annual Required Contribution section below.

Annual Required Contribution. The Livingston Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2010 is \$11,806,281 (medical), and \$246,530 (life) as set forth below:

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 4,327,800	\$ 33,412
30-year UAL amortization amount	<u>7,478,481</u>	<u>213,118</u>
Annual required contribution (ARC)	<u>\$ 11,806,281</u>	<u>\$ 246,530</u>

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Net Post-employment Benefit Obligation (Asset). The table below shows the Livingston Parish School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2011:

	<u>Medical</u>	<u>Life</u>
1. Net OPEB Obligation (Asset) - Beginning of Year	\$ 12,630,961	\$ 437,633
2. Annual Required Contribution	11,806,281	246,530
3. Interest on Net OPEB Obligation (Asset)	505,238	17,505
4. ARC Adjustment	<u>730,450</u>	<u>25,308</u>
5. OPEB Cost [2] + [3] - [4]	11,581,069	238,727
6. Contribution	-	-
7. Current Year Retiree Premium Paid	<u>5,625,764</u>	<u>45,369</u>
8. Change in Net OPEB Obligation [5] - [6] - [7]	<u>5,955,305</u>	<u>193,358</u>
9. Net OPEB Obligation (Asset) – End of Year [1] + [8]	<u>\$ 18,586,266</u>	<u>\$ 630,991</u>

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

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
Medical	June 30, 2009	\$ 7,915,438	63.07%	\$ 5,597,761
Life	June 30, 2009	173,616	29.05%	248,417
Medical	June 30, 2010	12,035,206	41.56%	12,630,961
Life	June 30, 2010	232,428	18.59%	437,633
Medical	June 30, 2011	11,581,069	48.57%	18,586,266
Life	June 30, 2011	238,727	19.00%	630,991

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Funded Status and Funding Progress. In the fiscal year ending June 30, 2011, the Livingston Parish School Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2011, the end of the fiscal year, the Actuarial Accrued Liability (AAL) was \$129,317,994 (medical), and \$3,685,093 (life), which is defined as that portion, as determined by a particular actuarial cost method (the Livingston Parish School Board uses the *Projected Unit Credit Cost Method*), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2010/2011, the entire actuarial accrued liability of \$129,317,994 (medical) and \$3,685,093 (life) was unfunded.

	Medical	Life
Actuarial Accrued Liability (AAL)	\$ 129,317,994	\$ 3,685,093
Actuarial Value of Plan Assets (AVPA)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 129,317,994	\$ 3,685,093
Funded Ratio (AVPA ÷ UAAL)	0%	0%
Covered Payroll (active plan members)	\$ 127,664,144	\$ 127,664,144
UAAL as a percentage of covered payroll	101.3%	2.9%

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

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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

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

Actuarial Value of Plan Assets. There are no assets as the School Board has not established a separate trust to hold the separate plan assets as of June 30, 2011. It is anticipated that in future valuations a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate. An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18 – 25	20.0%
26 – 40	12.0%
41 – 54	8.0%
55+	6.0%

Post employment Benefit Plan Eligibility Requirements. It is assumed that entitlement to benefits will commence six years after earliest eligibility to enter the D.R.O.P. (three years in the D.R.O.P. plus an additional three years). Medical benefits are provided to employees upon actual retirement. Most of the employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. For employees not covered by TRSL, it was assumed that age 60 and 10 years of service also applied in addition to the foregoing provisions. Entitlement to benefits continue through Medicare to death.

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

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which the Internal Revenue Service has used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The OGB rates provided are "unblended" rates for active and retired as required by GASB 45 for valuation purposes. It has been assumed that the Humana Medicare Advantage program will be elected by 20% of retirees in the future.

(11) Risk Management/Fund Balances Assigned To Insurance -

Property Damage Insurance

The School Board continues to carry an excess coverage insurance policy to cover annual losses in excess of \$100,000 and has assigned \$0 of fund balance of the General Fund at June 30, 2011, to cover the cost of future property damage not covered by insurance.

General Liability Insurance

The School Board is exposed to losses relating to any potential general liability claim it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for liability claims. The School Board has an excess coverage insurance policy to cover annual losses in excess of \$250,000.

The School Board made disbursements for liability claims of \$21,083 in the fiscal year ended June 30, 2011. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 2011, amounted to \$892,983.

Each year the School Board compares the claims paid and the assigned fund balance for general liability insurance to determine the amount of funds to be set aside that year. At June 30 2011, the School Board has assigned \$0 of the fund balance of the General Fund to cover future general liability damage claims.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Worker's Compensation Insurance

The School Board is exposed to losses relating to any potential worker's compensation claims it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for worker's compensation claims. The School Board has purchased an excess coverage insurance policy to cover worker's compensation claims in excess of \$400,000.

Each year the School Board compares the claims paid and the assigned fund balance for worker's compensation insurance to determine the amount of funds to be set aside that year. At June 30, 2011, the School Board has assigned \$-0- of the fund balance of the General Fund to cover future worker's compensation damage claims.

All workers' compensation claims are paid out of the General Fund resources. The School Board made disbursements for worker's compensation claims of \$1,122,256 in the fiscal year ended June 30, 2011. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 2011, amounted to \$2,242,771.

A certificate of deposit in the amount of \$150,000 purchased by the School Board in the name of the Office of Workers' Compensation through the Department of Employment and Training is held in trust for the School Board.

(12) Fund Balance - General Fund - Assigned To Other Post Employment Benefits

During the current fiscal year, the School Board passed a motion to set aside funds in the amount of \$1,948,650 in the General Fund to be used to fund the Other Post Employment Benefits trust fund plan when adopted.

(13) Fund Equity - Restricted for Capital Projects Fund -

The Capital Projects Fund shows total fund equity of \$11,125,542. A summary of commitments under construction contracts for each individual school district at June 30, 2011, follows:

	<u>Project Authorization</u>	<u>Expended to June 30, 2011</u>	<u>Unexpended Commitment</u>
District #1	\$ 8,224,210	\$ 1,255,723	\$ 6,968,487
District #22	<u>25,522,735</u>	<u>12,456,804</u>	<u>13,065,931</u>
Total	<u>\$ 33,746,945</u>	<u>\$13,712,527</u>	<u>\$20,034,418</u>

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

	Actual District Fund Balance at <u>June 30, 2011</u>	Unexpended Commitment <u>June 30, 2011</u>	Fund Balances Less Commitments <u>June 30, 2011</u>
District #1	\$ 705,849	\$ 6,968,487	\$ (6,262,638)
District #4	80,711	-	80,711
District #22	8,383,835	13,065,931	(4,682,096)
District #24	501,561	-	501,561
District #25	309,419	-	309,419
District #26	243,831	-	243,831
District #27	198,197	-	198,197
District #31	458,074	-	458,074
District #32	184,431	-	184,431
District #33	<u>59,634</u>	<u>-</u>	<u>59,634</u>
	<u>\$11,125,542</u>	<u>\$20,034,418</u>	<u>\$ (8,908,876)</u>

At June 30, 2011 the unexpended commitments are recorded in the Capital Projects Fund as fund balance restricted for contracts to the extent of available fund balances of \$9,089,684. The unavailable amount of \$10,944,734 will have to be resolved in future years by anticipated Sales Tax revenues and General Fund Transfers.

(14) Fund Balance - General Fund - Restricted For

Salaries - In May 1967, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of paying salaries of the employees of the School Board. In addition, in October 1987 the voters of Livingston Parish approved the levy of an additional 1/2 of 1% sales tax, 80% of which is restricted for the purpose of paying salaries of the employees of the School Board. At June 30, 2011, a balance of \$-0- is restricted for salaries as a result of these sales tax levies.

Construction, Utilities, and Maintenance - In May 1978, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of construction, renovation, operation and maintenance of the public schools of Livingston Parish. Also, the remaining 20% of the 1/2 of 1% sales tax approved in 1987, is restricted to pay the cost of utility services of the public schools of Livingston Parish. At June 30, 2011, a balance of \$23,349,769 is restricted for utilities and maintenance as a result of these sales tax levies.

Educational Excellence - In the current year and prior years, the School Board received payments from the State of Louisiana in connection with the State's settlement of its lawsuit with the tobacco industry. These funds can only be spent on classroom improvements as required by the State. Accordingly, the unspent monies at June 30, 2011 of \$2,288,772 are reflected as a restriction of fund balance.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

(15) Litigation and Claims -

At June 30, 2011, the School Board is involved in several lawsuits. It is the opinion of the legal adviser for the School Board that the ultimate resolution of these lawsuits will not involve any material liability to the School Board in excess of insurance coverage and amounts recorded in these financial statements.

In addition, the U. S. Department of Labor contends that Davis Bacon wage rates were applicable to the construction of South Park Elementary School because funding for the project was ultimately obtained under ARRA. The Livingston Parish School Board contests Davis Bacon applicability because the project was bid, contracted and work was commenced prior to any consideration of federal funding for the project and in fact, prior to the adoption of ARRA by Congress. The total difference between wages paid by the Contractor in connection with the construction and wages calculated at Davis Bacon wage rates is estimated at \$600,000 to \$1,000,000.

To resolve the dispute, the School Board has proposed and the Labor Department has indicated receptivity to cap any potential enforcement action by the Labor Department on terms that would result in a payment of approximately \$50,000 by the School Board. The School Board is awaiting final approval of its application for waiver by the Labor Department after which the proposed cap can be made final. The \$50,000 has been accrued in these financial statements as of June 30, 2011.

(16) Subsequent Event -

On October 4, 2008, the voters within school district No. 22 of the Livingston Parish School Board approved the issuance of \$30,000,000 of twenty (20) year general obligation School Bonds. The proceeds of these bonds will be used to pay the costs of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto; purchasing, constructing, erecting and/or improving school buildings and other school related facilities within and for the school district and acquiring the necessary equipment and furnishings. These bonds will be payable from the annual levy and collection of unlimited ad valorem taxes on all taxable property within the District. On December 1, 2009, the School Board issued \$20,000,000 of the general obligation school bonds. The School Board issued the final \$10,000,000 of the general obligation school bonds on November 1, 2011 with scheduled maturities through 2031.

SCHEDULES REQUIRED BY STATE LAW

(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

2322 Tremont Drive • Baton Rouge, LA 70809
178 Del Orleans Avenue, Suite C • Denham Springs, LA 70726
Phone: 225.928.4770 • Fax: 225.926.0945
www.htbcpa.com

December 19, 2011

Independent Accountant's Report
on Applying Agreed-Upon Procedures
to the Livingston Parish School Board

Livingston Parish School Board
Livingston, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Livingston 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 Livingston Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

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

1. We selected a random sample of 25 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
- Nonpublic Transportation Revenue

(No Differences 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, Assistant 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 Differences Noted)

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

(No Differences 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 Differences 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 Differences Noted)

Experience of Public Principals, Assistant 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 1st and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

(No Differences Noted)

Public School Staff Data: Average Salaries (Schedule 5)

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

(No Differences Noted)

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

(No Differences Noted)

Class Size Characteristics (Schedule 6)

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

(No Differences Noted)

Louisiana Educational Assessment Program (LEAP) (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 Livingston Parish School Board.

(No Differences Noted)

Graduation Exit Exam (GEE) (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 Livingston Parish School Board.

(No Differences Noted)

iLEAP 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 Livingston Parish School Board.

(No Differences Noted)

We were not engaged to perform, and did not perform, an audit, 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 Livingston 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.

Respectfully submitted,

Harris J. Bourgeois, LLP

LIVINGSTON PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES

FOR THE YEAR ENDED JUNE 30, 2011

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	76,752,823	
Other Instructional Staff Activities	10,118,025	
Instructional Staff Employee Benefits	30,618,914	
Purchased Professional and Technical Services	205,096	
Instructional Materials and Supplies	5,400,383	
Instructional Equipment	46,098	
Total Teacher and Student Interaction Activities		123,141,339

Other Instructional Activities		426,918
--------------------------------	--	---------

Pupil Support Activities	7,750,907	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		7,750,907

Instructional Staff Services	3,763,692	
Less: Equipment for Instructional Staff Services	12,171	
Net Instructional Staff Services		3,751,521

School Administration	10,176,162	
Less: Equipment for School Administration	-	
Net School Administration		10,176,162

Total General Fund Instructional Expenditures		\$ 145,246,847
---	--	----------------

Total General Fund Equipment Expenditures		\$ 888,600
---	--	------------

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,295,722
Renewable Ad Valorem Tax	7,553,706
Debt Service Ad Valorem Tax	6,423,426
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	466,830
Sales and Use Taxes	30,880,442
Total Local Taxation Revenue	<u>46,620,126</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 4,995
Earnings from Other Real Property	<u>56,824</u>
Total Local Earnings on Investment in Real Property	<u>\$ 61,819</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 149,541
Revenue Sharing - Other Taxes	<u>744,975</u>
Total State Revenue in Lieu of Taxes	<u>\$ 894,516</u>

Nonpublic Textbook Revenue	<u>\$ 2,805</u>
----------------------------	-----------------

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

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD
EDUCATION LEVELS OF PUBLIC SCHOOL STAFF

AS OF OCTOBER 1, 2010

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	6	0%	0	0%	0	0%	0	0%
Bachelor's Degree	1225	74%	0	0%	1	1%	0	0%
Master's Degree	303	18%	0	0%	34	51%	0	0%
Master's Degree + 30	105	7%	0	0%	25	38%	0	0%
Specialist in Education	9	1%	0	0%	6	9%	0	0%
Ph. D. or Ed. D.	3	0%	0	0%	1	1%	0	0%
Total	1,651	100%	0	0%	67	100%	0	0%

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD
NUMBER AND TYPE OF PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2011

Type	Number
Elementary	23
Middle/Jr. High	8
Secondary	9
Combination	3
Total	43

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

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

EXPERIENCE OF PUBLIC PRINCIPALS, ASSISTANT PRINCIPALS,
AND FULL-TIME CLASSROOM TEACHERS

AS OF OCTOBER 1, 2010

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	-	-	1	7	2	2	4	16
Principals	-	-	-	7	5	12	27	51
Classroom Teachers	135	134	512	235	220	188	227	1,651
Total	135	134	513	249	227	202	258	1,718

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

PUBLIC SCHOOL STAFF DATA: AVERAGE SALARIES

FOR THE YEAR ENDED JUNE 30, 2011

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average Classroom Teachers' Salary Including Extra Compensation	48,310	48,297
Average Classroom Teachers' Salary Excluding Extra Compensation	47,819	47,806
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	1,633	1,608

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

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

CLASS SIZE CHARACTERISTICS

AS OF OCTOBER 1, 2010

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	60.3%	2,242	38.4%	1,426	1.3%	50	0.0%	-
Elementary Activity Classes	43.0%	238	54.7%	303	2.3%	13	0.0%	-
Middle/Jr. High	47.0%	752	31.2%	499	21.7%	346	0.1%	1
Middle/Jr. High Activity Classes	32.9%	95	22.1%	64	30.1%	87	14.9%	43
High	60.3%	1,894	21.7%	683	17.9%	563	0.1%	1
High Activity Classes	72.5%	346	13.4%	64	8.6%	41	5.5%	26
Combination	82.8%	477	14.6%	84	2.1%	12	0.5%	3
Combination Activity Classes	66.7%	46	11.6%	8	14.5%	10	7.2%	5

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

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)

FOR THE YEAR ENDED JUNE 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	184	9%	149	7%	93	5%	229	11%	140	7%	101	5%
Mastery	596	28%	513	25%	549	27%	613	29%	513	25%	400	20%
Basic	997	47%	977	47%	1,022	50%	936	44%	983	47%	1,077	53%
Approaching Basic	246	12%	277	14%	269	13%	228	11%	284	14%	334	16%
Unsatisfactory	84	4%	146	7%	102	5%	102	5%	142	7%	123	6%
Total	2,107	100%	2,062	100%	2,035	100%	2,108	100%	2,062	100%	2,035	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	73	4%	108	5%	138	7%	95	5%	71	3%	39	2%
Mastery	491	23%	482	23%	486	24%	470	22%	471	23%	380	19%
Basic	1,149	54%	1,042	51%	1,023	50%	1,220	58%	1,163	56%	1,176	58%
Approaching Basic	333	16%	349	17%	322	16%	212	10%	238	12%	294	14%
Unsatisfactory	64	3%	83	4%	63	3%	110	5%	121	6%	141	7%
Total	2,110	100%	2,064	100%	2,032	100%	2,107	100%	2,064	100%	2,030	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	114	6%	97	5%	25	1%	98	6%	108	6%	144	8%
Mastery	438	25%	387	22%	357	20%	119	7%	146	8%	150	9%
Basic	846	48%	900	50%	939	53%	1,096	62%	1,060	59%	974	55%
Approaching Basic	311	18%	339	19%	364	21%	324	18%	336	19%	326	18%
Unsatisfactory	56	3%	76	4%	94	5%	129	7%	149	8%	185	10%
Total	1,765	100%	1,799	100%	1,779	100%	1,766	100%	1,799	100%	1,779	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	52	3%	54	3%	102	6%	73	4%	23	1%	37	2%
Mastery	523	30%	370	20%	471	26%	335	19%	264	15%	340	19%
Basic	780	44%	880	49%	721	41%	928	53%	1,042	58%	909	51%
Approaching Basic	309	18%	397	22%	371	21%	322	18%	312	17%	328	19%
Unsatisfactory	94	5%	102	6%	107	6%	99	6%	160	9%	154	9%
Total	1,758	100%	1,803	100%	1,772	100%	1,757	100%	1,801	100%	1,768	100%

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

GRADUATION EXIT EXAM (GEE)

FOR THE YEAR ENDED JUNE 30, 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	15	1%	16	1%	12	1%	169	11%	176	12%	168	11%
Mastery	182	12%	202	14%	208	14%	281	18%	306	21%	263	18%
Basic	772	50%	764	54%	829	56%	702	46%	636	45%	769	51%
Approaching Basic	367	24%	317	22%	348	23%	202	13%	181	13%	188	13%
Unsatisfactory	193	13%	123	9%	94	6%	178	12%	123	9%	102	7%
Total	1,529	100%	1,422	100%	1,491	100%	1,532	100%	1,422	100%	1,490	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	55	4%	37	3%	48	4%	11	1%	9	1%	8	1%
Mastery	306	22%	269	19%	276	20%	133	10%	145	10%	97	7%
Basic	625	46%	687	49%	666	49%	791	58%	914	66%	810	60%
Approaching Basic	255	19%	305	22%	269	20%	262	19%	239	17%	292	21%
Unsatisfactory	118	9%	99	7%	93	7%	158	12%	89	6%	143	11%
Total	1,359	100%	1,397	100%	1,352	100%	1,355	100%	1,396	100%	1,350	100%

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

ILEAP TESTS

FOR THE YEAR ENDED JUNE 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	100	5%	206	11%	120	6%	35	2%
Mastery	578	30%	565	29%	527	28%	538	28%
Basic	854	45%	836	44%	902	47%	968	51%
Approaching Basic	258	14%	211	11%	291	15%	254	13%
Unsatisfactory	124	6%	96	5%	72	4%	117	6%
Total	1,914	100%	1,914	100%	1,912	100%	1,912	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	56	3%	120	7%	72	4%	61	3%
Mastery	397	22%	296	16%	390	22%	301	17%
Basic	931	52%	988	55%	905	51%	1,020	57%
Approaching Basic	297	17%	246	14%	346	19%	267	15%
Unsatisfactory	110	6%	141	8%	77	4%	140	8%
Total	1,791	100%	1,791	100%	1,790	100%	1,789	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	63	4%	148	8%	69	4%	173	10%
Mastery	395	23%	308	18%	427	24%	299	17%
Basic	949	54%	1,000	57%	872	50%	880	50%
Approaching Basic	265	15%	183	11%	286	16%	287	17%
Unsatisfactory	77	4%	110	6%	95	6%	108	6%
Total	1,749	100%	1,749	100%	1,749	100%	1,747	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	73	4%	109	6%	60	3%	69	4%
Mastery	388	21%	285	16%	470	26%	440	24%
Basic	965	53%	1,007	55%	842	46%	926	51%
Approaching Basic	314	17%	281	15%	340	19%	278	15%
Unsatisfactory	94	5%	152	8%	120	6%	116	6%
Total	1,834	100%	1,834	100%	1,832	100%	1,829	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	10	1%	100	6%
Mastery	250	15%	249	15%
Basic	950	58%	873	53%
Approaching Basic	342	21%	272	17%
Unsatisfactory	84	5%	143	9%
Total	1,636	100%	1,637	100%

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

ILEAP TESTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	93	5%	217	11%	135	6%	81	4%
Mastery	600	29%	589	29%	547	27%	474	23%
Basic	970	47%	884	43%	1,019	50%	1,106	54%
Approaching Basic	257	13%	252	12%	265	13%	284	14%
Unsatisfactory	132	6%	110	5%	83	4%	104	5%
Total	2,052	100%	2,052	100%	2,049	100%	2,049	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	76	4%	167	9%	55	3%	94	5%
Mastery	538	28%	365	19%	418	22%	308	16%
Basic	882	47%	1,001	53%	977	52%	1,030	55%
Approaching Basic	307	16%	233	12%	377	20%	308	16%
Unsatisfactory	87	5%	124	7%	62	3%	148	8%
Total	1,890	100%	1,890	100%	1,889	100%	1,888	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	100	6%	89	5%	73	4%	250	14%
Mastery	474	27%	337	19%	454	26%	304	17%
Basic	901	51%	987	56%	817	46%	858	49%
Approaching Basic	209	12%	202	12%	324	19%	246	14%
Unsatisfactory	74	4%	144	8%	89	5%	98	6%
Total	1,758	100%	1,759	100%	1,757	100%	1,756	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	147	8%	128	7%	79	4%	71	4%
Mastery	342	19%	248	14%	438	24%	389	22%
Basic	940	52%	1,077	60%	857	48%	992	55%
Approaching Basic	315	18%	223	12%	332	18%	238	13%
Unsatisfactory	63	3%	131	7%	101	6%	117	6%
Total	1,807	100%	1,807	100%	1,807	100%	1,807	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	32	2%	109	7%
Mastery	290	17%	214	13%
Basic	910	55%	894	54%
Approaching Basic	330	20%	252	15%
Unsatisfactory	93	6%	186	11%
Total	1,655	100%	1,655	100%

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

I LEAP TESTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	130	7%	211	12%	147	8%	75	4%
Mastery	508	29%	446	25%	464	26%	431	24%
Basic	839	47%	820	46%	875	49%	901	51%
Approaching Basic	212	12%	206	12%	219	13%	249	14%
Unsatisfactory	92	5%	98	5%	75	4%	124	7%
Total	1,781	100%	1,781	100%	1,780	100%	1,780	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	104	5%	212	11%	126	7%	85	4%
Mastery	525	28%	330	17%	459	24%	364	19%
Basic	921	48%	1,000	53%	905	47%	1,034	54%
Approaching Basic	245	13%	211	11%	343	18%	277	15%
Unsatisfactory	113	6%	155	8%	76	4%	149	8%
Total	1,908	100%	1,908	100%	1,909	100%	1,909	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	60	3%	162	9%	96	5%	281	15%
Mastery	462	25%	285	15%	419	23%	396	21%
Basic	1,014	55%	1,032	56%	953	52%	844	46%
Approaching Basic	240	13%	234	13%	312	17%	213	12%
Unsatisfactory	68	4%	132	7%	65	3%	109	6%
Total	1,844	100%	1,845	100%	1,845	100%	1,843	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	130	7%	103	6%	58	3%	64	3%
Mastery	416	23%	262	14%	398	22%	366	20%
Basic	929	51%	1,046	57%	931	51%	968	53%
Approaching Basic	290	16%	286	16%	338	18%	268	15%
Unsatisfactory	67	3%	134	7%	107	6%	166	9%
Total	1,832	100%	1,831	100%	1,832	100%	1,832	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				

See auditor's report.

SUPPLEMENTARY INFORMATION

MAJOR CAPITAL PROJECTS FUND - BY DISTRICT

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The capital projects fund excludes those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations or other governments.

LIVINGSTON PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

COMBINING BALANCE SHEET - BY DISTRICT

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

ASSETS	SCHOOL DISTRICTS					
	<u>NO. 1</u>	<u>NO. 4</u>	<u>NO. 22</u>	<u>NO. 24</u>	<u>NO. 25</u>	<u>NO. 26</u>
Cash and Cash Equivalents	\$ 1,070,391	\$ 133,796	\$ 3,182,669	\$ 500,060	\$ 308,864	\$ 242,975
Investments (Certificates of Deposit Maturities Greater Than 90 Days)	-	-	7,000,000	-	-	-
Due From Other Funds Receivables	5,982	4,106	3,192	1,501	555	856
Total Assets	<u>\$ 1,076,373</u>	<u>\$ 137,902</u>	<u>\$ 10,185,861</u>	<u>\$ 501,561</u>	<u>\$ 309,419</u>	<u>\$ 243,831</u>
 LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts and Other Payables	\$ 370,524	\$ 57,191	\$ 1,802,026	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-
Total Liabilities	370,524	57,191	1,802,026	-	-	-
 Fund Equity:						
Fund Balances:						
Restricted For:						
Contracts	705,849	-	8,383,835	-	-	-
Assigned To:						
Capital Projects	-	80,711	-	501,561	309,419	243,831
Total Fund Equity	<u>705,849</u>	<u>80,711</u>	<u>8,383,835</u>	<u>501,561</u>	<u>309,419</u>	<u>243,831</u>
Total Liabilities and Fund Equity	<u>\$ 1,076,373</u>	<u>\$ 137,902</u>	<u>\$ 10,185,861</u>	<u>\$ 501,561</u>	<u>\$ 309,419</u>	<u>\$ 243,831</u>

See auditor's report.

SCHOOL DISTRICTS					TOTAL CAPITAL PROJECTS FUND	
NO. 27	NO. 31	NO. 32	NO. 33	NO. 90	2011	2010
\$ 197,691	\$ 457,778	\$ 183,704	\$ 59,334	\$ -	\$ 6,337,262	\$ 20,440,560
-	-	-	-	-	7,000,000	5,000,000
-	375	-	-	-	375	2,553,333
881	296	727	300	-	18,396	33,672
<u>\$ 198,572</u>	<u>\$ 458,449</u>	<u>\$ 184,431</u>	<u>\$ 59,634</u>	<u>\$ -</u>	<u>\$ 13,356,033</u>	<u>\$ 28,027,565</u>
\$ -	\$ 375	\$ -	\$ -	\$ -	\$ 2,230,116	\$ 3,690,416
375	-	-	-	-	375	2,553,333
375	375	-	-	-	2,230,491	6,243,749
-	-	-	-	-	9,089,684	20,185,186
198,197	458,074	184,431	59,634	-	2,035,858	1,598,630
198,197	458,074	184,431	59,634	-	11,125,542	21,783,816
<u>\$ 198,572</u>	<u>\$ 458,449</u>	<u>\$ 184,431</u>	<u>\$ 59,634</u>	<u>\$ -</u>	<u>\$ 13,356,033</u>	<u>\$ 28,027,565</u>

LIVINGSTON PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY DISTRICT**

FOR THE YEAR ENDED JUNE 30, 2011

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	SCHOOL DISTRICTS					
	NO. 1	NO. 4	NO. 22	NO. 24	NO. 25	NO. 26
Revenues:						
Local Sources:						
Ad Valorem Taxes	\$ 640,374	\$ 439,509	\$ 341,651	\$ 160,685	\$ 59,468	\$ 91,565
Interest Earnings	13,990	14,886	98,100	3,516	1,290	1,992
Other	21,217	-	-	-	-	233,300
State Sources:						
Unrestricted						
Grants-in-Aid	71,837	49,305	38,327	18,026	6,671	10,272
Total Revenues	747,418	503,700	478,078	182,227	67,429	337,129
Expenditures:						
Support Services:						
General Administration	25,735	17,663	13,730	6,458	2,390	3,679
Capital Outlay	3,073,223	2,082,405	10,631,231	-	-	233,300
Total Expenditures	3,098,958	2,100,068	10,644,961	6,458	2,390	236,979
Excess (Deficiency) of Revenues over Expenditures	(2,351,540)	(1,596,368)	(10,166,883)	175,769	65,039	100,150
Other Financing Sources (Uses):						
Issuance of Long Term Debt	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-
Transfers In	2,350,000	750,000	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	2,350,000	750,000	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,540)	(846,368)	(10,166,883)	175,769	65,039	100,150
Fund Balances at Beginning of Year	707,389	927,079	18,550,718	325,792	244,380	143,681
Fund Balances at End of Year	\$ 705,849	\$ 80,711	\$ 8,383,835	\$ 501,561	\$ 309,419	\$ 243,831

See auditor's report.

SCHOOL DISTRICTS					TOTAL CAPITAL PROJECTS FUND	
NO. 27	NO. 31	NO. 32	NO. 33	NO. 90	2011	2010
\$ 94,324	\$ 31,704	\$ 77,781	\$ 32,098	\$ -	\$ 1,969,159	\$ 1,893,348
2,066	2,553	1,691	703	-	140,787	74,494
-	-	-	-	-	254,517	1,049,000
<u>10,581</u>	<u>3,557</u>	<u>8,726</u>	<u>3,601</u>	<u>-</u>	<u>220,903</u>	<u>215,877</u>
106,971	37,814	88,198	36,402	-	2,585,366	3,232,719
3,791	1,275	3,126	1,291	-	79,138	74,382
<u>66,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,086,787</u>	<u>29,563,711</u>
<u>70,419</u>	<u>1,275</u>	<u>3,126</u>	<u>1,291</u>	<u>-</u>	<u>16,165,925</u>	<u>29,638,093</u>
36,552	36,539	85,072	35,111	-	(13,580,559)	(26,405,374)
-	-	-	-	-	-	29,000,000
-	-	-	-	-	-	4,457
-	-	-	-	-	3,100,000	3,200,000
-	<u>(177,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(177,715)</u>	<u>-</u>
-	<u>(177,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,922,285</u>	<u>32,204,457</u>
36,552	(141,176)	85,072	35,111	-	(10,658,274)	5,799,083
<u>161,645</u>	<u>599,250</u>	<u>99,359</u>	<u>24,523</u>	<u>-</u>	<u>21,783,816</u>	<u>15,984,733</u>
<u>\$ 198,197</u>	<u>\$ 458,074</u>	<u>\$ 184,431</u>	<u>\$ 59,634</u>	<u>\$ -</u>	<u>\$ 11,125,542</u>	<u>\$ 21,783,816</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

Elementary and Secondary Education Act (ESEA) Title I Funds - Chapter 1 of the ESEA Title I Program is a program for educationally deprived school children residing in areas having high concentrations of children from low-income families. The Chapter 1 services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and local mandated activities.

Special Education Fund - The Special Education Fund accounts for a federally financed program of free education in the least restrictive environment for children with exceptionalities, as provided for under Public Law 94-142.

Maintenance of Schools Fund - The Maintenance of Schools Fund is funded by ad valorem taxes levied on all assessed property in the parish. The net proceeds of the taxes are dedicated to providing maintenance on all of the equipment and facilities owned by the School Board.

School Lunch Fund - The School Lunch Fund is a program that provides the students with balanced and nutritious meals. This program is federally financed, state-administered, and locally operated by the School Board.

Special Federal Fund - The Special Federal Fund is used to account for the Federal Funds and Grants previously reported in the General Fund. Some of the programs include vocational education, preschool program, job training partnership act, and the goals 2000 program.

Other Federal ESEA Fund - The Other Federal ESEA Fund is used to account for all other ESEA programs except for the Chapter I and Chapter II programs. Those programs include the Drug-Free Schools program, the Eisenhower Grant program and the Class-Size Reduction program as well as various other programs.

DEBT SERVICE FUND

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The debt service fund is used to accumulate monies for the payment of bond issues. The bonds were issued by the respective school districts to acquire and improve sites, erect and/or improve school buildings, and acquire the necessary equipment and furnishings. The bond issues are financed by a special property tax levy on property within the territorial limits of the respective school districts and by one percent of the two and one-half percent parish sales and use tax collected by the School Board.

LIVINGSTON PARISH SCHOOL BOARD

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2011
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

ASSETS	SPECIAL REVENUE FUNDS			
	Elementary and Secondary Education Act Chapter 1	Special Education	Maintenance of Schools	School Lunch
Cash and Cash Equivalents	\$ -	\$ -	\$ 1,733,546	\$ 491,014
Receivables	1,293,802	2,597,515	25,755	4,422
Inventory	-	-	-	166,353
Investments (Certificates of Deposit Maturities Greater Than 90 Days)	-	-	-	-
Total Assets	\$ 1,293,802	\$ 2,597,515	\$ 1,759,301	\$ 661,789
 LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, Salaries and Other Payables	\$ 37,182	\$ 7,578	\$ 245,879	\$ 38,546
Due to Other Funds	1,256,620	2,589,937	-	-
Total Liabilities	1,293,802	2,597,515	245,879	38,546
Fund Equity:				
Fund Balances - Nonspendable:				
Inventory	-	-	-	166,353
Restricted For:				
Debt Service	-	-	-	-
Maintenance of Schools	-	-	1,513,422	-
Assigned To:				
School Lunch Program	-	-	-	456,890
Total Fund Balances	-	-	1,513,422	623,243
Total Liabilities and Fund Equi	\$ 1,293,802	\$ 2,597,515	\$ 1,759,301	\$ 661,789

See auditor's report.

SPECIAL REVENUE FUNDS

Special Federal Fund	Other Federal ESEA Fund	Debt Service Fund	Total Nonmajor Governmental Funds	
			2011	2010
\$ -	\$ -	\$ 1,371,028	\$ 3,595,588	\$ 7,710,592
1,618,645	308,036	140,834	5,989,009	6,191,738
-	-	-	166,353	252,219
-	-	6,500,000	6,500,000	1,500,000
<u>\$ 1,618,645</u>	<u>\$ 308,036</u>	<u>\$ 8,011,862</u>	<u>\$ 16,250,950</u>	<u>\$ 15,654,549</u>
\$ 9,433	\$ 1,906	\$ -	\$ 340,524	\$ 241,531
1,609,212	306,130	-	5,761,899	5,910,831
1,618,645	308,036	-	6,102,423	6,152,362
-	-	-	166,353	252,219
-	-	8,011,862	8,011,862	7,389,579
-	-	-	1,513,422	1,498,723
-	-	-	456,890	361,666
-	-	8,011,862	10,148,527	9,502,187
<u>\$ 1,618,645</u>	<u>\$ 308,036</u>	<u>\$ 8,011,862</u>	<u>\$ 16,250,950</u>	<u>\$ 15,654,549</u>

LIVINGSTON PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	SPECIAL REVENUE FUNDS			
	Elementary and Secondary Education Act Chapter I	Special Education	Maintenance of Schools	School Lunch
Revenues:				
Local Sources:				
Ad Valorem Taxes	\$ -	\$ -	\$ 2,756,831	\$ -
Sales Taxes	-	-	-	-
Interest Earnings	-	-	11,847	620
Food Services	-	-	-	3,109,006
Other	-	-	-	11,062
State Sources - Unrestricted:				
Grants-in-Aid	-	-	214,538	402,250
Federal Sources:				
Unrestricted - Indirect				
Cost Recoveries	164,736	318,944	-	-
Restricted Grants-in-Aid - Subgrants	3,616,930	7,049,247	-	6,011,560
Other - Commodities	-	-	-	667,214
	3,781,666	7,368,191	2,983,216	10,201,712
Expenditures:				
Instruction:				
Regular Programs	-	70,578	20,865	-
Special Programs	-	3,722,337	-	-
Vocational Programs	-	-	-	-
Adult and Continuing Education Program	-	-	-	-
Other Programs	3,113,353	-	-	-
Support Services:				
Pupil Support	-	1,888,885	-	-
Instructional Staff Support	439,308	1,333,986	-	-
General Administration	-	-	110,791	-
School Administration	2,792	-	-	-
Business Services	-	-	-	-
Plant Services	-	1,688	3,664,576	-
Transportation Services	-	24,148	-	-
Food Services	-	-	-	13,442,354

(CONTINUED)

SPECIAL REVENUE FUNDS

Special Federal Fund	Other Federal ESEA Fund	Debt Service Fund	Total Nonmajor Governmental Funds	
			2011	2010
\$ -	\$ -	\$ 6,423,428	\$ 9,180,259	\$ 9,262,725
-	-	956,948	956,948	913,692
-	-	74,171	86,638	74,321
-	-	-	3,109,006	3,222,181
-	-	-	11,062	20,269
-	-	-	616,788	611,908
94,150	42,858	-	620,688	704,000
7,238,457	967,504	-	24,883,698	26,442,547
-	-	-	667,214	572,347
<u>7,332,607</u>	<u>1,010,362</u>	<u>7,454,547</u>	<u>40,132,301</u>	<u>41,823,990</u>
2,903,053	-	-	2,994,496	4,318,840
-	-	-	3,722,337	4,497,461
314,573	-	-	314,573	187,721
104,552	-	-	104,552	104,455
1,817,324	808,792	-	5,739,469	6,869,493
39,058	12,101	-	1,940,044	2,050,147
1,976,068	125,869	-	3,875,231	2,436,322
-	-	273,169	383,960	376,285
-	-	-	2,792	-
-	20,742	-	20,742	24,123
83,562	-	-	3,749,826	3,467,362
267	-	-	24,415	5,333
-	-	-	13,442,354	12,998,250

LIVINGSTON PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

SPECIAL REVENUE FUNDS

	<u>Elementary and Secondary Education Act Chapter 1</u>	<u>Special Education</u>	<u>Maintenance of Schools</u>	<u>School Lunch</u>
Expenditures (Continued):				
Community Service Programs	61,477	-	-	-
Capital Outlay	-	7,625	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
Cost of Issuance	-	-	-	-
Total Expenditures	<u>3,616,930</u>	<u>7,049,247</u>	<u>3,796,232</u>	<u>13,442,354</u>
Excess (Deficiency) of Revenues Over Expenditures	164,736	318,944	(813,016)	(3,240,642)
Other Financing Sources (Uses):				
Transfers In	-	-	827,715	3,250,000
Transfers Out	(164,736)	(318,944)	-	-
Total Other Financing Sources (Uses)	<u>(164,736)</u>	<u>(318,944)</u>	<u>827,715</u>	<u>3,250,000</u>
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	-	-	14,699	9,358
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>1,498,723</u>	<u>613,885</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,513,422</u>	<u>\$ 623,243</u>

See auditor's report.

Schedule 13
(Continued)

SPECIAL REVENUE FUNDS

Special Federal Fund	Other Federal ESEA Fund	Debt Service Fund	Total Nonmajor Governmental Funds	
			2011	2010
-	-	-	61,477	81,600
-	-	-	7,625	61,895
-	-	4,622,187	4,622,187	4,425,711
-	-	2,899,551	2,899,551	2,465,965
-	-	-	-	119,194
<u>7,238,457</u>	<u>967,504</u>	<u>7,794,907</u>	<u>43,905,631</u>	<u>44,490,157</u>
94,150	42,858	(340,360)	(3,773,330)	(2,666,167)
-	-	962,643	5,040,358	5,096,794
<u>(94,150)</u>	<u>(42,858)</u>	<u>-</u>	<u>(620,688)</u>	<u>(704,000)</u>
<u>(94,150)</u>	<u>(42,858)</u>	<u>962,643</u>	<u>4,419,670</u>	<u>4,392,794</u>
-	-	622,283	646,340	1,726,627
-	-	7,389,579	9,502,187	7,775,560
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,011,862</u>	<u>\$ 10,148,527</u>	<u>\$ 9,502,187</u>

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - ELEMENTARY AND SECONDARY
EDUCATION ACT - CHAPTER 1STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Federal Sources:				
Federal Grants	\$ 4,364,910	\$ 4,787,695	\$ 3,781,666	\$ (1,006,029)
Total Revenues	4,364,910	4,787,695	3,781,666	(1,006,029)
Expenditures:				
Instruction - Other Programs	3,365,684	3,963,408	3,113,353	850,055
Support Services:				
Instructional Staff Support	679,805	548,905	439,308	109,597
School Administration	-	2,792	2,792	-
Central Services	73,545	-	-	-
Community Services Programs	55,694	63,965	61,477	2,488
Capital Outlay	-	-	-	-
Total Expenditures	4,174,728	4,579,070	3,616,930	962,140
Excess of Revenues Over Expenditures	190,182	208,625	164,736	(43,889)
Other Financing Sources (Uses):				
Transfers Out	(190,182)	(208,625)	(164,736)	43,889
Total Other Financing Sources (Uses)	(190,182)	(208,625)	(164,736)	43,889
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - PUBLIC LAW 94-142 -
SPECIAL EDUCATIONSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal Sources:				
Federal Grants	\$ 7,343,771	\$ 8,695,408	\$ 7,368,191	\$ (1,327,217)
Total Revenues	7,343,771	8,695,408	7,368,191	(1,327,217)
Expenditures:				
Instruction:				
Regular Programs	75,000	80,780	70,578	10,202
Special Programs	3,789,566	4,607,236	3,722,337	884,899
Support Services:				
Pupil Support	1,961,583	2,240,720	1,888,885	351,835
Instructional Staff Support	1,198,183	1,237,278	1,333,986	(96,708)
Plant Services	-	10,000	1,688	8,312
Transportation Services	-	104,162	24,148	80,014
Capital Outlay	-	40,000	7,625	32,375
Total Expenditures	7,024,332	8,320,176	7,049,247	1,270,929
Excess of Revenues Over Expenditures	319,439	375,232	318,944	(56,288)
Other Financing Sources (Uses):				
Transfers Out	(319,439)	(375,232)	(318,944)	56,288
Total Other Financing Sources (Uses)	(319,439)	(375,232)	(318,944)	56,288
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - MAINTENANCE OF SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Local Sources:				
Ad Valorem Taxes	\$ 2,675,000	\$ 2,775,000	\$ 2,756,831	\$ (18,169)
Interest Earnings	13,500	11,800	11,847	47
State Sources:				
Unrestricted:				
Grants-in-Aid	210,000	214,538	214,538	-
Total Revenues	2,898,500	3,001,338	2,983,216	(18,122)
Expenditures:				
Instruction:				
Regular Programs	3,060	28,130	20,865	7,265
Support Services:				
General Administration	110,000	110,791	110,791	-
Plant Services	4,116,885	4,488,378	3,664,576	823,802
Total Expenditures	4,229,945	4,627,299	3,796,232	831,067
Excess (Deficiency) of Revenues Over Expenditures	(1,331,445)	(1,625,961)	(813,016)	812,945
Other Financing Sources (Uses):				
Transfers In	1,305,000	1,310,000	827,715	(482,285)
Total Other Financing Sources (Uses)	1,305,000	1,310,000	827,715	(482,285)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(26,445)	(315,961)	14,699	330,660
Fund Balance at Beginning of Year	1,498,723	1,498,723	1,498,723	-
Fund Balance at End of Year	\$ 1,472,278	\$ 1,182,762	\$ 1,513,422	\$ 330,660

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD
SPECIAL REVENUE FUND - SCHOOL LUNCH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local Sources:				
Interest Earnings	\$ 1,500	\$ 800	\$ 620	\$ (180)
Food Services	3,389,200	3,066,390	3,109,006	42,616
Other	21,000	18,000	11,062	(6,938)
State Sources -				
Unrestricted Grants-in-Aid	402,250	402,250	402,250	-
Federal Sources:				
Restricted Grants-in- Aid-Subgrants	5,870,500	6,011,559	6,011,560	1
Other - Commodities	<u>673,000</u>	<u>673,000</u>	<u>667,214</u>	<u>(5,786)</u>
Total Revenues	10,357,450	10,171,999	10,201,712	29,713
Expenditures:				
Support Services:				
Food Services	14,603,940	13,774,217	13,442,354	331,863
Capital Outlay	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Expenditures	<u>14,613,940</u>	<u>13,784,217</u>	<u>13,442,354</u>	<u>341,863</u>
Deficiency of Revenues Over Expenditures	(4,256,490)	(3,612,218)	(3,240,642)	371,576
Other Financing Sources (Uses):				
Transfers In	<u>4,500,000</u>	<u>3,500,000</u>	<u>3,250,000</u>	<u>(250,000)</u>
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	243,510	(112,218)	9,358	121,576
Fund Balance at Beginning of Year	<u>613,885</u>	<u>613,885</u>	<u>613,885</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 857,395</u>	<u>\$ 501,667</u>	<u>\$ 623,243</u>	<u>\$ 121,576</u>

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - SPECIAL FEDERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
State Sources:				
Restricted Grants-in-Aid	\$ -	\$ 100,000	\$ -	\$ (100,000)
Federal Sources:				
Federal Grants	<u>2,751,838</u>	<u>7,859,783</u>	<u>7,332,607</u>	<u>(527,176)</u>
Total Revenues	2,751,838	7,959,783	7,332,607	(627,176)
Expenditures:				
Instruction:				
Regular Programs	-	2,903,053	2,903,053	-
Special Programs	574	574	-	574
Vocational Programs	256,395	317,627	314,573	3,054
Adult and Continuing Education Program	107,516	104,552	104,552	-
Other Programs	1,536,201	1,598,815	1,817,324	(218,509)
Support Services:				
Pupil Support	39,300	39,300	39,058	242
Instructional Staff Support	715,073	2,433,796	1,976,068	457,728
Plant Services	6,075	462,560	83,562	378,998
Transportation Services	<u>153</u>	<u>219</u>	<u>267</u>	<u>(48)</u>
Total Expenditures	<u>2,661,287</u>	<u>7,860,496</u>	<u>7,238,457</u>	<u>622,039</u>
Excess of Revenues Over Expenditures	90,551	99,287	94,150	(5,137)
Other Financing Sources (Uses):				
Transfers Out	<u>(90,551)</u>	<u>(99,287)</u>	<u>(94,150)</u>	<u>5,137</u>
Total Other Financing Sources (Uses)	<u>(90,551)</u>	<u>(99,287)</u>	<u>(94,150)</u>	<u>5,137</u>
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - OTHER FEDERAL ESEA FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Federal Sources:				
Federal Grants	\$ 1,018,745	\$ 1,454,670	\$ 1,010,362	\$ (444,308)
Total Revenues	1,018,745	1,454,670	1,010,362	(444,308)
Expenditures:				
Instruction:				
Other Programs	736,755	947,671	808,792	138,879
Support Services:				
Pupil Support	12,100	11,600	12,101	(501)
Instructional Staff Support	206,164	408,512	125,869	282,643
Business Services	21,632	25,782	20,742	5,040
Total Expenditures	976,651	1,393,565	967,504	426,061
Excess of Revenues Over Expenditures	42,094	61,105	42,858	(18,247)
Other Financing Sources (Uses):				
Transfers Out	(42,094)	(61,105)	(42,858)	18,247
Total Other Financing Sources (Uses)	(42,094)	(61,105)	(42,858)	18,247
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

DEBT SERVICE FUND

COMBINING BALANCE SHEET - BY DISTRICT

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

ASSETS	SCHOOL DISTRICTS					
	<u>NO. 1</u>	<u>NO. 4</u>	<u>NO. 22</u>	<u>NO. 24</u>	<u>NO. 25</u>	<u>NO. 26</u>
Cash and Cash Equivalents	\$ 433,114	\$ 95,544	\$ 554,249	\$ 103,387	\$ 7,717	\$ 8,061
Investments	1,980,098	449,743	2,792,044	459,914	33,179	34,656
Sales Tax Receivable	-	-	81,271	-	-	-
Interest Receivable	-	-	-	-	-	-
Due from Other Government	27,446	9,064	13,893	3,586	-	-
Total Assets	\$ <u>2,440,658</u>	\$ <u>554,351</u>	\$ <u>3,441,457</u>	\$ <u>566,887</u>	\$ <u>40,896</u>	\$ <u>42,717</u>
 LIABILITIES AND FUND EQUITY						
Accounts, Salaries and Other Payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-	-
Fund Equity - Fund Balances: Restricted For:						
Debt Service	<u>2,440,658</u>	<u>554,351</u>	<u>3,441,457</u>	<u>566,887</u>	<u>40,896</u>	<u>42,717</u>
Total Fund Equity	<u>2,440,658</u>	<u>554,351</u>	<u>3,441,457</u>	<u>566,887</u>	<u>40,896</u>	<u>42,717</u>
Total Liabilities and Fund Equity	\$ <u>2,440,658</u>	\$ <u>554,351</u>	\$ <u>3,441,457</u>	\$ <u>566,887</u>	\$ <u>40,896</u>	\$ <u>42,717</u>

See auditor's report.

Schedule 15

SCHOOL DISTRICTS				TOTAL DEBT SERVICE FUND	
NO. 27A	NO. 31	NO. 32A	NO. 33	2011	2010
\$ 91,949	\$ 19,318	\$ 12,755	\$ 44,934	\$ 1,371,028	\$ 5,687,504
407,634	83,781	59,649	199,302	6,500,000	1,500,000
-	-	-	-	81,271	87,352
-	-	-	-	-	-
2,864	169	1,119	1,422	59,563	117,298
<u>\$ 502,447</u>	<u>\$ 103,268</u>	<u>\$ 73,523</u>	<u>\$ 245,658</u>	<u>\$ 8,011,862</u>	<u>\$ 7,392,154</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,575
-	-	-	-	-	2,575
<u>502,447</u>	<u>103,268</u>	<u>73,523</u>	<u>245,658</u>	<u>8,011,862</u>	<u>7,389,579</u>
<u>502,447</u>	<u>103,268</u>	<u>73,523</u>	<u>245,658</u>	<u>8,011,862</u>	<u>7,389,579</u>
<u>\$ 502,447</u>	<u>\$ 103,268</u>	<u>\$ 73,523</u>	<u>\$ 245,658</u>	<u>\$ 8,011,862</u>	<u>\$ 7,392,154</u>

LIVINGSTON PARISH SCHOOL BOARD

DEBT SERVICE FUND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY DISTRICT**

FOR THE YEAR ENDED JUNE 30, 2011

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	SCHOOL DISTRICTS					
	NO. 1	NO. 4	NO. 22	NO. 24	NO. 25	NO. 26
Revenues:						
Local Sources:						
Ad Valorem Taxes	\$ 2,868,004	\$ 1,126,084	\$ 1,180,444	\$ 287,699	\$ -	\$ -
Sales Taxes	-	-	956,948	-	-	-
Interest Earnings	26,558	15,332	12,544	5,432	1,611	2,484
Total Revenues	2,894,562	1,141,416	2,149,936	293,131	1,611	2,484
Expenditures:						
Support Service:						
General Administration	116,104	46,710	51,688	13,454	-	-
Debt Service:						
Principal Retirement	1,550,000	1,410,000	690,000	225,522	-	-
Interest and Bank Charges	1,166,923	554,805	924,632	36,725	-	-
Cost of Issuance	-	-	-	-	-	-
Total Expenditures	2,833,027	2,011,515	1,666,320	275,701	-	-
Excess (Deficiency) of Revenues over Expenditures	61,535	(870,099)	483,616	17,430	1,611	2,484
Other Financing Sources (Uses):						
Transfers In	-	854,000	-	34,978	-	-
Total Other Financing Sources (Uses)	-	854,000	-	34,978	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	61,535	(16,099)	483,616	52,408	1,611	2,484
Fund Balances at Beginning of Year	2,379,123	570,450	2,957,841	514,479	39,285	40,233
Fund Balances at End of Year	\$ 2,440,658	\$ 554,351	\$ 3,441,457	\$ 566,887	\$ 40,896	\$ 42,717

See auditor's report

Schedule 16

SCHOOL DISTRICTS				TOTAL DEBT SERVICE FUND	
NO. 27A	NO. 31	NO. 32A	NO. 33	2011	2010
\$ 285,802	\$ 137,909	\$ 286,949	\$ 250,537	\$ 6,423,428	\$ 6,612,038
-	-	-	-	956,948	913,692
<u>3,098</u>	<u>1,819</u>	<u>3,550</u>	<u>1,743</u>	<u>74,171</u>	<u>58,174</u>
288,900	139,728	290,499	252,280	7,454,547	7,583,904
12,832	7,423	13,621	11,337	273,169	272,152
215,000	146,665	225,000	160,000	4,622,187	4,425,711
34,551	35,238	70,158	76,519	2,899,551	2,465,965
-	-	-	-	-	119,194
<u>262,383</u>	<u>189,326</u>	<u>308,779</u>	<u>247,856</u>	<u>7,794,907</u>	<u>7,283,022</u>
26,517	(49,598)	(18,280)	4,424	(340,360)	300,882
-	<u>73,665</u>	-	-	<u>962,643</u>	<u>926,794</u>
-	<u>73,665</u>	-	-	<u>962,643</u>	<u>926,794</u>
26,517	24,067	(18,280)	4,424	622,283	1,227,676
<u>475,930</u>	<u>79,201</u>	<u>91,803</u>	<u>241,234</u>	<u>7,389,579</u>	<u>6,161,903</u>
<u>\$ 502,447</u>	<u>\$ 103,268</u>	<u>\$ 73,523</u>	<u>\$ 245,658</u>	<u>\$ 8,011,862</u>	<u>\$ 7,389,579</u>

FIDUCIARY FUNDS

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

Sales Tax Fund - The Sales Tax Fund accounts for the collection and distribution of a two and one-half percent sales and use tax levied by the School Board, a one and one-half percent sales and use tax levied by the City of Denham Springs and the Village of Springfield, a one percent sales and use tax levied by the Village of Albany, the Town of Livingston, the City of Walker, the Livingston Parish Council, and School Board Sales Tax District No 33, and a one-half percent sales and use tax levied by Law Enforcement Subdistrict A, Gravity Drainage District No. 1, Gravity Drainage District No. 2, Gravity Drainage District No. 5 and School Board Sales Tax District No. 22, and a hotel/motel tax levied by the Livingston Parish Tourist Commission.

In addition, the Sales Tax Fund collects sales taxes from businesses located within the Denham Springs Economic Development District and remits the sales taxes to the following various taxing districts net of the percentage pledged in accordance with terms of a cooperative endeavor agreement. The percent of sales taxes pledged to the District is remitted to the Denham Springs Economic Development District to repay bonds issued to develop the District:

<u>Entity</u>	<u>Sales and Use Tax Percent</u>	<u>Percent of Sales Tax Pledged to District</u>
City of Denham Springs	1.50%	71.42857%
Livingston Parish		
Law Enforcement District	.50%	71.42857%
Livingston Parish		
School Board - General Fund	1.00%	100.00000%
Livingston Parish		
School Board - 2nd Sales Tax	1.00%	0.00000%
Livingston Parish School Board -		
District #1	.50%	100.00000%
Livingston Parish Council	1.00%	71.42857%
Livingston Parish Gravity		
Drainage District #1	.50%	71.42857%
	<u>6.00%</u>	

LIVINGSTON PARISH SCHOOL BOARD

FIDUCIARY FUNDS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2011

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2010)

	<u>School Activity</u>	<u>Sales Tax</u>	<u>Total Fiduciary Funds</u>	
			<u>2011</u>	<u>2010</u>
ASSETS				
Cash and Cash Equivalents	\$ 4,628,144	\$ 2,802,288	\$ 7,430,432	\$ 7,115,738
Total Assets	<u>\$ 4,628,144</u>	<u>\$ 2,802,288</u>	<u>\$ 7,430,432</u>	<u>\$ 7,115,738</u>
LIABILITIES				
Amounts Held for School Activities	\$ 4,628,144	\$ -	\$ 4,628,144	\$ 4,562,990
Deposits Due to Others	<u>-</u>	<u>2,802,288</u>	<u>2,802,288</u>	<u>2,552,748</u>
Total Liabilities	<u>\$ 4,628,144</u>	<u>\$ 2,802,288</u>	<u>\$ 7,430,432</u>	<u>\$ 7,115,738</u>

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHOOL ACTIVITY FUND

SCHEDULE OF CHANGES IN AMOUNTS HELD FOR SCHOOL ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

<u>School</u>	<u>Balance</u> <u>July 01, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
Albany High	\$ 90,200	\$ 467,800	\$ 472,675	\$ 85,325
Albany Middle School	142,009	228,439	237,768	132,680
Albany Upper Elementary	40,576	115,840	113,044	43,372
Albany Lower Elementary	103,364	138,622	136,044	105,942
Denham Springs High	71,696	1,021,142	1,005,711	87,127
Denham Springs Freshman High	122,219	142,999	136,761	128,457
Denham Springs Junior High	98,930	415,587	398,492	116,025
Denham Springs Elementary	72,786	143,312	154,034	62,064
Doyle High	104,849	299,143	283,490	120,502
Doyle Elementary	95,582	124,242	123,933	95,891
Eastside Elementary	105,086	127,750	135,915	96,921
French Settlement High	140,953	240,945	232,371	149,527
French Settlement Elementary	135,764	110,276	88,899	157,141
Freshwater Elementary	73,362	115,564	117,936	70,990
Frost Elementary	51,509	129,106	133,138	47,477
Gray's Creek Elementary	65,827	138,234	142,118	61,943
Holden High	205,822	328,487	331,303	203,006
Juban Parc Junior High	14,597	231,734	170,572	75,759
Juban Parc Elementary	-	226,416	123,818	102,598
Levi Milton Elementary	68,419	186,334	178,806	75,947
Lewis Vincent Elementary	142,107	137,226	206,148	73,185
Live Oak High	307,685	931,746	942,417	297,014
Live Oak Middle School	337,429	707,113	739,062	305,480
Live Oak Elementary	178,109	209,442	232,369	155,182
Livingston Parish Literary & Tech Center	16,201	53,658	55,859	14,000
Maurepas High	73,406	218,991	218,807	73,590

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

SCHOOL ACTIVITY FUND

SCHEDULE OF CHANGES IN AMOUNTS HELD FOR SCHOOL ACTIVITIES -
(CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

<u>School</u>	<u>Balance</u> <u>July 01, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
North Corbin Junior High	96,983	250,242	230,986	116,239
North Corbin Elementary	199,076	180,974	168,253	211,797
North Live Oak Elementary	114,069	360,947	406,821	68,195
Northside Elementary	63,728	104,007	102,432	65,303
Option III	6,594	19,796	23,186	3,204
Pine Ridge School	15,671	45,619	39,867	21,423
Seventh Ward Elementary	71,968	113,801	142,279	43,490
South Fork Elementary	-	138,795	92,323	46,472
South Live Oak Elementary	146,509	251,365	257,377	140,497
South Walker Elementary	145,726	165,440	196,301	114,865
Southside Junior High	162,153	198,395	224,385	136,163
Southside Elementary	146,079	84,432	76,740	153,771
Springfield High	99,426	345,700	350,732	94,394
Springfield Middle School	53,663	91,945	98,150	47,458
Springfield Elementary	65,297	116,148	109,738	71,707
Walker High	148,847	848,274	861,144	135,977
Walker Freshman High	26,985	144,976	131,784	40,177
Walker Elementary School	38,187	142,090	126,513	53,764
Westside Junior High School	103,542	296,858	274,297	126,103
Total	\$ 4,562,990	\$ 11,089,952	\$ 11,024,798	\$ 4,628,144

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SALES TAX FUND

SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS

FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010)

	Sales Tax Fund	
	2011	2010
Deposits Due Others at Beginning of Year	\$ 2,552,748	\$ 2,668,663
Additions:		
Sales Tax Collections	65,029,507	62,895,477
Deductions:		
Transfers to:		
General Fund:		
Sales Tax	29,788,360	28,985,061
District No. 33	103,633	111,514
Sales Tax Collection Fee	604,099	575,371
Debt Service - District No. 22	963,029	911,801
Livingston Parish Sheriff	5,929,113	5,821,171
Livingston Parish Council	11,863,247	11,646,003
Livingston Parish Tourist Commission	249,912	224,297
Livingston Parish Drainage Districts:		
No. 1	820,011	771,474
No. 2	492,828	497,985
No. 5	1,291,639	1,259,620
City of Denham Springs	6,230,773	6,193,897
Denham Springs Economic Development District	1,987,597	1,735,365
City of Walker	3,159,009	3,072,403
Town of Livingston	330,701	281,631
Town of Springfield	352,184	349,482
Village of Albany	308,223	317,222
Refunds to Vendors	305,609	257,095
Total Reductions	<u>64,779,967</u>	<u>63,011,392</u>
Deposits Due Others at End of Year	\$ <u>2,802,288</u>	\$ <u>2,552,748</u>

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Keith Martin *	\$ 10,200	\$ 10,800
Malcom Sibley **	5,400	-
Louis Carlisle (Term expired December 31, 2010)	4,800	9,600
Karen Schmitt	4,800	-
Jeffrey Cox	9,600	9,600
Milton Hughes	9,600	9,600
Sidney L. Kinchen	9,600	9,600
Albert C. Mincey, Jr.	9,600	9,600
Clinton D. Mitchell (Term expired December 31, 2010)	4,800	9,600
David Tate (Term expired December 31, 2010)	4,800	9,600
Kellie Dickerson	4,800	-
James V. Watson	<u>9,600</u>	<u>9,600</u>
 Total	 \$ 87,600	 \$ 87,600
	<u> </u>	<u> </u>

*- Received Board President supplement from July 1, 2010 – December 31, 2010.

** - Received Board President supplement from January 1, 2011 – June 30, 2011.

Term of Current Board Expires December 31, 2014.

See auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/ Pass - Through Grantor/ Program Name</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>
<u>United States Department of Agriculture</u>			
Passed Through Louisiana Department of Agriculture and Forestry - Food Distribution Program	10.569	N/A	\$ 667,214
Passed Through Louisiana Department of Education:			
National Breakfast Program	10.553	N/A	1,353,017
National School Lunch Program	10.555	N/A	<u>4,658,543</u>
Total United States Department of Agriculture			6,678,774
<u>United States Department of Education</u>			
Passed Through Louisiana Department of Education:			
Adult Education - State Administered Program	84.002	N/A	105,775
Educationally Deprived Children - Local Educational Agencies:			
IASA Title I	84.010	05-IASA-32-1	3,494,672
IASA Title I - ARRA	84.389	N/A	286,994
Handicapped State Grants:			
Special Education IDEA	84.027	05-FT-32	4,730,771
Special Education IDEA - ARRA	84.391	N/A	2,637,370
Special Education IDEA Pre K - ARRA	84.392	N/A	50

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/ Pass - Through Grantor/ Program Name</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>
<u>United States Department of Education (Continued)</u>			
Vocational Education - Basic Grants to States	84.048	N/A	315,276
Learn and Serve - Outdoor Odyssey	84.184E	N/A	8,979
Children with Disabilities	84.323A	N/A	88,000
Handicapped - Preschool Grants:			
Preschool Flow-thru	84.173	05-PI-32-S	77,209
Safe and Drug Free Schools and Communities	84.184	N/A	76,943
Drug-Free Schools and Communities - State Grants	84.186	05-7032	12,342
Title II - Improving Teacher Quality - State Grants	84.367	N/A	952,228
Math and Science Partnership - Math and Science	84.366B	N/A	133,235
Enhancing Education Through Technology	84.318X	N/A	875
Other NCLB Programs	84.365A		45,792
Education Technology State Grants - ARRA	84.386A	N/A	621
Education Jobs Fund	84.410	N/A	4,655,385
Heap	84.938A	N/A	<u>94,849</u>
Total Passed Through Louisiana Department of Education			17,717,366
<u>James Madison Memorial Fellowship Foundation</u>			
Passed Through Tangipahoa School Board:			
Teaching American History	85.500	N/A	<u>1,210</u>
Total Scholarship Foundations			1,210
<u>United States Department of Health and Human Services</u>			
Passed Through Louisiana Department of Education:			
T.A.N.F. - Strategies to Empower People	93.558	N/A	3,547
T.A.N.F. - Diverse Delivery	93.558	N/A	100,000
LA 4	93.558	N/A	<u>1,670,703</u>
Total United States Department of Health and Human Services			1,774,250

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/ Pass - Through Grantor/ Program Name</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>
<u>United States Department of Homeland Security</u>			
Passed Through State of Louisiana, Military Department Office of Homeland Security and Preparedness			
Disaster Grants - Public Assistance	97.036	N/A	<u>105</u>
Total Passed Through State of Louisiana Military Department			<u>105</u>
Total Expenditures of Federal Awards			<u>\$ 26,171,705</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2010

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Livingston Parish School Board and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note B - Food Distribution Program -

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2011, the Livingston Parish School Board had food commodities totaling \$55,903 in inventory.

See auditor's report.

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

2322 Tremont Drive • Baton Rouge, LA 70809
178 Del Orleans Avenue, Suite C • Denham Springs, LA 70726
Phone: 225.928.4770 • Fax: 225.926.0945
www.htbcpa.com

December 19, 2011

Livingston Parish School Board
Livingston, Louisiana

We have audited the financial statements of the governmental activities, each major fund, the budgetary comparison statement of the general fund, the fiduciary fund statement and the aggregate remaining fund information of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 2011, which collectively comprise the Livingston Parish School Board's basic financial statements, and have issued our report thereon dated December 19, 2011. We have also audited the financial statements of each of the School Board's major capital projects fund combining statements, nonmajor governmental funds combining statements, each special revenue funds budgetary comparison statements and each fiduciary fund as of and for the year ended June 30, 2011 as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the School Board in a separate letter dated December 19, 2011.

This report is intended solely for the information of management, the Office of the Legislative Auditor, State of Louisiana, Louisiana Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Hannu J. Bourgeois, CPA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

2322 Tremont Drive • Baton Rouge, LA 70809
178 Del Orleans Avenue, Suite C • Denham Springs, LA 70726
Phone: 225.928.4770 • Fax: 225.926.0945
www.htbcpa.com

December 19, 2011

Livingston Parish School Board
Livingston, Louisiana

Compliance

We have audited Livingston Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Livingston Parish School Board's major federal programs for the year ended June 30, 2011. Livingston Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Livingston Parish School Board's management. Our responsibility is to express an opinion on Livingston Parish School Board's compliance based on our audit.

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

In our opinion, the Livingston Parish School Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

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

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

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

This report is intended solely for the information of management, the Office of the Legislative Auditor, State of Louisiana, Louisiana Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Harold J. Bourgeois, CPA

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

A. As required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the following is a summary of the results of our audit:

- Type of report issued on financial statements - unqualified.
- Type of report issued on compliance for major programs - unqualified.
- The results of audit procedures disclosed no material noncompliance in major programs.
- The results of audit procedures disclosed no questioned costs.
- Our audit disclosed no findings which are required to be reported under Section 510(a).
- The following programs were tested as Type "A" major programs:

<u>Federal Grantor/ Pass - Through Grantor/ Program Name</u>	<u>CFDA Number</u>
<u>United States Department of Education</u>	
Passed Through Louisiana Department of Education:	
Special Education IDEA	84.027
Special Education IDEA – ARRA	84.391
Special Education IDEA Pre-K – ARRA	84.392
Title II, Part A, Teacher and Principal Training and Recruiting Fund	84.367
Education Jobs Fund	84.410
<u>United States Department of Health and Human Services</u>	
Passed Through Louisiana Department of Education:	
Temporary Assistance for Needy Families (TANF)	93.558

- The threshold for distinguishing Types A and B programs was \$785,000.
- The School Board was determined to be a low-risk auditee.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2011

B. Findings - Internal Control Over Financial Reporting

None

C. Findings - Compliance and Other Matters

None

LIVINGSTON PARISH SCHOOL BOARD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2011

A. Findings - Internal Control Over Financial Reporting

None

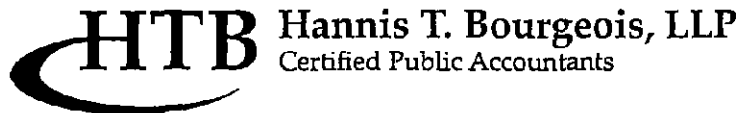
B. Findings - Compliance and Other Matters

None

LIVINGSTON PARISH SCHOOL BOARD
LIVINGSTON, LOUISIANA

MANAGEMENT LETTER

JUNE 30, 2011



2322 Tremont Drive • Baton Rouge, LA 70809
178 Del Orleans Avenue, Suite C • Denham Springs, LA 70726
Phone: 225.928.4770 • Fax: 225.926.0945
www.htbcpa.com

December 19, 2011

Livingston Parish School Board
Livingston, Louisiana

In planning and performing our audit of the basic financial statements of the Livingston Parish School Board, Livingston, Louisiana, for the year ended June 30, 2011, 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 internal control. However, during our audit we became aware of matters that are opportunities for strengthening internal control and operating efficiency. The following summarizes our comments and suggestions regarding the matters. This letter does not affect our report dated December 31, 2011, on the basic financial statements of the Livingston Parish School Board, Livingston, Louisiana.

CURRENT YEAR FINDINGS:

See the following prior year findings below that have not been resolved during the current year:

- Creation of an Irrevocable Trust Fund
- Internal Auditor
- Independent Information Technology Review

PRIOR YEAR FINDINGS:

Creation of Irrevocable Trust Fund

Finding:

The Livingston Parish School Board implemented the requirements of Government Accounting Standards Board GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions" for fiscal year ending June 30, 2008. This Statement's objective is to establish uniform standards of financial reporting by state and local government entities for other postemployment benefits (OPEB) including post-employment healthcare benefits. This Statement provides standards for measurement, recognition, and display of the OPEB expenses and related liabilities, note disclosures, and required supplementary information.

In addition, GASB 45 suggests the creation of an irrevocable trust fund to accumulate funds for the payment of these accumulated OPEB liabilities. As of June 30, 2010 and 2011, the School Board OPEB liability has accumulated to \$13,068,594 and \$19,217,257, respectively, and is expected to increase approximately \$6 million each year. The School Board has not taken steps to create this irrevocable trust fund as of June 30, 2011. The purpose of the irrevocable trust fund is to pay the OPEB liability into the trust fund which should create an investment return and reduce the OPEB accumulated liability.

Recommendation:

In prior years, we recommended for the School Board to begin the process of evaluating the creation of an irrevocable trust fund in accordance with GASB 45. The School Board has not implemented our prior year recommendation to evaluate the creation of an irrevocable trust fund in accordance with GASB 45 to begin accumulating the assets necessary to fund the OPEB liability. We again recommend for the School Board to begin the process of evaluating the creation of an irrevocable trust fund in accordance with GASB 45.

Management Response:

Management concurs with this finding and will evaluate creating an irrevocable trust fund. As of June 30, 2011, management has assigned \$1,948,650 of the School Board's fund balance for other post employment benefits.

Implementation of Governmental Accounting Standards Board Statement No. 54 (GASB 54) – “Fund Balance Reporting and Governmental Fund Type Definitions.”

Finding:

In February 2009, the Government Accounting Standards Board issued GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions.” The objective of this Statement is to improve usefulness, including the understandability, of governmental fund balance information. This Statement provides more clearly defined categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. It also clarifies the existing governmental fund type definitions to improve the comparability of governmental fund financial statements and help financial statement users to better understand the purposes for which governments have chosen to use particular funds for financial reporting. This Statement will be required to be adopted by the Livingston Parish School Board for the fiscal year ending June 30, 2011. The implementation of this statement will require the current fund balance classifications of the School Board to be restated into the requirements of the new standard.

Recommendation:

We recommended for the Livingston Parish School Board's management to begin evaluating the requirements of GASB 54 and the impact of this statement on the current fund balance classification to convert them into the new requirements for the fiscal year ending June 30, 2011.

Corrective Action Taken:

Management implemented the necessary requirements to be in compliance with GASB 54 and the required changes that were made by the Louisiana Department of Education Annual Financial Statement instructions for fiscal year ending June 30, 2011.

Internal Auditor

Finding:

In our previous audits and again in the current year audit we noted the Livingston Parish School Board is over a \$227 million operation. With operations of this size, many policies and procedures can be inadvertently and intentionally omitted and/or completed incorrectly. Some examples of this lack of following procedures were identified in the Louisiana Legislative Auditors compliance report issued on May 24, 2006. The issues in this report principally related to 1) altered leave records, 2) misappropriation of school activity funds at Live Oak High School, 3) improper travel reimbursements, 4) improper credit card usage, 5) controls over supplemental pay, and 6) other business practices. Another example of lack of following procedures was identified as finding 2006 – 1 in the June 30, 2006 audit report schedule of findings and questioned costs in the “Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” dated November 17, 2006.

In the June 30, 2008 audit, we identified four additional internal control findings where we noted weaknesses in the manner in which overtime is being accumulated, in the implementation of the adopted overtime policy, in the manner contractors are selected for maintenance work, and the handling of funds received on the sale of scrap material by the maintenance department as identified in findings 2008-1, 2008-2, 2008-3 and 2008-4, in the June 30, 2008 audit’s schedule of findings and questioned costs in the “Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” dated February 16, 2009.

Recommendation:

We recommended for the School Board to hire an internal auditor whose responsibilities would be to test the Board’s policies, procedures, income and expenses on a regular basis throughout the year and report any findings directly to the Board.

Additional Recommendation:

In the prior year the Board agreed to hire an internal auditor and the Business Manager was in the process of developing the positions responsibilities and advertising for that position; however, an internal auditor has not been hired. We again recommend for the School Board to hire an internal auditor whose responsibilities would be to test the Board’s policies, procedures, income and expenses on a regular basis throughout the year and report any findings directly to the Board. We believe an internal auditor can identify weaknesses in internal control within the School Board’s operations and

make recommendations for corrective action so the School Board can immediately correct the deficiencies instead of these matters being identified and reported by external auditors. The internal auditor can also assist with making sure the school administration is handling the school activity funds in accordance with established procedures.

Management Response:

Management concurred with the recommendation but can't currently justify the cost benefit differences.

Independent Information Technology Review

Finding:

During the prior year audits and again in the current year audit, it was noted that an independent Information Technology (I.T.) review has not been conducted for the last several years.

Recommendation:

We again recommend for management to hire an independent I.T. consultant to perform a review of the School Board's computer systems. This is necessary due to the increasing size and complexity of the I.T. computer system of the School Board.

Management Response:

Management concurred with the recommendation and still plans to hire an independent information technology consultant to review the School Board's computer system but currently is unable to justify the cost benefit differences.

This report is intended for the use of management, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Livingston Parish School Board, Livingston, Louisiana, is a matter of public record.

Respectfully submitted,

Harris J. Bourgeois, III