
ZACHARY COMMUNITY SCHOOL BOARD

ZACHARY, LOUISIANA

JUNE 30, 2014



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ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2014

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INDEPENDENT AUDITORS' REPORT

The Members of the
Zachary Community School Board
Zachary, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the related notes to the financial statements, of the Zachary Community School Board (the School Board) as of and for the year ended June 30, 2014, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for other post-employment benefit plans and budgetary comparison information on pages 3 through 9 and pages 39 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining and individual nonmajor fund financial statements on pages 42 through 49 and the schedule of board members' compensation on page 50 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards on pages 55 and 56 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole. The information included in the performance and statistical data on pages 60 through 76 have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants, agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Portlithurant & Netturilly

Baton Rouge, Louisiana
November 13, 2014

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

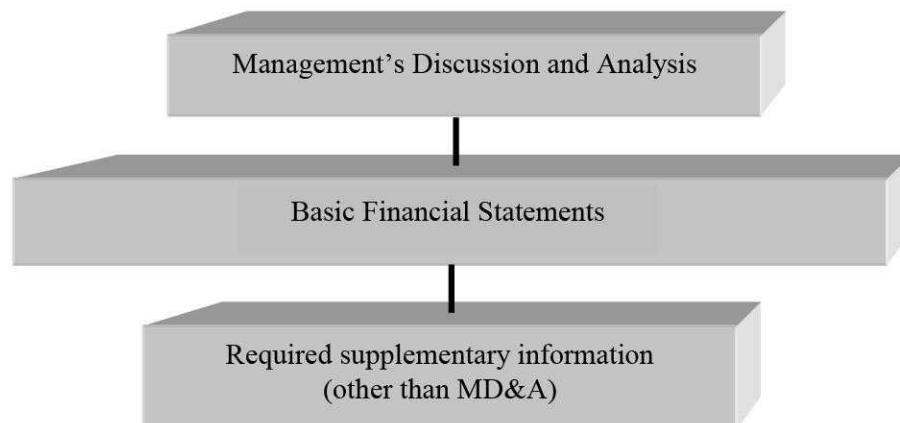
The Management's Discussion and Analysis of the Zachary Community School Board's financial performance presents a narrative overview and analysis of Zachary Community School Board's financial activities for the year ended June 30, 2014. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- ★ The Zachary Community School Board's assets exceeded its liabilities at the close of fiscal year 2014 and 2013 by \$30,053,225 and \$33,941,176, respectively.
- ★ For the fiscal year 2014, expenses exceed revenues by \$3,887,951. For the fiscal year 2013, revenues exceeded expenses by \$645,759.
- ★ State MFP revenues were approximately \$30.3 million for the fiscal year 2014 and \$29.6 million for the fiscal year 2013 due to an increase in the number of students.
- ★ Long-term debt of \$11,000,000 was issued during fiscal year 2013. The school board issued \$4,755,000 of long-term debt in fiscal year 2014. See note 6. The proceeds of the debt issued was used to construct facilities. During the year ended 2014 and 2013, \$9,505,000 and \$3,845,000, respectively, of the total principal debt outstanding was retired.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



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

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

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

The *statement of net position* presents information on all of the School Board's assets and liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

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

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

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains many individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund all of which are considered major funds. The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

The School Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds. Budgets are not adopted for Capital Projects Funds and the Debt Service Fund.

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

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

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

FINANCIAL ANALYSIS OF THE ENTITY

Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Cash and cash equivalents	\$ 8,563,371	\$ 15,819,517
Investments	19,833,999	24,792,875
Receivables	2,218,878	2,612,155
Inventory	70,807	245,639
Other assets	57,155	615,883
Capital assets	123,676,933	115,181,701
Total assets	<u>154,421,143</u>	<u>159,267,770</u>
 Total deferred outflows of resources	 <u>-</u>	 <u>-</u>
 Salaries, payroll deduction and expenses payable	 5,549,539	 4,253,294
Accrued interest payable	1,295,485	1,409,135
Compensated absences payable	5,120,905	4,994,436
Bonds payable	100,432,891	105,221,365
Post-employment benefit obligation	11,969,098	9,448,364
Total liabilities	<u>124,367,918</u>	<u>125,326,594</u>
 Total deferred inflows of resources	 <u>-</u>	 <u>-</u>
 Net position:		
Net investment in capital assets	25,069,834	19,883,721
Restricted for debt service	5,791,098	6,873,421
Unrestricted (deficit)	(807,707)	7,184,034
Total net position	<u>\$ 30,053,225</u>	<u>\$ 33,941,176</u>

Investments account for approximately 13% and 16% of the total assets of the School Board for the years ended June 30, 2014 and 2013, respectively.

- Capital assets, which are reported net of accumulated depreciation, account for approximately 80% and 72% of the total assets of the School Board for the year ended June 30, 2014 and 2013, respectively.
- Net position invested in capital assets account for approximately 83% and 59% of total net position reported as of June 30, 2014 and 2013, respectively.
- Unrestricted net position accounts for approximately 21% of total net position as of June 30, 2013. There was a deficit in unrestricted net position of \$807,707 as of June 30, 2014.
- Total assets decreased 3% over the prior year due to the decrease in cash and investments due to larger debt service payments, costs associated with the bond refunding, and an increase in salary expenses and other expenses during the year.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

Changes in Net Position
For the Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues		
Program revenues		
Charges for services	\$ 1,275,122	\$ 1,265,418
Operating grants	4,445,558	4,124,750
General revenues		
Property taxes	17,374,753	16,967,566
Sales taxes	9,699,720	10,177,401
Earnings on investments	696,459	(854,542)
MFP	30,315,083	29,619,397
Other	728,053	1,836,103
	<u>64,534,748</u>	<u>63,136,093</u>
Expenses		
Regular education	25,193,779	22,003,857
Special education	5,837,885	5,484,894
Other education	4,714,216	4,746,699
Pupil support	2,895,204	2,755,424
Instructional staff	3,127,932	2,781,696
General administrative	1,457,231	1,438,242
School administrative	3,039,545	2,716,686
Business and central services	2,340,391	2,493,106
Plant operation and maintenance	8,437,643	7,886,805
Transportation	3,793,983	3,601,960
Food service	3,688,175	2,793,428
General administration (debt service)	32,312	66,784
Interest and bank charges (debt service)	3,864,403	3,720,753
	<u>68,422,699</u>	<u>62,490,334</u>
Change in net position	<u>\$ (3,887,951)</u>	<u>\$ 645,759</u>

Change in Net Position

- MFP totaling approximately \$30.3 million and \$29.6 million accounts for 47% of total revenues for the years ended June 30, 2014 and 2013.
- Property taxes totaling approximately \$17.3 million and \$16.9 million accounts for 27% of total revenues for the years ended June 30, 2014 and 2013.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014, the Zachary Community School Board had \$123,676,933 invested in a broad range of capital assets, including land, building, and equipment. (See Table below).

Capital Assets
(Net of Depreciation)
as of June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Land	\$ 5,098,227	\$ 5,098,227
Buildings and improvements	102,531,213	104,122,614
Equipment, fixtures, and vehicles	3,503,486	3,080,787
Construction in progress	12,544,007	2,880,073
Totals	<u>\$ 123,676,933</u>	<u>\$ 115,181,701</u>

- Construction in progress as of June 30, 2014, consisted primarily of the Zachary Elementary School, the Port Hudson Career Academy projects and the Copper Mill Gymnasium and Classrooms addition. The projects are expected to be completed in the next fiscal year.

Long-term debt

During the fiscal year 2014, the School Board issued \$4,755,000 of General Obligation School Refunding Bonds, Series 2013A for the purpose of currently refunding the General Obligation School Refunding Bonds, Series 2004. See Note 6.

The total bonds outstanding for the year ended 2014 were \$100,432,891. During the fiscal year 2014, \$9,505,000 of principal payments and \$4,016,527 of interest payments were made.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Budgeted revenues were slightly higher than actual revenues due to ad valorem taxes being less than expected. Actual expenditures were below budgeted expenditures due to lower costs incurred for regular education programs.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Zachary Community School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- General Fund and other funds revenues and expenditures are expected to remain consistent with current years.
- Anticipating the completion all approved construction during the year.
- Special revenue funds are expected to be consistent with those of the prior year.

The Zachary Community School Board expects next year's results to be consistent with the current year.

CONTACTING THE ZACHARY COMMUNITY SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Gordon Robertson, Business Manager, Zachary Community School Board, 3755 Church Street, Zachary, LA 70791.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2014

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

<u>ASSETS</u>	2014
Cash and cash equivalents	\$ 8,563,371
Investments	19,833,999
Receivables	2,218,878
Inventory	70,807
Other assets	57,155
Land, building, and equipment, net	123,676,933
TOTAL ASSETS	<u>154,421,143</u>

<u>DEFERRED OUTFLOWS OF RESOURCES</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 154,421,143</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

<u>LIABILITIES</u>	
Salaries, payroll deduction and expenses payable	\$ 5,549,539
Compensated absences payable	5,120,905
Accrued interest payable	1,295,485
Long-term liabilities	
Due within one year	4,623,474
Due in more than one year	95,809,417
Post-employment benefit obligation	11,969,098
TOTAL LIABILITIES	<u>124,367,918</u>

<u>DEFERRED INFLOWS OF RESOURCES</u>	<u>-</u>
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<u>NET POSITION</u>	
Net invested in capital assets	25,069,834
Restricted for debt service	5,791,098
Unrestricted	(807,707)
TOTAL NET POSITION	<u>\$ 30,053,225</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Unit
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 25,193,779	\$ -	\$ 1,207,091	\$ (23,986,688)
Special education programs	5,837,885	-	279,707	(5,558,178)
Other education programs	4,714,216	395,730	225,869	(4,092,617)
Support Services:				
Pupil support services	2,895,204	-	138,716	(2,756,488)
Instructional staff services	3,127,932	-	149,866	(2,978,066)
General administration services	1,457,231	-	69,819	(1,387,412)
School administration services	3,039,545	-	145,632	(2,893,913)
Business and central services	2,340,391	-	112,134	(2,228,257)
Plant operation and maintenance	8,437,643	-	400,023	(8,037,620)
Transportation	3,793,983	-	181,779	(3,612,204)
Non-Instructional Services:				
Food service	3,688,175	879,392	1,534,922	(1,273,861)
Debt Service:				
General administration	32,312	-	-	(32,312)
Interest	3,864,403	-	-	(3,864,403)
Total Governmental Activities	68,422,699	1,275,122	4,445,558	(62,702,019)
Local sources				
Taxes:				
Ad valorem				17,374,753
Sales and use				9,699,720
Earnings on investments				696,459
Other				641,894
State sources				
Unrestricted grants-in-aid				30,315,083
Other				86,159
		Total general revenues		58,814,068
Change in Net Position				(3,887,951)
Net Position - July 1, 2013				33,941,176
Net Position - June 30, 2014				\$ 30,053,225

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014

	General	Capital Projects	Debt Service	Other Non-Major Governmental	Total
<u>ASSETS</u>					
Cash and cash equivalents	\$ 3,703,343	\$ 1,825,792	\$ 2,869,566	\$ 164,670	\$ 8,563,371
Investments	15,638,066	-	4,195,933	-	19,833,999
Receivables	1,469,644	-	21,084	728,150	2,218,878
Due from other funds	734,785	-	-	-	734,785
Other assets	57,005	-	-	150	57,155
Inventory	-	-	-	70,807	70,807
TOTAL ASSETS	<u>\$ 21,602,843</u>	<u>\$ 1,825,792</u>	<u>\$ 7,086,583</u>	<u>\$ 963,777</u>	<u>\$ 31,478,995</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Salaries, payroll deductions and expenses payable	\$ 4,149,919	\$ 1,180,541	\$ -	\$ 219,079	\$ 5,549,539
Due to other funds	-	-	-	734,785	734,785
TOTAL LIABILITIES	<u>4,149,919</u>	<u>1,180,541</u>	<u>-</u>	<u>953,864</u>	<u>6,284,324</u>
Fund balances:					
Nonspendable	-	-	-	70,957	70,957
Restricted for:					
Debt service	-	-	7,086,583	-	7,086,583
Capital construction	-	645,251	-	-	645,251
Other purposes	-	-	-	7,429	7,429
Assigned	7,657,076	-	-	-	7,657,076
Unassigned	9,795,848	-	-	(68,473)	9,727,375
TOTAL FUND BALANCES	<u>17,452,924</u>	<u>645,251</u>	<u>7,086,583</u>	<u>9,913</u>	<u>25,194,671</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 21,602,843</u>	<u>\$ 1,825,792</u>	<u>\$ 7,086,583</u>	<u>\$ 963,777</u>	<u>\$ 31,478,995</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total Fund Balances at June 30, 2014- Governmental Funds		\$ 25,194,671
Cost of capital assets at June 30, 2014	\$ 145,354,141	
Less: Accumulated depreciation as of June 30, 2014:		
Buildings	(15,134,998)	
Movable property	<u>(6,542,210)</u>	123,676,933
Accrued interest payable		(1,295,485)
Long-term liabilities at June 30, 2014:		
Bonds payable	(99,730,000)	
Deferred premium	(702,891)	
Compensated absences payable	(5,120,905)	
Post-employment benefit obligation	<u>(11,969,098)</u>	<u>(117,522,894)</u>
Total Net Position at June 30, 2014 - Governmental Activities		\$ <u>30,053,225</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	General	Capital Projects	Debt Service	Other Non-Major Governmental	Total
<u>REVENUES</u>					
Local sources:					
Taxes:					
Ad valorem	\$ 9,669,030	\$ -	\$ 7,705,723	\$ -	\$ 17,374,753
Sales and use	9,699,720	-	-	-	9,699,720
Food sales	-	-	-	879,392	879,392
Earnings on investments	548,763	51,167	95,698	831	696,459
Extended day program tuition	395,730	-	-	-	395,730
Other	376,128	-	11,189	254,577	641,894
State sources:					
Unrestricted grants-in-aid	29,845,555	-	-	494,144	30,339,699
Restricted grants-in-aid	365,030	-	-	341,627	706,657
Other	86,159	-	-	-	86,159
Federal sources:					
Restricted grants-in-aid - direct	61,058	-	-	-	61,058
Restricted grants-in-aid - subgrants	-	-	-	3,409,963	3,409,963
Commodities - United States Department of Agriculture	-	-	-	267,880	267,880
TOTAL REVENUES	51,047,173	51,167	7,812,610	5,648,414	64,559,364
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	22,858,734	-	-	558,043	23,416,777
Special education programs	5,398,486	-	-	446,667	5,845,153
Other education programs	3,718,267	-	-	1,029,428	4,747,695
Support services:					
Pupil support services	2,762,937	-	-	129,564	2,892,501
Instructional staff services	2,600,601	-	-	522,632	3,123,233
General administration services	1,192,043	-	242,056	17,081	1,451,180
School administration services	3,038,658	-	-	-	3,038,658
Business and central services	2,015,579	-	-	13,853	2,029,432
Plant operation and maintenance	6,188,894	-	-	-	6,188,894
Transportation	3,640,669	-	-	81,760	3,722,429
Non-Instructional services:					
Food service	109,238	-	-	3,558,186	3,667,424
Facility acquisition and construction	16,041	10,234,596	-	-	10,250,637
Debt service:					
General administration	32,312	-	-	-	32,312
Principal retirement	-	-	4,425,000	-	4,425,000
Interest and bank charges	-	-	4,016,527	-	4,016,527
TOTAL EXPENDITURES	53,572,459	10,234,596	8,683,583	6,357,214	78,847,852
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,525,286)	(10,183,429)	(870,973)	(708,800)	(14,288,488)

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Total</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	\$ 37,440	\$ -	\$ -	\$ 743,041	\$ 780,481
Operating transfers out	(743,041)	-	-	(37,440)	(780,481)
Revenue transfer to other LEA	(24,616)	-	-	-	(24,616)
Debt service principal	-	-	(5,080,000)	-	(5,080,000)
Proceeds of refunding bonds	-	-	4,755,000	-	4,755,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(730,217)</u>	<u>-</u>	<u>(325,000)</u>	<u>705,601</u>	<u>(349,616)</u>
<u>NET CHANGES IN FUND BALANCE</u>	<u>(3,255,503)</u>	<u>(10,183,429)</u>	<u>(1,195,973)</u>	<u>(3,199)</u>	<u>(14,638,104)</u>
Fund balances, June 30, 2013	<u>20,708,427</u>	<u>10,828,680</u>	<u>8,282,556</u>	<u>13,112</u>	<u>39,832,775</u>
FUND BALANCES, JUNE 30, 2014	<u>\$ 17,452,924</u>	<u>\$ 645,251</u>	<u>\$ 7,086,583</u>	<u>\$ 9,913</u>	<u>\$ 25,194,671</u> (concluded)

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Total Net Changes in Fund Balance - Governmental Funds			\$ (14,638,104)
Capital Assets:			
Loss on disposal of fixed assets	\$	(23,794)	
Capital outlay capitalized		11,611,017	
Depreciation expense for year ended June 30, 2014		<u>(3,091,991)</u>	8,495,232
Accrued interest payable			113,650
Long Term Debt:			
Principal portion of debt service payments		9,505,000	
Amortization of bond premium		38,474	
Bond issued during the year		(4,755,000)	
Excess of compensated absences earned over amounts used		(126,469)	
Change in post-employment benefit obligation		<u>(2,520,734)</u>	<u>2,141,271</u>
Change in Net Position - Governmental Activities			<u>\$ (3,887,951)</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2014

ASSETS

Cash and cash equivalents	\$ 1,010,279
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LIABILITIES

Deposits due to others	\$ 1,010,279
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The accompanying notes to the financial statements are an integral part of this statement.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Reporting Entity

Effective July 1, 2003, the Zachary Community School Board (School Board) seceded from the East Baton Rouge Parish School System (EBRPSS) and formed its own school district. The School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:64 for the purpose of providing public education for the residents of Zachary Community. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is currently comprised of 9 members who are elected for a term of four years.

The School Board operates 8 schools within the community with a total enrollment of approximately 5,526 pupils. 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.

The Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship. Certain units of local government, over which the School Board exercises no oversight responsibility, such as the city police jury, other independently elected city officials, and municipalities within the city, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity.

b. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

b. **Fund Accounting** (continued)

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the School Board's governmental fund types:

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

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal and state grant and entitlement programs established for various educational objectives.

Debt Service Fund - The Debt Service Fund, established to meet requirements of bond ordinances, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Fund - The Capital Projects Fund was established to account for capital improvements, including construction of new facilities and renovations.

The School System reports the following governmental funds as major funds: the General Fund, Capital Projects Fund and the Debt Service Fund.

Fiduciary Fund Type - Agency Funds:

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

c. **Basis of Accounting**

The School Board's basic financial statements consist of the government-wide statements on all of the non-fiduciary funds activities and fund financial statements (individual major fund and combined non-major fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*. Both the government-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

d. **Measurement Focus/Basis of Accounting**

Government-Wide Financial Statements (GWFS)

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

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

Program Revenues

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

Allocation of Indirect Expenses

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

d. **Measurement Focus/Basis of Accounting** (continued)

Fund Financial Statements

Governmental Funds

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

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within the next two months. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave, and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

e. **Budget and Budgetary Accounting**

The proposed budgets for fiscal year 2014 were completed and made available for public inspection at the School Board office. A public hearing was held for suggestions and comments from taxpayers. The proposed fiscal year 2014 budgets were formally adopted by the School Board after the public hearing. The budgets, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds were published in the official journal fourteen days prior to the public hearings.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting. Formal budgetary integration is used during the year as a management control device. Any part of appropriations which is not expensed is reappropriated in the next year. Current year transactions which are directly related to prior year's budget are reappropriated in the current year.

The School Board is authorized to transfer amounts between line items within any fund. When actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the basic financial statements include the original adopted budget and all subsequent amendments.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

f. **Cash, Cash Equivalents, and Investments**

Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, notes, bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash and cash equivalents include cash on hand, cash on deposit, certificates of deposit and money market accounts. These deposits are stated at cost, which approximates fair value. Under state law, the resulting bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The estimated fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

g. **Federal Grants Receivable**

Federal grants receivable consists of receivables for reimbursement of expenditures under various federal programs and grants. All amounts are expected to be collected within the next twelve months.

h. **Inventory**

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

i. **Capital Assets**

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

i. **Capital Assets** (continued)

Capital assets are recorded in the GWFS, but are not recorded in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and improvements and 3 to 20 years for equipment, fixtures and vehicles.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots.

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.

j. **Compensated Absences**

All 12-month employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. Vacation leave may be accumulated up to 50 days. The School Board will pay up to 50 days of unused vacation upon separation. The remaining balance is forfeited.

All School Board employees earn 10 to 12 days of sick leave each year depending on the number of months employed within a year. Sick leave may be accumulated without limitation. Upon death or retirement, a maximum of 25 days of unused sick leave is paid to the employee or designated heir at the employee's current rate of pay. Under the Louisiana Teacher's Retirement System, the unused sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

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. Leave may be granted for rest and recuperation and professional and cultural improvement.

The cost of compensated absence privileges is recognized as a current year expenditure in the General Fund when leave is actually taken, or when employees or their heirs are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded as compensated absences payable in the Government-wide financial statements.

k. **Estimates**

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

1. Sales, Use and Property Taxes

The voters of the Zachary Community School District authorized the School Board to levy a two percent system wide sales and use tax. A one percent Zachary Community School Board Sales and Use Tax approved on April 7, 2001 is to be used for the purpose of acquiring, constructing, improving, maintaining and operating public elementary and secondary schools, including school related buildings, equipment and facilities with the geographic boundaries of the Zachary Community School System, subject to funding into bonds in the manner provided by Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950.

A one percent Zachary Community Educational Facilities Improvement District Sales and Use Tax approved on April 7, 2001 is to be used to pay the costs of acquiring, constructing, improving, maintaining, and operating the public elementary and secondary schools and school related buildings, equipment and facilities, within and for the Zachary Community School Board, and paying salaries and benefits of School Board personnel.

Ad valorem taxes are collected by the East Baton Rouge Parish Tax Collector's Office and remitted to the School Board on a monthly basis. Ad valorem taxes are assessed and levied on a calendar year basis by the East Baton Rouge Parish Assessor's Office, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

m. Interfund transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying fund financial statements generally reflect such transactions as operating transfers.

n. New Accounting Standards Adopted

For the year ended June 30, 2013, the School Board implemented GASB Statement No. 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The statement establishes a new statement of net position format that reports separately all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the residual amount of the other elements). The statement requires deferred outflows of resources and deferred inflows of resources to be reported separately from assets and liabilities. The financial reporting impact resulting from the implementation of GASB 63 in the School System's financial statement was the renaming of "Net Assets" to "Net Position", including changing the name of the financial statements from "Statement of Net Assets" to "Statement of Net Position."

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

n. **New Accounting Standards Adopted** (continued)

In March 2012, the GASB issued Statement 65 (GASB 65), *Items Previously Reported as Assets and Liabilities*. GASB 65 clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The provisions of this statement are effective for the earliest period presented for financial periods beginning July 1, 2012. There were no adjustments recorded in the School Board financial statements.

o. **Restricted Net Position**

For the government-wide statement of net positions, net position is reported as restricted when constraints placed on assets use either:

Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

p. **Fund Equity of Fund Financial Statements**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the School Board or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the School Board's highest level of decision-making authority.

Assigned – represents balances that are constrained by the School Board's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

q. **Fund Equity of Fund Financial Statements** (continued)

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts. The School Board operates under the policy that ten percent (10%) of the current fiscal year revenue be recorded as unassigned fund balance in order to ensure that Zachary Community School Board has adequate funding for future operation.

r. **Debt Refundings**

Debt refundings are accounted for in accordance with GASB No. 65, Items Previously Reported as Assets and Liabilities. This statement requires accounting for gains and losses that result from debt refundings to be deferred and amortized over the life of the new debt or the retired debt, whichever is the shorter period. The deferred refunding amounts are classified as either a deferred inflow or outflow in the financial statements. There was no gain or loss associated with the 2014 refunding.

2. **Ad Valorem Taxes**

The following is a summary of authorized and levied parishwide ad valorem taxes collected during the fiscal year ended June 30, 2014:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Constitutional	5.00	5.00
Special	38.20	38.20
Bond and Interest	36.00	36.00

Approximately 40% of property taxes are paid by one taxpayer.

3. **Cash and Investments**

Deposits:

Custodial credit risk is the risk that in the event of a financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2014, the bank balance of \$8,197,866 was not exposed to custodial credit risk.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

3. **Cash and Investments** (continued)

Investments:

As of June 30, 2014, the Board had the following investments and maturities:

INVESTMENT MATURITIES (IN YEARS)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
General Fund					
U.S. Government Agencies	\$ 15,638,066	\$ -	\$ -	\$ 1,346,905	\$ 14,291,161
Sinking Fund					
U.S. Government Agencies	4,195,933	-	-	1,648,023	2,547,910
Total Investments	\$ 19,833,999	\$ -	\$ -	\$ 2,994,928	\$ 16,839,071

Interest Rate Risk- The School Board's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk- Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The Board's investment policy does not further limit its investment choices. As of June 30, 2014, the Board's investment in U.S. Government Agencies was rated Aaa by Moody's Investors Service and AA+ by Standard & Poor's.

Concentration of Credit Risk- The School Board's investment policy does not limit the amount the School Board may invest in any one issuer. More than 5 percent of the Board's investments are in Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Federal Agricultural Mortgage Corporation. These investments are 63%, 13%, 12%, and 2%, respectively.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. Due From/To Other Funds

Individual balances due from/to other funds, which represent short term borrowings to fund current advances, are as follows at June 30, 2014:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 734,785	\$ -
Special Revenue Funds:		
Title I	-	167,012
Title II	-	87,103
Vocational Education	-	15,173
State Grants	-	24,132
Special Education	-	298,133
TANF	-	118,111
School Food Service	-	25,121
Total	<u>\$ 734,785</u>	<u>\$ 734,785</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2014 is as follows:

	Land	Buildings and Improvements	Equipment, Fixtures & Vehicles	Construction In Progress	Total
<u>Cost:</u>					
at June 30, 2013	\$ 5,098,227	\$ 117,144,303	\$ 9,039,484	\$ 2,880,073	\$ 134,162,087
Additions	-	521,908	1,425,175	9,663,934	11,611,017
Deletions	-	-	(418,963)	-	(418,963)
at June 30, 2014	<u>5,098,227</u>	<u>117,666,211</u>	<u>10,045,696</u>	<u>12,544,007</u>	<u>145,354,141</u>
<u>Accumulated depreciation:</u>					
at June 30, 2013	\$ -	\$ 13,021,689	\$ 5,958,697	\$ -	\$ 18,980,386
Additions	-	2,113,309	978,682	-	3,091,991
Deletions	-	-	(395,169)	-	(395,169)
at June 30, 2014	<u>-</u>	<u>15,134,998</u>	<u>6,542,210</u>	<u>-</u>	<u>21,677,208</u>
Total	<u>\$ 5,098,227</u>	<u>\$ 102,531,213</u>	<u>\$ 3,503,486</u>	<u>\$ 12,544,007</u>	<u>\$ 123,676,933</u>

Depreciation expense of \$3,091,991 for the year ended June 30, 2014 was charged to the following governmental functions:

Regular Education	\$ 312,176
Special Education	60,422
Other Educational Programs	54,097
Pupil Support Services	8,857
Instructional Staff Services	4,699
General Administrative Services	7,867
School Administrative Services	3,611
Business and Central Services	365,213
Plant Operation and Maintenance	2,165,127
Transportation	71,554
Food Service	<u>38,368</u>
	<u>\$ 3,091,991</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. Long-term Debt

The following is a summary of the changes in general long-term debt for the year ended June 30, 2014:

	Balance <u>June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2014</u>
General Obligation Bonds	\$ 98,760,000	\$ 4,755,000	\$ 9,505,000	\$ 94,010,000
Premium on Bonds	741,365	-	38,474	702,891
QSCB	5,720,000	-	-	5,720,000
Compensated Absences	<u>4,994,436</u>	<u>228,556</u>	<u>102,087</u>	<u>5,120,905</u>
Total	<u>\$ 110,215,801</u>	<u>\$ 4,983,556</u>	<u>\$ 9,645,561</u>	<u>\$ 105,553,796</u>

A schedule of the individual issues outstanding as of June 30, 2014 is as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
School District No. 1	June 1, 2005	4.00 - 5.50	March 1, 2025	1,790,854	6,240,000
School District No. 1	August 1, 2006	4.00 - 7.00	March 1, 2026	1,537,190	5,150,000
School District No. 1	April 1, 2007	3.80 - 7.00	March 1, 2027	1,957,574	6,275,000
School District No. 1	January 1, 2008	4.00 - 7.00	March 1, 2027	3,610,275	10,870,000
School District No. 1	March 1, 2009	3.25 - 7.00	March 1, 2029	6,363,918	12,130,000
School District No. 1	September 1, 2010	2.00 - 4.00	March 1, 2030	4,101,550	11,485,000
School District No. 1	August 23, 2011	4.00 - 7.00	March 1, 2031	5,527,186	13,510,000
School District No. 1	April 17, 2012	2.00 - 4.00	March 1, 2032	4,585,002	13,000,000
School District No. 1	March 26, 2013	2.25 - 4.00	March 1, 2033	3,735,336	10,635,000
School District No. 1	December 11, 2013	2.40	March 1, 2024	<u>1,483,002</u>	<u>4,715,000</u>
Total General Obligation Bonds				<u>34,691,887</u>	<u>94,010,000</u>
QSCB:	December 15, 2009	3.00 - 3.00	September 15, 2024	<u>1,758,900</u>	<u>5,720,000</u>
				<u>\$ 36,450,787</u>	<u>\$ 99,730,000</u>

All principal and interest requirements are funded by an ad valorem tax levy on taxable property within the parish. The School Board accumulates the tax proceeds in the Debt Service Fund. At June 30, 2014, the School Board has accumulated \$7,086,583 in debt service fund for future debt service requirements.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. Long-term Debt (continued)

The general obligation bonds and QSCB including the bond premiums are due as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2015	\$ 4,623,474	\$ 4,033,472	\$ 8,656,946
2016	4,828,474	3,857,672	8,686,146
2017	5,028,474	3,653,162	8,681,636
2018	5,243,474	3,457,094	8,700,568
2019	5,468,474	3,238,370	8,706,844
2020-2024	31,102,372	12,455,878	43,558,250
2025-2029	30,162,372	5,101,439	35,263,811
2030-2034	13,975,777	653,700	14,629,477
Total	<u>\$ 100,432,891</u>	<u>\$ 36,450,787</u>	<u>\$ 136,883,678</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the total assessed value of taxable property. At June 30, 2014, the total assessed value of taxable property for the parish was \$494,313,538, which would result in a \$247,156,769 long-term bonded debt limit.

On December 11, 2013, the School Board issued \$4,755,000 of General Obligation School Refunding Bonds, Series 2013A for the purpose of currently refunding the General Obligation School Refunding Bonds, Series 2004. Interest rates on the Series 2013A is 2.4% whereas interest rates on the Series 2004 bonds ranged from 4.5-5.0%. This decrease in interest rates resulted in an economic gain on the current refunding of \$1,069,747 (the difference between the present value of the Series 2004 cash flows and the Series 2013A cash flows). The current refundings results in a decrease of debt service payments in the amount of \$1,131,514 through the maturity of the bonds in March 1, 20124.

7. 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:

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

7. Retirement Systems (continued)

A. 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 supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.0 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 27.2 percent of annual covered payroll for all three membership plans. 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 deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contribution to the TRS for the years ended June 30, 2014, 2013 and 2012, were \$7,849,416, \$6,107,000, and \$6,049,949, respectively.

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description. The LSERS 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 LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5 or 8 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate, currently 24.3 percent. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

For the years ended June 30, 2014, 2013 and 2012, the School Board contributed \$313,343, \$309,669, and \$325,477, respectively, to the LSERS.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. Other Post-Employment Benefits (OPEB)

The School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the School Board.

Plan Description – The Zachary Community School Board's medical benefits are provided to employees upon actual retirement.

Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. The remainder of employees are covered by the Louisiana School Employees' Retirement System (LSER) whose retirement eligibility provisions are the same as TRSL except that they are also eligible to retire at age 60 and 10 years of service. Complete plan provisions are contained in the official plan documents.

Life insurance coverage in varying amounts are provided to retirees and the blended rate (for all retired combined) is approximately \$0.25 per \$1,000 of insurance. The employer pays 100% of the cost of the retiree life insurance. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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

Fund Policy – Until 2008, the Zachary Community School Board recognized the cost of providing post-employment medical and life insurance benefits (the Zachary Community School Board's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2014 and 2013, the School Board's portion of health care and life insurance funding cost for retired employees totaled \$590,445 and \$546,708, respectively.

Effective July 1, 2008, the Zachary Community School Board implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Zachary Community School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Other Post-Employment Benefits (OPEB)** (continued)

	<u>2014</u>
Normal cost	\$ 1,578,545
30-year UAL amortization amount	<u>1,701,100</u>
Annual required contribution (ARC)	<u>\$ 3,279,645</u>

Net Post-employment Benefit Obligation (Asset). The table below shows Zachary Community School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2014:

	<u>2014</u>
Beginning Net OPEB Obligation	\$ 9,448,364
Annual required contribution	3,279,645
Interest on Net OPEB Obligation	377,934
ARC Adjustment	<u>(546,400)</u>
OPEB Cost	3,111,179
Contribution	-
Current year retiree premium	<u>(590,445)</u>
Change in Net OPEB Obligation	<u>2,520,734</u>
Ending Net OPEB Obligation	<u>\$ 11,969,098</u>

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
June 30, 2014	\$ 3,111,180	18.98%	\$ 11,969,098
June 30, 2013	\$ 3,029,305	18.05%	\$ 9,448,364

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Other Post-Employment Benefits (OPEB)** (continued)

Funded Status and Funding Progress – In 2014 and 2013, the Zachary Community School Board made no contributions in excess of the amounts currently due to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2013 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2014 was \$30,592,280 which is defined as that portion, as determined by a particular actuarial cost method (the Zachary Community School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

		<u>2014</u>		<u>2013</u>
Actuarial Accrued Liability (AAL)	\$	30,592,280	\$	29,415,654
Actuarial Value of Plan Assets (AVP)		-		-
Unfunded Act. Accrued Liability (UAAL)	\$	<u>30,592,280</u>	\$	<u>29,415,654</u>
 Funded Ratio (AVP/AAL)		0.00%		0.00%
 Covered Payroll (active plan members)	\$	29,120,943	\$	28,918,322
UAAL as a percentage of covered payroll		105.05%		101.72%

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

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

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Other Post-Employment Benefits (OPEB)** (continued)

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%. It has also been assumed that 5% of retirees decline retiree medical coverage. The rates for each age are below:

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

Post employment Benefit Plan Eligibility Requirements – It is assumed that entitlement to benefits will commence six years after earliest eligibility to retire. Medical benefits are provided to employees upon actual retirement.

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

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The rates provided are "blended" rates for active and retired. Since GASB 45 requires the use of "unblended" rates, we have used estimated "unblended" rates as follows. The pre-Medicare employer provided rates were determined by adding 30% to the currently prevailing blended rates. The post-Medicare employer provided rates were determined by subtracting 20% from the currently prevailing blended rates.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Other Post-Employment Benefits (OPEB)** (continued)

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	<u>OPEB Costs and Contributions</u>		
	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
OPEB Cost	\$ 2,111,961	\$ 3,029,305	\$ 3,111,180
Contributions	-	-	-
Retiree premiums	<u>332,800</u>	<u>546,708</u>	<u>590,445</u>
Total contribution and premiums	<u>332,800</u>	<u>546,708</u>	<u>590,445</u>
Change in net OPEB obligation	\$ <u>1,779,161</u>	\$ <u>2,482,597</u>	\$ <u>2,520,735</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	15.76%	18.05%	18.98%

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

MAJOR FUND DESCRIPTIONS

9. Changes in Agency Deposits Due Others

A summary of changes in agency fund deposits due others for the year ended June 30, 2014 are as follows:

	Balance beginning of year	Additions	Deletions	Balance end of year
School Activity Agency Fund	<u>\$ 1,179,097</u>	<u>\$ 3,843,854</u>	<u>\$ (4,012,672)</u>	<u>\$ 1,010,279</u>

10. Litigation and Claims

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the School Board.

11. Receivables

Receivables as of June 30, 2014 for the School Board are as follows:

<u>Receivables</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Property taxes	\$ 35,009	\$ 19,480	\$ -	\$ 54,489
Sales taxes	1,404,984	-	-	1,404,984
Due from other governments	15,532	1,604	719,186	736,322
Meal charges	-	-	8,964	8,964
Due from athletics	14,119	-	-	14,119
Gross receivables	<u>\$ 1,469,644</u>	<u>\$ 21,084</u>	<u>\$ 728,150</u>	<u>\$ 2,218,878</u>

12. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 13, 2014 and determined that no events occurred that require additional disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2014

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a/c) UAAL as a Percentage of Covered Payroll
7/1/2008	\$ -	\$ 12,923,826	\$ 12,923,826	0%	\$ 25,529,448	51%
7/1/2009	\$ -	\$ 13,978,410	\$ 13,978,410	0%	\$ 28,096,741	50%
7/1/2010	\$ -	\$ 18,874,005	\$ 18,847,005	0%	\$ 28,884,893	65%
7/1/2011	\$ -	\$ 19,600,885	\$ 19,600,885	0%	\$ 25,525,822	77%
7/1/2012	\$ -	\$ 29,415,654	\$ 29,415,654	0%	\$ 28,918,322	102%
7/1/2013	\$ -	\$ 30,592,280	\$ 30,592,280	0%	\$ 29,120,943	105%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual Required Contribution	Amount Contributed	Percentage of Annual OPEB Costs Contributed
6/30/2014	\$ 3,279,645	\$ 590,445	18.00%
6/30/2013	3,153,505	546,708	17.34%
6/30/2012	2,204,438	332,799	15.10%
6/30/2011	2,119,652	308,147	14.54%
6/30/2010	1,853,038	141,942	7.66%
6/30/2009	1,781,767	84,082	4.72%

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the School Board which are not required legally or by sound financial management to be accounted for in another fund.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2014

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 9,294,648	\$ 10,230,935	\$ 9,669,030	\$ (561,905)
Sales and use tax	8,500,000	9,500,000	9,699,720	199,720
Earnings on investments	500,000	500,000	548,763	48,763
Extended Day Program tuition	450,000	412,000	395,730	(16,270)
Other	218,000	385,000	376,128	(8,872)
State sources:				
Unrestricted grants-in-aid, MFP	29,762,500	30,163,509	29,845,555	(317,954)
Restricted grants-in-aid	135,500	89,500	365,030	275,530
Other	84,644	84,644	86,159	1,515
Federal sources:				
Restricted grants-in-aid-direct	35,000	60,493	61,058	565
TOTAL REVENUES	<u>48,980,292</u>	<u>51,426,081</u>	<u>51,047,173</u>	<u>(378,908)</u>
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	21,019,537	23,799,133	22,858,734	940,399
Special education programs	4,555,688	5,436,946	5,398,486	38,460
Other education programs	3,018,138	3,701,470	3,718,267	(16,797)
Support services:				
Pupil support services	2,672,277	2,846,881	2,762,937	83,944
Instructional staff services	2,060,027	2,730,070	2,600,601	129,469
General administration services	1,127,650	1,124,580	1,192,043	(67,463)
School administration services	2,777,616	2,980,273	3,038,658	(58,385)
Business and central services	2,582,666	2,154,584	2,015,579	139,005
Plant operation and maintenance	5,280,390	5,919,037	6,188,894	(269,857)
Transportation	3,286,067	3,506,000	3,640,669	(134,669)
Non-Instructional services:				
Food service	103,685	104,135	109,238	(5,103)
Facility acquisition and construction	-	-	16,041	(16,041)
Debt service:				
General administration	71,554	47,972	32,312	15,660
TOTAL EXPENDITURES	<u>48,555,295</u>	<u>54,351,081</u>	<u>53,572,459</u>	<u>778,622</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>424,997</u>	<u>(2,925,000)</u>	<u>(2,525,286)</u>	<u>399,714</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	75,000	2,925,000	37,440	(2,887,560)
Operating transfers out	(500,000)	-	(743,041)	(743,041)
Revenue transfer to other LEA	-	-	(24,616)	(24,616)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(425,000)</u>	<u>2,925,000</u>	<u>(730,217)</u>	<u>(3,655,217)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(3)</u>	<u>-</u>	<u>(3,255,503)</u>	<u>(3,255,503)</u>
Fund balance, June 30, 2013	<u>20,708,427</u>	<u>20,708,427</u>	<u>20,708,427</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2014	<u>\$ 20,708,424</u>	<u>\$ 20,708,427</u>	<u>\$ 17,452,924</u>	<u>\$ (3,255,503)</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

Title I

Title I includes programs primarily in the areas of reading and math. These programs strive to meet the special needs of economically and educationally deprived children through federal funding for teachers, aids, instructional materials, equipment and parental involvement.

Special Education

IDEA B (Individuals with Disabilities Educational Act - Part B) is a federally-funded program designed to assist states in providing free, appropriate education to all handicapped children from 3 to 21 years of age in the least restrictive environment.

Preschool Grant is a federally-funded program designed to provide special education and related services and to develop a statewide comprehensive delivery system for children with disabilities from birth to five years of age.

Believe and Include is a federally funded program designed to assist states in developing innovative programs that help students with disabilities achieve proficiency of the more rigorous Common Core Standards.

Education for Economic Security Act - Title II

Education for Economic Security Act - Title II is a federally-funded program to provide financial assistance to improve the skills of teaching and instruction in mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

Vocational Education (Carl Perkins)

Vocational Education is a federally-funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs.

State Grants

The State Grants Fund is used to account for special grants received from various departments of the State of Louisiana.

Exxon

Grants received from EXXON Mobil Corporation to be used for purchase of materials, supplies, and professional services in support of education of students.

Art Z Fund

The Art Z Fund is a program to provide for artists in the classrooms, school art activities, art materials, art equipment, art consultants and teachers training which is funded by fundraising activities of parents and teachers.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

TANF

Starting Points/Early Childhood Development provides full day, before and after school preschool instruction and care for at-risk four-year old students.

School Food Service Fund

The School Food Service Fund includes lunch and breakfast and is used to account for the operations of the school food service programs in the parish school system during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's eating habits with the ultimate goal of physically fit adults.

Donations

The Donations fund is used to account for funds donated to the Zachary Community School Board by individuals or businesses to be used as deemed necessary to assist students and schools.

Extended Day Tuition

The Extended Day Fund is used to record revenue from parents for before and after care for elementary students and to record the associated expenditures.

Franklin Memorial Fund

The Franklin Memorial fund is used to account for funds donated to the Zachary Community School Board by individuals or businesses to be used to benefit the family of a student with her final expenses.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS-
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2014

	Title I	Special Education	Title II	Voc Ed	State Grants
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	167,012	307,030	87,103	15,173	24,132
Prepays	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	<u>\$ 167,012</u>	<u>\$ 307,030</u>	<u>\$ 87,103</u>	<u>\$ 15,173</u>	<u>\$ 24,132</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Salaries, payroll deductions, and expenses payable	\$ -	\$ 8,897	\$ -	\$ -	\$ -
Due to other funds	167,012	298,133	87,103	15,173	24,132
Total liabilities	<u>167,012</u>	<u>307,030</u>	<u>87,103</u>	<u>15,173</u>	<u>24,132</u>
Fund balance:					
Nonspendable	-	-	-	-	-
Restricted for other purposes	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 167,012</u>	<u>\$ 307,030</u>	<u>\$ 87,103</u>	<u>\$ 15,173</u>	<u>\$ 24,132</u>

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS-
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2014

	Exxon	Art Z Fund	TANF	School Food Service	Donations
<u>Assets</u>					
Cash and cash equivalents	\$ 1,339	\$ 2	\$ -	\$ 8,101	\$ 6,112
Receivables	-	-	118,111	9,589	-
Prepays	-	-	-	-	150
Inventory	-	-	-	70,807	-
Total assets	<u>\$ 1,339</u>	<u>\$ 2</u>	<u>\$ 118,111</u>	<u>\$ 88,497</u>	<u>\$ 6,262</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Salaries, payroll deductions, and expenses payable	\$ 24	\$ -	\$ -	\$ 61,042	\$ -
Due to other funds	-	-	118,111	25,121	-
Total liabilities	<u>24</u>	<u>-</u>	<u>118,111</u>	<u>86,163</u>	<u>-</u>
Fund balance:					
Nonspendable	-	-	-	70,807	150
Restricted for other purposes	1,315	2	-	-	6,112
Unassigned	-	-	-	(68,473)	-
Total fund balance	<u>1,315</u>	<u>2</u>	<u>-</u>	<u>2,334</u>	<u>6,262</u>
Total liabilities and fund balance	<u>\$ 1,339</u>	<u>\$ 2</u>	<u>\$ 118,111</u>	<u>\$ 88,497</u>	<u>\$ 6,262</u>

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS-
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2014

	Extended Day Tuition	Franklin Memorial Fund	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 149,116	\$ -	\$ 164,670
Receivables	-	-	728,150
Prepays	-	-	150
Inventory	-	-	70,807
Total assets	\$ 149,116	\$ -	\$ 963,777

Liabilities and Fund Balance

Liabilities:

Salaries, payroll deductions, and expenses payable	\$ 149,116	\$ -	\$ 219,079
Due to other funds	-	-	734,785
Total liabilities	149,116	-	953,864

Fund balance:

Nonspendable	-	-	70,957
Restricted for other purposes	-	-	7,429
Unassigned	-	-	(68,473)

Total fund balance	-	-	9,913
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Total liabilities and fund balance	\$ 149,116	\$ -	\$ 963,777
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(concluded)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2014

	Title I	Special Education	Title II	Voc Ed	State Grants
<u>Revenues</u>					
Local sources:					
Food sales	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	-
Other	-	-	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	94,144
Restricted grants-in-aid	-	16,175	-	-	84,317
Federal sources:					
Restricted grants-in-aid - subgrants	492,564	1,104,297	268,079	47,376	-
Commodities - United States					
Department of Agriculture	-	-	-	-	-
Total revenues	492,564	1,120,472	268,079	47,376	178,461
<u>Expenditures</u>					
Instruction:					
Regular education programs	311,611	-	201,342	-	43,199
Special education programs	-	446,667	-	-	-
Other education programs	127,402	27,564	73	41,104	121,981
Support services:					
Pupil support services	5,617	123,947	-	-	-
Instructional staff services	30,299	434,918	51,143	6,272	-
General administration	-	760	-	-	-
Business and central services	199	7,623	6,031	-	-
Transportation	-	68,479	-	-	13,281
Non-Instructional Services:					
School food service	-	-	-	-	-
Total expenditures	475,128	1,109,958	258,589	47,376	178,461
Excess (deficiency) of revenues over expenditures	17,436	10,514	9,490	-	-
Other financing uses					
Operating transfers out	(17,436)	(10,514)	(9,490)	-	-
Operating transfers in	-	-	-	-	-
Total other sources (uses)	(17,436)	(10,514)	(9,490)	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2014

	Exxon	Art Z Fund	TANF	School Food Service	Donations
<u>Revenues</u>					
Local sources:					
Food sales	\$ -	\$ -	\$ -	\$ 879,392	\$ -
Earnings on investments	-	-	-	831	-
Other	1,500	-	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	400,000	-
Restricted grants-in-aid	-	-	241,135	-	-
Federal sources:					
Restricted grants-in-aid - subgrants	-	-	230,605	1,267,042	-
Commodities - United States					
Department of Agriculture	-	-	-	267,880	-
Total revenues	1,500	-	471,740	2,815,145	-
<u>Expenditures</u>					
Instruction:					
Regular education programs	1,891	-	-	-	-
Special education programs	-	-	-	-	-
Other education programs	-	-	471,740	-	-
Support services:					
Pupil support services	-	-	-	-	-
Instructional staff services	-	-	-	-	-
General administration	-	-	-	-	2,808
Business and central services	-	-	-	-	-
Transportation	-	-	-	-	-
Non-Instructional Services:					
School food service	-	-	-	3,558,186	-
Total expenditures	1,891	-	471,740	3,558,186	2,808
Excess (deficiency) of revenues over expenditures	(391)	-	-	(743,041)	(2,808)
Other financing uses					
Operating transfers out	-	-	-	-	-
Operating transfers in	-	-	-	743,041	-
Total other sources (uses)	-	-	-	743,041	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(391)	-	-	-	(2,808)
Fund balances at beginning of year	1,706	2	-	2,334	9,070
Fund balance at end of year	\$ 1,315	\$ 2	\$ -	\$ 2,334	\$ 6,262

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2014

	Extended Day Tuition	Franklin Memorial Fund	Total
<u>Revenues</u>			
Local sources:			
Food sales	\$ -	\$ -	\$ 879,392
Earnings on investments	-	-	831
Other	239,564	13,513	254,577
State sources:			
Unrestricted grants-in-aid	-	-	494,144
Restricted grants-in-aid	-	-	341,627
Federal sources:			
Restricted grants-in-aid - subgrants	-	-	3,409,963
Commodities - United States			
Department of Agriculture	-	-	267,880
Total revenues	239,564	13,513	5,648,414
<u>Expenditures</u>			
Instruction:			
Regular education programs	-	-	558,043
Special education programs	-	-	446,667
Other education programs	239,564	-	1,029,428
Support services:			
Pupil support services	-	-	129,564
Instructional staff services	-	-	522,632
General administration	-	13,513	17,081
Business and central services	-	-	13,853
Transportation	-	-	81,760
Non-Instructional Services:			
School food service	-	-	3,558,186
Total expenditures	239,564	13,513	6,357,214
Excess (deficiency) of revenues over expenditures	-	-	(708,800)
Other financing uses			
Operating transfers out	-	-	(37,440)
Operating transfers in	-	-	743,041
Total other sources (uses)	-	-	705,601
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	(3,199)
Fund balances at beginning of year	-	-	13,112
Fund balance at end of year	\$ -	\$ -	\$ 9,913
	(concluded)		

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2014

David Dayton	\$ 6,000
Dawn Avants	2,750
Donnie Dykes	3,250
Boyce Smith	6,000
Kenneth Mackie	6,000
Hubie Owen	6,000
Jannie Rogers	6,000
Sharon Samuel	6,000
Scott Swilley	6,000
Gaynell Young	<u>6,000</u>
Total	\$ <u>54,000</u>

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

Zachary Community School Board
Zachary, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Zachary Community School Board (the School Board) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated November 13, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Mettenich

Baton Rouge, Louisiana
November 13, 2014

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Zachary Community School Board
Zachary, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Zachary Community 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 could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The Zachary Community School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Zachary Community School Board's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Zachary Community 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 on compliance for each major federal program. However, our audit does not provide a legal determination on the Zachary Community School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the Zachary Community School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Perithwait & Mettunil

Baton Rouge, Louisiana
November 13, 2014

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE A – BASIS OF PRESENTATION

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

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2014, the School Board had food commodities totaling \$70,807 in inventory.

NOTE C – RECONCILIATION TO FINANCIAL STATEMENTS

Total Federal Award Expenditures per schedule	<u>\$ 3,738,901</u>
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Total federal revenue per the Statement of Revenues, Expenditures and
Changes in Fund Balance for the year ended June 30, 2014 are reported in the revenue accounts as follows:

General Fund – Restricted grants-in-aid-direct	61,058
Other Governmental Funds:	
Restricted grants-in-aid-sub grants	3,409,963
Commodities	<u>267,880</u>
	<u>\$ 3,738,901</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/ Pass-Through Grantor/ Program Name	Grantor Project Number	CFDA Number	Expenditures 2014
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>			
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution	LDE/103-63	10.555 ¹	\$ 267,880
Passed through Louisiana Department of Education:			
National School Lunch Program	LDE/103-63	10.555 ¹	984,770
National School Breakfast Program	LDE/103-63	10.553 ¹	282,272
Subtotal			<u>1,534,922</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>			
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	28-11-T1-67	84.010A	492,564
Special Education, IDEA	28-11-B1-67	84.027A ²	1,093,472
IDEA - Preschool	28-11-P1-67	84.173A ²	10,825
Vocational Education (Carl Perkins)	28-10-02-67	84.048A	47,376
Title II - Part A, Teacher & Principal Training & Recruiting	28-11-50-67	84.367A	268,079
Subtotal			<u>1,912,316</u>
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN RESOURCES</u>			
Temporary Assistance for Needy Families	28-11-36-67	93.558	<u>230,605</u>
<u>UNITED STATES DEPARTMENT OF DEFENSE</u>			
ROTC - Navy Junior Reserve Officers Training Program - (Direct Funding)	LA111111	12.XXX	<u>61,058</u>
 Total Expenditures			 \$ <u>3,738,901</u>

¹ Child nutrition cluster

² Special education cluster

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ yes x no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

10.555

Commodities Program

10.555

National School Lunch Program

10.553

National School Breakfast Program

The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.

- Zachary Community School Board was determined to be a low-risk auditee.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

ZACHARY COMMUNITY SCHOOL BOARD
PERFORMANCE AND STATISTICAL DATA

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
Zachary Community School Board

Page 1 of 4

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

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

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

Procedure #1:

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

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

Results of procedure #1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule 2)

Procedure #2

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

Results of Procedure #2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2, nor between the schedules and the October 1st payroll records.

Procedure #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 and to school board supporting payroll records as of October 1st.

Results of Procedure #3

No differences were noted between the number of principals and assistant principals per schedule 4 and schedule 2, nor between the schedules and the October 1st payroll records.

Procedure #4

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

Results of Procedure #4:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule 3)

Procedure #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 National School Lunch Program (CFDA 10.555) application.

Results of Procedure #5:

We noted no discrepancies between the schools as listed in the National School Lunch Program application and the list supporting the schools represented in the schedule.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)
Procedure #6

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

Results of Procedure #6:

In our sample of 25 employees, the experience levels of the principals and assistant principals on the aforementioned listing agreed to the schedule.

Public Staff Data: Average Salaries (Schedule 5)

Procedure #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.

Results of Procedure #7:

In our sample of 25, we noted reasonableness between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the aforementioned listing. Note that reasonableness is considered because the actual pay that was used in the computation of the average and the annual salary the salary schedule may be different due to docs in pay or other factors.

Procedure #8

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

Results of Procedure #8:

We noted no differences in the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule 6)

Procedure #9

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

Results of Procedure #9

In our sample of 10 classes, no discrepancies in the class size classifications were noted.

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

Procedure #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 Zachary Community School Board.

Results of Procedure #10:

No differences were noted.

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

The Graduation Exit Examination (GEE) is no longer administered. This schedule is no longer applicable.

The iLeap Tests (Schedule 9)

Procedure #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 Zachary Community School Board.

Results of Procedure #11

No differences were noted.

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

This report is intended solely for the use of management of Zachary Community 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.

Postlethwaite & Nettles

November 13, 2014

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2014

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; 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 Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals, Assistant Principals, 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: Average Salaries

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, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam

The Graduation Exit Examination (GEE) is no longer administered. This schedule is no longer applicable.

Schedule 9 - The iLEAP 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.

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2014**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	20,738,392	
Other Instructional Staff Activities	253,365	
Instructional Staff Employee Benefits	9,191,191	
Purchased Professional and Technical Services	331,867	
Instructional Materials and Supplies	430,642	
Instructional Equipment	1,030,033	
Total Teacher and Student Interaction Activities		31,975,490

Other Instructional Activities

Pupil Support Activities	2,762,939	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		2,762,939

Instructional Staff Services	2,600,606	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		2,600,606

School Administration	3,038,659	
Less: Equipment for School Administration	-	
Net School Administration		3,038,659

Total General Fund Instructional Expenditures		40,377,694
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Total General Fund Equipment Expenditures		1,072,720
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Certain Local Revenue Sources

Local Taxation Revenue:

Advalorem Taxes

Constitutional Ad Valorem Taxes	1,070,240
Renewable Ad Valorem Tax	8,176,640
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	403,352
Result of Court Ordered Settlement (Ad Valorem)	-
Penalties/Interest on Ad Valorem Taxes	18,798
Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem)	-

Sales Taxes

Sales and Use Taxes - Gross	9,672,800
Sales/Use Taxes - Court Settlement	-
Penalties/Interest on Sales/Use Taxes	26,920
Sales/Use Taxes Collected Due to TIF	-
Total Local Taxation Revenue	27,074,473

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	-
Earnings from Other Real Property	414,479
Total Local Earnings on Investment in Real Property	414,479

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	86,159
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	86,159

Nonpublic Textbook Revenue	1,486
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Nonpublic Transportation Revenue	-
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ZACHARY COMMUNITY SCHOOL BOARD

Zachary, Louisiana

Education Levels of Public School Staff**As of October 1, 2013**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	2	0.26%	0	0.0%	0	0.00%	0	0.0%
Bachelor's Degree	260	63.42%	1	50.0%	0	0.00%	0	0.0%
Master's Degree	116	28.95%	1	50.0%	9	64.29%	0	0.0%
Master's Degree + 30	16	5.26%	0	0.0%	3	21.43%	0	0.0%
Specialist in Education	4	1.58%	0	0.0%	3	14.29%	0	0.0%
Ph. D. or Ed. D.	3	0.53%	0	0.0%	0	0.00%	0	0.0%
Total	401	100.0%	2	100.0%	15	100.0%	0	0.0%

ZACHARY COMMUNITY SCHOOL BOARD

Zachary, Louisiana

**Number and Type of Public Schools
For the Year Ended June 30, 2014**

Type	Number
Elementary	5
Middle/Jr. High	1
Secondary	2
Combination	0
Total	8

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

ZACHARY COMMUNITY SCHOOL BOARD**Zachary, Louisiana****Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers
As of October 1, 2013**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	0	2	3	2	8
Principals	0	0	0	0	1	2	4	7
Classroom Teachers	40	27	133	66	47	39	51	403
Total	40	27	134	66	50	44	57	418

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2014

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$53,231	\$52,900
Average Classroom Teachers' Salary Excluding Extra Compensation	\$52,096	\$51,737
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	372	363

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers

ZACHARY COMMUNITY SCHOOL BOARD**Zachary, Louisiana****Class Size Characteristics****As of October 1, 2013**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	28.2%	260	69.3%	639	1.8%	17	0.7%	6
Elementary Activity Classes	18.6%	21	77.9%	88	1.8%	2	1.7%	2
Middle/Jr. High	36.1%	152	45.1%	190	18.8%	79	0.0%	0
Middle/Jr. High Activity Classes	14.3%	7	8.2%	4	32.7%	16	44.8%	22
High	53.3%	330	22.5%	139	24.2%	150	0.0%	0
High Activity Classes	76.3%	74	13.4%	13	4.1%	4	6.2%	6
Combination	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	0.0%	0	0.0%	0	0.0%	0	0.0%	0

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

ZACHARY COMMUNITY SCHOOL BOARD

Zachary, Louisiana

**Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2014**

District Achievement Level Results	English Language Arts						Mathematics					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	78	21.37%	83	20.05%	72	18.80%	114	31.23%	95	22.95%	81	21.15%
Mastery	158	43.29%	169	40.82%	149	38.90%	118	32.33%	146	35.27%	123	32.11%
Basic	105	28.77%	141	34.06%	134	34.99%	112	30.68%	144	34.78%	142	37.08%
Approaching Basic	13	3.56%	19	4.59%	21	5.48%	15	4.11%	26	6.28%	28	7.31%
Unsatisfactory	11	3.01%	2	0.48%	7	1.83%	6	1.65%	3	0.72%	9	2.35%
Total	365	100.00%	414	100.00%	383	100.00%	365	100.00%	414	100.00%	383	100.00%

District Achievement Level Results	Science						Social Studies					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	35	9.62%	57	13.80%	71	18.64%	28	7.69%	35	8.47%	24	6.30%
Mastery	90	24.72%	130	31.48%	95	24.93%	119	32.69%	137	33.17%	135	35.43%
Basic	184	50.55%	189	45.76%	169	44.36%	180	49.45%	213	51.57%	178	46.72%
Approaching Basic	50	13.74%	36	8.72%	38	9.97%	30	8.24%	22	5.33%	33	8.66%
Unsatisfactory	5	1.37%	1	0.24%	8	2.10%	7	1.93%	6	1.45%	11	2.89%
Total	364	100.00%	413	100.00%	381	100.00%	364	100.00%	413	100.00%	381	100.00%

District Achievement Level Results	English Language Arts						Mathematics					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	48	11.82%	46	11.36%	43	10.91%	78	19.21%	40	9.88%	44	11.17%
Mastery	142	34.98%	146	36.05%	132	33.50%	54	13.30%	57	14.07%	36	9.14%
Basic	165	40.64%	172	42.47%	160	40.61%	215	52.96%	248	61.23%	243	61.68%
Approaching Basic	48	11.82%	32	7.90%	55	13.96%	44	10.84%	46	11.36%	55	13.96%
Unsatisfactory	3	0.74%	9	2.22%	4	1.02%	15	3.69%	14	3.46%	16	4.06%
Total	406	100.00%	405	100.00%	394	100.00%	406	100.00%	405	100.00%	394	100.00%

District Achievement Level Results	Science						Social Studies					
	2014		2013		2012		2014		2013		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	29	7.16%	45	11.11%	26	6.60%	30	7.41%	33	8.15%	37	9.39%
Mastery	128	31.60%	112	27.65%	134	34.01%	154	38.02%	148	36.54%	135	34.26%
Basic	173	42.72%	175	43.21%	142	36.04%	179	44.20%	179	44.20%	173	43.91%
Approaching Basic	63	15.56%	59	14.57%	72	18.27%	36	8.89%	31	7.65%	38	9.64%
Unsatisfactory	12	2.96%	14	3.46%	20	5.08%	6	1.48%	14	3.46%	11	2.79%
Total	405	100.00%	405	100.00%	394	100.00%	405	100.00%	405	100.00%	394	100.00%

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

The Graduation Exit Exam for the 21st Century

**Schedule 8 is The Graduation Exit Examination is no longer administered. This schedule is
no longer applicable.**

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

1 of 3

iLeap Tests
For the Year Ended June 30, 2014

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	68	16.19%	88	20.95%	48	11.46%	11	2.63%
Mastery	177	42.14%	143	34.05%	159	37.95%	161	38.42%
Basic	147	35.00%	142	33.81%	155	36.99%	180	42.96%
Approaching Basic	19	4.52%	30	7.14%	51	12.17%	41	9.79%
Unsatisfactory	9	2.14%	17	4.05%	6	1.43%	26	6.21%
Total	420	100.00%	420	100.00%	419	100.00%	419	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	53	14.02%	41	10.82%	30	7.94%	22	5.82%
Mastery	123	32.54%	71	18.73%	100	26.46%	94	24.87%
Basic	152	40.21%	194	51.19%	164	43.39%	185	48.94%
Approaching Basic	40	10.58%	52	13.72%	72	19.05%	55	14.55%
Unsatisfactory	10	2.65%	21	5.54%	12	3.17%	22	5.82%
Total	378	100.00%	379	100.00%	378	100.00%	378	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	45	11.63%	66	17.05%	39	10.08%	123	31.78%
Mastery	125	32.30%	85	21.96%	128	33.07%	100	25.84%
Basic	191	49.35%	210	54.26%	177	45.74%	142	36.69%
Approaching Basic	21	5.43%	15	3.88%	37	9.56%	16	4.13%
Unsatisfactory	5	1.29%	11	2.84%	6	1.55%	6	1.55%
Total	387	100.00%	387	100.00%	387	100.00%	387	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	56	13.83%	58	14.32%	48	11.85%	65	16.05%
Mastery	134	33.09%	81	20.00%	128	31.60%	147	36.30%
Basic	188	46.42%	222	54.81%	164	40.49%	166	40.99%
Approaching Basic	27	6.67%	36	8.89%	60	14.81%	22	5.43%
Unsatisfactory	0	0.00%	8	1.98%	5	1.23%	5	1.23%
Total	405	100.00%	405	100.00%	405	100.00%	405	100.00%

(continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	82	23.91%	70	20.35%	30	8.75%	36	10.50%
Mastery	105	30.61%	107	31.10%	120	34.99%	106	30.90%
Basic	137	39.94%	127	36.92%	150	43.73%	149	43.44%
Approaching Basic	15	4.37%	29	8.43%	37	10.79%	37	10.79%
Unsatisfactory	4	1.17%	11	3.20%	6	1.75%	15	4.37%
Total	343	100.00%	344	100.00%	343	100.00%	343	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	65	18.06%	54	15.00%	41	11.39%	67	18.61%
Mastery	112	31.11%	107	29.72%	128	35.56%	82	22.78%
Basic	153	42.50%	160	44.44%	149	41.39%	170	47.22%
Approaching Basic	26	7.22%	31	8.61%	40	11.11%	35	9.72%
Unsatisfactory	4	1.11%	8	2.22%	2	0.56%	6	1.67%
Total	360	100.00%	360	100.00%	360	100.00%	360	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	49	12.13%	86	21.29%	46	11.39%	167	41.34%
Mastery	127	31.44%	91	22.52%	138	34.16%	82	20.30%
Basic	186	46.04%	193	47.77%	151	37.38%	127	31.44%
Approaching Basic	35	8.66%	27	6.68%	56	13.86%	21	5.20%
Unsatisfactory	7	1.73%	7	1.73%	13	3.22%	7	1.73%
Total	404	100.00%	404	100.00%	404	100.00%	404	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	69	17.21%	48	11.97%	25	6.23%	37	9.23%
Mastery	117	29.18%	101	25.19%	111	27.68%	151	37.66%
Basic	175	43.64%	219	54.61%	181	45.14%	170	42.39%
Approaching Basic	36	8.98%	21	5.24%	73	18.20%	32	7.98%
Unsatisfactory	4	1.00%	12	2.99%	11	2.74%	11	2.74%
Total	401	100.00%	401	100.00%	401	100.00%	401	100.00%

(continued)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	81	20.88%	115	29.64%	51	13.18%	33	8.53%
Mastery	152	39.18%	129	33.25%	112	28.94%	119	30.75%
Basic	119	30.67%	122	31.44%	157	40.57%	175	45.22%
Approaching Basic	21	5.41%	17	4.38%	56	14.47%	43	11.11%
Unsatisfactory	15	3.87%	5	1.29%	11	2.84%	17	4.39%
Total	388	100.00%	388	100.00%	387	100.00%	387	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	45	10.84%	52	12.53%	28	6.75%	74	17.92%
Mastery	142	34.22%	116	27.95%	110	26.51%	107	25.91%
Basic	170	40.96%	182	43.86%	219	52.77%	196	47.46%
Approaching Basic	46	11.08%	40	9.64%	44	10.60%	31	7.51%
Unsatisfactory	12	2.89%	25	6.02%	14	3.37%	5	1.21%
Total	415	100.00%	415	100.00%	415	100.00%	413	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	44	11.58%	79	20.79%	58	15.26%	110	28.95%
Mastery	128	33.68%	71	18.68%	127	33.42%	102	26.84%
Basic	166	43.68%	194	51.05%	159	41.84%	152	40.00%
Approaching Basic	31	8.16%	33	8.68%	30	7.89%	12	3.16%
Unsatisfactory	11	2.89%	3	0.79%	6	1.58%	4	1.05%
Total	380	100.00%	380	100.00%	380	100.00%	380	100.00%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	80	19.90%	87	21.70%	66	16.42%	107	26.68%
Mastery	133	33.08%	78	19.45%	147	36.57%	117	29.18%
Basic	146	36.32%	186	46.38%	127	31.59%	144	35.91%
Approaching Basic	37	9.20%	32	7.98%	45	11.19%	26	6.48%
Unsatisfactory	6	1.49%	18	4.49%	17	4.23%	7	1.75%
Total	402	100.00%	401	100.00%	402	100.00%	401	100.00%

(concluded)