

26040

RECEIVED
LEGISLATIVE AUDITOR
2005 JAN -3 AM 10:47

IBERIA PARISH SCHOOL BOARD
FINANCIAL REPORT
JUNE 30, 2004

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

Release Date 2-9-05

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2004

TABLE OF CONTENTS

	Exhibit/ Schedule	Page
INDEPENDENT AUDITORS' REPORT	-	1 and 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	-	3 - 13
BASIC FINANCIAL STATEMENTS		
Statement of Net Assets	A	16 and 17
Statement of Activities	B	18 and 19
Balance Sheet - Governmental Funds	C	20 and 21
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Assets	D	23
Statement of Revenues, Expenditures, and		
Changes in Fund Balances - Governmental		
Funds	E	24 - 27
Reconciliation of the Statement of Revenues,		
Expenditures, and Changes in Fund Balances of		
Governmental Funds to the Statement of		
Activities	F	28 and 29
Statement of Net Assets - Proprietary Funds	G	30
Statement of Revenues, Expenses, and Changes		
in Fund Net Assets - Proprietary Funds	H	31
Statement of Cash Flows - Proprietary Funds	I	32
Statement of Fiduciary Net Assets -		
Fiduciary Funds	J	33
Notes to Financial Statements	-	34 - 58
INDEPENDENT ACCOUNTANTS' REPORT		
ON APPLYING AGREED-UPON PROCEDURES	-	59 - 64
SCHEDULES REQUIRED BY STATE LAW		
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)	-	65 and 66
General Fund Instructional and Support Expenditures		
and Certain Local Revenue Sources	1	67 and 68
Education Levels of Public School Staff	2	69
Number and Type of Public Schools	3	70
Experience of Public Principals and Full-Time		
Classroom Teachers	4	71
Public School Staff Data	5	72
Class Size Characteristics	6	73

	Exhibit/ Schedule	Page
Louisiana Educational Assessment Program (LEAP) for the 21 ST Century	7	74 and 75
The Graduation Exit Exam for the 21 ST Century	8	76
The IOWA Tests	9	77
 REQUIRED SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule: General Fund	K	81 and 83
 OTHER SUPPLEMENTARY INFORMATION		
Combining Balance Sheet - Nonmajor Governmental Funds	L-1	84 - 87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	L-2	88 - 90
 COMPLIANCE AND OTHER GRANT INFORMATION		
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	-	93 and 94
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	-	95 and 96
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	M-1	97 - 100
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	M-2	101 - 103
 SUPPLEMENTAL INFORMATION		
Supplementary Schedule of Expenditures of Federal Awards	N-1	104 - 109
Notes to Supplementary Schedule of Expenditures of Federal Awards	N-2	110 and 111
Schedule of Compensation Paid to School Board Members	N-3	112



BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

1000 ...
1000 ...
1000 ...
1000 ...
1000 ...

INDEPENDENT AUDITORS' REPORT

To the Iberia Parish School Board
New Iberia, Louisiana

Other Offices:

Lafayette, LA
(337) 988-4930

Opelousas, LA
(337) 942-5217

Abbeville, LA
(337) 898-1497

Crowley, LA
(337) 783-0650

Church Point, LA
(337) 684-2855

- Eugene C. Gilder, CPA*
- Donald W. Kelley, CPA*
- Herbert Lemoine II, CPA*
- Frank A. Stagno, CPA*
- Scott J. Broussard, CPA*
- L. Charles Abshire, CPA*
- Kenneth R. Dugas, CPA*
- P. John Blanchet III, CPA*
- Stephen L. Lambousy, CPA*
- Craig C. Babineaux, CPA*
- Peter C. Borrello, CPA*
- George J. Trappey III, CPA*
- Gregory B. Milton, CPA*
- S. Scott Soileau, CPA*
- Patrick D. McCarthy, CPA*
- Martha B. Wyatt, CPA*
- Troy J. Breaux, CPA*
- Fayette T. Dupré, CPA*
- Mary A. Castille, CPA*
- Joey L. Breaux, CPA*
- Terrel P. Dressel, CPA*

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

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

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

- Retired:**
- Sidney L. Broussard, CPA* 1980
 - Leon K. Poché, CPA 1984
 - James H. Breaux, CPA 1987
 - Erma R. Walton, CPA 1988
 - George A. Lewis, CPA* 1992
 - Geraldine J. Wimberly, CPA* 1995
 - Rodney L. Savoy, CPA* 1996
 - Larry G. Broussard, CPA* 1997
 - Lawrence A. Cramer, CPA* 1999
 - Michael P. Crochet, CPA* 1999
 - Ralph Friend, CPA 2002

To the Iberia Parish School Board
New Iberia, Louisiana

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

The Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Iberia Parish School Board. The accompanying financial information listed as other supplementary information, including the schedule of expenditures of Federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the budgetary comparison schedule listed as required supplementary information in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Iberia Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.

New Iberia, Louisiana
November 12, 2004

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004

The discussion and analysis of Iberia Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2004, in an easily readable analysis. The intent of the MD&A is to look at the School Board's overall financial performance as a whole and to assist readers in assessing the financial position as a result of the year's operations. Please read it in conjunction with the School Board's financial statements that follow.

FINANCIAL HIGHLIGHTS

The School Board's total assets exceeded its liabilities at the close of the fiscal year by \$35,285,920. Of this amount, \$10,890,453 was invested in capital assets, net of related debt, \$5,663,433 was restricted for teacher salaries and benefits in accordance with the dedication of sales taxes, \$2,066,021 for capital projects, \$448,926 for debt service, \$1,897,978 for the Education Excellence Program, \$2,992,656 for other purposes, and \$11,326,453 was unrestricted. The unrestricted portion of net assets may be used to meet the government's ongoing obligations and operational needs.

Governmental funds reported a surplus of \$2,306,236 which includes a \$1,794,867 current year surplus in the general fund, \$1,197,650 surplus in parishwide construction, and a \$686,281 deficiency in other governmental funds. The surplus for all governmental funds was caused mainly by the recognition of the creation of the Millennium Trust for Education Excellence Funds received as a result of the Tobacco Litigation Master Settlement Agreement. These funds are being invested by the State of Louisiana, through the State Treasury, and as of June 30, 2004, had a balance of \$1,897,978. Another cause for the surplus was the receipt of \$7,000,000 in bond proceeds to be used for capital projects.

Total expenses of governmental activities for all our programs were \$104,481,045 for the year. Of this amount, \$19,533,602 was provided by program revenues from operating grants and contributions and \$1,914,227 by charges for services.

Most of the School Board's taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: regular programs instruction \$31,996,100, special programs instruction \$13,669,455, plant services \$10,428,414, and student transportation \$6,181,243.

As of the close of the current fiscal year, the School Board's governmental funds reported a combined ending fund balance of \$37,936,034. The General Fund accounted for \$19,189,905 of the total with \$10,318,051 being unreserved and undesignated.

The undesignated fund balance for the General Fund at June 30, 2004 was \$10,318,051 or 13% of General Fund expenditures.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

USING THE BASIC FINANCIAL STATEMENTS

The Iberia Parish School Board's financial statements consist of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The School Board's basic financial statements are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Iberia Parish School Board's finances, in a manner similar to a private-sector business. The accrual basis takes into account all of the Board's current year revenues and expenses regardless of when received or paid.

The Statement of Net Assets presents information on all of the Iberia Parish School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Iberia Parish School Board is improving or deteriorating.

The Statement of Activities presents information showing how the Iberia Parish School Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. For example, earned but unused sick leave and uncollected taxes result in cash flows for future periods.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Iberia Parish School Board, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements and to help it control and manage money for particular purposes. All of the funds of Iberia Parish School Board are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Most of the School Board's activities are reported in governmental funds, which generally focus on how money flows in and out of those funds, the balances that are left at year-end and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

The Iberia Parish School Board maintains thirteen individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund and Parishwide Construction Fund, which are considered to be major funds. Data from the other remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplementary information section, which follows the basic financial statements.

The Iberia Parish School Board adopts an annual appropriated budget for its General Fund and each Special Revenue Fund. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenues and expenditures. A statement showing original and final budget compared with actual operating results is provided in the required supplementary information section for the General Fund to demonstrate compliance with this budget.

Proprietary Funds. The Iberia Parish School Board maintains two internal service funds. The School Board uses these internal service funds as an accounting device to accumulate and allocate costs internally among the School Board's various functions for the self-insured portion of medical insurance and worker's compensation coverages provided to employees of Iberia Parish School Board.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside Iberia Parish School Board. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Iberia Parish School Board's own programs. The School Board has three fiduciary funds consisting of the School Activity Fund, the Sales Tax Collection Fund, and the Sales Tax Clearing Fund.

Our auditor has provided assurance in their independent auditors' report, located immediately preceding this Management's Discussion and Analysis, that the basic financial statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the financial section.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE SCHOOL BOARD AS A WHOLE

Statement of Net Assets and Statement of Activities

The Statement of Net Assets and the Statement of Activities present an aggregate view of the School Board's finances and longer-term view of those finances. These statements seek to answer the question, "How did the School Board as a whole do financially during the 2003-2004 fiscal year"? These statements include all nonfiduciary 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.

These two statements report the School Board's assets and changes in those assets. 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 causes of the change may be the result of many factors, both financial and nonfinancial in nature. Nonfinancial factors which may have an impact on the School Board's financial condition include the School Board's property and sales tax base, student enrollment, facility conditions, required educational programs for which little or no funding is provided or other external factors.

The following table reflects the condensed statement of net assets for 2004, with comparative figures from 2003:

TABLE 1
IBERIA PARISH SCHOOL BOARD
CONDENSED STATEMENT OF NET ASSETS
June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u>	<u>Increase (Decrease)</u>
Assets:			
Current and other assets	\$52,846,388	\$51,281,879	\$ 1,564,509
Capital assets	<u>42,982,104</u>	<u>40,183,752</u>	<u>2,798,352</u>
Total assets	<u>\$95,828,492</u>	<u>\$91,465,631</u>	<u>\$ 4,362,861</u>
Liabilities:			
Current and other liabilities	\$13,509,402	\$14,165,722	\$ (656,320)
Long-term liabilities	<u>47,033,170</u>	<u>45,221,093</u>	<u>1,812,077</u>
Total liabilities	<u>\$60,542,572</u>	<u>\$59,386,815</u>	<u>\$ 1,155,757</u>
Net assets:			
Invested in capital assets, net of related debt	\$10,890,453	\$ 8,731,472	\$ 2,158,981
Restricted	13,069,014	12,680,545	388,469
Unrestricted	<u>11,326,453</u>	<u>10,666,799</u>	<u>659,654</u>
Total net assets	<u>\$35,285,920</u>	<u>\$32,078,816</u>	<u>\$ 3,207,104</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Iberia Parish School Board, assets exceed liabilities by \$35,285,920 at the close of the fiscal year. Of this amount \$10,890,453, or 30.9% of the total net assets, represents the investment of the School Board in capital assets net of related debt. Net assets of \$11,326,453 that are technically unrestricted need to be viewed in light of information in the fund financial statements. Some of this unrestricted amount represents funds for expenditures that the School Board has approved or budgeted but has not been legally obligated to pay. Actions by the School Board do not qualify as restrictions of net assets in the basic financial statements. Total assets increased by \$4,362,861 from the previous fiscal year with the majority of this increase in the area of capital assets. Capital assets increased as a result of the construction in progress in two sites, the re-roofing of New Iberia Senior High School and the addition to and renovation of Loreauville High School.

Capital assets account for \$42,982,104 or 44.8% of the total assets. This is reflective of the investment in new and improved facilities funded by a series of bond issues in recent years. This is further highlighted by the fact that \$47,033,170, or 77.7% of the School Board's liabilities, represents long-term debt and account for the \$1,155,757 increase in total liabilities from prior year.

Net assets increased by \$3,207,104 as of June 30, 2004, with the largest amount of this increase in the area of capital assets, net of related debt. As mentioned previously, as of June 30, 2004, the School Board had completed the re-roofing project at New Iberia Senior High and the renovation of the Loreauville High School. There are a number of other planned and budgeted projects that are in the early stages of start-up.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 2
IBERIA PARISH SCHOOL BOARD
CONDENSED STATEMENT OF CHANGES IN NET ASSETS
Years Ended June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenue:			
Charges for services	\$ 1,914,227	\$ 1,802,777	\$ 111,450
Operating grants and contributions	19,533,602	19,876,327	(342,725)
General revenues:			
Sales taxes	19,339,047	18,928,349	410,698
Other taxes	10,107,784	9,546,613	561,171
Grants and contributions not restricted to specific programs	56,464,131	55,061,026	1,403,105
Other	329,358	1,697,964	(1,368,606)
Total revenues	<u>\$107,688,149</u>	<u>\$106,913,056</u>	<u>\$ 775,093</u>
Expenses:			
Instruction:			
Regular education programs	\$ 36,727,962	\$ 36,460,957	\$ 267,005
Special education programs	16,847,393	17,217,845	(370,452)
Vocational education programs	3,151,591	2,901,374	250,217
Other instructional programs	1,546,264	1,540,381	5,883
Special programs	6,285,350	5,814,775	470,575
Adult and continuing education programs	129,603	119,463	10,140
Support services:			
Pupil support	3,061,263	3,123,516	(62,253)
Instructional staff	2,940,299	2,883,195	57,104
General administration	1,650,232	1,624,699	25,533
School administration	4,436,825	4,403,586	33,239
Business services	1,210,261	1,184,869	25,392
Plant services	10,511,380	13,411,320	(2,899,940)
Student transportation	6,454,453	6,275,219	179,234
Central services	554,969	572,388	(17,419)
Food	6,707,971	6,525,498	182,473
Community services	386,776	361,955	24,821
Intergovernmental charges	104,021	-	104,021
Interest on long-term debt	1,774,432	1,895,902	(121,470)
Total expenses	<u>\$104,481,045</u>	<u>\$106,316,942</u>	<u>\$ (1,835,897)</u>
Increase in net assets	\$ 3,207,104	\$ 596,114	\$ 2,610,990
Net assets, July 1	<u>32,078,816</u>	<u>31,482,702</u>	<u>596,114</u>
Net assets, June 30	<u>\$ 35,285,920</u>	<u>\$ 32,078,816</u>	<u>\$ 3,207,104</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$104,481,045. However, the amount that our taxpayers ultimately financed for these activities through School Board taxes was only \$83,033,216 because some of the cost was paid by those who benefited from the programs (\$1,914,227) or by other governments and organizations who subsidized certain programs with grants and contributions (\$19,533,602). We paid for the remaining "public benefit" portion of our governmental activities with \$29,446,831 in taxes, \$56,464,131 in State Minimum Foundation Program Funds, and with our other revenues from interest and general entitlements. The largest source of revenues to the School Board is State Minimum Foundation Program (MFP) funding which accounts for \$56,464,131 or 52.4% of total funding. The MFP is a complicated formula utilizing factors and district information to allocate State funding to all school districts of the State in an effort to equalize funding gaps between rich and poor districts. This formula takes into account many aspects of the district including, but not limited to, student population, the district's ability to generate revenue or relative wealth and the district's effort in generating revenue through local taxation. Iberia Parish School Board benefits from the formula's reward system for districts that maximize funding efforts through local taxation. The second largest source of revenues is sales and use taxes which account for 17.9% of total revenue. Governmental fund revenues increased by \$775,093 from prior year in part by the receipt of Education Excellence Funds.

Governmental activities increased the School Board's net assets by \$3,207,104.

The largest category of functional expenses on a government-wide basis is direct instruction with 54.3% of our expenses going toward the education of regular, special education and vocational students. These costs include classroom teacher and aide salaries and benefits, books, supplies, and equipment used in instruction. The second largest category of expenses is support services at 29.5%. These costs include the salaries and benefits of principals, assistant principals, and counselors as well as instructional supervisors, office supplies, and equipment. This category also includes business and computer services and all related supplies and equipment. Governmental expenditures decreased by \$1,835,897 because of prior year Hurricane Lili damage payments. This is noted by the \$2,899,940 decrease in expenditures for plant services.

FINANCIAL ANALYSIS OF SCHOOL BOARD FUNDS

The School Board uses funds to control and permit measurement in the short-term of revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The fund 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 management of the School Board and assess further the School Board's overall financial stability.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Iberia Parish School Board ended the fiscal year June 30, 2004, with a combined fund balance of \$37,936,034. About 61%, or \$23,145,943, of this total constitutes reserved and designated funds that are not available for new spending because it has already been committed to various obligations. The unreserved funds of \$14,790,091, or 39%, is available for spending or as a source of funds available to guard against economic uncertainties and reductions in revenues. The General Fund closed the fiscal year with a fund balance of \$19,189,905. The unreserved and undesignated portion of this fund balance is \$10,318,051.

GENERAL FUND BUDGETARY HIGHLIGHTS

The School Board's budget is prepared according to Louisiana law. During 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 or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more.

A budgetary comparison schedule showing the School Board's original and final budget compared with actual results is provided in the report. The School Board's year-end actual results were better than budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

The General Fund experienced a negative budget variance in revenues of \$386,395 when comparing the actual to the final budget projection. The majority of this decrease was caused by a large decrease in interest income caused by the decline of interest rate, reduced funds available for investment in the capital funds and decrease in the fair market value of investments.

Positive variances occurred throughout our budgeted expenditures this past fiscal year because of our administration's diligent efforts to reduce the projected deficit due to reduced sales and use tax collections and the reduction in student count for Minimum Foundation Program funding.

CAPITAL ASSET AND DEBT ADMINISTRATION

At June 30, 2004, the Iberia Parish School Board had \$42,982,104 invested in a broad range of capital assets including land, buildings, and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$2,798,352 or 7% from last year.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 3
IBERIA PARISH SCHOOL BOARD
CAPITAL ASSETS
NET OF DEPRECIATION
June 30, 2004 and 2003

	2004	2003
Land	\$ 2,374,537	\$ 2,373,550
Buildings and improvements	36,971,697	31,684,790
Equipment	2,555,070	3,023,866
Construction in process	1,080,800	3,101,546
Total capital assets	\$42,982,104	\$40,183,752

During the year, \$6,389,795 of capital assets were added while \$204,425 were retired. Depreciation for the year ended June 30, 2004, was \$2,456,947 for buildings and improvements and \$1,085,891 for equipment. Major construction and renovation projects will continue during the 2004-2005 fiscal year which will be funded by the sales taxes and bonds approved by the voters. Construction in process at this time includes re-roofing of New Iberia Senior High School and renovating Loreauville High School and a parish wide re-roofing program.

LONG-TERM DEBT

At the end of this year, the Iberia Parish School Board had total bonded debt outstanding of \$44,010,000.

TABLE 4
IBERIA PARISH SCHOOL BOARD
OUTSTANDING DEBT AT YEAR END
June 30, 2004 and 2003

	2004	2003	Increase (Decrease)
Claims payable	\$ 241,576	\$ 394,845	\$ (153,269)
Accrued compensated absences	2,781,594	2,771,248	10,346
General Obligation Bonds	39,785,000	36,925,000	2,860,000
Sales Tax Bonds	950,000	1,380,000	(430,000)
Certificates of Indebtedness	3,275,000	3,750,000	(475,000)
Total long-term debt	\$47,033,170	\$45,221,093	\$ 1,812,077

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The School Board's total bonded debt increased during the year by \$1,812,077.

Iberia Parish School Board's General Obligation Bond rating assigned by Moody's Investors Services, Inc. and Standard & Poor's Public Finance Ratings, are Aaa and AAA, respectively. The State limits the amount of general obligation debt that we can issue based on the assessed value of taxable property within the School Board's district. The School Board's outstanding general obligation debt of \$39,785,000 is significantly below this \$115,972,000 statutorily imposed limit.

Other obligations include accrued sick leave. More detailed information about our long-term liabilities is included in the notes to our financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The financial well being of the School Board for the most part is regulated by the State funded Minimum Foundation Program (MFP) and the sales and property tax base. One of the most important factors affecting the budget is our student count. The October 1 student count affects our Minimum Foundation Program funding from the State. Approximately 69% of the total revenues is from the MFP. For the fiscal year 2004-05 year, our student enrollment will be based on the October 1, 2003 count of 13,994 students at the proposed factor rate of \$3,459.

We consulted our Sales Tax Collector who made an evaluation and projected that we could possibly have 2% growth in sales tax revenues above fiscal year 2003-2004 actual receipts.

We reduced our staff by 35 employees in an effort to lower our projected deficit for the fiscal 2004-2005 year.

The tax rates that will be in effect for the 2004-2005 fiscal year are as follows:

<u>Property Taxes</u>	<u>Rate</u>
Constitutional	5.28 mills
Special School Tax	7.36 mills
Bond Retirements	<u>23.84</u> mills
Total	<u>36.48</u> mills
 <u>Sales and Use Taxes</u>	
General Operation	.75%
Dedicated 1/2 cents for salaries and supplies	.50
Dedicated 3/4 cents for salaries, bond debt, and utilities	.75
Total	<u>2.00%</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

This document is designed to provide a general overview of the Iberia Parish School Board's finances for all those with an interest in the finances of the system. Additional information about the Iberia Parish School Board and individual schools within the system can be found by assessing our web site at www.iberia.k12.la.us. Questions concerning any of the information provided in this report or requests for additional information provided in this report should be addressed to:

Felix Jeanminette, Accountant,
Iberia Parish School Board
Post Office Box 200
New Iberia, Louisiana 70562-0200
Phone #: (337)365-2341, Extension 4183
E-mail: fjeanminette@Iberia.k12.la.us

This page is intentionally left blank.

BASIC FINANCIAL STATEMENTS

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS
June 30, 2004

ASSETS

Cash	\$ 13,121,517
Investments	32,252,472
Accrued interest receivable	332,022
Accounts receivable	712,164
Due from other governmental agencies	3,705,014
Sales taxes receivable	1,708,917
Note receivable	85,000
Inventories, at cost	316,938
Prepaid items	346,104
Deferred debits	266,240
Capital assets:	
Non-depreciable	3,455,337
Depreciable, net	<u>39,526,767</u>

Total assets

\$ 95,828,492

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$ 2,062,445
Accrued salaries and benefits	10,798,827
Accrued interest payable	574,205
Retainage payable	73,925
Long-term liabilities:	
Portion due or payable within one year:	
Claims payable	241,576
Bonds payable	5,300,000
Accrued compensated absences	206,951
Portion due or payable after one year:	
Bonds payable	38,710,000
Accrued compensated absences	2,574,643
	<u> </u>
Total liabilities	<u>\$ 60,542,572</u>

Net assets:

Invested in capital assets, net of related debt	\$ 10,890,453
Restricted for:	
Capital projects	2,066,021
Debt service	448,926
Salaries and benefits	5,663,433
Other	2,992,656
Education excellence program	1,897,978
Unrestricted	11,326,453
	<u> </u>
Total net assets	<u>\$ 35,285,920</u>
Total liabilities and net assets	<u><u>\$ 95,828,492</u></u>

See Notes to Financial Statements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004

Function/Program	Expenses	Program Charges for Services
Governmental activities:		
Instruction:		
Regular programs	\$ 36,727,962	\$ 320,015
Special education	16,847,393	308,115
Vocational education	3,151,591	15,815
Other instructional programs	1,546,264	40,596
Special programs	6,285,350	45,820
Adult and continuing education programs	129,603	5,904
Support services:		
Pupil support	3,061,263	-
Instructional staff	2,940,299	-
General administration	1,650,232	-
School administration	4,436,825	-
Business services	1,210,261	-
Plant services	10,511,380	-
Student transportation services	6,454,453	-
Central services	554,969	-
Food	6,707,971	771,256
Community services	386,776	406,706
Intergovernmental charges	104,021	-
Interest on long-term debt	1,774,432	-
	\$ 104,481,045	\$ 1,914,227
Total governmental activities		

General revenues:

 Taxes:

 Property

 Sales and use

 State revenue sharing

 Grants and contributions not restricted to
 specific purposes:

 Minimum Foundation Program

 Investment earnings

 Miscellaneous

 Loss on sale of capital assets

 Total general revenues

 Change in net assets

Net assets, beginning, as restated

Net assets, ending

<u>Revenues</u> Operating Grants and Contributions	<u>Net (Expense)</u> Revenue and Change in Net Assets
\$ 4,411,847	\$ (31,996,100)
2,869,823	(13,669,455)
489,060	(2,646,716)
197,404	(1,308,264)
6,017,055	(222,475)
116,067	(7,632)
159,993	(2,901,270)
219,209	(2,721,090)
1,823	(1,648,409)
48,864	(4,387,961)
-	(1,210,261)
82,966	(10,428,414)
273,210	(6,181,243)
1,085	(553,884)
4,645,196	(1,291,519)
-	19,930
-	(104,021)
-	(1,774,432)
<u>\$ 19,533,602</u>	<u>\$ (83,033,216)</u>

\$ 9,590,732
19,339,047
517,052

56,464,131
196,016
181,947
(48,605)
\$ 86,240,320

\$ 3,207,104

32,078,816

\$ 35,285,920

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2004

ASSETS	General	Parishwide Construction
Cash	\$ 8,190,190	\$ 2,207,669
Investments	17,373,711	12,353,439
Accrued interest receivable	178,495	124,375
Inventories, at cost	-	-
Accounts receivable	584,304	-
Note receivable	85,000	-
Due from other funds	3,661,306	-
Due from other governmental agencies	732,928	-
Prepaid items	338,780	-
	<u>\$ 31,144,714</u>	<u>\$ 14,685,483</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,155,698	\$ 893,380
Accrued salaries and benefits	10,798,827	-
Retainage payable	-	73,925
Due to other funds	284	48
	<u>\$ 11,954,809</u>	<u>\$ 967,353</u>
Fund balances:		
Reserved for:		
Sales taxes	\$ 4,274,938	\$ -
Debt service	-	-
Inventories	-	-
Prepaid items	338,780	-
Noncurrent receivable	85,000	-
Incomplete contracts	-	4,869,941
Education excellence program	1,897,978	-
Designated	2,275,158	7,533,448
Unreserved, undesignated	10,318,051	-
Unreserved, undesignated, reported in:		
Special Revenue Funds	-	-
Capital Projects Fund	-	1,314,741
	<u>\$ 19,189,905</u>	<u>\$ 13,718,130</u>
Total fund balances	<u>\$ 19,189,905</u>	<u>\$ 13,718,130</u>
Total liabilities and fund balances	<u>\$ 31,144,714</u>	<u>\$ 14,685,483</u>

Other Governmental Funds	Total Governmental Funds
\$ 2,673,658	\$ 13,071,517
2,525,322	32,252,472
29,152	332,022
316,938	316,938
127,860	712,164
-	85,000
2,222	3,663,528
2,972,086	3,705,014
7,324	346,104
<u>\$ 8,654,562</u>	<u>\$ 54,484,759</u>
\$ 13,367	\$ 2,062,445
-	10,798,827
-	73,925
<u>3,613,196</u>	<u>3,613,528</u>
<u>\$ 3,626,563</u>	<u>\$ 16,548,725</u>
\$ -	\$ 4,274,938
1,023,131	1,023,131
316,938	316,938
7,324	346,104
-	85,000
-	4,869,941
-	1,897,978
523,307	10,331,913
-	10,318,051
3,157,299	3,157,299
-	1,314,741
<u>\$ 5,027,999</u>	<u>\$ 37,936,034</u>
<u>\$ 8,654,562</u>	<u>\$ 54,484,759</u>

This page is intentionally left blank.

IBERIA PARISH SCHOOL BOARD
 NEW IBERIA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 June 30, 2004

Total fund balances - governmental funds		\$ 37,936,034
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.		
Capital assets, net		42,982,104
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.		
Accrued interest payable	\$ (574,205)	
Bonds payable	(40,735,000)	
Certificates of indebtedness payable	(3,275,000)	
Accrued compensated absences	<u>(2,781,594)</u>	(47,365,799)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets.		
		(241,576)
Sales taxes which are not "measurable" at year end and therefore not available soon enough to pay for current period expenditures are not reported in the governmental funds.		
		1,708,917
Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the statement of activities.		
Bond issue costs, net of accumulated amortization		<u>266,240</u>
Net assets of governmental activities		<u>\$ 35,285,920</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

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

For the Year Ended June 30, 2004

	General	Parishwide Construction
Revenues:		
Local sources:		
Taxes:		
Ad valorem	\$ 3,453,090	\$ -
Sales and use	15,723,608	-
Investment income	169,378	(1,829)
Food services	-	-
Other	2,291,190	-
State sources	60,011,019	-
Federal sources	44,695	-
	\$ 81,692,980	\$ (1,829)
Expenditures:		
Instruction:		
Regular programs	\$ 34,238,684	\$ -
Special education	13,888,406	-
Vocational education	2,571,454	-
Other instructional programs	1,356,649	-
Special programs	461,873	-
Adult and continuing education programs	41,603	-
Support services:		
Pupil support	2,841,911	-
Instructional staff	2,836,325	-
General administration	1,380,416	76,387
School administration	4,231,823	-
Business services	1,169,255	-
Plant services	5,737,085	-
Student transportation services	6,304,660	-
Central services	454,379	-
Food	729,968	-
Community services	377,919	-
Intergovernmental charges	-	-
Capital outlay	697,084	5,724,134
Debt service:		
Principal retirement	-	-
Interest and fiscal charges	-	-
	\$ 79,319,494	\$ 5,800,521

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,137,642	\$ 9,590,732
3,593,851	19,317,459
27,898	195,447
771,256	771,256
9,540	2,300,730
679,670	60,690,689
<u>15,150,583</u>	<u>15,195,278</u>
<u>\$ 26,370,440</u>	<u>\$ 108,061,591</u>
\$ 1,137,818	\$ 35,376,502
2,623,066	16,511,472
440,126	3,011,580
142,530	1,499,179
5,611,081	6,072,954
80,599	122,202
130,809	2,972,720
-	2,836,325
222,025	1,678,828
73,581	4,305,404
-	1,169,255
4,083,199	9,820,284
-	6,304,660
-	454,379
5,814,773	6,544,741
-	377,919
104,021	104,021
429,325	6,850,543
5,045,000	5,045,000
<u>1,697,387</u>	<u>1,697,387</u>
<u>\$ 27,635,340</u>	<u>\$ 112,755,355</u>

(continued)

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended June 30, 2004

	<u>General</u>	<u>Parishwide Construction</u>
Excess (deficiency) of revenues over expenditures	\$ 2,373,486	\$ (5,802,350)
Other financing sources (uses):		
Transfers in	\$ -	\$ -
Transfers out	(578,619)	-
Bond proceeds	-	7,000,000
Total other financing sources (uses)	<u>\$ (578,619)</u>	<u>\$ 7,000,000</u>
Net change in fund balances	\$ 1,794,867	\$ 1,197,650
Fund balances, beginning, as restated	<u>17,395,038</u>	<u>12,520,480</u>
Fund balances, ending	<u><u>\$ 19,189,905</u></u>	<u><u>\$ 13,718,130</u></u>

See Notes to Financial Statements.

Other Governmental Funds	Total Governmental Funds
<u>\$ (1,264,900)</u>	<u>\$ (4,693,764)</u>
\$ 1,057,466	\$ 1,057,466
(478,847)	(1,057,466)
<u>-</u>	<u>7,000,000</u>
<u>\$ 578,619</u>	<u>\$ 7,000,000</u>
\$ (686,281)	\$ 2,306,236
<u>5,714,280</u>	<u>35,629,798</u>
<u><u>\$ 5,027,999</u></u>	<u><u>\$ 37,936,034</u></u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

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

For the Year Ended June 30, 2004

Net change in fund balances - total governmental funds		\$ 2,306,236
--	--	--------------

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 6,388,808	
Depreciation expense	<u>(3,542,838)</u>	2,845,970

The effect of sales of capital assets is to decrease net assets.		(48,605)
--	--	----------

Because some revenues will not be collected for several months after year end, they are not considered "available" revenues in the governmental funds.

Sales taxes		21,588
-------------	--	--------

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of activities.

Bond proceeds	(7,000,000)	
Principal payments	<u>5,045,000</u>	(1,955,000)

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.

Bond issue costs amortized	(36,625)	
Bond issue costs incurred in the current year	<u>76,387</u>	39,762

(continued)

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES (CONTINUED)
For the Year Ended June 30, 2004

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 governmental funds.

Increase in accrued interest payable	(40,420)	
Increase in compensated absences payable	<u>(10,346)</u>	(50,766)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

47,919

Change in net assets of governmental activities

\$ 3,207,104

IBERIA PARISH SCHOOL BOARD
 NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 June 30, 2004

Governmental
 Activities
 Internal
Service Funds

ASSETS

Current assets:

Cash

\$ 50,000

LIABILITIES AND NET ASSETS

Liabilities:

Current liabilities:

Due to other funds

\$ 50,000

Claims payable

241,576

Total current liabilities

\$ 291,576

Net assets:

Unrestricted (deficit)

(241,576)

Total liabilities and net assets

\$ 50,000

See Notes to Financial Statements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET ASSETS
PROPRIETARY FUNDS

For the Year Ended June 30, 2004

	Governmental Activities Internal <u>Service Funds</u>
Operating revenues:	
Charges for services	\$ 489,593
Miscellaneous	<u>95,151</u>
Total operating revenues	\$ 584,744
Operating expense:	
Cost of services rendered	<u>537,394</u>
Operating income	\$ 47,350
Non-operating revenue:	
Investment income	<u>569</u>
Change in net assets	\$ 47,919
Net assets, beginning	<u>(289,495)</u>
Net assets, ending	<u><u>\$ (241,576)</u></u>

See Notes to Financial Statements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2004

Governmental
Activities
Internal
Service Funds

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from insured	\$ 489,593
Payments for claims	<u>(522,877)</u>
Net cash used by operating activities	\$ (33,284)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>\$ 569</u>
Net decrease in cash	\$ (32,715)
Cash, beginning of the year	<u>82,715</u>
Cash, end of the year	<u><u>\$ 50,000</u></u>
RECONCILIATION OF OPERATING INCOME TO	
NET CASH USED BY OPERATING ACTIVITIES:	
Operating income	\$ 47,350
Adjustments to reconcile operating	
income to net cash used by	
operating activities:	
Change in assets and liabilities:	
Accounts receivable	72,635
Claims payable	<u>(153,269)</u>
Net cash used by operating activities	<u><u>\$ (33,284)</u></u>

See Notes to Financial Statements.

IBERIA PARISH SCHOOL BOARD
 NEW IBERIA, LOUISIANA

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 June 30, 2004

ASSETS	<u>Agency Funds</u>
Cash	<u>\$ 1,595,979</u>
LIABILITIES	
Due to external parties	<u>\$ 1,595,979</u>

See Notes to Financial Statements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Iberia Parish School Board (the "School Board") are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for State and local governments through its pronouncements (Statements and Interpretations). The more significant of the School Board's accounting policies are described below.

Financial reporting entity:

The financial reporting entity consists of (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government:

Iberia Parish School Board was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within Iberia Parish. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government that are 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 14 members who are elected from 14 districts for a term of four years.

Iberia Parish School Board is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in Iberia Parish. The School Board receives funding from local, State and Federal government sources and must comply with the concomitant requirements of these funding source entities. However, the School Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since School Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, no entities meet the above criteria for inclusion as a component unit of Iberia Parish School Board.

The School Board operated 33 schools within the parish with a total enrollment of approximately 13,994 pupils for the 2003-2004 year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Basis of presentation:

The School Board's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the government and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements:

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities of the government. As a general rule, the effect of interfund activity has been removed from these statements.

In the government-wide statement of net assets, the amounts are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School Board's net assets are reported in three parts (1) invested in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. The School Board first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net cost of each of the School Board's functions. The functions are also supported by general government revenues (property, sales and use taxes, intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues and operating grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating specific and discretionary (either operating or capital) grants.

The net cost (by function) is normally covered by general revenue (property, sales and use taxes, intergovernmental revenues, investment earnings, etc.).

The School Board does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided. This fee is eliminated by reducing the revenue in the General Fund and the expense in the paying fund because the expense is not a direct expense of the program to which it was charged.

The government-wide focus is more on the sustainability of the School Board as an entity and the change in the School Board's net assets resulting from the current year's activities.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Fund financial statements:

The fund financial statements provide information about the School Board's funds, including its fiduciary funds. Separate statements for each fund category governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions or ancillary activities.

The School Board reports the following major governmental funds:

General Fund - This is the School Board's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

Parishwide Construction Fund - This fund accounts for costs associated with various capital improvements financed through voter approved bond issues.

In addition, the School Board reports the following:

Internal Service Funds - These funds account for the self-insured portion of medical insurance and workers' compensation coverages provided to the various programs/departments on a cost reimbursement basis.

Agency Funds - These funds account for assets held by the School Board on behalf of the individual schools and organizations within the schools and other funds within the School Board and other governmental entities within Iberia Parish with regard to the collection and distribution of sales and use taxes.

The emphasis in fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of the governmental combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The School Board's internal service funds are presented in the proprietary funds financial statements. Because all of the School Board activities are governmental, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

The School Board's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the School Board, these funds are not incorporated into the government-wide statements.

Basis of accounting - measurement focus:

Government-wide, proprietary, and fiduciary fund financial statements:

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the School Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements:

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Budgets and budgetary accounting:

The Iberia Parish School Board follows the procedures detailed below in adopting its budget.

1. The Superintendent submits to the School Board a proposed budget in the form required.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

2. A public hearing is conducted to obtain taxpayer comments and notice thereof is published in the official journal at least 10 days prior to such hearing. The notification includes the time and place of the public hearing in addition to a general summary of the proposed budget.
3. All revisions to the budget must be approved by the School Board.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Superintendent or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable.
5. Those budgets, which the School Board adopts, are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented as supplementary information reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

Cash and cash equivalents:

Cash includes amounts in interest-bearing demand deposits and on hand. For purposes of statements of cash flows, highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

Investments:

State statutes authorize the School Board to invest in United States bonds, treasury notes or certificates, and time deposits of State banks organized under Louisiana law and national banks having principal offices in Louisiana. Local governments in Louisiana are also authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool and with the Louisiana State Treasury.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments meeting the criteria specified in the Statement are stated at fair value. Investments that do not meet the requirements are stated

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP) and the Louisiana State Treasury.

Interfund receivables and payables:

Short-term cash borrowings between funds is considered temporary in nature. These amounts are reported as "due to/from other funds."

Inventories:

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

Prepaid items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Receivables:

All receivables are shown net of an allowance account, as applicable.

Bond issuance costs:

In governmental funds, bond issuance costs are recognized in the current period. For governmental funds, in the government-wide statements, bond issuance costs are deferred and amortized over the terms of the bonds to which such costs apply.

Capital assets and depreciation:

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

Government-wide financial statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. All 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.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Buildings and improvements	15-30
Equipment	5

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

Fund financial statements:

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

Compensated absences:

All twelve-month employees earn from 12 to 21 days of noncumulative vacation leave each year, depending on length of service with the School Board. Upon resignation or retirement, all unused vacation leave is forfeited.

All twelve-month employees earn from 12 to 18 days of sick leave each year, depending on length of service with the School Board. Teachers and other nine-month employees earn 10 days of sick leave each year. Sick leave may be accumulated. No sick leave is paid upon resignation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or the employee's estate at the employee's current rate of pay.

Upon retirement, accumulated sick leave may be used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for rest and recuperation 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 an expenditure of the period paid.

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, no compensated absences liability is recorded in the governmental fund financial statements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Long-term liabilities:

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consists primarily of bonds payable, certificates of indebtedness, accrued compensated absences, and claims payable.

Long-term liabilities for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term liabilities is the same in the fund statements as it is in the government-wide statements.

Equity classifications:

Government-wide financial statements:

Equity is classified as net assets and displayed in three components:

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

Fund financial statements:

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

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Interfund transfers:

Permanent reallocation of resources between funds are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual funds have been eliminated.

Use of estimates:

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

Restatement of prior year fund balances:

Beginning fund balances of the individual funds as presented in the fund financial statements were restated in order to correct investment percentage allocations as follows:

	<u>General Fund</u>	<u>Parishwide Construction</u>	<u>Other Governmental Funds</u>	
			<u>Utilities</u>	<u>Bond Retirement</u>
Beginning fund balances, as previously reported	\$17,825,562	\$12,423,358	\$ 3,412,129	\$ 722,989
Correction of error	<u>(430,524)</u>	<u>97,122</u>	<u>296,180</u>	<u>36,235</u>
Beginning fund balances, as restated	<u>\$17,395,038</u>	<u>\$12,520,480</u>	<u>\$ 3,708,309</u>	<u>\$ 759,224</u>
Increase (decrease) in excess of revenues and other sources over expenditures and other uses	<u>\$ (430,524)</u>	<u>\$ 97,122</u>	<u>\$ 296,180</u>	<u>\$ 36,235</u>

Restatement of prior year net assets:

Beginning net assets, previously reported as \$31,884,053, has been restated to reflect the recording of assets owned by the School Board in the amount of \$194,763 that were not recorded in the year of conversion to the new GASB reporting model.

Impairments:

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undiscounted net cash flows to measure whether the assets are recoverable and measured for impairment by

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

Note 2. Stewardship, Compliance, and Accountability

The Workers' Compensation Fund (an internal service fund) has a deficit amount of unrestricted net assets at June 30, 2004, of \$241,576.

Excess of expenditures over appropriations in individual funds:

The School Board has no excess of expenditures over appropriations for the major fund as presented in the budgetary comparison schedule.

Compliance with finance related legal and contractual provisions:

The School Board has no material violations of finance related legal and contractual provisions.

Note 3. Deposits and Investments

Deposits:

At year-end, the carrying amount of the School Board's deposits, including demand deposit accounts, was \$14,717,296, and the bank balance was \$17,619,825. Of the bank balance, \$1,560,763, was covered by Federal depository insurance and \$16,059,062, was covered by collateral held by the School Board's fiscal agent in the School Board's name. In addition, the School Board had \$200 of cash on hand at year-end.

Investments:

The Iberia Parish School Board's investments are categorized as either (1) insured or registered for which the securities are held by the School Board or its agent in the School Board's name; (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the School Board's name; or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the School Board's name. All of the School Board's U.S. Government securities are considered Category 1 at June 30, 2004. In accordance with GASB Codification Section 150.165, the investment in Louisiana Asset Management Pool, Inc. (LAMP) at June 30, 2004, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana Certified Public Accountants. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The School Board also has funds invested in the Louisiana State Treasury under the Education Excellence Fund (EEF) allocation that they received. The investments with the State Treasury are not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Only school boards that have executed investment agreements with the State of Louisiana have an investment interest in the pool. The State will limit its purchase of investment securities to those that are primarily addressed in LA R.S. 49:327. These include, but are not limited to, insured or collateralized time deposits in financial institutions chartered and domiciled in the State of Louisiana, certain direct obligations of the United States government, certain obligations of the United States government agencies or the purchase of such United States government or agency securities under the terms of repurchase agreements, investment grade commercial paper, investment grade corporate notes and bonds, and money market funds consisting solely of securities otherwise eligible for investment by the State Treasurer. Detail of the School Board's investments at June 30, 2004, is as follows:

U.S. Government securities	\$28,762,208
Louisiana Asset Management Pool	1,592,286
Louisiana State Treasury	1,897,978
	<u>\$32,252,472</u>

In accordance with GASB Statement No. 31, the School Board recognized the net increase (decrease) in the fair value of investments for the years ended June 30, 2004 and 2003, detailed below. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year.

June 30, 2004	<u>\$ (816,968)</u>
June 30, 2003	<u>\$ 135,051</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 4. Interfund Balances

Interfund balances at June 30, 2004, consist of the following:

	Due From		
	General	Other	Total
	Fund	Governmental	
		Funds	
Due To:			
General Fund Parishwide	\$ -	\$ 284	\$ 284
Construction Fund	48	-	48
Other governmental funds	3,611,258	1,938	3,613,196
Internal Service Funds	50,000	-	50,000
	<u>\$3,661,306</u>	<u>\$ 2,222</u>	<u>\$3,663,528</u>

These balances resulted from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur; (b) transactions are recorded in the accounting system; and (c) payments between funds are made.

Note 5. Due From Other Governmental Agencies

Amounts due from other governmental agencies consist of the following at June 30, 2004:

Government-wide and fund financial statements:

Iberia Parish Sheriff's Department:

Ad valorem taxes	\$ 33,823
Federal grant funds	155,431

State of Louisiana:

Federal pass-through grant funds	2,944,699
State grant funds	565,802
Local sources	5,259

\$3,705,014

Note 6. Note Receivable

On December 23, 1993, Iberia Parish School Board sold a portion of the land and buildings of the old middle school to a limited partnership for \$100,000. The limited partnership applied for permanent financing from the Louisiana Housing Finance Agency (LHFA) in the amount of \$1,780,000, which was used to rehabilitate a part of the property into residential housing for senior citizens who are living on low, fixed incomes (the Project).

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

The sales price was represented by two promissory notes, one for \$15,000, and one for \$85,000. The \$15,000, note has been paid. The \$85,000, note (Mortgage Note) bears interest at a rate of 6.10% per annum and is to be payable out of the surplus cash flow of the Project.

The School Board has an option to purchase the Project at a purchase price equal to the outstanding amount of mortgage indebtedness of the Project to LHFA. The option is exercisable on and after a date, which is fifteen years and ninety days after the date on which the Project is placed in service and must be exercised within six months of such date. If the option is exercised, all outstanding indebtedness under the Mortgage Note shall be canceled. If the option is not exercised, all outstanding indebtedness under the Mortgage Note shall be due and payable on the expiration of the option.

The outstanding promissory note is subordinate to any other lien of any mortgages granted to the limited partnership so long as the principal amount of the indebtedness secured by such mortgage(s) does not exceed \$1,780,000.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets and Depreciation

Capital asset activity for the year ended June 30, 2004, was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,373,550	\$ 987	\$ -	\$ 2,374,537
Construction In process	<u>3,101,546</u>	<u>5,723,108</u>	<u>(7,743,854)</u>	<u>1,080,800</u>
Total capital assets not being depreciated	<u>\$ 5,475,096</u>	<u>\$ 5,724,095</u>	<u>\$ (7,743,854)</u>	<u>\$ 3,455,337</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 85,456,112	\$ 7,743,854	\$ -	\$ 93,199,966
Equipment	<u>10,280,267</u>	<u>665,700</u>	<u>(204,425)</u>	<u>10,741,542</u>
Total capital Assets being depreciated	<u>\$ 95,736,379</u>	<u>\$ 8,409,554</u>	<u>\$ (204,425)</u>	<u>\$103,941,508</u>
Less accumulated depreciation for:				
Buildings and improvements	\$(53,771,322)	\$(2,456,947)	\$ -	\$(56,228,269)
Equipment	<u>(7,256,401)</u>	<u>(1,085,891)</u>	<u>155,820</u>	<u>(8,186,472)</u>
Total accumulated depreciation	<u>\$(61,027,723)</u>	<u>\$ (3,542,838)</u>	<u>\$ 155,820</u>	<u>\$(64,414,741)</u>
Total capital Assets being depreciated, net	<u>\$ 34,708,656</u>	<u>\$ 4,866,716</u>	<u>\$ (48,605)</u>	<u>\$ 39,526,767</u>
Governmental activities capital assets, net	<u>\$ 40,183,752</u>	<u>\$ 10,590,811</u>	<u>\$ (7,792,459)</u>	<u>\$ 42,982,104</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Depreciation expense for the year ended June 30, 2004, was charged to governmental activities as follows:

Instruction:	
Regular programs	\$1,348,204
Special education	441,034
Vocational education	171,964
Other instructional programs	46,742
Special programs	409,546
Adult and continuing education programs	7,401
Support services:	
Pupil support	77,277
Instructional staff	113,764
General administration	47,891
School administration	130,121
Business services	40,984
Plant services	265,695
Student transportation services	154,822
Central services	101,846
Food	176,690
Community services	8,857
	<u>\$3,542,838</u>

Note 8. Long-Term Liabilities

General Obligation Bonds/Sales Tax Bonds/Certificates of Indebtedness

The School Board issues general obligation bonds, sales tax bonds and certificates of indebtedness to provide funds for the acquisition, construction or improvement of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the School Board.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Long-term debt outstanding at June 30, 2004, is as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
Governmental activities:				
General obligation				
bonds	05/01/98	03/01/18	4.65 - 5.50	\$ 8,050,000
	03/01/02	03/01/22	4.30 - 5.30	9,900,000
	03/01/03	03/01/23	3.80 - 4.80	2,950,000
	03/01/04	03/01/24	4.10 - 4.40	7,000,000
Refunding bonds	11/01/93	04/01/06	2.70 - 4.90	2,950,000
	05/01/02	04/01/07	2.20 - 3.75	4,230,000
	01/01/03	02/01/09	1.75 - 3.50	<u>4,705,000</u>
Total general obligation bonds				<u>\$39,785,000</u>
Sales tax school refunding bonds	05/01/02	04/01/07	2.50 - 4.10	<u>\$ 950,000</u>
Refunding certificates of indebtedness	11/01/02	10/01/09	2.95	<u>\$ 3,275,000</u>
Other liabilities -				
Accrued compensated absences				\$ 2,781,594
Claims payable				<u>241,576</u>
Total other liabilities				<u>\$ 3,023,170</u>
Total governmental activities long-term liabilities				<u>\$47,033,170</u>

The annual debt service requirements to maturity of all bonds and certificates outstanding at June 30, 2004, follows:

	<u>General Obligation Bonds</u>			<u>Sales Tax School Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$4,355,000	\$1,664,284	\$6,019,284	\$ 450,000	\$ 34,173	\$ 484,173
2006	4,775,000	1,502,059	6,277,059	465,000	18,873	483,873
2007	3,725,000	1,311,726	5,036,726	35,000	1,435	36,435
2008	2,430,000	1,165,799	3,595,799	-	-	-
2009	1,565,000	1,063,604	2,628,604	-	-	-
2010 -						
2014	7,745,000	3,288,019	11,033,019	-	-	-
2015 -						
2019	9,210,000	1,741,681	10,951,681	-	-	-
2020 -						
2024	5,980,000	347,575	6,327,575	-	-	-
	<u>\$39,785,000</u>	<u>\$12,084,747</u>	<u>\$51,869,747</u>	<u>\$ 950,000</u>	<u>\$ 54,481</u>	<u>\$1,004,481</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

	Certificates of Indebtedness			Total		
	Principal	Interest	Total	Principal	Interest	Total
2005	\$ 495,000	\$ 89,311	\$ 584,311	\$ 5,300,000	\$ 1,787,768	\$ 7,087,768
2006	510,000	74,488	584,488	5,750,000	1,595,420	7,345,420
2007	535,000	59,074	594,074	4,295,000	1,372,235	5,667,235
2008	555,000	42,996	597,996	2,985,000	1,208,795	4,193,795
2009	580,000	26,255	606,255	2,145,000	1,089,859	3,234,859
2010 -						
2014	600,000	8,850	608,850	8,345,000	3,296,869	11,641,869
2015 -						
2019	-	-	-	9,210,000	1,741,681	10,951,681
2020 -						
2024	-	-	-	5,980,000	347,575	6,327,575
Totals	<u>\$ 3,275,000</u>	<u>\$ 300,974</u>	<u>\$ 3,575,974</u>	<u>\$44,010,000</u>	<u>\$12,440,202</u>	<u>\$56,450,202</u>

The following is a summary of changes in long-term liabilities for the year ended June 30, 2004:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
General obligation bonds	\$36,925,000	\$ 7,000,000	\$ 4,140,000	\$39,785,000
Sales tax bonds	1,380,000	-	430,000	950,000
Certificates of indebtedness	3,750,000	-	475,000	3,275,000
Accrued compensated absences	2,771,248	10,346	-	2,781,594
Claims payable	394,845	431,475	584,744	241,576
	<u>\$45,221,093</u>	<u>\$ 7,441,821</u>	<u>\$ 5,629,744</u>	<u>\$47,033,170</u>

Compensated absences typically have been liquidated by the general fund and a few other governmental funds. Claims liabilities typically have been liquidated by the internal service funds.

All principal and interest requirements on the parishwide general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. The outstanding sales tax refunding bonds are financed by a portion of the special three-fourths of one percent sales and use tax levied by the School Board. At June 30, 2004, the School Board has accumulated \$1,023,131, in debt service funds for future debt requirements.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

The sales tax bonds are outstanding under a debt agreement that requires the School Board to establish a bond sinking fund. The School Board is required to deposit monthly amounts equal to one-sixth of the interest due on the next interest payment date and one-twelfth of the principal due on the next principal payment date into the sinking fund. Required transfers were made and required balances were on deposit at June 30, 2004.

Note 9. Risk Management

Iberia Parish School Board is self-insured for unemployment compensation, workers' compensation benefits and health insurance.

Unemployment Compensation Insurance

The School Board has established an Unemployment Compensation Self Insurance Program for the purpose of providing coverage under the Louisiana Unemployment Compensation Law. Iberia Parish School Board has a contract with Unemployment Compensation Control Systems, Inc. for plan administration and claims processing.

The School Board accounts for and reports these activities in the General Fund within the constraints of the modified accrual basis of accounting.

Claims expenditures/expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claims paid are recorded as expenditures/expenses against the General Fund insurance appropriation. Claims paid for unemployment compensation amounted to \$40,055, for the fiscal year. Long-term obligations that are not expected to be liquidated with expendable available financial resources are not reported in the fund financial statements. Such amounts, if any, are reported in the government-wide statements in accordance with the accrual basis of accounting. However, according to the claims administrator, it is unlikely that claims will be paid on cases that are over a year old. Therefore, the estimated liability, based on available information at June 30, 2004, of \$58,733, is included in the accompanying fund financial statements and government-wide financial statements.

Workers' Compensation Insurance

Iberia Parish School Board has established a Workers' Compensation Self Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The School Board has a contract with The Huval Companies for plan administration services. Claims processing is handled by Cost Management Services, Inc. Under the program, the School Board has obtained reinsurance coverage for excess workers' compensation and employer's liability. The retention for the policy for fiscal year ended June 30, 2004, is \$200,000, per occurrence.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

An internal service fund is used to account for the activities related to workers' compensation insurance.

At June 30, 2004, the amount of the workers' compensation benefits liability was \$241,576. This liability is the School Board's best estimate based on available information. Changes in the unpaid claims liability during the last two years ended June 30, are as follows:

	<u>2004</u>	<u>2003</u>
Unpaid claims, beginning	\$ 290,065	\$378,763
Current year claims and changes in estimates	441,104	500,325
Claims paid	<u>(489,593)</u>	<u>(589,023)</u>
Unpaid claims, ending	<u>\$ 241,576</u>	<u>\$290,065</u>

Health Insurance

An internal service fund is used to account for the activity related to health insurance including premium collections and payments in the form of benefits, premium costs and administrative costs.

In previous years, the School Board operated its health insurance benefits through a Minimum Premium Agreement with Trustmark Insurance Company. This agreement ended on December 31, 2002, at which point it was not renewed. The current year activity is related to pay out claims incurred during the year.

All full-time employees are eligible to join the program and all retirees have the option to continue coverage upon retirement. The School Board and the insured participant contribute to the fund at varying rates depending on coverage classes. The estimated liability of \$-0-, for claims incurred but not reported and reported but not paid is based on historical claims and industry trends and is recorded as required by Governmental Accounting Standards Board Statement No. 10. Changes in the unpaid claims liability during the last two years ended June 30, are as follows:

	<u>2004</u>	<u>2003</u>
Unpaid claims, beginning	\$ 104,780	\$1,204,407
Current year claims and changes in estimates	(9,629)	5,351,815
Claims paid	<u>(95,151)</u>	<u>(6,451,442)</u>
Unpaid claims, ending	<u>\$ -</u>	<u>\$ 104,780</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 10. Designations of Fund Balance

Individual designations of the fund balances at June 30, 2004, in the fund financial statements are as follows:

	<u>General Fund</u>	<u>Parishwide Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Designated for:				
Subsequent year's expenditures	\$ 692,767	\$ -	\$ 523,307	\$ 1,216,074
Building insurance	250,000	-	-	250,000
Unemployment compensation	98,336	-	-	98,336
Workers' compensation	233,808	-	-	233,808
Employee hospitalization insurance	547,486	-	-	547,486
BPMS litigation settlement	452,761	-	-	452,761
Capital improvements	-	7,533,448	-	7,533,448
Total	<u>\$ 2,275,158</u>	<u>\$ 7,533,448</u>	<u>\$ 523,307</u>	<u>\$10,331,913</u>

Note 11. Property Taxes

Government-wide financial statements:

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

Fund financial statements:

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by the School Board in August and were billed to the taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Taxes are budgeted and the revenue recognized in the year billed.

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

For the year ended June 30, 2004, taxes were levied on property with assessed valuations totaling \$263,549,219, and were dedicated as follows:

Constitutional	5.28 mills
Operations and maintenance	7.36 mills
Debt service	<u>23.84</u> mills
Total tax mills	<u>36.48</u> mills

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Total taxes levied were \$9,614,275. Taxes receivable at June 30, 2004, totaled \$234,531, \$33,823 of which is considered collectible and the remaining \$200,708 is considered uncollectible.

Note 12. Sales and Use Taxes

Iberia Parish School Board is authorized and has levied the following sales and use taxes:

<u>Voter Approval</u>	<u>Rate</u>	<u>Dedication</u>
May 2, 1967	.75%	After paying collection and administration costs, the tax is to be used to pay salaries of teachers and other costs to operate the school system.
May 19, 1979	.50%	Ninety percent of the tax is dedicated to increasing the parish supplement to the State minimum salary schedule. The remaining ten percent is dedicated, on a prorata basis of student population, for materials and equipment.
November 16, 1985	.75%	Fifty percent of the tax is dedicated to increasing salaries and benefits of school teachers and other employees of the school system (as detailed in the resolution of the School Board "1985 Sales Tax Salary Supplement Plan") and is reported within the General Fund. There remaining fifty percent is dedicated to pay the principal and interest on Sales Tax Bonds which were issued to air condition existing schools and for the utility cost and other related expenses to maintain the air conditioned facilities.

In October 1992, Iberia Parish School Board entered into an intergovernmental agreement with the municipalities within Iberia Parish for the collection of sales taxes. The School Board collects the sales taxes for the cities of New Iberia and Jeanerette, the Town of Delcambre, the Village of Loreauville, and the Iberia Parish Government. The sales tax collection expenditures are allocated to the municipalities based on the sales tax collections. The collection and distribution of the sales taxes is accounted for in the Sales Tax Agency Funds.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 13. Interfund Transfers

Interfund transfers for the year ended June 30, 2004, consist of the following:

	<u>Transfer From</u> Other Governmental Funds
Transfers To:	
General Fund	\$ 578,619
Other Governmental Funds	<u>478,847</u>
	<u>\$ 1,057,466</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (b) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund required; and (c) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 14. Employee Retirement Systems

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

Teachers' Retirement System of Louisiana (TRS):

Plan description:

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

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Funding policy:

Plan members are required to contribute 8.00% and 9.50% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.10% of annual covered payroll for the Regular Plan and Plan A. Member contributions and employer contributions for the TRS are established by State law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by State law, is funded by the State of Louisiana through annual appropriations, by deducting from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2004, 2003, and 2002, were \$7,289,477, \$6,983,435, and \$6,792,610, respectively, which equal the required contributions for each year.

Louisiana School Employees' Retirement System (LSE):

Plan description:

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

Funding policy:

Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 8.50% of annual covered payroll. Member contributions and employer contributions for the LSE are established by State law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSE is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSE for the years ending June 30, 2004, 2003, and 2002, were \$397,158, \$-0-, and \$-0-, respectively, which equal the required contributions for each year.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 15. Post Employment Benefits

Iberia Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially, all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee, the State Employees' Group Benefits Program (the State), and the School Board. The School Board's portion of these benefits for the years ending June 30, 2004 and 2003, was approximately \$971,321 and \$888,958, respectively, and the average number of participants receiving benefits was 665 for each of the years ending June 30, 2004 and 2003.

Note 16. Litigation and Claims

At June 30, 2004, the School Board is involved in several lawsuits. In the opinion of legal counsel (district attorney) for the School Board, most lawsuits filed against Iberia Parish School Board fall within the coverage of the insurance policies carried by the School Board and are within the policy limits. The ultimate outcome of these lawsuits cannot be determined. However, no provisions for any liability that may result has been made in the financial statements since the School Board would be in a position to take advantage of the statutory cap for damages against a political subdivision.

Note 17. Sales Tax Reserves - General Fund

The following is a summary of the transactions of the sales tax reserves of the General Fund for the year ended June 30, 2004:

	<u>90%</u>	<u>.50%</u> 10%	<u>.75%</u> 50%	<u>Total</u>
Reserve balance, beginning	\$ 2,396,775	\$ 835,574	\$ 1,993,150	\$ 5,225,499
Additions:				
Sales tax collect- ions and invest- ment earnings	4,946,330	597,512	4,094,190	9,638,032
Reductions:				
Salaries and retirement systems	<u>(5,276,078)</u>	<u>(717,186)</u>	<u>(4,595,329)</u>	<u>(10,588,593)</u>
Reserve balance, ending	<u>\$ 2,067,027</u>	<u>\$ 715,900</u>	<u>\$ 1,492,011</u>	<u>\$ 4,274,938</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 18. U.S.D.A. Commodities

The School Board receives U.S.D.A. commodities from the U.S. Department of Agriculture. During the year, the School Board received \$380,212, in commodities, consumed \$378,710, and had a balance of \$74,365, of commodities in inventory at June 30, 2004. The commodities are reflected in inventory in the School Lunch Fund.

Note 19. Education Excellence Fund

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millenium Trust Fund, referred to as the Education Excellence Fund. For each fiscal year through the end of fiscal year 2006-2007, appropriations shall be made to the state superintendent of education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millenium Trust. Such monies appropriated shall be restricted to expenditure for pre-kindergarten through twelfth grade instructional enhancement for students, including early childhood education programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any tests passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2004, the School Board was appropriated \$2,124,418 of which \$1,897,978 remains restricted for future expenditure in accordance with the Millenium Trust document.

Note 20. Federal and State Grants

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.



BROUSSARD, POCHE', LEWIS & BREAU, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

1400 Canal Street
P.O. Box 904
New Orleans, Louisiana
70112-0904
Phone: (504) 581-1301
Fax: (504) 581-1300

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Other Offices:

Lafayette, LA
(337) 988-4930

Opelousas, LA
(337) 942-5217

Abbeville, LA
(337) 898-1497

Crowley, LA
(337) 783-0650

Church Point, LA
(337) 684-2855

To the Iberia Parish School Board
New Iberia, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Iberia 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 the Iberia 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 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

Retired:

Sidney L. Broussard, CPA* 1980
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1997
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

To the Iberia Parish School Board
New Iberia, Louisiana

We found no exceptions as a result of this procedure.

Education Levels of Public School Staff (Schedule 2)

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

We found the following exceptions as a result of examining the payroll records as of October 1:

- a. One teacher was not classified as being a certified full-time classroom teacher with a bachelor's degree. However, based on information included in the personnel file, the teacher should have been reported as a certified full-time classroom teacher with a bachelor's degree.
 - b. One counselor was classified as being a certified full-time classroom teacher with a bachelor's degree. However, based on information included in the personnel file, the counselor should not have been reported as a certified full-time classroom teacher with a bachelor's degree.
 - c. One assistant principal was classified as being a certified full-time classroom teacher with a master's degree. However, based on information included in the personnel file, this assistant principal should not have been reported as mentioned above, but should have been reported as a certified assistant principal with a master's degree.
 - d. One teacher was classified as being a certified full-time classroom teacher with a bachelor's degree. However, based on information included in the personnel file, the teacher should not have been reported as a certified full-time classroom teacher with a bachelor's degree.
3. We reconciled the combined total of principals and assistant principals per the schedule *Experience of Public Principals and Full-time Classroom Teachers* (Schedule 4) to the combined total of principals and assistant principals per this schedule.

We found no exceptions as a result of this procedure.

4. We obtained a list of full-time teachers, principals and assistant principals by classification as of October 1 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.

We found no exceptions as a result of this procedure.

To the Iberia Parish School Board
New Iberia, Louisiana

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 I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

We found no exceptions as a result of this procedure.

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

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

The exceptions found in performing procedure 2 resulted in the following exceptions on Schedule 4.

- a. One teacher was not classified as a classroom teacher having 4-10 years of experience. However, based on information included in the personnel file, the teacher had 5 years of experience and should have been classified in the 4-10 years of experience range.
- b. One individual was classified as a classroom teacher having between 4-10 years of experience. However, based on information included in the personnel file, the individual was a counselor with 7 years of experience and accordingly should not have been reported as a classroom teacher in the 4-10 years of experience range.
- c. One individual was classified as a classroom teacher having between 11-14 years of experience. However, based on information included in the personnel file, this individual was an assistant principal with 12 years of experience and accordingly should have been reported as an assistant principal and classified in the 11-14 years of experience range.
- d. One teacher was classified as a classroom teacher having 25+ years of experience. However, based on information included in the personnel file, the teacher was terminated before October 1 and accordingly should not have been reported.
- e. One assistant principal was classified incorrectly as a principal having between 11-14 years of experience.

To the Iberia Parish School Board
New Iberia, Louisiana

Public Staff Data (Schedule 5)

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

Out of twenty-five teachers tested, the following exceptions were noted:

- a. One teacher's salary was reported as being \$32,958. However, based on this teacher's check history, it was discovered that the salary was overstated by \$161, which is the amount of stipend pay for Leap Remediation.
 - b. One teacher's salary was reported as being \$41,085. However, based on this teacher's check history, it was discovered that the salary was overstated by \$1,521, which is the amount of stipend pay for various events.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

We found no exceptions as a result of this procedure.

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 1 roll books for those classes and determined if the class was properly classified on this schedule.

Out of the ten schools tested, the following exceptions were noted:

- a. One junior/middle school understated the amount of classes with one through twenty students by 8, overstated the amount of classes with twenty-one through twenty-six students by 108, understated the amount of classes with twenty-seven through thirty-three students by one, overstated the amount of activity classes with one through twenty students by three, and lastly understated the amount of classes with greater than thirty-four students by one.
- b. One junior/middle school overstated the amount of classes with one through twenty students by one, overstated the amount of classes with twenty-one through twenty-six students by three, overstated the amount of classes with twenty-seven through thirty-three students by one, understated the amount of activity classes with one through twenty students by two, understated the amount of activity classes with twenty-one through twenty-six students by two, and lastly understated the amount of classes with twenty-seven through thirty-three students by one.

To the Iberia Parish School Board
New Iberia, Louisiana

- c. One elementary school understated the amount of classes with one through twenty students by one.
- d. One junior/middle school understated the amount of classes with one through twenty students by one, understated the amount of classes with twenty-one through twenty-six students by four, and understated the amount of classes with twenty-seven through thirty-three students by one.
- e. One elementary school overstated the amount of classes with one through twenty students by one.
- f. One high school overstated the amount of classes with one through twenty students by twenty-six, overstated the amount of classes with twenty-one through twenty-six students by twenty-eight, overstated the amount of classes with twenty-seven through thirty-three students by ten, overstated the amount of activity classes with one through twenty students by thirty-four, overstated the amount of activity classes with twenty-one through twenty-six students by six, and lastly overstated the amount of classes with twenty-seven through thirty-three students by eleven.

When reconciling the school type classifications to Schedule 3 data, the following was noted:

- a. One high school was reported as having combination classes. Based on this school's structure, all classes should be reported as high school classes.
- b. One combination high school was reported as having junior high classes. Based on this school's structure, all classes should be reported as combination classes.

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

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

We found no exceptions as a result of this procedure.

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

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

We found no exceptions as a result of this procedure.

To the Iberia Parish School Board
New Iberia, Louisiana

The IOWA Tests (Schedule 9)

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

We found no exceptions as a result of this procedure.

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

This report is intended solely for the use of management of the Iberia 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.

Broussard, Poché, Lewis & Breaux, L.L.P.

New Iberia, Louisiana
November 12, 2004

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
As of and for the Year Ended June 30, 2004

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources. This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff. This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D. or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools. This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Teachers and Full-Time Classroom Teachers. This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data. This schedule includes average classroom teachers' salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics. This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP). This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam. This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
As of and for the Year Ended June 30, 2004

Schedule 9 - The IOWA Tests. This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7, and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

GENERAL FUND INSTRUCTIONAL AND SUPPORT
EXPENDITURES AND CERTAIN LOCAL REVENUE SOURCES
Year Ended June 30, 2004

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and student interaction activities:	
Classroom teacher salaries	\$36,313,080
Other instructional staff salaries	4,276,336
Employee benefits	9,574,103
Purchased professional and technical services	244,346
Instructional materials and supplies	1,459,222
Instructional equipment	206,489
Total teacher and student interaction activities	<u>\$52,073,576</u>
Other instructional activities	<u>\$ 406,717</u>
Pupil support activities	\$ 2,860,131
Less: Equipment for pupil support activities	1,159
Net pupil support activities	<u>\$ 2,858,972</u>
Instructional staff services	\$ 3,032,514
Less: Equipment for instructional staff services	31,796
Net instructional staff services	<u>\$ 3,000,718</u>
Total general fund instructional expenditures	<u>\$58,339,983</u>
Total general fund equipment expenditures	<u>\$ 271,958</u>

Certain Local Revenue Sources

Local taxation revenue:	
Constitutional ad valorem taxes	\$ 1,359,351
Renewal ad valorem tax	1,894,853
Debt service ad valorem tax	-
Up to 1% of collections by the Sheriff on taxes other than school taxes	198,886
Sales and use taxes	15,723,608
Total local taxation revenue	<u>\$19,176,698</u>

(Continued)

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

GENERAL FUND INSTRUCTIONAL AND SUPPORT
EXPENDITURES AND CERTAIN LOCAL REVENUE SOURCES (CONTINUED)
Year Ended June 30, 2004

Local earnings on investment in real property:	
Earnings from 16th section property	\$ 107,323
Earnings from other real estate property	-
Total local earnings on investment in real property	<u>\$ 107,323</u>
State revenue in lieu of taxes:	
Revenue sharing - constitutional tax	\$ 210,475
Revenue sharing - other taxes	293,390
Revenue sharing - excess portion	-
Other revenue in lieu of taxes	-
Total State revenue in lieu of taxes	<u>\$ 503,865</u>
Nonpublic textbook revenue	<u>\$ 58,412</u>
Nonpublic transportation revenue	<u>\$ 273,210</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NUMBER AND TYPE OF PUBLIC SCHOOLS
Year Ended June 30, 2004

Type:	
Elementary	22
Middle/Junior High	4
Secondary	6
Combination	<u>1</u>
Total	<u>33</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

EXPERIENCE OF PUBLIC PRINCIPALS AND
FULL-TIME CLASSROOM TEACHERS
As of October 1, 2003

	0 - 1 Years	2 - 3 Years	4 - 10 Years	11 - 14 Years	15 - 19 Years	20 - 24 Years	25+ Years	Total
Assistant principals	-	-	1	-	2	2	6	11
Principals	-	-	1	2	3	7	21	34
Classroom teachers	130	92	268	122	106	98	240	1,056
Total	130	92	270	124	111	107	267	1,101

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

PUBLIC SCHOOL STAFF DATA
Year Ended June 30, 2004

	All Classroom <u>Teachers</u>	Classroom Teachers Excluding ROTC and Rehired <u>Retirees</u>
Average classroom teachers' salary including extra compensation	<u>\$ 37,135</u>	<u>\$ 37,020</u>
Average classroom teachers' salary excluding extra compensation	<u>\$ 37,131</u>	<u>\$ 36,981</u>
Number of teacher full-time equivalents (FTEs) used in computation of average salaries	<u>1,066</u>	<u>1,042</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

CLASS SIZE CHARACTERISTICS
As of October 1, 2003

	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
School type:								
Elementary activity	19%	239	27%	304	18%	75	- %	-
Elementary activity classes	4%	50	7%	84	3%	14	48%	29
Middle/Junior High	23%	285	29%	325	8%	35	- %	-
Middle/Junior High activity classes	4%	54	3%	40	5%	20	5%	3
High	39%	490	28%	314	49%	208	2%	1
High activity classes	11%	132	6%	66	17%	71	45%	27
Combination	- %	4	- %	2	- %	-	- %	-
Combination activity classes	- %	-	- %	-	- %	-	- %	-

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM
(LEAP) FOR THE 21ST CENTURY
Year Ended June 30, 2004

	English Language Arts						Mathematics								
	2004		2003		2002		2004		2003		2002				
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent			
District achievement level results:															
Grade 4:															
Advanced	12	1%	3	- %	29	2%	16	1%	32	3%	22	2%			
Mastery	172	16%	131	11%	171	14%	131	12%	158	13%	147	12%			
Basic	463	43%	577	48%	503	40%	480	44%	555	46%	533	43%			
Approaching basic	252	23%	329	27%	408	33%	238	22%	291	24%	328	26%			
Unsatisfactory	182	17%	160	13%	136	11%	216	20%	164	14%	216	17%			
Totals	<u>1,081</u>		<u>1,200</u>		<u>1,247</u>		<u>1,081</u>		<u>1,200</u>		<u>1,246</u>				

	Science						Social Studies								
	2004		2003		2002		2004		2003		2002				
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent			
District achievement level results:															
Grade 4:															
Advanced	6	1%	10	1%	34	3%	8	1%	14	1%	10	1%			
Mastery	118	11%	135	11%	135	11%	132	12%	119	10%	70	6%			
Basic	506	47%	487	41%	571	46%	519	48%	584	49%	617	50%			
Approaching basic	335	31%	444	37%	391	31%	254	23%	341	28%	344	28%			
Unsatisfactory	116	11%	124	10%	116	9%	168	16%	142	12%	204	16%			
Totals	<u>1,081</u>		<u>1,200</u>		<u>1,247</u>		<u>1,081</u>		<u>1,200</u>		<u>1,246</u>				

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM
(LEAP) FOR THE 21ST CENTURY (CONTINUED)
Year Ended June 30, 2004

	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
District achievement level results:												
Grade 8:												
Advanced	6	1%	5	1%	15	1%	18	2%	24	2%	22	2%
Mastery	65	6%	100	10%	136	13%	47	4%	32	3%	23	2%
Basic	398	38%	362	36%	328	32%	559	52%	437	42%	402	38%
Approaching basic	435	42%	425	43%	458	45%	249	23%	272	26%	341	32%
Unsatisfactory	140	13%	108	11%	85	8%	208	19%	275	26%	270	26%
Total	<u>1,044</u>		<u>1,000</u>		<u>1,022</u>		<u>1,081</u>		<u>1,040</u>		<u>1,058</u>	

District achievement level results:
Grade 8:

	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
District achievement level results:												
Grade 8:												
Advanced	6	1%	6	1%	7	1%	5	-%	2	-%	1	-%
Mastery	196	19%	100	10%	149	15%	94	9%	64	6%	82	8%
Basic	366	35%	328	33%	377	37%	464	45%	412	41%	484	48%
Approaching basic	281	27%	383	38%	335	33%	303	29%	325	33%	262	26%
Unsatisfactory	185	18%	178	18%	146	14%	166	16%	191	19%	185	18%
Total	<u>1,034</u>		<u>995</u>		<u>1,014</u>		<u>1,032</u>		<u>994</u>		<u>1,014</u>	

District achievement level results:
Grade 8:

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

THE GRADUATION EXIT EXAM FOR THE 21ST CENTURY
Year Ended June 30, 2004

	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	14	2%	2	- %	5	1%	42	6%	45	5%	49	5%
Mastery	124	16%	59	7%	81	9%	115	15%	97	11%	93	9%
Basic	314	42%	297	35%	351	38%	328	44%	310	36%	315	31%
Approaching basic	189	25%	241	29%	274	30%	113	15%	170	20%	207	21%
Unsatisfactory	114	15%	240	29%	209	23%	156	21%	245	28%	339	34%
Total	755		839		920		754		867		1,003	

District
achievement
level results:
Grade 10:

	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	14	2%	8	1%	8	1%	3	- %	7	1%	2	- %
Mastery	90	13%	81	10%	81	10%	46	7%	54	7%	51	6%
Basic	285	40%	308	39%	314	39%	376	53%	344	43%	379	47%
Approaching basic	178	25%	222	28%	206	26%	168	24%	213	27%	203	25%
Unsatisfactory	139	20%	169	21%	196	24%	113	16%	173	22%	169	21%
Total	706		788		805		706		791		804	

District
achievement
level results:
Grade 11:

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANATHE IOWA TESTS
Year Ended June 30, 2004

	Composite		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Test of basic skills (ITBS):			
Grade 3	55	52	46
Grade 5	54	55	50
Grade 6	50	49	57
Grade 7	45	43	42
Test of educational development (ITED):			
Grade 9	42	40	45

This page is intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION

This page is intentionally left blank.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local sources:				
Taxes:				
Ad valorem	\$ 3,362,064	\$ 3,453,090	\$ 3,453,090	\$ -
Sales and use	15,712,257	15,722,641	15,723,608	967
Rentals, leases, and royalties	102,500	112,500	109,579	(2,921)
Tuition	881,380	887,167	912,923	25,756
Costs billed to other funds	300,000	300,000	346,994	46,994
Investment income	650,000	482,000	169,378	(312,622)
Miscellaneous	1,060,187	1,044,349	921,694	(122,655)
State sources:				
Unrestricted grants-in-aid	55,111,147	55,864,134	55,864,134	-
Restricted grants-in-aid	2,099,823	4,166,322	4,146,885	(19,437)
Federal sources:				
Restricted grants-in-aid	42,270	47,172	44,695	(2,477)
Total revenues	\$ 79,321,628	\$ 82,079,375	\$ 81,692,980	\$ (386,395)
Expenditures:				
Instruction:				
Regular programs	\$ 33,713,940	\$ 34,528,484	\$ 34,238,684	\$ 289,800
Special education	13,935,564	14,103,643	13,888,406	215,237
Vocational education	2,620,031	2,615,763	2,571,454	44,309
Other instructional programs	1,376,635	1,368,570	1,356,649	11,921
Special programs	520,809	482,654	461,873	20,781
Adult and continuing education programs	25,939	41,589	41,603	(14)
Support services:				
Pupil support	2,850,651	2,891,708	2,841,911	49,797
Instructional staff	2,835,466	2,867,549	2,836,325	31,224
General administration	1,558,132	1,440,067	1,380,416	59,651
School administration	4,243,671	4,284,635	4,231,823	52,812
Business services	1,185,733	1,210,248	1,169,255	40,993
Plant services	5,823,900	5,829,375	5,737,085	92,290
Student transportation services	6,368,059	6,419,826	6,304,660	115,166
Central services	453,469	451,063	454,379	(3,316)
Food	788,613	804,446	729,968	74,478
Community services	355,900	355,900	377,919	(22,019)
Debt service	703,684	578,619	-	578,619
Capital outlay	1,117,100	756,635	697,084	59,551
Total expenditures	\$ 80,477,296	\$ 81,030,774	\$ 79,319,494	\$ 1,711,280

(continued)

This page is intentionally left blank.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess (deficiency) of revenues over expenditures	\$ (1,155,668)	\$ 1,048,601	\$ 2,373,486	\$ 1,324,885
Other uses:				
Transfers out	-	-	(578,619)	(578,619)
Net change in fund balance	\$ (1,155,668)	\$ 1,048,601	\$ 1,794,867	\$ 746,266
Fund balance, beginning, as restated	18,792,128	18,792,128	17,395,038	(1,397,090)
Fund balance, ending	<u>\$ 17,636,460</u>	<u>\$ 19,840,729</u>	<u>\$ 19,189,905</u>	<u>\$ (650,824)</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

	Special			
ASSETS	Utilities	School Lunch	ESEA Title I	ESEA Title I Migrant
Cash	\$ 304,278	\$ 871,721	\$ 103,771	\$ 7,770
Investments	2,513,817	-	-	-
Accrued interest receivable	29,019	-	-	-
Inventories, at cost	-	316,938	-	-
Accounts receivable	127,860	-	-	-
Due from other funds	850	-	1,087	-
Due from other governmental agencies	3,646	476,101	1,240,074	22,304
Prepaid items	-	7,324	-	-
Total assets	\$ 2,979,470	\$ 1,672,084	\$ 1,344,932	\$ 30,074
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 7,666	\$ 1,968	\$ 136	\$ -
Due to other funds	299,570	410,846	1,344,796	30,074
Total liabilities	\$ 307,236	\$ 412,814	\$ 1,344,932	\$ 30,074
Fund balances:				
Reserved for:				
Debt service	\$ -	\$ -	\$ -	\$ -
Inventories	-	316,938	-	-
Prepaid items	-	7,324	-	-
Unreserved:				
Designated for subsequent year's expenditures	449,943	-	-	-
Undesignated	2,222,291	935,008	-	-
Total fund balances	\$ 2,672,234	\$ 1,259,270	\$ -	\$ -
Total liabilities and fund balances	\$ 2,979,470	\$ 1,672,084	\$ 1,344,932	\$ 30,074

Revenue				Debt Service	
ESEA Title II, IV and V	Special Education	Vocational Education	Other Federal	Bond Retirement	Sales Tax Bonds
\$ 16,682	\$ 13,772	\$ 21,831	\$ 344,468	\$ 868,322	\$ 121,043
-	-	-	-	11,505	-
-	-	-	-	133	-
-	-	-	-	-	-
-	-	-	285	-	-
208,953	862,752	116,607	19,521	22,128	-
-	-	-	-	-	-
<u>\$ 225,635</u>	<u>\$ 876,524</u>	<u>\$ 138,438</u>	<u>\$ 364,274</u>	<u>\$ 902,088</u>	<u>\$ 121,043</u>
\$ 3,597	\$ -	\$ -	\$ -	\$ -	\$ -
222,038	876,524	138,438	290,910	-	-
<u>\$ 225,635</u>	<u>\$ 876,524</u>	<u>\$ 138,438</u>	<u>\$ 290,910</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 902,088	\$ 121,043
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	73,364	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,364</u>	<u>\$ 902,088</u>	<u>\$ 121,043</u>
<u>\$ 225,635</u>	<u>\$ 876,524</u>	<u>\$ 138,438</u>	<u>\$ 364,274</u>	<u>\$ 902,088</u>	<u>\$ 121,043</u>

C
O
N
T
I
N
U
E
D

This page is intentionally left blank.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

ASSETS	<u>Debt Service Certificates of Indebtedness, Series 1999 Sinking Fund</u>	<u>Total</u>
Cash	\$ -	\$ 2,673,658
Investments	-	2,525,322
Accrued interest receivable	-	29,152
Inventories, at cost	-	316,938
Accounts receivable	-	127,860
Due from other funds	-	2,222
Due from other governmental agencies	-	2,972,086
Prepaid items	-	7,324
	<hr/>	<hr/>
Total assets	\$ -	\$ 8,654,562
	<hr/> <hr/>	<hr/> <hr/>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ -	\$ 13,367
Due to other funds	-	3,613,196
	<hr/>	<hr/>
Total liabilities	\$ -	\$ 3,626,563
	<hr/>	<hr/>
Fund balances:		
Reserved for -		
Debt service	\$ -	\$ 1,023,131
Inventories	-	316,938
Prepaid items	-	7,324
Unreserved -		
Designated for subsequent year's expenditures	-	523,307
Undesignated	-	3,157,299
	<hr/>	<hr/>
Total fund balances	\$ -	\$ 5,027,999
	<hr/>	<hr/>
Total liabilities and fund balances	\$ -	\$ 8,654,562
	<hr/> <hr/>	<hr/> <hr/>

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2004

	Special			
Utilities	School Lunch	ESEA Title I	ESEA Title I Migrant	
Revenues:				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales and use	3,593,851	-	-	-
Investment income	699	12,873	-	-
Food services	-	771,256	-	-
Miscellaneous	5,702	900	-	-
State sources:				
Unrestricted grants-in-aid	-	600,000	-	-
Restricted grants-in-aid	-	79,670	-	-
Federal sources:				
Restricted grants-in-aid	-	4,565,524	4,463,643	284,860
Total revenues	\$ 3,600,252	\$ 6,030,223	\$ 4,463,643	\$ 284,860
Expenditures:				
Instruction:				
Regular programs	\$ -	\$ -	\$ -	-
Special education	-	-	-	-
Vocational education	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	-	-	4,307,570	284,860
Adult and continuing education programs	-	-	-	-
Support services:				
Pupil support	-	-	-	-
General administration	700	-	-	-
School administration	73,581	-	-	-
Plant services	4,083,199	-	-	-
Food	-	5,814,773	-	-
Intergovernmental charges	-	-	-	-
Capital outlay	-	81,223	156,073	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	\$ 4,157,480	\$ 5,895,996	\$ 4,463,643	\$ 284,860
Excess (deficiency) of revenues over expenditures	\$ (557,228)	\$ 134,227	\$ -	\$ -
Other financing sources (uses):				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(478,847)	-	-	-
Total other financing sources (uses)	\$ (478,847)	\$ -	\$ -	\$ -
Net change in fund balances	\$ (1,036,075)	\$ 134,227	\$ -	\$ -
Fund balances, beginning, as restated	3,708,309	1,125,043	-	-
Fund balances, ending	\$ 2,672,234	\$ 1,259,270	\$ -	\$ -

Revenue				Debt Service	
ESEA Title II, IV, V	Special Education	Vocational Education	Other Federal	Bond Retirement	Sales Tax Bonds
\$ -	\$ -	\$ -	\$ -	\$ 6,137,642	\$ -
-	-	-	-	-	-
-	-	-	-	14,326	-
-	-	-	-	-	-
-	-	-	-	2,938	-
-	-	-	-	-	-
-	-	-	-	-	-
1,289,917	2,743,234	465,032	1,338,373	-	-
<u>\$ 1,289,917</u>	<u>\$ 2,743,234</u>	<u>\$ 465,032</u>	<u>\$ 1,338,373</u>	<u>\$ 6,154,906</u>	<u>\$ -</u>
\$ 1,043,077	-	\$ -	\$ 94,741	\$ -	\$ -
-	2,623,066	-	-	-	-
-	-	440,126	-	-	-
-	-	-	142,530	-	-
113,604	-	-	905,047	-	-
-	-	-	80,599	-	-
-	-	-	-	-	-
130,809	-	-	-	-	-
-	-	-	-	221,325	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	104,021	-
2,427	120,168	24,906	44,528	-	-
-	-	-	-	4,140,000	430,000
-	-	-	-	1,546,696	47,072
<u>\$ 1,289,917</u>	<u>\$ 2,743,234</u>	<u>\$ 465,032</u>	<u>\$ 1,267,445</u>	<u>\$ 6,012,042</u>	<u>\$ 477,072</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,928</u>	<u>\$ 142,864</u>	<u>\$ (477,072)</u>
-	-	\$ -	-	\$ -	\$ 478,847
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 478,847</u>
\$ -	\$ -	\$ -	\$ 70,928	\$ 142,864	\$ 1,775
-	-	-	2,436	759,224	119,268
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,364</u>	<u>\$ 902,088</u>	<u>\$ 121,043</u>

C
O
N
T
I
N
U
E
D

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2004

	<u>Debt Service Certificates of Indebtedness, Series 1999 Sinking Fund</u>	<u>Total</u>
Revenues:		
Local sources:		
Taxes:		
Ad valorem	\$ -	\$ 6,137,642
Sales and use	-	3,593,851
Investment income	-	27,898
Food services	-	771,256
Miscellaneous	-	9,540
State sources:		
Unrestricted grants-in-aid	-	600,000
Restricted grants-in-aid	-	79,670
Federal sources:		
Restricted grants-in-aid	-	15,150,583
Total revenues	<u>\$ -</u>	<u>\$ 26,370,440</u>
Expenditures:		
Instruction:		
Regular programs	\$ -	\$ 1,137,818
Special education	-	2,623,066
Vocational education	-	440,126
Other instructional programs	-	142,530
Special programs	-	5,611,081
Adult and continuing education programs	-	80,599
Support services:		
Pupil support	-	130,809
General administration	-	222,025
School administration	-	73,581
Plant services	-	4,083,199
Food	-	5,814,773
Intergovernmental charges	-	104,021
Capital outlay	-	429,325
Debt service:		
Principal retirement	475,000	5,045,000
Interest and fiscal charges	103,619	1,697,387
Total expenditures	<u>\$ 578,619</u>	<u>\$ 27,635,340</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (578,619)</u>	<u>\$ (1,264,900)</u>
Other financing sources (uses):		
Transfers in	\$ 578,619	\$ 1,057,466
Transfers out	-	(478,847)
Total other financing sources (uses)	<u>\$ 578,619</u>	<u>\$ 578,619</u>
Net change in fund balances	\$ -	\$ (686,281)
Fund balances, beginning, as restated	-	5,714,280
Fund balances, ending	<u>\$ -</u>	<u>\$ 5,027,999</u>

COMPLIANCE AND OTHER GRANT INFORMATION

This page intentionally left blank.



BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

1100 Poydras
New Orleans, Louisiana
70112-2001
Phone: (504) 581-1100
Fax: (504) 581-1101

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

Other Offices:

Lafayette, LA
(337) 988-4930

Opelousas, LA
(337) 942-5217

Abbeville, LA
(337) 898-1497

Crowley, LA
(337) 783-0650

Church Point, LA
(337) 684-2855

Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. Breaux, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Terrel P. Dressel, CPA*

To the Iberia Parish School Board
New Iberia, Louisiana

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

Compliance

As part of obtaining reasonable assurance about whether Iberia Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2004-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Iberia Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control

Members:
Sidney L. Broussard, CPA* 1980
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1997
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

To the Iberia Parish School Board
New Iberia, Louisiana

over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2004-2 through 2004-5.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above are material weaknesses.

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

BROUSSARD, ROCHE, LEWIS & BREAU, L.L.P.

New Iberia, Louisiana
November 12, 2004



BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

1000 Poydras Street
New Orleans, Louisiana 70112
Telephone: (504) 581-1111
Fax: (504) 581-1111

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

Other Offices:

Lafayette, LA
(337) 988-4930

Opelousas, LA
(337) 942-5217

Abbeville, LA
(337) 898-1497

Crowley, LA
(337) 783-0650

Church Point, LA
(337) 684-2855

Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. Breaux, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Terrel P. Dressel, CPA*

Retirees:

Sidney L. Broussard, CPA* 1980
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1997
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

To the Iberia Parish School Board
New Iberia, Louisiana

Compliance

We have audited the compliance of Iberia Parish School Board with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. Iberia Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Iberia Parish School Board's management. Our responsibility is to express an opinion on Iberia 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 Iberia Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Iberia Parish School Board's compliance with those requirements.

To the Iberia Parish School Board
New Iberia, Louisiana

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

Internal Control over Compliance

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

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

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

BROUSSARD, POCHE, LEWIS & BREAUx, L.L.P.

New Iberia, Louisiana
November 12, 2004

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2004

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified.

Internal control over financial reporting:

- Material weakness identified? Yes No
- Reportable conditions identified that are not considered to be material weaknesses? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness identified? Yes No
- Reportable conditions identified that are not considered to be material weaknesses? Yes None Reported

Type of auditors' report issued on compliance for major programs: unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2004

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.553	National School Breakfast Program
10.555	National School Lunch Program
84.027A	Special Education
84.173A	Special Education - Preschool Grants
84.367A	Title II
93.558	Family Math and Science
93.558	LA 4 Pre-K Program and Enhancement
93.558	Pre-GED/Skills Options
93.558	Starting Points Preschool Program

Dollar threshold used to distinguish between type A and type B programs: \$455,963.

Auditee qualified as low-risk auditee? Yes X No

Section II. Financial Statement Findings

2004-1 - Advance Payment of Salaries

Finding: Iberia Parish School Board pays its teachers and other nine and ten month employees who were employed before July 1, 1979 on a twelve-month basis beginning July 1 and ending June 30. Because the employee services do not begin until late August, this procedure results in advance payments of salaries during July and August.

In several opinions, the Louisiana Attorney General has ruled that paying an employee prior to the completion of a pay period (or the rendering of services) is considered a donation. Article VII, Section 14 of the 1974 Constitution prohibits the donation of funds, credit, property, or things of value of the State or any political subdivision.

Recommendation: Employees should not be paid in advance of providing services.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2004

Section II. Financial Statement Findings (continued)

2004-2 - Inventory

Finding: We performed a physical count of 35 items at the warehouse and at one of the schools, chosen at random. Three items tested were miscounted by School Board employees. After identification of the errors, corrections were made to the inventory listing. In addition, the inventory listing at year-end of the warehouse inventory is approximately \$10,300 less than the balance calculated based on beginning balance, current year purchases, and current year distributions to the schools.

Recommendation: Continued effort should be made to computerize the inventory system and to reconcile physical counts to perpetual records.

2004-3 - Underaccrual of Retirement Expense

Finding: The contribution rate for teacher retirement was increased from 13.1% to 13.8%. This change was not properly reflected, which resulted in the understatement of both the liability account and the retirement expense throughout the fiscal year. This resulted in a year-end adjustment of \$435,000.

Recommendation: Monthly reconciliations between the accrual and actual payment amounts should be made to verify the accuracy of the financial reports.

2004-4 - Medicaid Outreach Revenue

Finding: Medicaid Outreach reimbursements are being recorded in duplicate in the general ledger. Quarterly reports are first recorded, and then when amendments are made, the initial amount is not reversed out. This has resulted in revenue and receivable being inaccurately reflected in the financial reports.

Recommendation: Monthly reconciliations of the outstanding claims for reimbursement and the accounts receivable balance per the general ledger should be made to verify the accuracy of the financial reports.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2004

Section II. Financial Statement Findings (continued)

2004-5 - IDEA Assistive Technology Grant

Finding: A grant for \$7,249 was obtained by School Board employed occupational therapists without going through the proper administrative office procedures. This resulted in the grant documentation file being incomplete.

Recommendation: All grant applications should be processed by the appropriate personnel in the administrative office who are familiar with all of the grant requirements.

Section III. Federal Award Findings and Questioned Costs

None reported.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2004

Section I. Internal Control and Compliance Material to the Financial Statements

2003-1 - Advance Payment of Salaries

Recommendation: Employees should not be paid in advance of providing services.

Current Status: This finding is being resolved through attrition. The process began in July 1979. This finding is repeated this year at 2004-1.

2003-2 - Accrued Leave Report

Recommendation: The reports generated to record accrued annual leave in the government-wide financial statements contained inaccurate information, which needs to be corrected.

Current Status: Procedures have been implemented to accurately report accrued annual leave.

2003-3 - Inventory

Recommendation: Continued effort should be made to computerize the inventory system and to reconcile physical counts to perpetual records.

Current Status: Efforts are being made to improve inventory reporting but unreconciled differences still exist. This finding is repeated this year at 2004-2.

2003-4 - Insurance Proceeds

Recommendation: Insurance checks should not be endorsed over to a third party, but rather deposited and recorded in the School Board's general ledger.

Current Status: This finding is resolved.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2004

Section I. Internal Control and Compliance Material to the Financial Statements

2003-5 - Group Insurance

Recommendation: The cash account needs to be reconciled to the bank statements prior to closing out this fund. Also, since the contract is ended, the School Board should ensure that the final records maintained by the third party administrator agree with the School Board's records.

Current Status: The contract agreement with the third party administrator ended December 31, 2002, although the administrator continues to pay runout claims during the year. Although efforts to reconcile previous differences were never resolved, the School Board has closed all accounts associated with this administrator.

2003-6 - Transportation

Recommendation: Controls should be evaluated and strengthened to ensure an adequate segregation of duties in the transportation department.

Current Status: This finding has been resolved through additional verification procedures and a change in personnel.

Section II. Internal Control and Compliance Material to Federal Awards

2003-7 - Pre-GED/Skills Option Program - Test of Compliance

Recommendation: Procedures should be established to ensure that claims for reimbursements are prepared properly based on the attendance records and all documentation related to eligibility determination is maintained on file.

Current Status: Procedures have been established to resolve the numerous reporting problems.

2003-8 - FEMA Requests for Reimbursement

Recommendation: The error in reporting on the project worksheet should be reported to FEMA for resolution.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2004

Section II. Internal Control and Compliance Material to Federal Awards (continued)

2003-8 - FEMA Requests for Reimbursement (continued)

Current Status: This finding has been resolved by reporting the overpayment to FEMA who instructed the School Board not to take any action at this time.

Section III. Management Letter

There was no management letter in the prior year's audit report.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Assistance I.D. Number</u>	<u>Pass- Through Grantor's Number</u>
DIRECT PROGRAMS:			
U.S. Department of Defense: ROTC	-	N/A	N/A
PASS-THROUGH PROGRAMS:			
U.S. Department of Agriculture: State Department of Education: National School Breakfast Program	10.553	N/A	-
National School Lunch Program	10.555	N/A	-
Total U.S. Department of Agriculture			
Federal Emergency Management Agency:			
Louisiana Department of Military Affairs: Public Assistance Grants	83.544	N/A	-
U.S. Department of Education:			
State Department of Education: Adult Education	84.002A	N/A	0444-23
Adult Education	84.002A	N/A	0244-23-C
Total Adult Education			
ESEA Title I	84.010A	N/A	04-T1-23
ESEA Title I	84.010A	N/A	03-T1-23-C
ESEA Title I	84.010A	N/A	03-T1-23
Total ESEA Title I			
Migrant Education	84.011A	N/A	04-M1-23
Migrant Education	84.011A	N/A	02-M1-23-C
Migrant Education	84.011A	N/A	03-M1-23
Total Migrant Education			
Special Education:			
Grants to States	84.027A	N/A	04-B1-23
Grants to States	84.027A	N/A	03-B8-23
Grants to States	84.027A	N/A	03-B1-23
Total Special Education			
Vocational Education	84.048A	N/A	0302-23-C
Vocation Education	84.048A	N/A	0402-23
Total Vocation Education			

<u>Total Current Year Expenditures</u>	<u>Total Amount Provided to Subrecipients</u>
\$ 39,793	\$ -
\$ 1,016,428	\$ -
3,552,375	-
<u>\$ 4,568,803</u>	<u>\$ -</u>
\$ 4,902	\$ -
\$ 76,707	\$ -
3,893	-
<u>\$ 80,600</u>	<u>\$ -</u>
\$ 3,276,826	\$ -
486,797	-
345,654	-
<u>\$ 4,109,277</u>	<u>\$ -</u>
\$ 240,129	\$ -
12,829	-
31,902	-
<u>\$ 284,860</u>	<u>\$ -</u>
\$ 2,400,930	\$ -
106	-
31,288	-
<u>\$ 2,432,324</u>	<u>\$ -</u>
\$ 4,713	\$ -
217,946	-
<u>\$ 222,659</u>	<u>\$ -</u>

(Continued)

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended June 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Assistance I.D. Number</u>	<u>Pass- Through Grantor's Number</u>
PASS-THROUGH PROGRAMS: (Continued)			
U.S. Department of Education:			
State Department of Education:			
Special Education:			
Preschool Grants	84.173A	N/A	02-P2-23
Preschool Grants	84.173A	N/A	03-P1-23
Preschool Grants	84.173A	N/A	04-P1-23
Preschool Grants	84.173A	N/A	03-P2-23
Total Special Education			
Grants for Infants and Families with Disabilities - Smaller Learning			
	84.181A	N/A	N/A
Title IV - Drug Free Schools	84.186A	N/A	03-70-23-C
Title IV - Drug Free Schools	84.186A	N/A	02-70-23
Title IV - Drug Free Schools	84.186A	N/A	04-70-23
Title IV - Drug Free Schools	84.186A	N/A	N/A
Total Title IV - Drug Free Schools			
Javits Grant	84.205A	N/A	N/A
ESEA Title I - Even Start	84.213C	N/A	02-F1-23-C
ESEA Title I - Even Start	84.213C	N/A	03-F1-23
Total ESEA Title I - Even Start			
Eisenhower Professional Development State Grants	84.281A	N/A	02-50-23-C
ESEA Title VI	84.298A	N/A	04-80-23
ESEA Title V	84.298A	N/A	03-80-23
ESEA Title V	84.298A	N/A	03-80-23-C
Total ESEA Title VI and V			
Enhanced Education Through Technology	84.318X	N/A	0349-23
	84.318X	N/A	0449-23
Total Enhanced Education Through Technology			
ESEA Title I - Comprehensive School Reform Demonstration Program	84.332A	N/A	03-T6-23-C
	84.332A	N/A	02-T6-23-C
Total ESEA Title I - Comprehensive School Reform Demonstration Program			

Schedule N-1
(Continued)

<u>Total Current Year Expenditures</u>	<u>Total Amount Provided to Subrecipients</u>
\$ 55,916	\$ -
9,988	-
104,600	-
15,289	-
<u>\$ 185,793</u>	<u>\$ -</u>
<u>\$ 242,372</u>	<u>\$ -</u>
\$ 14,240	\$ -
13,806	-
<u>89,905</u>	<u>-</u>
<u>\$ 117,951</u>	<u>\$ -</u>
<u>\$ 2,800</u>	<u>\$ -</u>
\$ 1,464	\$ -
20,463	-
<u>\$ 21,927</u>	<u>\$ -</u>
<u>\$ 13,502</u>	<u>\$ -</u>
\$ 71,922	\$ -
30,324	-
13,785	-
<u>\$ 116,031</u>	<u>\$ -</u>
\$ 14,370	\$ -
120,763	-
<u>\$ 135,133</u>	<u>\$ -</u>
\$ 96,680	\$ -
9,150	-
<u>\$ 105,830</u>	<u>\$ -</u>

(Continued)

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended June 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Assistance I.D. Number</u>	<u>Pass- Through Grantor's Number</u>
PASS-THROUGH PROGRAMS: (Continued)			
U.S. Department of Education:			
State Department of Education:			
Special Education - Assistive Technology	84.352A	N/A	03-SG-23
	84.352A	N/A	N/A
Total Special Education - Assistive Technology			
Title I - Reading First	84.357A	N/A	03-RF-23
Title III	84.365A	N/A	04-60-23
Title III	84.365A	N/A	04-53-23
Total Title III			
Title II	84.367A	N/A	04-50-23
Title II	84.367A	N/A	03-50-23
Total Title II			
U.S. Department of Health and Human Services:			
State Department of Education:			
Family Math and Science	93.558	N/A	03-MS-23
LA 4 Pre-K Program	93.558	N/A	TANF-LA4
Pre-GED/Skills Options	93.558	N/A	0436-23
	93.558	N/A	0336-23
Starting Points Preschool Program	93.558	N/A	N/A
Refugee Impact Grant	93.576	N/A	03-X3-23
Refugee Impact Grant	93.576	N/A	04-X3-23
Total Refugee Impact Grant			
Total Federal Award Expenditures			

Schedule N-1
(Continued)

<u>Total Current Year Expenditures</u>	<u>Total Amount Provided to Subrecipients</u>
\$ 115,267	\$ -
7,250	-
<u>\$ 122,517</u>	<u>\$ -</u>
\$ 217,219	\$ -
\$ 7,254	\$ -
2,136	-
<u>\$ 9,390</u>	<u>\$ -</u>
\$ 882,092	\$ -
160,342	-
<u>\$ 1,042,434</u>	<u>\$ -</u>
\$ 3,768	\$ -
870,316	-
112,964	-
25,798	-
<u>99,567</u>	-
<u>\$ 1,112,413</u>	<u>\$ -</u>
\$ 7,457	\$ -
2,770	-
<u>\$ 10,227</u>	<u>\$ -</u>
<u>\$15,198,757</u>	<u>\$ -</u>

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of and for the Year Ended June 30, 2004

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of Iberia Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the Financial Statements of the School Board's financial statements. 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 2. Relationship to Financial Statements

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

	Federal Sources
Major Governmental Fund:	
General Fund	\$ 44,695
Other Governmental Funds:	
School Lunch	4,565,524
Elementary and Secondary Education Act -	
Title I	4,463,643
Title I Migrant	284,860
Title II, IV and V	1,289,917
Special Education	2,743,234
Vocational Education	465,032
Other Federal	1,338,373
	\$15,195,278

Note 3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related Federal financial reports.

Note 4. Major Federal Awards

The dollar amount threshold of \$455,963, was used to distinguish between Type A and Type B Federal programs. For those funds that have matching revenues and State funding, Federal expenditures were determined by deducting matching revenues from total expenditures.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
As of and for the Year Ended June 30, 2004

Note 5. Noncash Programs

The commodities received, which are noncash revenues, are valued using prices provided by United States Department of Agriculture.

Note 6. Schoolwide Programs

ESEA Programs Title I, II, IV, V, VI, and Migrant operate schoolwide programs. Individual amounts by program are detailed in the accompanying Schedule of Expenditures of Federal Awards.

IBERIA PARISH SCHOOL BOARD
NEW IBERIA, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO SCHOOL BOARD MEMBERS
Year Ended June 30, 2004

Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board receive \$550, per month, and the president receives \$650, per month for performing the duties of his/her office.

The following is a schedule of compensation paid to each School Board member for the year ended June 30, 2004:

Edwin Buford, Jr.	\$ 7,200
Clara Carrier	6,600
Mary Davis	6,600
Richard Denison, Jr.	6,600
Joel Dugas	6,600
Mary Freshley	6,600
Rita Holmes	6,600
Dan LeBlanc, Sr.	6,600
Robbie LeBlanc	7,200
Jesse McDonald	6,600
Blaine Meche	6,600
Elvin Pradia	6,600
David Romero	6,600
Danny Segura	6,600
Total	<u>\$ 93,600</u>

IBERIA PARISH SCHOOL BOARD



Children First

Department of Administration
1500 Jane Street □ P. O. Box 200
New Iberia, Louisiana 70562-0200
(318) 365-2341 FAX (318) 365-6996

Eugene N. "Sonny" Baudry, Jr.
Superintendent
Charles R. Harvison
Assistant Superintendent
Administration
Dale R. Henderson
Assistant Superintendent
Instruction

PRESIDENT
Edwin J. "Ed" Buford Jr.
District 8

December 17, 2004

FIRST VICE-PRESIDENT
Elvin Pradia
District 2

Fayette Dupre
Broussard, Poche', Lewis & Breaux, L.L.P.
Certified Public Accountants

SECOND VICE-PRESIDENT
Blaine A. Meche
District 10

P. O. Box 9631
New Iberia, LA 70562-9631

EXECUTIVE COMMITTEE
Jesse J. "Jay" McDonald
District 3

The Iberia Parish School Board submits the following response to audit findings for the year ending June 30, 2004.

IMMEDIATE PAST-PRESIDENT
Robbie J. LeBlanc
District 5

Audit period: July 1, 2003 through June 30, 2004

BOARD MEMBERS

2004-1 Advanced Payment of Salaries

Recommendation: Employees should not be paid in advance of providing services.

Clara Carrier
District 1

Action taken: The Iberia Parish School Board through the process of attrition is reducing the amount of employees paid in advance of services. We began the process of elimination through attrition July 1, 1979 and have continued this process since. The policy resolves that all persons who come into the employment of the Iberia Parish School Board whether new employees or those returning in the payroll system due to general leaves or for other reasons, will receive their first pay check on September 30 for the year employed. This action was approved by the Board and previously accepted by the Department of Education. This plan will resolve the advance payment of salaries by June 30, 2010.

Mary B. "Mel" Davis
District 4

Richard Denison
District 6

Dan L. LeBlanc
District 7

Joel J. Dugas
District 9

Mary Fay L. Freshley
District 11

2004-2 Inventory

Recommendation: Continued effort should be made to computerize the inventory system and to reconcile physical counts to perpetual records.

Rita M. Holmes
District 12

Danny D. Segura
District 13

David W. Romero
District 14

Action Taken: Total computerization of the School Food Service inventory system became effective August 1, 2004. All school sites, the food service warehouse, and

the central office are networked for purchasing, ordering, receiving and delivery of food and supplies.

2004-3 Under accrual of Retirement Expenses

Recommendations: Monthly reconciliation's between the accrual and actual payment amounts should be made to verify the accuracy of the financial reports.

Action Taken: The problem occurred because the retirement rate was not changed. The Computer Department and the Accounting Department will assure that the rates are changed at the appropriate time each fiscal year. The Accounting Department will reconcile monthly payments to assure accuracy.

2004-4 Medicaid Outreach Revenue

Recommendations: Monthly reconciliation's of the outstanding claims for reimbursement and the accounts receivable balance per the general ledger should be made to verify the accuracy of the financial reports.

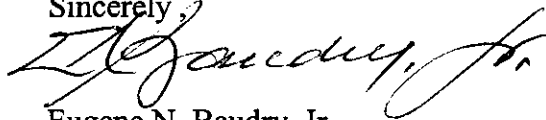
Action Taken: This was an oversight by the Accounting Department. We have been reconciling the monthly outstanding claims for reimbursement with the accounts receivable balance in the general ledger.

2004-5 IDEA Assistive Technology Grant

Recommendation: All grant applications should be processed by the appropriate personnel in the administrative office who are familiar with all of the grant requirements..

Actions Taken: The Director of Special Education met with her staff and have advised them of the proper procedures in processing grant applications. The staff will have to meet with the appropriate personnel in the Administrative office who are familiar with all of the grant requirements. In the future, all applications will be sent to the a Accounting Department for review prior to getting signatures from the Superintendent or his designee. No grants will be sent without the Accounting Department being notified.

Sincerely,



Eugene N. Baudry, Jr.
Superintendent

Cc: Carl J. Leblanc
Felix Jeanminette

IBERIA PARISH SCHOOL BOARD



Children First

Department of Administration
1500 Jane Street □ P. O. Box 200
New Iberia, Louisiana 70562-0200
(318) 365-2341 FAX (318) 365-6996

Eugene N. "Sonny" Baudry, Jr.
Superintendent
Charles R. Harvison
Assistant Superintendent
Administration
Dale R. Henderson
Assistant Superintendent
Instruction

PRESIDENT
Blaine A. Meche
District 10

FIRST VICE-PRESIDENT
Robbie J. LeBlanc
District 5

SECOND VICE-PRESIDENT
Danny D. Segura
District 13

EXECUTIVE COMMITTEE
Clara Carrier
District 1

MEDIATE PAST-PRESIDENT
Edwin J. "Ed" Buford Jr.
District 8

BOARD MEMBERS

Elvin Pradia
District 2

esse J. "Jay" McDonald
District 3

Mary B. "Mel" Davis
District 4

Richard Denison
District 6

Dan L. LeBlanc
District 7

Joel J. Dugas
District 9

Mary Fay L. Freshley
District 11

Rita M. Holmes
District 12

David W. Romero
District 14

January 27, 2005

Mrs. Brittni G. Robert
Engagement Administrative Assistant
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mrs. Robert,

We submit the following corrective action plan in regard to the discrepancies found in the Iberia Parish School Board agreed upon procedures for the fiscal year ended June 30, 2004.

Education Levels of Public School Staff (Schedule 2)

We have reviewed and confirmed the noted discrepancies found in Schedule 2. A corrective action plan was carried out whereby the necessary changes were made to the classifications and records of the employees. Personnel and payroll records were examined and verified to have the correct information as noted in the audit report.

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

Upon reviewing the exceptions to Schedule 4 we verified that the information was the same as reported on Schedule 2. Therefore the necessary changes have been made to the classifications and records of the employees for exceptions a, b, c, and d. On exception e, the classification was reported correctly on PEP but was reported incorrectly on Schedule 4. We have again checked the personnel and payroll records to verify that these classifications and records of the employees noted as exceptions on Schedule 4 are correct and have been changed.

Public Staff Data (Schedule 5)

We have reviewed and confirm the noted discrepancies found in Schedule 5. Our corrective action plan is to assure that stipends paid to employees will not be charged to their salary account but to the stipend pay account.

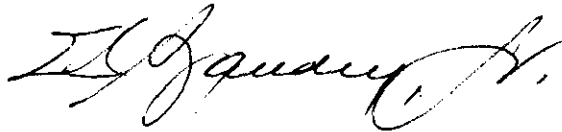
Class Size Characteristics (Schedule 6)

The data that was collected for Class Size Characteristics (Schedule 6) was completed manually in the past and this could account for the inaccuracy in the data. We have recently discovered that this data can be obtained through the Annual Report and SIS (Student

RECEIVED
LEGISLATIVE AUDITOR
05 JAN 31 AM 11:36

Information System). Therefore, in the future, this information will no longer be gathered manually, but instead will be generated through our computer department.

Sincerely Yours,

A handwritten signature in cursive script, appearing to read "E. Baudry, Jr.", written in black ink.

Mr. Eugene N. Baudry, Jr.
Superintendent