

ST. MARTIN PARISH SCHOOL BOARD

St. Martinville, Louisiana

Financial Report

Year Ended June 30, 2012

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
 BASIC FINANCIAL STATEMENTS	
 GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net assets	5
Statement of activities	6
 FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	8
Reconciliation of the governmental funds balance sheet to the statement of net assets	9
Statement of revenues, expenditures, and changes in fund balances- governmental funds	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	11
Statement of net assets-internal service fund	12
Statement of revenues, expenses, and changes in fund net assets - internal service fund	13
Statement of cash flows-internal service fund	14-15
Statement of fiduciary net assets	16
Statement of changes in fiduciary net assets	17
 Notes to basic financial statements	 18-50
 REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule - General Fund	52
Budgetary comparison schedule - State and Local Special Revenue Funds	53
Schedule of funding progress	54

(continued)

TABLE OF CONTENTS (continued)

Page

OTHER SUPPLEMENTARY INFORMATION

INTERNAL CONTROL, COMPLIANCE, AND OTHER INFORMATION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	57-58
Independent Auditors' Report on Compliance with Requirements that Could have a Direct and Material Effect on each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	59-60
Notes to schedule of expenditures of federal awards	61
Schedule of expenditures of federal awards	62-63
Schedule of findings, questioned costs, and management's corrective action plan	64
Summary schedule of prior audit findings	65

SCHEDULES REQUIRED BY STATE LAW

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

Independent Accountants' Report on Applying Agreed-Upon Procedures to the Management of St. Martin Parish School Board	67-70
---	-------

SCHEDULES RELATED TO AGREED-UPON PROCEDURES

Schedule 1	71
Schedule 2	72
Schedule 3	73
Schedule 4	74
Schedule 5	75
Schedule 6	76
Schedule 7	77
Schedule 8	78
Schedule 9	79-81

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA,CVA
Allen J. LaBry, CPA
Albert R. Leger, CPA,PFS,CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®*
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dautzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

P.O. Box 250
Breaux Bridge, LA 70517

Phone (337) 332-4020
Fax (337) 332-2867

INDEPENDENT AUDITORS' REPORT

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

Mr. Richard Lavergne, Superintendent
and Members of the St. Martin Parish
School Board
St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish School Board (the School Board), as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. Martin Parish School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish School Board, as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2012, on our consideration of the St. Martin Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedule of funding progress on pages 51 through 54 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.

The School Board has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Martin Parish School Board's financial statements as a whole. The other supplementary information on pages 55 through 81 including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedules required by state law are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

Breaux Bridge, Louisiana
December 13, 2012

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Statement of Net Assets
June 30, 2012

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 12,314,705
Investments	49,636,406
Receivables, net	2,100,324
Due from other governmental agencies	1,604,929
Inventories	188,839
Prepaid items	704,059
Other current assets	43,826
Restricted assets:	
Cash and interest-bearing deposits	194,847
Capital assets, net	<u>49,317,677</u>
 TOTAL ASSETS	 <u>116,105,612</u>
LIABILITIES	
Salaries and payroll tax liabilities	6,191,598
Claims payable	2,476,356
Other payables	1,093,685
Contracts payable	229,193
Retainage payable	9,195
Deferred revenue	218,320
Interest payable	544,573
Long-term liabilities:	
Due within one year	9,959,517
Due in more than one year	<u>57,003,287</u>
 TOTAL LIABILITIES	 <u>77,725,724</u>
NET ASSETS	
Invested in capital assets, net of related debt	29,817,412
Restricted for:	
Salaries and benefits	6,827,057
Inventory	188,839
Debt service	928,107
Unrestricted	<u>618,473</u>
 TOTAL NET ASSETS	 <u>\$ 38,379,888</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets Governmental Activities
Governmental activities:					
Instruction:					
Regular education programs	\$ 29,831,444	\$ -	\$ 99,900	\$ -	\$ (29,731,544)
Special education programs	9,134,058	-	762,775	-	(8,371,283)
Vocational education programs	1,745,396	-	135,190	-	(1,610,206)
Other instructional programs	1,302,508	-	349,128	-	(953,380)
Special programs	5,304,951	-	4,774,949	-	(530,002)
Adult and continuing education programs	68,663	-	56,337	-	(12,326)
Support services:					
Pupil support services	4,686,757	-	1,745,388	-	(2,941,369)
Instructional staff support	3,868,396	-	742,828	-	(3,125,568)
General administration	1,568,887	-	250,185	-	(1,318,702)
School administration	4,449,930	-	40,465	-	(4,409,465)
Business services	1,159,309	-	3,129	-	(1,156,180)
Operation and maintenance of plant services	6,954,007	-	291	-	(6,953,716)
Student transportation services	5,610,687	-	31,162	-	(5,579,525)
Central services	905,652	-	4,932	-	(900,720)
Food services	6,588,889	632,499	2,959,655	-	(2,996,735)
Community service programs	375,061	-	271,302	-	(103,759)
Construction services	-	-	-	-	-
Interest on long-term debt	2,051,339	-	-	-	(2,051,339)
Total governmental activities	\$ 85,605,934	\$ 632,499	\$12,227,616	\$ -	\$ (72,745,819)
Taxes:					
Property taxes, levied for general purposes					3,532,727
Property taxes, levied for debt service					5,578,476
Sales and use taxes					13,320,229
State revenue sharing					262,437
Grants and contributions not restricted to specific programs:					
State source - Minimum Foundation Program					45,581,698
State source - PIPS					75,008
Interest and investment earnings					425,808
Rents, leases and royalties					637,471
Miscellaneous					1,240,219
Total general revenues					70,654,073
Change in net assets					(2,091,746)
Net assets - July 1, 2011					40,471,634
Net assets - June 30, 2012					\$ 38,379,888

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

FUND FINANCIAL STATEMENTS (FFS)

ST. MARTIN PARISH SCHOOL BOARD
St.Martinville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2012

	Major Funds				All Other Non-Major Governmental Funds	Total Governmental Funds
	General Fund	State and Local Special Revenue Funds	Debt Service Fund	Capital Projects Fund		
ASSETS						
Cash and interest-bearing deposits	\$ 8,958,447	\$ 1,576,079	\$ 280,673	\$ 394,690	\$ -	\$ 11,209,889
Investments	21,612,670	4,064,430	723,978	21,810,631	-	48,211,709
Receivables -						
Accrued interest	39,998	-	-	-	-	39,998
Taxes receivable	-	1,282,757	-	-	-	1,282,757
Due from other funds	1,417,928	3,920	-	-	-	1,421,848
Due from other governmental agencies	58,761	454,262	-	-	1,091,906	1,604,929
Other receivables	423,114	-	44,421	-	-	467,535
Inventories, at cost	-	188,839	-	-	-	188,839
Prepaid expenses	677,796	-	-	-	-	677,796
Other current assets	31,643	42	-	12,141	-	43,826
Total assets	<u>\$ 33,220,357</u>	<u>\$ 7,570,329</u>	<u>\$ 1,049,072</u>	<u>\$ 22,217,462</u>	<u>\$ 1,091,906</u>	<u>\$ 65,149,126</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 957,345	\$ 16,635	\$ -	\$ 19,211	\$ -	\$ 993,191
Contracts payable	-	-	-	229,193	-	229,193
Retainage payable	-	-	-	9,195	-	9,195
Salaries and payroll taxes payable	6,191,598	-	-	-	-	6,191,598
Claims payable	1,286,586	-	-	-	-	1,286,586
Due to other funds	-	103,727	-	302,263	1,091,906	1,497,896
Other payables	584	-	890	-	-	1,474
Deferred revenue	83,367	14,878	120,075	-	-	218,320
Total liabilities	<u>8,519,480</u>	<u>135,240</u>	<u>120,965</u>	<u>559,862</u>	<u>1,091,906</u>	<u>10,427,453</u>
Fund Balances:						
Nonspendable	677,796	188,839	-	-	-	866,635
Restricted	3,072,818	6,827,057	928,107	20,243,166	-	31,071,148
Committed	15,379,621	-	-	-	-	15,379,621
Assigned	1,534,421	-	-	1,414,434	-	2,948,855
Unassigned	4,036,221	419,193	-	-	-	4,455,414
Total fund balances	<u>24,700,877</u>	<u>7,435,089</u>	<u>928,107</u>	<u>21,657,600</u>	<u>-</u>	<u>54,721,673</u>
Total liabilities and fund balances	<u>\$ 33,220,357</u>	<u>\$ 7,570,329</u>	<u>\$ 1,049,072</u>	<u>\$ 22,217,462</u>	<u>\$ 1,091,906</u>	<u>\$ 65,149,126</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2012

Total fund balances for governmental funds at June 30, 2012		\$ 54,721,673
Cost of capital assets at June 30, 2012	\$ 92,574,628	
Less: Accumulated depreciation as of June 30, 2012:		
Buildings	(37,189,532)	
Movable property	<u>(6,067,419)</u>	49,317,677
Elimination of interfund assets and liabilities:		
Due from other funds	\$ 1,497,896	
Due to other funds	<u>(1,497,896)</u>	-
Long-term liabilities at June 30, 2012		
Bonds payable	\$ (41,201,818)	
Difference between refunded debt and its reacquisition price is accounted for as a deferred charge	540,675	
Accumulated amortization of deferred charge	(299,242)	
Bond premium	(211,585)	
Accumulated amortization of bond premium	14,105	
Compensated absences payable	(4,132,156)	
Net OPEB obligation payable	(21,672,783)	
Accrued interest payable	<u>(544,573)</u>	(67,507,377)
Receivable recorded under the accrual basis of accounting		239,591
Assets and liabilities of Self - Insurance Internal Service Fund		<u>1,608,324</u>
Net assets at June 30, 2012		<u>\$ 38,379,888</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2012

	Major Funds				All Other Non-Major Governmental Funds	Total Governmental Funds
	General Fund	State and Local Special Revenue Funds	Debt Service Fund	Capital Projects Fund		
REVENUES						
Local sources -						
Ad valorem taxes	\$ 3,532,727	\$ -	\$ 5,578,476	\$ -	\$ -	\$ 9,111,203
Sales taxes	-	13,320,229	-	-	-	13,320,229
Tuition	21,654	-	-	-	-	21,654
Transportation	27,469	-	-	-	-	27,469
Interest earnings	354,766	24,706	10,692	35,644	-	425,808
Rentals, leases, and royalties	637,471	-	-	-	-	637,471
Income from meals	-	632,499	-	-	-	632,499
Contributions and donations	7,550	-	-	-	-	7,550
Medicaid	221,860	-	-	-	-	221,860
Kid Med	144,069	-	-	-	-	144,069
E-rate reimbursements	61,138	-	-	-	-	61,138
Other miscellaneous revenues	104,281	28,223	-	49,766	-	182,270
State sources -						
Unrestricted grants-in-aid	45,509,821	71,877	-	-	-	45,581,698
Restricted grants-in-aid	108,072	1,132,711	-	-	-	1,240,783
Revenue in lieu of taxes	262,437	-	-	-	-	262,437
Other state revenues	13,753	-	-	-	-	13,753
Federal sources -						
Restricted revenues	57,709	-	-	-	-	57,709
Restricted grants-in-aid through the state	-	3,233,310	-	-	7,828,531	11,061,841
Value of USDA Commodities	-	263,155	-	-	-	263,155
Total revenues	<u>51,064,777</u>	<u>18,706,710</u>	<u>5,589,168</u>	<u>85,410</u>	<u>7,828,531</u>	<u>83,274,596</u>
EXPENDITURES						
Current:						
Instruction -						
Regular education programs	26,301,034	66,401	-	-	435	26,367,870
Special education programs	7,502,724	110,742	-	-	729,923	8,343,389
Vocational education programs	1,464,223	10,340	-	-	124,850	1,599,413
Other instructional programs	876,035	310,935	-	-	38,193	1,225,163
Special programs	377,021	165,651	-	-	4,069,723	4,612,395
Adult and continuing education programs	3,745	6,566	-	-	49,771	60,082
Support services -						
Pupil support services	2,560,780	428,441	-	-	1,316,947	4,306,168
Instructional staff services	2,609,523	40,187	-	-	702,641	3,352,351
General administration	1,008,084	247,465	203,916	-	2,720	1,462,185
School administration	3,899,527	-	-	-	40,465	3,939,992
Business services	1,058,016	-	-	-	3,129	1,061,145
Operation and maintenance of plant	6,255,196	-	-	-	291	6,255,487
Student transportation services	4,515,534	19,638	-	596,284	245	5,131,701
Central services	835,878	-	-	-	16,211	852,089
Food service	191,079	5,326,867	-	-	-	5,517,946
Community service programs	39,148	-	-	-	271,302	310,450
Construction Services	-	-	-	5,029,454	-	5,029,454
Debt service	109,091	-	10,387,334	-	-	10,496,425
Total expenditures	<u>59,606,638</u>	<u>6,733,233</u>	<u>10,591,250</u>	<u>5,625,738</u>	<u>7,366,846</u>	<u>89,923,705</u>
Excess (deficiency) of revenues over expenditures	(8,541,861)	11,973,477	(5,002,082)	(5,540,328)	461,685	(6,649,109)
Other financing sources (uses):						
Transfers in	13,189,875	1,451,562	365	-	-	14,641,802
Transfers out	(1,453,775)	(12,726,342)	-	-	(461,685)	(14,641,802)
Payment to refunded bond escrow agent	-	-	(2,570,141)	-	-	(2,570,141)
Refunding bonds	-	-	2,580,000	-	-	2,580,000
Total other financing sources (uses)	<u>11,736,100</u>	<u>(11,274,780)</u>	<u>10,224</u>	<u>-</u>	<u>(461,685)</u>	<u>9,839</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	3,194,239	698,697	(4,991,858)	(5,540,328)	-	(6,639,250)
FUND BALANCES, BEGINNING	<u>21,506,638</u>	<u>6,736,392</u>	<u>5,919,965</u>	<u>27,197,928</u>	<u>-</u>	<u>61,360,923</u>
FUND BALANCES, ENDING	<u>\$ 24,700,877</u>	<u>\$ 7,435,089</u>	<u>\$ 928,107</u>	<u>\$ 21,657,600</u>	<u>\$ -</u>	<u>\$ 54,721,673</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2012

Total net change in fund balances for the year ended June 30, 2012 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (6,639,250)
Add: Facilities acquisition and construction costs which are considered expenditures on Statement	5,455,204
Less: Depreciation expense for year ended June 30, 2012	(2,022,277)
Add: Bond principal retirement considered as an expenditure on Statement	10,914,091
Add: Excess of compensated absences earned over compensated absences used	(330,810)
Less: Current year OPEB accrual	(7,208,062)
Less: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	132,748
Add: Net income of the Self - Insurance Internal Service Fund	325
Add: Receivable recorded under the accrual basis of accounting	239,591
Less: Amortization of deferred charge	(42,191)
Add: Amortization of bond premium	10,579
Less: Loss on disposition of assets	(21,694)
Less: Proceeds of bonds considered as an other financing source on statement	<u>(2,580,000)</u>
Total change in net assets for the year ended June 30, 2012 per Statement of Activities	<u>\$ (2,091,746)</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St.Martinville, Louisiana
Proprietary Fund - Internal Service Fund

Statement of Net Assets
June 30, 2012

ASSETS	
Current Assets:	
Cash and interest-bearing deposits	\$ 1,299,663
Investment	1,424,697
Due from other funds	76,048
Other receivables	70,443
Prepaid expenses	<u>26,263</u>
Total assets	<u>\$ 2,897,114</u>
LIABILITIES	
Current Liabilities:	
Claims payable	\$ 1,189,770
Accrued expenses	<u>99,020</u>
Total liabilities	1,288,790
NET ASSETS	
Net assets:	
Unrestricted	<u>1,608,324</u>
Total liabilities and net assets	<u>\$ 2,897,114</u>

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

ST. MARTIN PARISH SCHOOL BOARD
 St. Martinville, Louisiana
 Proprietary Fund - Internal Service Fund

Statement of Revenues, Expenses and Changes in Fund Net Assets
 For the Year Ended June 30, 2012

Operating Revenues:	
Charges for services -	
Employer contributions	\$ 1,124,874
Other recoveries	<u>438,320</u>
Total operating revenues	<u>1,563,194</u>
Operating Expenses:	
Contractual services	141,292
Premium payments	96,801
Claim payments	<u>1,326,911</u>
Total operating expenses	<u>1,565,004</u>
Operating loss	(1,810)
Nonoperating Revenue:	
Interest earned	<u>2,135</u>
Net income	325
Net assets, beginning	<u>1,607,999</u>
Net assets, ending	<u>\$ 1,608,324</u>

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

ST. MARTIN PARISH SCHOOL BOARD
 St. Martinville, Louisiana
 Proprietary Fund - Internal Service Fund

Statement of Cash Flows
 For the Year ended June 30, 2012

Cash flows from operating activities:	
Receipts from other funds and employees	\$ 2,281,206
Payments to providers and employees	<u>(1,262,404)</u>
Net cash provided by operating activities	1,018,802
Cash flows from investing activities:	
Interest on investments	2,135
Cash flows from noncapital financing activities:	
Transfer to other fund	<u>(1,906)</u>
Net increase in cash and cash equivalents	1,019,031
Cash and cash equivalents, beginning of period	<u>1,705,329</u>
Cash and cash equivalents, end of period	<u>\$ 2,724,360</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$ (1,810)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in current assets and liabilities:	
Decrease in receivables	718,012
Increase in prepaids	(26,263)
Increase in payables	<u>328,863</u>
Net cash provided by operating activities	<u>\$ 1,018,802</u>

(continued)

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana
Proprietary Fund - Internal Service Fund

Statement of Cash Flows (Continued)
For the Year ended June 30, 2012

Reconciliation of cash and cash equivalents per statement
of cash flows to the balance sheet:

Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits	\$ 282,492
Investments, at cost	<u>1,422,837</u>
Total cash and cash equivalents	<u>1,705,329</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits	1,299,663
Investments, at cost	<u>1,424,697</u>
Total cash and cash equivalents	<u>2,724,360</u>
Net increase	<u>\$ 1,019,031</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St.Martinville, Louisiana

Statement of Fiduciary Net Assets
June 30, 2012

	Agency Funds	Private Purpose Trust Fund	Total
ASSETS			
Cash and interest-bearing deposits	\$ 295,213	\$ 1,783	\$ 296,996
Investments	697,460	18,158	715,618
Total assets	992,673	19,941	1,012,614
LIABILITIES			
Due to other funds	18,722	-	18,722
Due to other governmental units	4,137	-	4,137
Other payables	123	-	123
School activity funds payable	969,691	-	969,691
Total liabilities	992,673	-	992,673
NET ASSETS			
Reserved for specific purposes	\$ -	\$ 19,941	\$ 19,941

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Year Ended June 30, 2012

ADDITIONS	
Interest earnings	\$ 174
Gifts and contributions	<u>1,950</u>
Total additions	<u>2,124</u>
DEDUCTIONS	
Benefits	<u>3,000</u>
Change in net assets	(876)
Net assets - beginning	<u>20,817</u>
Net assets - ending	<u>\$ 19,941</u>

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements

Introduction

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

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

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the St. Martin Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Although the School Board has the option to apply FASB pronouncements issued after that date, the School Board has chosen not to apply said pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed below.

A. Financial Reporting Entity

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

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish government, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units, which require inclusion in the financial statements of the School Board.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements (FFS)

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

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

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

The School Board reports the following major governmental funds:

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

The major special revenue fund is the State and Local Special Revenue Funds (which is comprised of the School Lunch Fund, LA-4, the Other State Grants Fund, the Health Centers Fund, and the two Sales Tax Funds). These funds account for revenues and expenditures related to certain state and local grant and entitlement programs as well as other legally restricted funds.

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

The Capital Projects Fund, which includes the 2002 Construction Fund, the 2009 Construction Fund, the 2010 Construction Fund, the 2011 Construction Fund, the Capital Projects Fund, and the Transportation Fund, is also considered to be a major fund. They are used to account for financial resources to be used for the acquisition or construction of major capital facilities as well as various school improvements.

Additionally, the School Board reports the following fund types:

The nonmajor special revenue fund types include the Federal Titles Funds (which is comprised of Title I and Carryover and No Child Left Behind Titles II through VI) and the Federal Grant Funds (which is comprised of IDEA and Preschool, and Other Federal Grants Funds). These funds account for the revenues and expenditures related to certain federal, state and local grant and entitlement programs.

Proprietary Funds -

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

Internal Service Funds

The Internal Service Fund (proprietary fund type) is used to account for the accumulation of resources for and the payment of benefits by the School Board's workers' compensation insurance program.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

Fiduciary Funds -

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

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

Sales Tax Fund – accounts for the collection and distribution of all sales taxes levied in the parish of St. Martin.

Private-purpose trust funds – accounts for contributions from members of the St. Martin Parish School Board to encourage students of high academic standing and achievement to enter the education profession.

C. Measurement Focus/ Basis of Accounting

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

Measurement Focus

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

Basis of Accounting

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

Program revenues

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

Allocation of indirect expenses

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

Revenues

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

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

Interest income on time deposits is recorded when earned.

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

Substantially all other revenues are recorded when received.

Expenditures

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

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

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Other Financing Sources (Uses)

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

Deferred Revenues

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

In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Investments

Under state law the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 2012, the School Board's investments in LAMP are stated at market value. See additional information in Note 3.

Interfund receivables and payables

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

Receivables

Receivables consist of all revenues earned at year-end and not yet received. The majority of this balance is comprised of federal and state grants.

Inventories

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

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Capital Assets

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

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets for purposes of the government wide financial statements. For internal purposes, the Board maintains a threshold level of \$1,000.

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

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

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

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

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2003 were considered to be part of the cost of buildings and improvements. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other depreciable capital assets.

Compensated Absences

All twelve month employees earn from ten to fifteen days of vacation leave each year, depending on their length of service with the School Board, which are not credited to the employee until the first day of the year subsequent to the year that vacation was earned. Newly hired employees earn vacation on a pro rata basis. An employee cannot accumulate more than two years of earned vacation. Any excess is lost. Employees are paid for unused vacation (subject to a two year limitation) at the time of resignation.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

All twelve month employees earn from twelve to eighteen days of sick leave each year. Teachers and other nine month employees earn ten days of sick leave each year. Sick leave may be accumulated. Upon retirement or death unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the computation of retirement benefits as earned service. Upon resignation, all sick leave is forfeited.

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

In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt.

At June 30, 2012, employees of the School Board have accumulated and vested \$4,132,156 of compensated absence benefits payable. Salary related payments are not accrued since this amount is deemed to be insignificant.

Long-term debt

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

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds.

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Equity Classifications

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows. Proprietary fund equity is classified the same as in the government-wide statements.

The School Board adopted GASB Statement 54 in the year ended June 30, 2009. As such, fund balances of the governmental funds are classified as follows:

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

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Board members.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board’s adopted policy, only Board members or the Board’s finance committee may assign amounts for specific purposes.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Unassigned – all other spendable amounts.

As of June 30, 2012, fund balances are composed of the following:

	General Fund	State and Local Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Governmental Funds
Nonspendable:					
Inventories	\$ -	\$ 188,839	\$ -	\$ -	\$ 188,839
Prepaid items	677,796	-	-	-	677,796
Restricted:					
Debt retirement	-	-	928,107	-	928,107
Capital expenditures	-	-	-	20,243,166	20,243,166
Other purposes	3,072,818	6,827,057	-	-	9,899,875
Committed:					
Economic stabilization	15,379,621	-	-	-	15,379,621
Assigned:					
Health centers	784,421	-	-	-	784,421
Group health	750,000	-	-	-	750,000
Capital expenditures	-	-	-	1,414,434	1,414,434
Unassigned:	<u>4,036,221</u>	<u>419,193</u>	<u>-</u>	<u>-</u>	<u>4,455,414</u>
Total fund balances	<u>\$24,700,877</u>	<u>\$ 7,435,089</u>	<u>\$ 928,107</u>	<u>\$ 21,657,600</u>	<u>\$54,721,673</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Board members or the finance committee has provided otherwise in its commitment or assignment actions.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

In fiscal year 2009 the School Board members established a stabilization policy. Under this policy, a portion of the fund balance of the General Fund is committed for stabilization arrangements, such as might be needed in emergency situations. The policy states that, at fiscal year end, an amount approximately equal to 25 percent of the total General Fund expenditures is committed for use in covering Board declared emergencies, including natural disasters. At June 30, 2012, \$15,379,621 of the fund balance for the General Fund was reported as committed for economic stabilization.

As of July 1, 2012, the School Board changed their policy to commit approximately 20 percent of the total general fund expenditures for use in covering Board declared emergencies.

E. Budget Practices

The School Board adopted budgets for the General Fund and the Special Revenue Funds. Budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end, and any encumbrances outstanding are included in the next year's budget. Formal budget accounts are integrated into the accounting system as a management control device.

The superintendent of schools and the chief financial officer are authorized to transfer amounts between budgeted line items within any fund. However, any unfavorable variances of revenues or expenditures of five percent or more within a fund must be presented to the School Board for Board action to amend fund budgets. Budgeted amounts included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales and use taxes	See Note 10
Ad valorem taxes	See Note 4

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

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2012, the School Board has cash and cash equivalents (book balances) totaling \$12,787,826 as follows:

	Governmental Funds	Fiduciary Funds	Total
Demand deposits	\$ 3,023	\$ 1,963	\$ 4,986
Interest-bearing deposits	12,487,807	295,033	12,782,840
Amounts owed to governmental funds	18,722	(18,722)	-
Total	\$ 12,509,552	\$ 278,274	\$ 12,787,826

These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it. The School Board's policy, by state law, is that all bank deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash Funds invested at Morgan Keegan are protected from loss by securities investor protection insurance and supplemental insurance coverage provided through Lloyd's of London. Deposit balances (bank balances) at June 30, 2012 are secured as follows:

Bank balances	<u>\$ 13,947,476</u>
At June 30, 2012 the deposits are secured as follows:	
Insured (FDIC)	503,617
Insured (SIPC)	250,000
Insured and covered by supplemental coverage through Lloyd's of London	3,254,027
Uninsured and collateral held by pledging bank not in School Board's name	9,939,832
Total	<u>\$ 13,947,476</u>

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Investments

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

Investments consist of amounts on deposit with the Louisiana Asset Management Pool (LAMP), Morgan Keegan and Company, Inc., and certificates of deposit with local banks. The certificates of deposit are in the amount of \$595,776. An investment in the amount of \$33,704,928 at June 30, 2012 is deposited in LAMP, a local government investment pool, of which \$715,618 is attributable to the fiduciary fund, which is not presented in the statement of net assets. In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955 (a) (1) (h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's investment guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

At June 30, 2012, the School Board's investment, at cost, is \$33,702,668. The amortized cost of this investment at June 30, 2012 was also \$33,702,668. The market value of this investment at June 30, 2012 was \$33,704,928.

An investment in the amount of \$16,051,320 at June 30, 2012 is deposited into Morgan Keegan and Company, Inc. This investment is composed of government securities which are fully guaranteed as to payment by the United States government. Because of the safety of this investment, this investment takes exception to state law requiring security of federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

As of June 30, 2012, the investments in Morgan Keegan and Company, Inc. were comprised of the following.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Values</u>
Federal Home Loan Bank	10/30/18-03/27/19	\$ 3,002,630
Federal Farm Credit Bank	09/26/17-08/17/20	<u>13,048,690</u>
Total		<u>\$16,051,320</u>

The School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

(4) Ad Valorem Taxes

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

	<u>Millages</u>	
	<u>2012</u>	<u>2011</u>
Parishwide taxes:		
Constitutional	2.61	2.61
Special school-		
Maintenance	8.32	8.32
Operation and maintenance	1.65	1.65
School bonds	21.50	21.50

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2012, taxes were levied by the School Board in July and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

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

The School Board received ad valorem taxes that were paid under protest. It is possible that these taxes (or a portion thereof) will have to be returned to the taxpayer. The amount received of \$194,847 is reflected as a restricted asset. The estimated amount that may have to be refunded is \$194,847 and is reflected as deferred revenue on the balance sheet at June 30, 2012.

(5) Receivables

Receivables at June 30, 2012 of \$2,100,324 consisted of the following:

Accrued interest	\$ 39,998
Specific stop loss receivables	173,981
Rebates	183,554
Sales taxes	1,282,757
Medicaid	239,591
Other	180,443
	<u>\$2,100,324</u>

(6) Due from Other Governmental Agencies

Due from other governmental agencies of \$1,604,929 consisted primarily of amounts due from the State of Louisiana Department of Education for various appropriations and reimbursements.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital assets balances and activity for the year ended June 30, 2012 is as follows:

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
Capital assets not being depreciated:				
Land	\$ 823,255	\$ 446,872	\$ -	\$ 1,270,127
Construction in progress	2,539,779	4,393,305	-	6,933,084
Other capital assets:				
Building and improvements	75,641,196	9,355	-	75,650,551
Furniture and equipment	8,190,744	605,672	(75,550)	8,720,866
Total	<u>87,194,974</u>	<u>5,455,204</u>	<u>(75,550)</u>	<u>92,574,628</u>
Less accumulated depreciation:				
Buildings and improvements	35,581,376	1,608,156	-	37,189,532
Furniture and equipment	5,707,154	414,121	(53,856)	6,067,419
Total	<u>41,288,530</u>	<u>2,022,277</u>	<u>(53,856)</u>	<u>43,256,951</u>
Net capital assets	<u>\$45,906,444</u>	<u>\$ 3,432,927</u>	<u>\$ (21,694)</u>	<u>\$49,317,677</u>

At June 30, 2012, construction in progress of \$6,933,084 consists of costs incurred to date on multiple school improvement projects.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

Regular education programs	\$	716,731
Special education programs		224,672
Vocational education programs		43,475
Other instructional programs		33,302
Special programs		127,491
Adult and continuing education programs		1,633
Pupil support services		117,050
Instructional staff support		91,123
General administration		39,745
School administration		107,097
Business services		28,844
Operation and maintenance of plant services		170,036
Student transportation services		139,796
Central services		22,855
Food services		149,988
Community service programs		8,439
Total depreciation expense	\$	<u>2,022,277</u>

(8) Other Payables

At June 30, 2012, a breakdown of other payables of \$1,093,685 was as follows:

Accounts	\$	989,391
Other liabilities		<u>104,294</u>
	\$	<u>1,093,685</u>

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Changes in General Long-Term Liabilities

The following is a summary of the changes in general long-term debt for the year ended June 30, 2012:

	<u>Compensated Absences</u>	<u>Bonded Debt</u>	<u>Total</u>
Obligations payable at July 1, 2011	\$3,801,346	\$49,460,344	\$53,261,690
Additions	2,566,355	2,580,000	5,146,355
Add: amortization	-	31,612	31,612
Reductions	<u>(2,235,545)</u>	<u>(10,914,091)</u>	<u>(13,149,636)</u>
Obligations payable at June 30, 2012	<u>\$4,132,156</u>	<u>\$41,157,865</u>	<u>\$45,290,021</u>

Compensated Absences

Compensated absences payable consists of the portion of accumulated sick leave and vacation leave of the governmental funds that is not expected to require current resources. The General Fund and Special Revenue Funds have historically been used to pay compensated absences (when applicable).

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Bonded Debt

School Board bonds outstanding at June 30, 2012 consist of parishwide general obligation school bonds and qualified zone academy bonds as follows:

Date of Issue	Original Issue	Interest Rates	Final Payment Date	Interest to Maturity	Principal Outstanding
Qualified zone academy bonds February 1, 2002	\$ 1,500,000	0	11/01/15	\$ -	\$ 381,818
Parishwide general obligation school bonds July 1, 2003	4,000,000	3.00 - 4.00	03/01/23	5,700	190,000
Parishwide general obligation school refunding bonds; October 1, 2004	3,455,000	3.00 - 3.75	03/01/16	141,919	1,515,000
Parishwide general obligation school refunding bonds; March 1, 2005	5,490,000	3.00 - 4.50	03/01/17	411,750	3,005,000
Parishwide general obligation school refunding bonds; March 1, 2006	8,080,000	4.00 - 5.00	03/01/20	885,200	5,515,000
General obligation school bonds; July 1, 2009	10,000,000	4.00 - 6.00	03/01/29	3,981,833	9,130,000
General obligation school bonds; March 1, 2010	10,000,000	2.00 - 4.125	03/01/30	4,034,482	9,385,000
General obligation school bonds; March 1, 2011	10,000,000	4.00 - 5.00	03/01/31	4,295,000	9,500,000
Parishwide general obligation school refunding bonds; March 30, 2012	2,580,000	2.350	03/01/23	403,663	2,580,000

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

All principal and interest requirements on the parishwide general obligation school bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. At June 30, 2012, the School Board has accumulated \$1,004,651 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	Principal Payments	Amortization	Interest Payments	Total
2013	\$ 3,164,091	\$ (31,612)	\$ 1,638,603	\$ 4,771,082
2014	3,274,091	(31,612)	1,525,643	4,768,122
2015	3,404,091	(31,612)	1,404,435	4,776,914
2016	3,519,545	(31,612)	1,270,066	4,757,999
2017	3,160,000	(19,112)	1,136,974	4,277,862
2018-2022	9,955,000	9,917	4,234,336	14,199,253
2023-2027	9,000,000	52,895	2,414,005	11,466,900
2028-2031	5,725,000	38,795	535,485	6,299,280
	<u>\$ 41,201,818</u>	<u>\$ (43,953)</u>	<u>\$ 14,159,547</u>	<u>\$ 55,317,412</u>

(10) Sales and Use Taxes

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

1. March 20, 1965 (1%)

After paying collection and administration costs, the tax is to be used for salaries of teachers and for the expenses of operating schools, including payment of other personnel in addition to teachers.

2. July 21, 1990 (1%)

The tax is to be used for the payment of all debt service requirements on all outstanding bonds payable from the pledge of said tax, with the remainder to be used for the purpose of paying salaries and related benefits for professional and paraprofessional employees on a seven to five ratio. There are currently no bonds outstanding for which this tax is pledged.

(11) Pension Plan

Eligible employees of the School Board participate in one of six defined benefit multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

A. Louisiana Teachers' Retirement System of Louisiana - Regular

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 23.7 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011 and 2010 were \$8,804,051, \$8,139,929, and \$6,200,886, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

B. Louisiana Teachers' Retirement System of Louisiana - Plan A

Plan members are required to contribute 9.1 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 23.7 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011, and 2010 were \$27,280, \$30,514, and \$25,993, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

C. Louisiana Teachers' Retirement System of Louisiana-Optional

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 23.7 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011, and 2010 were \$15,350, \$23,095, and \$11,081, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

D. Parochial Employees' Retirement System

Plan members are required to contribute 9.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 15.75 percent of the total covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011 and 2010 were \$1,512, \$1,512, and \$1,344, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

E. Louisiana State Employees' Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 25.6 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011, and 2010 were \$18,703, \$19,127, and \$17,891, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213.

F. Louisiana School Employees' Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 28.6 percent of the total annual covered salary. The School Board's total contributions to the system for the years ended June 30, 2012, 2011, and 2010 were \$1,160,100, \$1,054,578 and \$782,297, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Changes in Agency Deposits Due Others

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

	School Activity Fund	Sales Tax Fund	Total
Balance at July 1, 2011	\$ 980,100	\$ -	\$ 980,100
Additions	1,955,353	24,260,818	26,216,171
Reductions	<u>(1,965,762)</u>	<u>(24,260,818)</u>	<u>(26,226,580)</u>
Balance at June 30, 2012	<u>\$ 969,691</u>	<u>\$ -</u>	<u>\$ 969,691</u>

(13) Risk Management

The School Board is exposed to risks of loss in the areas of health care, workers' compensation, general and auto liability and property hazards. Health care and workers' compensation risks are handled through a self-insurance plan as described below. The other risks are handled by purchasing commercial insurance. There have been no significant reductions in these insurance coverages during the current fiscal year, nor have settlements exceeded insurance coverage for the current or prior two fiscal years.

A. Workers' Compensation

The School Board has established a limited risk management program for workers' compensation. The School Board hired LoCA as administrator for this program. During fiscal year 2012, a total of \$1,565,004 was incurred in benefits and administrative costs. The School Board purchases commercial insurance for individual claims in excess of \$350,000. Incurred but not paid claims have been accrued as a liability in the Workers Compensation Fund (internal service fund).

B. Group Self-Insurance

The School Board also established a limited risk management program for group hospitalization insurance. This plan provides employee health benefits up to a \$1,000,000 lifetime maximum with an annual \$10,000 restoration. The School Board purchases commercial insurance for individual claims in excess of \$175,000.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

The self-insurance activity is reported in the General Fund. Both the General and Special Revenue Funds of the School Board participate in the program and make contributions based on amounts needed to pay prior and current year claims. The claims liability of \$1,100,000 reported in the general fund at June 30, 2012, is based on the loss that is probable at the date of the financial statements and the amount of the loss that can be reasonably estimated. The School Board currently does not discount its claims liabilities.

C. Reconciliation of Claims Liabilities

Changes in the claims liability amounts for the risk management programs are as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
Workers' compensation:				
2009-2010	1,342,588	850,823	972,864	1,220,547
2010-2011	1,220,547	645,615	949,938	916,224
2011-2012	916,224	890,460	616,914	1,189,770
Group hospitalization:				
2009-2010	980,000	10,424,139	10,304,139	1,100,000
2010-2011	1,100,000	9,508,676	9,108,676	1,500,000
2011-2012	1,500,000	9,969,087	10,369,087	1,100,000

Claims payable of \$1,189,770 for workers' compensation at June 30, 2012 was obtained from information provided by the third party administrator.

Claims payable for group hospitalization of \$1,100,000 at June 30, 2012 was determined as follows:

1. Claims incurred on or prior to June 30, 2012 and paid between July 1, and October 3, 2012	\$ 960,907
2. Provision for claims incurred but not reported	<u>139,093</u>
Total claims payable	<u>\$1,100,000</u>

The provision for claims incurred but not reported of \$139,093 was calculated utilizing historical information.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(14) Compensation of Board Members

A detail of the compensation paid to individual board members for the year ended June 30, 2012 follows:

Wanda Babin	\$ 9,600
James Blanchard	10,800
Aaron Flegeance	9,600
Russell Foti	9,600
Steve Fuselier	9,600
Mark Hebert	9,600
Robert Hollier	9,600
Floyd Knott	9,600
Richard Potier	9,600
Frederic Stelly	9,600
	<u>97,200</u>
	<u>\$ 97,200</u>

(15) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2012, the School Board is involved in several lawsuits. In the opinion of management and/or legal counsel for the School Board, resolution of these lawsuits will not involve any material liability (after meeting the insurance deductible of \$25,000 per occurrence) to the School Board in excess of insurance coverage. Total liability for lawsuits as well as other claims accrued at June 30, 2012 is \$186,586 and is included in claims payable on the statement of net assets.

B. Grant Audit

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School Board expects such amounts, if any, to be immaterial.

C. Commitments

The School Board has construction commitments with respect to unfinished projects of approximately \$4,390,558.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

(16) Interfund Transactions

A. Interfund receivables and payables, by fund, at June 30, 2012 are as follows:

	Receivables	Payables
Major funds:		
General Fund	\$ 1,417,928	\$ -
State and Local Special Revenue Funds	3,920	103,727
Capital Projects Funds	-	302,263
Total major funds	1,421,848	405,990
Nonmajor governmental funds	-	1,091,906
Internal service funds	76,048	-
Total	\$ 1,497,896	\$ 1,497,896

The amounts shown are primarily for reimbursements owed for expenditures paid by one fund on behalf of another fund. All balances should be repaid within one year.

B. Transfers consisted of the following at June 30, 2012:

	Transfers In	Transfers Out
Major funds:		
General Fund	\$13,189,875	\$ 1,453,775
State and Local Special Revenue Funds	1,451,562	12,726,342
Debt Service Fund	365	-
Nonmajor governmental funds	-	461,685
Total	\$14,641,802	\$14,641,802

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

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

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The School Board recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

from prior years, and provides information useful in assessing potential demands on the School Board's future cash flows. Because the School Board adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the School Board provides certain continuing health care and life insurance benefits for its retired employees. The plan is a single-employer defined benefit health care plan administered by the School Board. The School Board has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

Funding Policy: The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 36%) and the School Board (approximately 64%). The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB Cost: The School Board's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The School Board utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the School Board's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the district's net OPEB obligation:

Annual required contribution	\$ 12,089,040
Interest on net OPEB obligation	578,589
Adjustment to annual required contribution	<u>(868,074)</u>
Annual OPEB cost (expense)	11,799,555
Contributions made	<u>(4,591,493)</u>
Increase in net OPEB obligation	7,208,062
Net OPEB obligation - beginning of year	<u>14,464,721</u>
Net OPEB obligation - end of year	<u>\$21,672,783</u>

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.
2. Retirement Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Age</u>	<u>Male</u>	<u>Female</u>
38	2.0%	2.0%	57	25.0%	25.0%
39	4.0%	4.0%	58	36.5%	36.5%
40	4.0%	4.0%	59	28.0%	28.0%
41	3.0%	3.0%	60	28.0%	28.0%
42	3.0%	3.0%	61	28.0%	28.0%
43	3.0%	3.0%	62	28.0%	28.0%
44	3.0%	3.0%	63	33.0%	33.0%
45	3.0%	3.0%	64	33.0%	33.0%
46	3.0%	3.0%	65	33.0%	33.0%
47	3.0%	3.0%	66	40.0%	40.0%
48	3.0%	3.0%	67	34.0%	34.0%
49	2.8%	2.8%	68	34.0%	34.0%
50	2.8%	2.8%	69	34.0%	34.0%
51	3.0%	3.0%	70	34.0%	34.0%
52	3.5%	3.5%	71	34.0%	34.0%
53	5.0%	5.0%	72	50.0%	50.0%
54	7.5%	7.5%	73	99.0%	99.0%
55	20.0%	20.0%	74	99.0%	99.0%
56	23.0%	23.0%	75	100.0%	100.0%

3. 60% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.
4. 75% of members electing coverage are assumed to also elect coverage for a spouse.
5. The inflation rate is 2.5%.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

6. The initial trend rate used in the calculations was 6.9% (pre and post-medicare). The ultimate trend rate is 4.2% (pre and post-medicare). The time period between the initial rate and the ultimate rate is 71 years.

(18) Parish Collections on Behalf of All Taxing Authorities

<u>Jurisdictions</u>	<u>Total Collections</u>	<u>Collection Costs</u>	<u>Final Distribution</u>
School Board			
Fund 70 (1%)	\$ 6,632,754	\$ 123,688	\$ 6,509,066
Fund 60 (1%)	6,538,493	122,044	6,416,449
Breaux Bridge			
City (1%)	2,104,930	33,294	2,071,636
Econ Dist #1 (1%)	748,195	11,223	736,972
St. Martinville (2%)	1,399,522	23,036	1,376,486
Parks (2%)	171,244	3,030	168,214
Henderson (1%)	103,276	1,552	101,724
Sheriff (0.5%)	3,318,415	62,007	3,256,408
Parish Government			
District #2 (1%)	1,062,010	18,698	1,043,312
District #1 (1%)	2,665,591	57,962	2,607,629
Tourism Tax (4%)	268,398	600	267,798
Totals	<u>\$ 25,012,828</u>	<u>\$ 457,134</u>	<u>\$ 24,555,694</u>

(19) New Accounting Pronouncements

In December 2010, the Governmental Accounting Standards Board (GASB) approved Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. In June 2011, the Governmental Accounting Standards Board (GASB) approved

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Basic Financial Statements (Continued)

Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position". The statement changes how governments will organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet). Under this standard, financial statements will include deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities, and will report net position instead of net assets. The provisions of GASB Nos. 62 and 63 must be implemented by the School Board for the year ending June 30, 2013. The effect of implementation on the School Board's financial statements has not yet been determined.

(20) Subsequent Events

Subsequent events have been evaluated through December 13, 2012, the date of the financial statement issuance.

**REQUIRED SUPPLEMENTARY
INFORMATION**

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2012

	Budget		Actual	Variance - Final budget vs. Actual
	Original	Final		Positive (Negative)
Revenues:				
Local sources -				
Ad valorem taxes	\$ 3,506,333	\$ 3,519,170	\$ 3,532,727	\$ 13,557
Tuition	55,810	80,810	21,654	(59,156)
Transportation	18,100	18,100	27,469	9,369
Interest earnings	215,000	383,000	354,766	(28,234)
Rentals, leases, and royalties	290,000	389,633	637,471	247,838
Other	953,105	396,692	538,898	142,206
State sources -				
Unrestricted grants-in-aid	45,967,851	45,509,708	45,509,821	113
Restricted grants-in-aid	171,627	114,870	108,072	(6,798)
Revenue in lieu of taxes	273,572	261,429	262,437	1,008
Other state revenues	22,000	22,154	13,753	(8,401)
Federal sources -				
Restricted grants-in-aid direct	62,000	51,815	57,130	5,315
Restricted grants-in-aid through the state	-	580	579	(1)
Total revenues	<u>51,535,398</u>	<u>50,747,961</u>	<u>51,064,777</u>	<u>316,816</u>
Expenditures:				
Instruction -				
Regular education programs	26,467,560	27,478,313	26,301,034	1,177,279
Special education programs	8,255,414	7,732,793	7,502,724	230,069
Vocational education programs	1,600,420	1,573,939	1,464,223	109,716
Other instructional programs	775,457	896,375	876,035	20,340
Special programs	652,394	398,927	377,021	21,906
Adult and continuing education programs	21,931	10,673	3,745	6,928
Support services -				
Pupil support services	2,509,587	2,763,550	2,560,780	202,770
Instructional staff services	2,784,763	2,626,329	2,609,523	16,806
General administration	1,241,590	1,348,745	1,008,084	340,661
School administration	4,176,793	4,152,440	3,899,527	252,913
Business services	1,204,298	1,182,761	1,058,016	124,745
Operation and maintenance of plant	7,842,176	6,803,064	6,255,196	547,868
Student transportation services	5,146,572	5,068,945	4,515,534	553,411
Central services	995,662	956,666	835,878	120,788
Food service programs	206,048	192,385	191,079	1,306
Community service programs	38,601	39,284	39,148	136
Debt service	109,091	109,091	109,091	-
Total expenditures	<u>64,028,357</u>	<u>63,334,280</u>	<u>59,606,638</u>	<u>3,727,642</u>
Deficiency of revenues over expenditures	(12,492,959)	(12,586,319)	(8,541,861)	4,044,458
Other financing sources (uses):				
Operating transfers in	14,016,936	14,106,531	13,189,875	(916,656)
Operating transfers out	(1,453,408)	(1,453,811)	(1,453,775)	36
Total other financing sources	<u>12,563,528</u>	<u>12,652,720</u>	<u>11,736,100</u>	<u>(916,620)</u>
Excess of revenues and other sources over expenditures	70,569	66,401	3,194,239	3,127,838
Fund balance, beginning	<u>20,467,828</u>	<u>21,506,638</u>	<u>21,506,638</u>	<u>-</u>
Fund balance, ending	<u>\$ 20,538,397</u>	<u>\$ 21,573,039</u>	<u>\$ 24,700,877</u>	<u>\$ 3,127,838</u>

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana
State and Local Special Revenue Funds

Budgetary Comparison Schedule
For the Year Ended June 30, 2012

	Budget		Actual	Variance - Final budget vs. Actual
	Original	Final		Positive (Negative)
Revenues:				
Local sources -				
Sales taxes	\$ 11,765,666	\$ 11,765,666	\$ 13,320,229	\$ 1,554,563
Interest earnings	14,462	23,962	24,706	744
Other	948,368	776,006	660,722	(115,284)
State sources -				
Unrestricted grants-in-aid	71,877	71,877	71,877	-
Restricted grants-in-aid	880,062	1,159,053	1,132,711	(26,342)
Federal sources -				
Restricted grants-in-aid through the state	3,165,415	3,165,415	3,233,310	67,895
Value of USDA Commodities	235,814	235,814	263,155	27,341
Total revenues	<u>17,081,664</u>	<u>17,197,793</u>	<u>18,706,710</u>	<u>1,508,917</u>
Expenditures:				
Instruction -				
Regular education programs	71,238	58,466	66,401	(7,935)
Special education programs	109,772	110,234	110,742	(508)
Vocational education programs	20,076	10,342	10,340	2
Other instructional programs	229,776	341,665	310,935	30,730
Special programs	133,554	165,190	165,651	(461)
Adult and continuing education programs	1,315	10,718	6,566	4,152
Support services -				
Pupil support services	309,380	432,361	428,441	3,920
Instructional staff services	5,106	42,088	40,187	1,901
General administration	223,900	250,440	247,465	2,975
Student transportation services	5,912	21,694	19,638	2,056
Food service	5,866,969	5,666,969	5,326,867	340,102
Total expenditures	<u>6,976,998</u>	<u>7,110,167</u>	<u>6,733,233</u>	<u>376,934</u>
Excess of revenues over expenditures	10,104,666	10,087,626	11,973,477	1,885,851
Other financing sources (uses):				
Operating transfers in	1,451,562	1,451,562	1,451,562	-
Operating transfers out	(13,558,323)	(13,558,323)	(12,726,342)	831,981
Total other financing uses	<u>(12,106,761)</u>	<u>(12,106,761)</u>	<u>(11,274,780)</u>	<u>831,981</u>
Deficiency of revenues and other sources over expenditures and other uses	(2,002,095)	(2,019,135)	698,697	2,717,832
Fund balance, beginning	<u>3,880,895</u>	<u>6,736,392</u>	<u>6,736,392</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,878,800</u>	<u>\$ 4,717,257</u>	<u>\$ 7,435,089</u>	<u>\$ 2,717,832</u>

ST. MARTIN PARISH SCHOOL BOARD
 St. Martinville, Louisiana

Schedule of Funding Progress
 For the Year Ended June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2008	N/A	78,206,272	78,206,272	0.0%	41,583,590	188.1%
July 1, 2010	N/A	142,185,781	142,185,781	0.0%	40,608,341	350.1%

OTHER SUPPLEMENTARY INFORMATION

**INTERNAL CONTROL
COMPLIANCE
AND
OTHER INFORMATION**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA,CVA
Allen J. LaBry, CPA
Albert R. Leger, CPA,PFS,CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

P.O. Box 250
Breau Bridge, LA 70517

Phone (337) 332-4020
Fax (337) 332-2867

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breau Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRPCAS.COM

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

Mr. Richard Lavergne, Superintendent
and Members of the St. Martin Parish
School Board
St. Martinville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish School Board, as of and for the year ended June 30, 2012, which collectively comprise the St. Martin Parish School Board's basic financial statements and have issued our report thereon dated December 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Martin Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

This report is intended solely for the information and use of management, Board Members, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Breaux Bridge, Louisiana
December 13, 2012

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA,CVA
Allen J. LaBry, CPA
Albert R. Leger, CPA,PFS,CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

P.O. Box 250
Breaux Bridge, LA 70517

Phone (337) 332-4020
Fax (337) 332-2867

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70585
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRPCAS.COM

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

Mr. Richard Lavergne, Superintendent
and Members of the St. Martin Parish
School Board
St. Martinville, Louisiana

Compliance

We have audited the St. Martin Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the St. Martin Parish School Board's major federal programs for the year ended June 30, 2012. The St. Martin Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings, questioned costs, and management's corrective action plan. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Martin Parish School Board's management. Our responsibility is to express an opinion on the St. Martin Parish School Board's compliance based on our audit.

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

In our opinion, the St. Martin Parish School Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

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

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

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

This report is intended solely for the information and use of management, Board Members, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Breaux Bridge, Louisiana
December 13, 2012

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. Martin Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2012. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The major programs are identified with an asterisk (*) on the schedule.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2012.

(3) Relationship to Fund Financial Statements

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

From federal sources:

Special Revenue Funds	<u>\$11,324,996</u>
-----------------------	---------------------

(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Name	Pass-through Identifying Number 2011	Pass-through Identifying Number 2012	CFDA Number	Revenue Recognized	Expenditures
<u>United States Department of Agriculture:</u>					
Passed through Louisiana Department of Agriculture and Forestry - Food Donation	-	-	10.555	\$ 3,233,310	\$ 3,233,310
Passed through Louisiana Department of Education - National School Lunch Program	-	-	10.555	263,155	263,155
Total United States Department of Agriculture				<u>3,496,465</u>	<u>3,496,465</u>
<u>United States Department of Education:</u>					
Passed through Louisiana Department of Education - Adult Education - Basic Grants to States	28-11-44-50	28-12-44-50	84.002	49,771	49,771
Career and Technical Education - Basic Grants to States - Carl Perkins	28-11-02-50	28-12-02-50	84.048	129,782	129,782
Hurricane Educator Assistance Program	28-08-HE-50	28-08-HE-50	84.938	130	130
Title I Grants to Local Educational Agencies*	28-11-TI-50	28-12-TI-50	84.010	3,112,006	3,112,006
ARRA - Title I Grants to Local Educational Agencies*	28-09-AI-50	28-09-AI-50	84.389	124,230	124,230
Improving Teacher Quality State Grants - Title II	28-11-50-50	28-12-50-50	84.367	525,787	525,787
ARRA - Education Technology State Grants, Recovery Act	28-09-59-50	28-09-59-50	84.386	435	435
Special Education - Grants to States - IDEA*	28-11-BI-50	28-12-BI-50	84.027	2,072,727	2,072,727
ARRA - Special Education - Grants to States - IDEA*	28-09-AI-50	28-09-AI-50	84.391	519,970	519,970
Special Education Pre-School Grants*	28-11-PI-50	28-12-PI-50	84.173	20,020	20,020
Safe and Drug-Free Schools and Communities - State Grants	28-10-70-50	-	84.186	2,016	2,016
English Language Acquisition Grants - Title III	28-11-60-50	28-12-60-50	84.365	28,279	28,279
ARRA - Education Jobs Fund Programs	28-11-EJ-50;	28-11-EJ-50;			
Total United States Department of Education	28-11-EM-50	28-11-EM-50	84.410	<u>37,705</u>	<u>37,705</u>
				<u>6,622,858</u>	<u>6,622,858</u>

(continued)

ST. MARTIN PARISH SCHOOL BOARD
 St. Martinville, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Name	Pass-through Identifying Number 2011	Pass-through Identifying Number 2012	CFDA Number	Revenue Recognized	Expenditures
<u>United States Department of Health and Hospitals:</u>					
Passed through Louisiana School Boards Association - ARRA - Schools Putting Prevention to Work	3U58DP001970-01S2	-	93.723	627	627
Total United States Department of Health and Hospitals				627	627
<u>United States Department of Health and Human Services:</u>					
Passed through Louisiana Department of Education - Temporary Assistance for Needy Families - LA-4	28-11-36-50	28-12-36-50	93.558	1,205,046	1,205,046
Total United States Department of Health and Human Services				1,205,046	1,205,046
Total				\$ 11,324,996	\$ 11,324,996

*Denotes major federal program.
 -Numbers are not readily accessible.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs and
Management's Corrective Action Plan
For the Year Ended June 30, 2012

Part I: Summary of Auditor's Results:

1. An unqualified report was issued on the financial statements.
2. No significant deficiencies were disclosed by the audit of the financial statements.
3. Material noncompliance was not disclosed.
4. No significant deficiencies in internal control over the major programs were disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major programs were:
U.S. Department of Education: Title I Grants to Local Educational Agencies
U.S. Department of Education: Title I Grants to Local Educational Agencies-ARRA
U.S. Department of Education: Special Education-Grants to States-IDEA
U.S. Department of Education: Special Education-Grants to States-IDEA-ARRA
U.S. Department of Education: Special Education Pre-School Grants
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$339,750.
9. The auditee qualified as a low-risk auditee under Section 530 of Circular A-133.

Part II: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

There are no findings at June 30, 2012.

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

There are no findings at June 30, 2012.

Part IV: Management Letter Items:

There are no management letter items at June 30, 2012.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2012

Section I: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

There were no findings at June 30, 2011.

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

There were no findings at June 30, 2011.

Section III: Management Letter Items:

There were no management letter items at June 30, 2011.

SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA,CVA
Allen J. LaBry, CPA
Albert R. Leger, CPA,PFS,CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA,PFS,CFP®,ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

P.O. Box 250
Breaux Bridge, LA 70517

Phone (337) 332-4020
Fax (337) 332-2867

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED- UPON PROCEDURES TO THE MANAGEMENT OF ST. MARTIN PARISH SCHOOL BOARD

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRPCAS.COM

Mr. Richard Lavergne, Superintendent
and Members of the St. Martin Parish
School Board
St. Martinville, Louisiana

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

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

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

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

- Total General Fund Instructional Expenditures
- Total General Fund Equipment Expenditures
- Total Local Taxation Revenue
- Total Local Earnings on Investment in Real Property
- Total State Revenue in Lieu of Taxes

- Nonpublic Textbook Revenue
- Nonpublic Transportation Revenue

There were no exceptions noted.

Education Levels of Public School Staff (Schedule 2)

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

There were no exceptions noted.

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

There were no exceptions noted.

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

There were no exceptions noted.

Number and Type of Public Schools (Schedule 3)

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

There were no exceptions noted.

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

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

There were no exceptions noted.

Public School Staff Data: Average Salaries (Schedule 5)

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

There were no exceptions noted.

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

There were no exceptions noted.

Class Size Characteristics (Schedule 6)

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

There were no exceptions noted.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

There were no exceptions noted.

Graduation Exit Examination (GEE) (Schedule 8)

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

There were no exceptions noted.

iLEAP Tests (Schedule 9)

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

There were no exceptions noted.

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

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

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

Breaux Bridge, Louisiana
December 13, 2012

Schedule 1

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2012**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 22,750,860	
Other Instructional Staff Activities	2,583,259	
Instructional Staff Employee Benefits	9,497,523	
Purchased Professional and Technical Services	226,040	
Instructional Materials and Supplies	1,075,466	
Instructional Equipment	<u>101,153</u>	
Total Teacher and Student Interaction Activities		36,234,301
Other Instructional Activities		286,740
Pupil Support Activities	2,624,730	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		2,624,730
Instructional Staff Services	2,683,493	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		2,683,493
School Administration	4,033,884	
Less: Equipment for School Administration	<u>(20,286)</u>	
Net School Administration		<u>4,013,598</u>
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$ 45,842,862</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>\$ 214,619</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 675,929
Renewable Ad Valorem Tax		2,582,001
Debt Service Ad Valorem Tax		5,567,950
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		268,683
Sales and Use Taxes		<u>13,320,229</u>
Total Local Taxation Revenue		<u>\$ 22,414,792</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ 637,471
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property		<u>\$ 637,471</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ 70,755
Revenue Sharing - Other Taxes		178,080
Revenue Sharing - Excess Portion		13,602
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		<u>\$ 262,437</u>
Nonpublic Textbook Revenue		<u>\$ 33,064</u>
Nonpublic Transportation Revenue		<u>\$ -</u>

Schedule 2

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Education Levels of Public School Staff
As of October 1, 2011

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	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	413	81%	6	100%	1	3%	0	0%
Master's Degree	78	15%	0	0%	17	57%	0	0%
Master's Degree + 30	18	4%	0	0%	11	37%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	1	0%	0	0%	1	3%	0	0%
Total	510	100%	6	100%	30	100%	0	0%

Schedule 3

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2012

Type	Number
Elementary	9
Middle/Jr. High	4
Secondary	3
Combination	0
Total	16

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

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers
As of October 1, 2011

	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	0	4	3	4	3	14
Principals	0	0	0	1	4	3	8	16
Classroom Teachers	40	40	149	69	70	59	89	516
Total	40	40	149	74	77	66	100	546

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Public School Staff Data
For the Year Ended June 30, 2012

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	47,071	47,808
Average Classroom Teachers' Salary Excluding Extra Compensation	46,976	47,717
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	525	441

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Class Size Characteristics
As of October 1, 2011

School Type	Class Size Range											
	1 - 20		21 - 26		27 - 33		34+					
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	34.23%	498	56.46%	752	13.74%	65	0.00%	0				
Elementary Activity Classes	3.30%	48	8.56%	114	5.07%	24	33.33%	4				
Middle/Jr. High	16.98%	247	16.22%	216	25.58%	121	8.33%	1				
Middle/Jr. High Activity Classes	4.47%	65	1.88%	25	2.96%	14	16.67%	2				
High	24.40%	355	16.44%	219	51.80%	245	25.00%	3				
High Activity Classes	14.98%	218	0.45%	6	0.85%	4	16.67%	2				
Combination	1.65%	24	0.00%	0	0.00%	0	0.00%	0				
Combination Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	0				
Total	100.00%	1,455	100.00%	1,332	100.00%	473	100.00%	12				

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.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2012

District Achievement Level	English Language Arts						Mathematics						
	2012		2011		2010		2012		2011		2010		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 4													
Advanced	16	2%	27	4%	24	3%	47	7%	32	5%	33	4%	
Mastery	116	16%	110	16%	87	12%	114	16%	148	22%	123	17%	
Basic	337	48%	315	47%	301	41%	332	47%	294	44%	337	46%	
Approaching Basic	151	21%	157	23%	194	26%	139	20%	129	19%	141	19%	
Unsatisfactory	87	12%	61	9%	131	18%	75	11%	68	10%	104	14%	
Total	707		670		737		707		671		738		

District Achievement Level	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	42	6%	17	3%	21	3%	9	1%	13	2%	8	1%
Mastery	102	14%	88	13%	92	12%	86	12%	89	13%	72	10%
Basic	304	43%	307	46%	322	44%	330	47%	339	50%	369	50%
Approaching Basic	189	27%	209	31%	213	29%	169	24%	148	22%	166	23%
Unsatisfactory	67	10%	51	8%	89	12%	110	16%	83	12%	122	17%
Total	704		672		737		704		672		737	

District Achievement Level	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	14	2%	15	3%	8	1%	15	2%	14	2%	19	3%
Mastery	83	14%	74	13%	68	11%	30	5%	16	3%	25	4%
Basic	274	45%	227	40%	234	38%	311	51%	281	50%	279	46%
Approaching Basic	199	32%	204	36%	223	36%	168	27%	160	28%	160	26%
Unsatisfactory	43	7%	44	8%	78	13%	88	14%	92	16%	124	20%
Total	613		564		611		612		563		607	

District Achievement Level	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	7	1%	2	0%	3	0%	5	1%	2	0%	1	0%
Mastery	91	15%	62	11%	53	9%	57	9%	23	4%	33	5%
Basic	229	37%	203	36%	216	35%	270	44%	245	44%	228	37%
Approaching Basic	188	31%	181	32%	213	35%	167	27%	196	35%	186	30%
Unsatisfactory	97	16%	114	20%	128	21%	113	18%	96	17%	164	27%
Total	612		562		613		612		562		612	

Schedule 8

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2012

District Achievement Level	English Language Arts						Mathematics							
	2012		2011		2010		2012		2011		2010			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
Grade 10														
Advanced			3	1%	4	1%			39	7%	45	9%		
Mastery			28	5%	68	14%			68	13%	83	17%		
Basic			255	47%	244	50%			231	43%	237	49%		
Approaching Basic			168	31%	121	25%			112	21%	73	15%		
Unsatisfactory			89	16%	49	10%			92	17%	48	10%		
Total			543		486				542		486			

District Achievement Level	Science						Social Studies							
	2012		2011		2010		2012		2011		2010			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
Grade 11														
Advanced	9	2%	10	2%	6	1%	4	1%	1	0%	0	0%		
Mastery	54	11%	55	12%	66	15%	22	4%	15	3%	20	5%		
Basic	213	42%	197	42%	188	43%	238	47%	249	53%	248	56%		
Approaching Basic	151	30%	129	27%	125	28%	160	31%	110	23%	113	26%		
Unsatisfactory	84	16%	81	17%	57	13%	87	17%	97	21%	61	14%		
Total	511		472		442		511		472		442			

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

The Integrated Louisiana Educational Assessment Programs Tests (continued)
For the Year Ended June 30, 2012

/LEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	19	3%	67	11%	24	4%	19	3%
Mastery	162	27%	158	26%	114	19%	114	19%
Basic	284	47%	255	42%	289	48%	296	49%
Approaching Basic	94	15%	83	14%	150	25%	128	21%
Unsatisfactory	48	8%	44	7%	30	5%	50	8%
Total	607		607		607		607	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	10	2%	29	5%	8	1%	12	2%
Mastery	64	12%	60	11%	48	9%	39	7%
Basic	211	39%	260	48%	227	42%	244	45%
Approaching Basic	191	35%	113	21%	188	35%	144	27%
Unsatisfactory	65	12%	79	15%	70	13%	100	19%
Total	541		541		541		539	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	17	3%	17	3%	8	1%	22	4%
Mastery	86	14%	68	11%	84	14%	52	9%
Basic	333	56%	347	58%	257	43%	268	45%
Approaching Basic	119	20%	100	17%	184	31%	178	30%
Unsatisfactory	42	7%	66	11%	64	11%	76	13%
Total	597		598		597		596	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	24	4%	27	5%	9	2%	2	0%
Mastery	70	12%	43	8%	52	9%	33	6%
Basic	254	45%	277	49%	234	41%	286	50%
Approaching Basic	178	31%	134	24%	189	33%	160	28%
Unsatisfactory	43	8%	88	15%	85	15%	88	15%
Total	569		569		569		569	

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	2	0%	15	2%
Mastery	45	8%	51	8%
Basic	311	52%	298	50%
Approaching Basic	197	33%	128	21%
Unsatisfactory	45	8%	109	18%
Total	600		601	

(Continued)

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

The Integrated Louisiana Educational Assessment Programs Tests (continued)
For the Year Ended June 30, 2012

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	27	4%	67	10%	40	6%	22	3%
Mastery	125	19%	140	21%	96	14%	107	16%
Basic	327	49%	315	47%	296	44%	294	44%
Approaching Basic	119	18%	89	13%	163	24%	136	20%
Unsatisfactory	70	10%	57	9%	73	11%	109	16%
Total	668		668		668		668	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	8	1%	41	6%	26	4%	7	1%
Mastery	91	14%	69	11%	95	15%	75	12%
Basic	277	43%	307	48%	235	37%	289	45%
Approaching Basic	187	29%	121	19%	202	32%	150	23%
Unsatisfactory	75	12%	100	16%	81	13%	118	18%
Total	638		638		639		639	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	10	2%	32	6%	11	2%	15	3%
Mastery	69	13%	66	13%	71	13%	39	7%
Basic	281	53%	273	52%	257	49%	282	53%
Approaching Basic	124	23%	117	22%	156	30%	122	23%
Unsatisfactory	44	8%	40	8%	33	6%	70	13%
Total	528		528		528		528	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	21	4%	22	4%	8	1%	4	1%
Mastery	77	13%	51	9%	57	10%	35	6%
Basic	296	49%	307	51%	232	39%	284	47%
Approaching Basic	161	27%	136	23%	203	34%	130	22%
Unsatisfactory	43	7%	81	14%	98	16%	145	24%
Total	598		597		598		598	

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

Please note that the grade 9 iLeap has been dropped by the Department of Education, everything at that level was moved to end of course testing. The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year.

ST. MARTIN PARISH SCHOOL BOARD
St. Martinville, Louisiana

The Integrated Louisiana Educational Assessment Programs Tests (continued)
For the Year Ended June 30, 2012

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	21	4%	78	13%	29	5%	9	2%
Mastery	140	24%	138	24%	138	24%	128	22%
Basic	246	42%	258	44%	232	40%	258	44%
Approaching Basic	123	21%	63	11%	141	24%	113	19%
Unsatisfactory	56	10%	49	8%	46	8%	78	13%
Total	586		586		586		586	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	14	2%	33	6%	11	2%	9	2%
Mastery	80	14%	71	13%	74	13%	61	11%
Basic	263	46%	261	46%	245	43%	284	50%
Approaching Basic	138	24%	101	18%	174	31%	127	23%
Unsatisfactory	71	13%	100	18%	60	11%	83	15%
Total	566		566		564		564	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	20	3%	34	5%	8	1%	10	2%
Mastery	66	10%	62	10%	79	12%	37	6%
Basic	338	52%	345	53%	289	45%	309	48%
Approaching Basic	178	28%	115	18%	208	32%	176	27%
Unsatisfactory	43	7%	91	14%	62	10%	114	18%
Total	645		647		646		646	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	15	3%	26	5%	8	2%	4	1%
Mastery	58	11%	61	12%	70	13%	33	6%
Basic	278	53%	284	54%	216	41%	207	40%
Approaching Basic	136	26%	114	22%	184	35%	166	32%
Unsatisfactory	38	7%	40	8%	45	9%	113	22%
Total	525		525		523		523	

District Achievement Level Results	English Language Arts		Mathematics	
	2012		2012	
	Number	Percent	Number	Percent
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				

Please note that the grade 9 iLeap has been dropped by the Department of Education, everything at that level was moved to end of course testing. The Department of Education will be reviewing End of Course Testing and its potential inclusion for Assurance purposes in time for Assurance submissions next year.