

**IBERIA PARISH SCHOOL BOARD**

New Iberia, Louisiana

Financial Report

Year Ended June 30, 2010

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

Release Date

12/22/10

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# 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\*

Tynes E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Lager, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr. CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## 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 Waddell 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

## INDEPENDENT AUDITOR'S REPORT

Mr. Dale R. Henderson, Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish School Board (the School Board), as of and for the year ended June 30, 2010, 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 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 School Board, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, 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 November 17, 2010 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

The budgetary comparison schedule and schedule of funding progress on pages 49 and 50, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on them.

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 School Board's basic financial statements. The other supplementary information on pages 52 through 56 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedule of expenditures of federal awards on pages 62 through 64 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the School Board. The schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Morgan City, Louisiana  
November 17, 2010

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Statement of Net Assets  
June 30, 2010

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 61,710,553
Investments	31,099,894
Accrued interest receivable	216,489
Receivables	590,620
Due from other governmental agencies	3,681,535
Notes receivable	85,000
Inventories	363,230
Prepaid items	723,593
Bond issuance costs	434,528
Capital assets:	
Land and construction in progress	5,628,156
Capital assets, net	<u>91,588,675</u>
<b>TOTAL ASSETS</b>	<u>196,122,273</u>
<b>LIABILITIES</b>	
Accounts and other payables	1,566,134
Accrued salaries and benefits	9,639,130
Accrued interest payable	1,486,731
Long-term liabilities	
Due within one year	4,915,000
Due in more than one year	<u>110,255,551</u>
<b>TOTAL LIABILITIES</b>	<u>127,862,546</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	45,443,865
Restricted for:	
Capital projects	783,733
Debt service	8,560,742
Salaries and benefits	4,123,048
Education excellence program	2,213,303
Unrestricted	<u>7,135,036</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 68,259,727</u>

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



**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Statement of Activities**  
**Year Ended June 30, 2010**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular programs	\$ 52,102,403	\$ 262,585	\$ 4,266,215	\$ (47,573,603)
Special education programs	23,076,311	83,438	5,460,861	(17,532,012)
Vocational education programs	3,568,887	-	191,481	(3,377,406)
Other instructional programs	1,790,668	-	736,869	(1,053,799)
Special programs	9,800,243	1,399,223	9,454,111	1,053,091
Adult and continuing education programs	92,363	5,951	82,450	(3,962)
Support services:				
Pupil support services	3,854,036	-	228,845	(3,625,191)
Instructional staff support services	4,129,555	-	576,690	(3,552,865)
General administration	2,317,336	-	-	(2,317,336)
School administration	5,379,484	-	-	(5,379,484)
Business services	1,594,642	-	-	(1,594,642)
Plant services	13,737,453	-	-	(13,737,453)
Student transportation services	7,714,381	-	226,814	(7,487,567)
Central services	712,106	-	-	(712,106)
Non-instructional services:				
Food services	8,999,233	835,050	5,769,402	(2,394,781)
Community service programs	547,479	613,925	-	66,446
Interest on long-term debt	3,907,498	-	-	(3,907,498)
Total governmental activities	\$ 143,324,078	\$ 3,200,172	\$ 26,993,738	(113,130,168)
General revenues:				
Taxes:				
Property taxes				15,132,432
Sales and use taxes				25,079,027
State revenue sharing				521,712
Grants not restricted to specific programs:				
Federal sources -				
Disaster relief				365,766
State sources -				
Minimum foundation program				71,628,352
PIPS				214,868
Insurance proceeds - Hurricane Rita				38,508
Interest and investment earnings				1,108,807
Miscellaneous				271,412
Total general revenues				114,360,884
Change in net assets				1,230,716
Net assets - July 1, 2009, as restated				67,029,011
Net assets - June 30, 2010				\$ 68,259,727

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

## **FUND FINANCIAL STATEMENTS**

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Governmental Funds**  
**Balance Sheet**  
**June 30, 2010**

	General	2004 Bond Construction	Other Governmental	Totals
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 19,100,747	\$ 32,760,353	\$ 9,799,453	\$ 61,660,553
Investments	24,441,200	4,694,225	1,964,469	31,099,894
Receivables -				
Accounts	531,788	-	58,832	590,620
Notes	85,000	-	-	85,000
Accrued interest	113,398	92,736	10,355	216,489
Due from other funds	3,402,847	-	320	3,403,167
Due from other governmental agencies	1,419,313	-	2,262,222	3,681,535
Prepaid items	700,511	-	23,082	723,593
Inventories, at cost	-	-	363,230	363,230
Total assets	<u>\$49,794,804</u>	<u>\$ 37,547,314</u>	<u>\$ 14,481,963</u>	<u>\$ 101,824,081</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 1,259,215	\$ 277,436	\$ 29,483	\$ 1,566,134
Accrued salaries payable	9,639,130	-	-	9,639,130
Deferred revenue	8,263	-	-	8,263
Due to other funds	320	111,369	3,241,478	3,353,167
Total liabilities	<u>10,906,928</u>	<u>388,805</u>	<u>3,270,961</u>	<u>14,566,694</u>
Fund balances:				
Reserved for -				
Education excellence program	2,213,303	-	-	2,213,303
Debt retirement	-	-	8,560,742	8,560,742
Inventory	-	-	363,230	363,230
Prepaid items	700,511	-	23,082	723,593
Noncurrent receivable	85,000	-	-	85,000
Sales and use tax restrictions	5,890,068	-	-	5,890,068
Total fund balances - reserved	<u>8,888,882</u>	<u>-</u>	<u>8,947,054</u>	<u>17,835,936</u>
Unreserved -				
Designated	2,033,547	-	-	2,033,547
Undesignated, reported in major funds	27,965,447	37,158,509	-	65,123,956
Undesignated, reported in nonmajor funds:				
Special Revenue	-	-	2,263,948	2,263,948
Total fund balances - unreserved	<u>29,998,994</u>	<u>37,158,509</u>	<u>2,263,948</u>	<u>69,421,451</u>
Total fund balances	<u>38,887,876</u>	<u>37,158,509</u>	<u>11,211,002</u>	<u>87,257,387</u>
Total liabilities and fund balances	<u>\$49,794,804</u>	<u>\$ 37,547,314</u>	<u>\$ 14,481,963</u>	<u>\$ 101,824,081</u>

(continued)

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Governmental Funds  
Balance Sheet (continued)  
June 30, 2010

Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Assets:

Total fund balances for governmental funds at June 30, 2010		\$ 87,257,387
Cost of capital assets:	\$ 175,327,584	
Less: Accumulated depreciation:		
Buildings and improvements	(71,687,055)	
Equipment	<u>(6,423,698)</u>	97,216,831
Deferred bond issuance cost		434,528
Elimination of interfund assets and liabilities		
Due from other funds	3,403,167	
Due to other funds	<u>(3,403,167)</u>	-
Deferred revenue		8,263
Long-term liabilities:		
Bonds and certificates of indebtedness payable	(108,220,000)	
Compensated absences payable	(3,049,680)	
Net OPEB obligations payable	(3,900,871)	
Accrued interest payable	<u>(1,486,731)</u>	<u>(116,657,282)</u>
Net assets at June 30, 2010		<u>\$ 68,259,727</u>

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended June 30, 2010**

	General	2004 Bond Construction	Other Governmental	Total
<b>REVENUES</b>				
Parish sources:				
Ad valorem taxes	\$ 5,196,716	\$ -	\$ 9,935,716	\$ 15,132,432
Sales taxes	20,410,733	-	4,668,294	25,079,027
Total parish sources	25,607,449	-	14,604,010	40,211,459
Investment income	642,503	158,316	307,988	1,108,807
Other	2,825,540	-	927,002	3,752,542
State sources	74,403,667	-	1,421,694	75,825,361
Federal sources	1,483,172	-	23,227,094	24,710,266
Total revenues	104,962,331	158,316	40,487,788	145,608,435
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	44,383,263	-	2,779,672	47,162,935
Special education programs	17,520,548	-	5,395,115	22,915,663
Vocational education programs	3,309,586	-	191,481	3,501,067
Other instructional programs	1,098,899	-	672,079	1,770,978
Special programs	1,969,717	-	7,688,976	9,658,693
Adult and continuing education programs	22,713	-	69,650	92,363
Support services -				
Pupil support services	3,664,520	-	129,402	3,793,922
Instructional staff support services	3,514,660	-	515,186	4,029,846
General administration	1,730,754	-	453,556	2,184,310
School administration	5,083,039	-	155,848	5,238,887
Business services	1,549,307	-	-	1,549,307
Plant services	8,451,817	-	5,093,561	13,545,378
Student transportation services	7,517,482	-	-	7,517,482
Central services	677,311	-	-	677,311
Non-instructional services -				
Food services	984,744	-	7,743,709	8,728,453
Community service programs	547,479	-	-	547,479
Facilities acquisition and construction	1,139,119	3,299,609	-	4,438,728
Debt service:				
Principal retirement	600,000	-	3,515,000	4,115,000
Interest and fiscal charges	8,850	-	3,687,099	3,695,949
Total expenditures	103,773,808	3,299,609	38,090,334	145,163,751
Excess (deficiency) of revenues over expenditures	1,188,523	(3,141,293)	2,397,454	444,684
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of debt	-	30,000,000	-	30,000,000
Transfers in	412,834	1,535	-	414,369
Transfers out	-	(412,834)	(1,535)	(414,369)
Total other financing sources (uses)	412,834	29,588,701	(1,535)	30,000,000
Net change in fund balances	1,601,357	26,447,408	2,395,919	30,444,684
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<b>37,286,519</b>	<b>10,711,101</b>	<b>8,815,083</b>	<b>56,812,703</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 38,887,876</b>	<b>\$ 37,158,509</b>	<b>\$ 11,211,002</b>	<b>\$ 87,257,387</b>

(continued)

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances (continued)  
Year Ended June 30, 2010

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Total net change in fund balances for the year ended June 30, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 30,444,684
Cost of capital assets	5,500,013
Depreciation expense for year ended June 30, 2010	(5,725,368)
Loss on asset dispositions	(21,586)
Bond principal retirement considered as an expenditure on fund statement	4,115,000
Excess of compensated absences earned over compensated absences used	152,149
Net OPEB obligation at June 30, 2010	(1,968,986)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	(299,591)
Difference between deferred revenue on modified accrual basis versus deferred revenue on accrual basis	(1,053,641)
Proceeds from issuance of certificates of indebtedness	(30,000,000)
Bond issue costs incurred in the current year	150,657
Bond issue costs amortized	<u>(62,615)</u>
Total change in net assets for the year ended June 30, 2010 per Statement of Activities	<u>\$ 1,230,716</u>

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Compensation Insurance Internal Service Fund  
Statement of Net Assets  
June 30, 2010

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	<u>\$ 50,000</u>
Total current assets	<u>\$ 50,000</u>
<b>LIABILITIES</b>	
Current liabilities:	
Due to other funds	\$ 50,000
<b>NET ASSETS</b>	
Net assets:	
Unrestricted	<u>-</u>
Total liabilities and net assets	<u>\$ 50,000</u>

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Compensation Insurance Internal Service Fund  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
Year Ended June 30, 2010

	<u>Governmental Activities</u>
OPERATING REVENUE	
Charges for services	<u>\$ 884,118</u>
OPERATING EXPENSES	
Claim payments	<u>884,118</u>
Total operating expenses	<u>884,118</u>
Operating loss	-
NET ASSETS, BEGINNING	<u>-</u>
NET ASSETS, ENDING	<u>\$ -</u>

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



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Proprietary Fund  
Workers' Compensation Insurance Internal Service Fund  
Statement of Cash Flows  
Year Ended June 30, 2010

	<u>Governmental Activities</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from interfund services provided	\$ 884,118
Claim payments	<u>(884,118)</u>
Net cash used in operating activities	<u>-</u>
Cash and cash equivalents, beginning of period	<u>50,000</u>
Cash and cash equivalents, end of period	<u>\$ 50,000</u>
 Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	 <u>\$ -</u>

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Fiduciary Funds  
Statement of Fiduciary Net Assets  
June 30, 2010

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ <u>1,826,730</u>
Total assets	\$ <u>1,826,730</u>
<b>LIABILITIES</b>	
Due to other governmental units	\$ 10,720
School activity funds payable	<u>1,816,010</u>
Total liabilities	\$ <u>1,826,730</u>

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements**

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

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

**Financial reporting entity**

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

**Primary government**

The School Board was created by Louisiana Revised Statute 17:51 for the purpose of providing public education for the children within Iberia Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government that are consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of members who are elected from 14 districts for a term of four years.

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

The School Board operates 30 schools within the parish with a total enrollment of approximately 13,346 pupils for the 2009-2010 year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Basis of presentation**

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

**Government-wide financial statements**

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

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

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

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

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

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

**Fund financial statements**

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

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

The School Board reports the following major funds:

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

**2004 Construction Fund** - This fund accounts for costs associated with various capital improvements financed through voter approved bond issues.

**Internal Service Fund** - This fund accounts for the self-insured portion of workers' compensation coverages provided to the various programs/departments on a cost reimbursement basis.

In addition, the School Board reports the following:

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

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

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

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

**Measurement Focus/Basis of Accounting**

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

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

**Governmental fund financial statements**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Purchases of various operating supplies are regarded as expenditures at the time purchased.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

**Budgets and Budgetary Accounting**

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

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

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

**Cash and Cash Equivalents**

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

**Investments**

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

In accordance with GASB Codification Section I50, investments meeting the certain criteria are stated at fair value. Investments that do not meet the requirements are stated at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP) and the Louisiana State Treasury.

**Interfund Receivables and Payables**

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

**Inventories**

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

**Prepaid Items**

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

**Receivables**

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

**Bond Issuance Costs**

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



**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Capital Assets and Depreciation

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

Government-wide financial statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	15-30
Equipment	5

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

Fund financial statements

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

Compensated Absences

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

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

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

Long-term Liabilities

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

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

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Equity Classifications**

**Government-wide financial statements**

Equity is classified as net assets and displayed in three components

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

**Fund financial statements**

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

**Interfund Transfers**

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

**Use of Estimates**

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Impairments**

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undiscounted net cash flows to measure whether the assets are recoverable and measured for impairment by reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

(2) **Stewardship, Compliance, and Accountability**

Excess of expenditures over appropriations in individual funds

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

Compliance with finance related legal and contractual provisions

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

(3) **Deposits and Investments**

Deposits

At year-end, the carrying amount of the School Board's deposits, including demand deposit accounts, was \$63,537,283, and the bank balance was \$71,275,814. Of the bank balance, \$2,012,756 was covered by Federal depository insurance and \$69,263,058 was covered by collateral held by the School Board's fiscal agent in the School Board's name.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. Since the School Board's total bank balances were fully insured and collateralized with securities held in the name of the School Board by the pledging financial institution's agent, the deposits are not exposed to custodial credit risk.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Investments**

State law allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U. S. Government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. Government; time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana; savings account or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporation.

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the School Board will not be able to recover the value of its investment. The School Board's investment policy conforms to state law, as described above, which has no provision for custodial credit risk.

Concentration of credit risk relates to the amount of investments in any one entity. At June 30, 2010, the School Board had no investments in any entity which exceeded 5% of total investments, except obligations of federal and state agencies.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The School Board's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2010, the School Board had the following investments and maturities (in years):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>4 to 5</u>
LAMP	\$ 16,975	\$ 16,975	\$ -
Certificate of deposit	5,000,000	5,000,000	-
State agencies	2,213,303	2,213,303	-
Federal agencies	<u>23,869,616</u>	<u>7,618</u>	<u>23,861,998</u>
Total	<u>\$31,099,894</u>	<u>\$ 7,237,896</u>	<u>\$23,861,998</u>

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The School Board invested only in obligations of federal or state agencies which are not rated. The type of investment allowed by state law ensures that the School Board is not exposed to credit risk.

In accordance with GASB Codification Section I50.129, the investment in LAMP is not exposed to custodial credit risk because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-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 market value of investments is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

In accordance with GASB Codification Section 150, the School Board recognizes the net increase (decrease) in the fair value of its investments. For the year ended June 30, 2010, the fair value of the School Board's investments increased \$61,488. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Property Taxes

Government-wide financial statements

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

Fund Financial Statements

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

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

For the year ended June 30, 2010, taxes in the amount of \$15,052,181 were levied on property with assessed valuations totaling \$461,723,209, and were dedicated as follows:

Constitutional	4.47 mills
Operations and maintenance	6.23 mills
Debt service	<u>21.90</u> mills
Total tax mills	<u>32.60</u> mills

(5) Due From Other Governmental Agencies

Amounts due from other governmental agencies consist of the following at June 30, 2010:

Government-wide and fund financial statements:

Iberia Parish Sheriff's Department:

Ad valorem taxes \$ 107,934

Lafayette Parish School Board 877

Federal grant funds 880,660

State of Louisiana:

Federal pass-through grant funds 2,189,971

State grant funds 478,048

Local sources 24,044

\$ 3,681,534

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(6) Interfund Receivables and Payables

Interfund receivables and payables at June 30, 2010, consist of the following:

	Due From		Total
	General Fund	Other Governmental Funds	
Due to:			
General fund	\$ -	\$ 320	\$ 320
Parishwide			
Construction fund	111,369	-	111,369
Other governmental funds	3,241,478	-	3,241,478
Internal service funds	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>\$3,402,847</u>	<u>\$ 320</u>	<u>\$3,403,167</u>

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

(7) Note Receivable

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

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

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

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



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Capital Assets and Depreciation

Capital asset activity for the year ended June 30, 2010, was as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 3,139,507	\$ -	\$ 926,534	\$ -	\$ 4,066,041
Construction in process	20,099,883	-	1,534,490	(20,072,258)	1,562,115
Total capital assets not being depreciated	23,239,390	-	2,461,024	(20,072,258)	5,628,156
Capital assets being depreciated:					
Buildings and improvements	151,090,146	(10,281,796)	21,963,625	(2,044,229)	160,727,746
Equipment	11,062,489	(2,200,245)	1,147,622	(1,038,184)	8,971,682
Total capital assets being depreciated	162,152,635	(12,482,041)	23,111,247	(3,082,413)	169,699,428
Less accumulated depreciation for:					
Buildings and improvements	(69,039,560)	371,287	(5,039,147)	2,020,365	(71,687,055)
Equipment	(8,974,432)	2,196,493	(686,221)	1,040,462	(6,423,698)
Total accumulated depreciation	(78,013,992)	2,567,780	(5,725,368)	3,060,827	(78,110,753)
Total capital assets being depreciated, net	84,138,643	(9,914,261)	17,385,879	(21,586)	91,588,675
Governmental activities capital assets, net	\$ 107,378,033	\$ (9,914,261)	\$ 19,846,903	\$ (20,093,844)	\$ 97,216,831

The adjustments are to remove a building and accumulated depreciation previously recorded twice and equipment deleted upon conversion of new fixed asset software. The adjustments are reported in the current financial statements as a prior period adjustment.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation expense for the year ended June 30, 2010, was charged to governmental activities as follows:

Instruction	
Regular programs	5,422,483
Special education programs	3,129
Vocational education programs	8,750
Special programs	3,721
Support services	
Pupil support services	1,044
Instructional staff support services	1,260
General administration	93,646
School administration	2,768
Business services	25,645
Plant services	54,246
Central services	15,105
Non-instructional services	
Food services	93,571
	<u>\$ 5,725,368</u>

(9) Employee Retirement Systems

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

Teachers' Retirement System of Louisiana (TRS)

Plan description

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Funding policy**

Plan members are required to contribute 8.00% and 9.10% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.50% of annual covered payroll for the Regular Plan and Plan A. Member contributions and employer contributions for the TRS are established by State law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by State law, is funded by the State of Louisiana through annual appropriations, by deducting from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2010, 2009, and 2008, were \$10,740,105, \$10,959,897, and \$11,444,973, respectively, which equal the required contributions for each year.

**Louisiana School Employees' Retirement System (LSERS)**

**Plan description**

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

**Funding policy**

Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 17.80% of annual covered payroll. Member contributions and employer contributions for the LSERS are established by State law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSERS for the years ending June 30, 2010, 2009, and 2008, were \$924,465, \$992,164, and \$924,499, respectively, which equal the required contributions for each year.

**Parochial Employees' Retirement System**

Plan members are required to contribute 9.50% of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 12.25% of the total annual covered salary. The School Board's contributions to the system for the years ended June 30, 2010, 2009, and 2008 were \$1,863, \$2,400, and \$1,716, respectively, equal to the required contribution for each year.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

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.

Louisiana State Employees' Retirement System (LASERS)

Plan Description

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

Funding Policy

Plan members are required to contribute 7.5% or 8.00% of their annual covered salary and the school board is required to contribute at an actuarially determined rate. The current rate is 18.50%. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

Contributions by plan members and the School Board to the LASERS for the years ending June 30, 2010, 2009, and 2008 were \$23,265, \$32,087, and \$36,637, respectively, equal to the required contributions for each year.

(10) Post-employment Benefits

Plan Description. The School Board's medical benefits are provided upon actual retirement.

Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL) with retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. Employees covered by the Louisiana School Employees' Retirement System (LSERS) have the same retirement eligibility except for age 60 and 10 years of service instead of age 65 and 20 years of service. There was a small percentage of employees among several other systems or without indication of a system and it was assumed that these had the same retirement eligibility as LSERS. Complete plan provisions are contained in the official plan documents.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Life insurance coverage is provided to retirees at the same amount as in force at time of retirement, with a reduction of 35% at age 65 from the original amount and a reduction of 50% from the original amount at age 70. The employer contribution for retiree life coverage is a flat \$.25 per month per \$1,000 of coverage. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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

**Fund Policy.** Until fiscal year ending June 30, 2008, the School Board recognized the cost of providing post-employment medical and life benefits (School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2008, the School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In fiscal year ending June 30, 2010, the School Board's portion of health care funding cost for retired employees totaled \$1,523,715, and the life insurance totaled \$21,919. These amounts were applied toward the net other post-employment benefit (OPEB) obligation as shown in the table on the following page.

**Annual Required Contribution.** The School Board's annual required contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The annual required contribution (ARC) is the sum of the normal cost plus the contribution to amortize the actuarial accrued liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2009 is \$3,413,899 for medical, and \$23,446 for life, as set forth below:

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 1,011,738	\$ 6,159
30-year UAL amortization amount	<u>2,402,161</u>	<u>17,287</u>
Annual required contribution (ARC)	<u>\$ 3,413,899</u>	<u>\$ 23,446</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Net Post-employment Benefit Obligation (Asset). The table below shows the School Board's net OPEB obligation (asset) for fiscal year ending June 30, 2010:

	Medical	Life
Beginning net OPEB obligation (asset) 7/1/2009	\$ 1,933,054	\$ (1,169)
Annual required contribution	3,527,715	23,377
Interest on net OPEB obligation (asset)	77,322	(47)
ARC Adjustment	(113,816)	69
OPEB cost	3,491,221	23,399
Contribution	-	-
Current year retiree premium	(1,523,715)	(21,919)
Change in net OPEB obligation	1,967,506	1,480
Ending net OPEB obligation (asset) 6/30/2010	\$ 3,900,560	\$ 311

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

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical	30-Jun-10	\$ 3,413,899	44.63%	\$3,900,560
Life	30-Jun-10	\$ 23,446	93.49%	\$ 311

Funded Status and Funding Progress. In the fiscal year ending June 30, 2010, the School Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2009, the most recent actuarial valuation, the actuarial accrued liability (AAL) was \$41,538,542 (medical) and \$299,380 (life), which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2009/2010, the entire actuarial accrued liability of \$41,858,376 (medical) and \$293,612 (life) was unfunded.

	Medical	Life
Actuarial Accrued Liability (AAL)	\$ 41,538,542	\$ 299,380
Actuarial Value of Plan Assets	-	-
Unfunded Act. Accrued Liability (UAAL)	41,538,542	299,380
Funded Ratio (Act. Val. Assets/AAL)	0%	0%
Covered Payroll (active plan members)	\$ 78,419,713	\$78,419,713
UAAL as a percentage of covered payroll	52.97%	0.38%

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

**Actuarial Value of Plan Assets.** Since the plan has not yet been funded, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6), as provided in paragraph number 125 of GASB Statement 45, will be used, unless another asset valuation method is required by law or regulation.

**Turnover Rate.** An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 5%. The rates for each age are below:

Age	Percent Turnover
18 - 25	15.00%
26 - 40	8.00%
41 - 54	5.00%
55+	3.00%

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Post employment Benefit Plan Eligibility Requirements.** Based on historical experience, it has been assumed that entitlement to benefits will commence eight years after earliest eligibility to retire. The eight years represents three years in the DROP plus an additional five years delay after the end of the DROP period. Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL) with retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. Employees covered by the Louisiana School Employees' Retirement System (LSERS) have the same retirement eligibility except for age 60 and 10 years of service instead of age 65 and 20 years of service. See the section below entitled "Expected Time of Commencement of Benefits" for the assumption as to time of actual retirement. A small percentage of employees were not indicated to be covered by any system and it was assumed that the LSERS eligibility applied to them. Entitlement to benefits continue through Medicare to death.

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

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Zero trend has been assumed for valuing life insurance.

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

**Expected Time of Commencement of Benefits.** Based on historical experience, it has been assumed that entitlement to benefits will commence eight years after the earliest eligibility to retire (or enter D.R.O.P.) as described in the section above entitled "Plan Description". The eight years represents three years in the DROP plus an additional five years delay after the end of the DROP period.



IBERIA PARISH SCHOOL BOARD  
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Notes to Basic Financial Statements (Continued)

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays only for the retiree coverage (not dependents) after retirement according to a schedule based on the number of years of service at time of retirement:

Years of Service	Monthly Contribution
30+	\$ 135
25 to 29	125
20 to 24	114
10 to 19	94
1 to 9	67

In addition, since GASB 45 requires unblended rates for valuation purposes and a portion of the blended premium paid for active employees is attributable to an implicit subsidy for retirees, we have estimated that subsidy and included 30% of the retiree-only Blue Cross premium for this purpose.

(11) Risk Management

The School Board is self-insured for unemployment compensation and workers compensation benefits.

Unemployment Compensation Insurance

The School Board has established an Unemployment Compensation Self Insurance Program for the purpose of providing coverage under the Louisiana Unemployment Compensation Law.

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

Claims expenditures/expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claims paid are recorded as expenditures /expenses against the General Fund insurance appropriation. Claims paid for unemployment compensation amounted to \$104,782, for the fiscal year. Long-term obligations that are not expected to be liquidated with expendable available financial resources are not reported in the fund financial statements. Such amounts, if any, are reported in the government-wide statements in accordance with the accrual basis of accounting. However, according to the claims administrator, it is unlikely that claims will be paid on cases that are over a year old.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Workers Compensation Insurance

The School Board has established a Workers' Compensation Self Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The School Board has a contract with The Gulf South Risk Services, Inc. for plan administration services. Claims processing is handled by Gulf South Risk Services, Inc. Under the program, the School Board has obtained reinsurance coverage for excess workers' compensation and employer's liability. The retention for the policy for fiscal year ended June 30, 2010, is \$300,000, per occurrence.

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

(12) Litigation and Claims

At June 30, 2010, the School Board is involved in several lawsuits. In the opinion of legal counsel for the School Board, most lawsuits filed against the School Board fall within the coverage of the insurance policies carried by the School Board and are within the policy limits. The ultimate outcome of these lawsuits cannot be determined. However, no provisions for any liability that may result has been made in the financial statements since the School Board would be in a position to take advantage of the statutory cap for damages against a political subdivision.

(13) Federal and State Grants

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

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(14) Long-Term Liabilities

General Obligation Bonds/Sales Tax Bonds/Certificates of Indebtedness

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

Long-term liabilities outstanding at June 30, 2010, are as follows:

	Issue Date	Final Maturity Date	Interest Rates	Balance Outstanding
Governmental activities:				
General obligation bonds	03/01/02	03/01/22	4.30 - 5.30	\$ 8,030,000
	03/01/03	03/01/23	3.80 - 4.80	2,380,000
	03/01/04	03/01/24	4.10 - 4.40	5,805,000
	03/01/05	03/01/25	4.00 - 5.00	4,330,000
	03/01/06	03/01/26	4.00 - 5.00	27,040,000
	08/01/07	03/01/27	4.50 - 5.50	18,675,000
	12/01/09	03/01/24	3.00 - 3.75	15,000,000
	03/01/10	03/01/30	2.50 - 4.25	15,000,000
Refunding bonds	03/01/09	03/01/29	4.00 - 4.35	6,795,000
	01/08/08	03/01/18	3.69	5,165,000
Total general obligation and refunding bonds				108,220,000
Other liabilities -				
Compensated absences				3,049,680
Other post employment benefits				3,900,871
Total governmental activities				<u>\$ 115,170,551</u>

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

The annual debt service requirements to maturity of all bonds and certificates outstanding at June 30, 2010, follows:

General Obligation and Refunding Bonds			
	Principal	Interest	Total
2011	\$ 4,915,000	\$ 4,460,186	\$ 9,375,186
2012	5,160,000	4,263,795	9,423,795
2013	5,445,000	4,052,582	9,497,582
2014	5,715,000	3,831,962	9,546,962
2015	6,005,000	3,591,127	9,596,127
2016-2020	33,335,000	14,149,757	47,484,757
2021-2025	34,800,000	6,821,948	41,621,948
2026-2030	<u>12,845,000</u>	<u>1,233,938</u>	<u>14,078,938</u>
	<u>\$ 108,220,000</u>	<u>\$ 42,405,295</u>	<u>\$ 150,625,295</u>

The following is a summary of changes in long-term liabilities for the year ended June 30, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
General obligation bonds	\$ 81,735,000	\$ 30,000,000	\$ 3,515,000	\$ 108,220,000	\$ 4,915,000
Certificates of indebtedness	600,000	-	600,000	-	-
Compensated absences	3,201,829	-	152,149	3,049,680	-
Other post employment benefits	<u>1,931,885</u>	<u>1,968,986</u>	<u>-</u>	<u>3,900,871</u>	<u>-</u>
	<u>\$ 87,468,714</u>	<u>\$ 31,968,986</u>	<u>\$ 4,267,149</u>	<u>\$ 115,170,551</u>	<u>\$ 4,915,000</u>

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

All principal and interest requirements on the parishwide general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. The outstanding sales tax refunding bonds are financed by a portion of the special three-fourths of one percent sales and use tax levied by the School Board. At June 30, 2010, the School Board has accumulated \$8,560,742, in debt service funds for future debt requirements. This amount is presented as a reservation of fund balance on the fund financial statements.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(15) Designations of Fund Balance

Individual designations of the fund balances at June 30, 2010, in the fund financial statements are as follows:

	<u>General Fund</u>
Designated for:	
Building insurance	\$ 250,000
Unemployment compensation	98,336
Workers compensation	233,808
Employee hospitalization insurance	846,871
BPMS litigation settlement	<u>604,532</u>
Total	<u>\$ 2,033,547</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(16) Reserved Fund Balance

A. Reserved for Sales and Use Tax Restrictions

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

<u>Voter Approval</u>	<u>Rate</u>	<u>Dedication</u>
May 2, 1967	0.75%	After paying collection and administration costs, the tax is to be used to pay salaries of teachers and other costs to operate the school system.
May 19, 1979	0.50%	Ninety percent of the tax is dedicated to increasing the parish supplement to the State minimum salary schedule. The remaining ten percent is dedicated, on a pro rata basis of student population, for materials and equipment.
November 16, 1985	0.75%	Fifty percent of the tax is dedicated to increasing salaries and benefits of school teachers and other employees of the school system ( as detailed in the resolution of the School Board "1985 Sales Tax Salary Supplement Plan") and is reported within the General Fund. The remaining fifty percent is dedicated to pay the principal and interest on Sales Tax Bonds which were issued to air condition existing schools and for the utility cost and other related expenses to maintain the air conditioned facilities.

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

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

The following is a summary of the transactions of the sales tax reserves of the General Fund for the year ended June 30, 2010:

	<u>.50%</u>		<u>.75%</u>	
	<u>90%</u>	<u>10%</u>	<u>50%</u>	<u>Total</u>
Reserve balance, beginning	\$2,867,663	\$1,065,507	\$2,920,864	\$ 6,854,034
Additions:				
Sales tax collections and investment earnings	2,272,597	637,655	3,088,514	5,998,766
Reductions:				
Salaries and retirement systems	(2,665,717)	(757,910)	(3,539,105)	(6,962,732)
Reserve balance, ending	<u>\$2,474,543</u>	<u>\$ 945,252</u>	<u>\$2,470,273</u>	<u>\$ 5,890,068</u>

**B. Reserved for Education Excellence Fund**

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millennium Trust Fund, referred to as the Education Excellence Fund. For each fiscal year through the end of fiscal year 2009-2010, appropriations shall be made to the state superintendent of education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millennium Trust. Such monies appropriated shall be restricted to expenditure for pre-kindergarten through twelfth grade instructional enhancement for students, including early childhood education programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any tests passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2010, \$2,213,303 remains restricted for future expenditure in accordance with the Millennium Trust document.

**C. Reserved for Prepaid expenses**

The reserve for prepaid items in the amount of \$723,593 represents payments to vendors for expenditures that will apply to periods after June 30, 2010.

**D. Reserved for Inventory**

The reserve for inventory in the amount of \$363,230 represents purchases of food for expenditures that will apply to periods after June 30, 2010.

**E. Reserved for Noncurrent receivables**

The reserve for noncurrent receivables in the amount of \$85,000 represents receivables from outside sources that are not expected to be collected in the near future.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(17) Restatement

The beginning net assets for governmental funds have been restated to reflect prior period understatement of group health insurance expenditures in the amount of \$211,000 and understatement of capital outlay expenditures in the amount of \$9,914,261. A school was recorded twice on the depreciation schedule and equipment was not removed from depreciation schedule in prior years. The beginning fund balance for the general fund has been restated to reflect prior period understatement of expenditures for group health insurance premiums in the amount of \$211,000.

	Net Assets	Governmental Funds General Fund Fund Balance
Beginning balance, as previously reported	\$77,154,272	\$ 37,497,519
Capital outlay expenditures	\$ (9,914,261)	-
Insurance expenditures	(211,000)	(211,000)
Beginning balance, as restated	<u>\$67,029,011</u>	<u>\$ 37,286,519</u>

(18) Interfund Transfers

Interfund transfers at June 30, 2010, consist of the following:

	General Fund	Transfer in 2004 Bond Construction Fund	Total
Transfer out:			
Parishwide			
Construction fund	\$ 412,834	\$ -	\$ 412,834
Other governmental funds	-	1,535	1,535
	<u>\$ 412,834</u>	<u>\$ 1,535</u>	<u>\$ 414,369</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfer to the general fund was to reimburse the general fund for construction expenditures for two schools.



IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(19) U.S.D.A. Commodities

The School Board receives commodities from the U.S. Department of Agriculture. During the year, the School Board received \$330,289, in commodities, consumed \$313,621, and had a balance of \$67,401, of commodities in inventory at June 30, 2010. The commodities are reflected in inventory in the School Lunch Fund.

(20) On-Behalf Payments for Operating Expenditures

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires the School Board to report on-behalf payments made by the FCC for telephone expenditures and telecommunication expenditures. The basis for recognizing the revenues and expenditure payments is that the actual contribution is made by the FCC and not by the School Board. On-behalf payments recorded as revenue and expenditures in the utilities special revenue fund (nonmajor governmental fund) financial statements for the year ended June 30, 2010 totaled \$86,482.

(21) New Accounting Pronouncements

In March 2009, the Governmental Accounting Standards Board (GASB) approved Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (Statement). Certain significant changes in the Statement will require the following:

Fund balances for the School Board's governmental funds (general fund, special revenue funds, capital project funds, and debt service funds) will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Nonspendable fund balance—amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.
2. Restricted fund balance—amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.
3. Committed fund balance—amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.
4. Assigned fund balance—amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance—amounts that are available for any purpose; these amounts can be reported only in the School Board's General Fund.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Notes to Basic Financial Statements (Continued)**

The Statement also establishes several new presentation and disclosure requirements, including requirements related to stabilization arrangements (i.e., "rainy day" amounts).

In addition, the Statement clarifies the definitions of the various types of governmental funds. Interpretations of certain terms within the new definition of special revenue funds may affect which activities the School Board can report in special revenue funds.

The School Board is required to implement this standard for the fiscal year ending June 30, 2011.

(22) Subsequent Event

The Boards of the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS) approved employer rate increases for the 2010-2011 school year from 15.5% to 20.2% and 17.6% to 24.3% respectively. The rate increases will result in additional pension expenditures of approximately \$3,575,000. All rate proposals must first go to PERSAC, which is the actuarial board entrusted with approving rate increases for all of the Louisiana retirement systems. Their recommendation must then be approved by the Legislature. The increases for 2010-2011 have already been approved.

**REQUIRED SUPPLEMENTARY INFORMATION**

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana  
General Fund

**Budgetary Comparison Schedule**  
Year Ended June 30, 2010

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
<b>REVENUES</b>				
Parish sources:				
Ad valorem taxes	\$ 4,945,001	\$ 5,067,157	\$ 5,196,716	\$ 129,559
Sales taxes	22,220,154	20,353,033	20,410,733	57,700
Total parish sources	27,165,155	25,420,190	25,607,449	187,259
Investment income	600,000	600,000	642,503	42,503
Other	2,283,195	2,854,191	2,825,540	(28,651)
State sources	77,398,376	74,430,027	74,403,667	(26,360)
Federal sources	1,687,613	1,789,252	1,483,172	(306,080)
Total revenues	109,134,339	105,093,660	104,962,331	(131,329)
<b>EXPENDITURES</b>				
Current:				
Instruction -				
Regular programs	44,194,882	45,312,179	44,383,263	928,916
Special education programs	17,781,395	17,792,645	17,520,548	272,097
Vocational education programs	3,367,021	3,340,880	3,309,586	31,294
Other instructional programs	1,828,770	1,154,425	1,098,899	55,526
Special programs	2,717,415	2,050,293	1,969,717	80,576
Adult and continuing education programs	19,716	21,871	22,713	(842)
Support services -				
Pupil support services	3,661,927	3,713,597	3,664,520	49,077
Instructional staff support services	3,350,133	3,631,556	3,514,660	116,896
General administration	1,849,315	1,869,797	1,730,754	139,043
School administration	5,211,907	5,162,320	5,083,039	79,281
Business services	1,495,236	1,621,246	1,549,307	71,939
Operation and maintenance of plant services	4,132,778	8,385,411	8,451,817	(66,406)
Student transportation services	7,778,118	7,697,627	7,517,482	180,145
Central services	763,630	782,349	677,311	105,038
Non-instructional services -				
Food services	1,072,836	1,014,172	984,744	29,428
Community service programs	23,000	526,000	547,479	(21,479)
Facilities acquisition and construction	865,000	741,713	1,139,119	(397,406)
Debt service:				
Principal retirement	600,000	600,000	600,000	-
Interest and fiscal charges	8,850	8,860	8,850	10
Total expenditures	100,721,929	105,426,941	103,773,808	1,653,133
Excess (deficiency) of revenues over expenditures	8,412,410	(333,281)	1,188,523	1,521,804
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in			412,834	
Net change in fund balance			1,601,357	
<b>FUND BALANCE, BEGINNING, AS RESTATED</b>			37,286,519	
<b>FUND BALANCE, ENDING</b>			<u>\$ 38,887,876</u>	

GAAP is the budgetary basis used in the preparation of this schedule.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Schedule of Funding Progress  
Postemployment Benefits Other Than Pensions  
Year Ended June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
7/1/2007	\$ -	\$42,151,988	\$42,151,988	0.00%	\$70,153,822	60.09%
7/1/2009	-	41,837,922	41,837,922	0.00%	78,419,713	53.35%

## **OTHER SUPPLEMENTARY INFORMATION**

**Combining Balance Sheet**  
**June 30, 2010**

(continued)

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana  
Nonmajor Governmental Funds

**Combining Balance Sheet (continued)**  
June 30, 2010

	Debt Service			Total
	Bond Retirement	Sales Tax Bonds		
ASSETS				
Cash and interest-bearing deposits	\$ 8,113,095	\$ 121,043	\$	9,799,453
Investments	253,018	-		1,964,469
Receivables:				
Accrued interest	1,334	-		10,355
Accounts	-	-		58,832
Due from other funds	-	-		320
Due from other governmental agencies	-	-		2,189,970
State Department of Education	72,252	-		72,252
Other	-	-		23,082
Prepaid items	-	-		363,230
Inventory, at cost	-	-		
TOTAL ASSETS	\$ 8,439,699	\$ 121,043	\$	14,481,963
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	\$	29,483
Due to other funds	-	-		3,241,478
Total liabilities	-	-		3,270,961
Fund balances:				
Reserved for -				
Prepaid items	-	-		23,082
Inventory	-	-		363,230
Debt retirement	8,439,699	121,043		8,560,742
Unreserved -				
Undesignated	-	-		2,263,948
Total fund balances	8,439,699	121,043		11,211,002
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,439,699	\$ 121,043	\$	14,481,963



**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana  
Nonmajor Governmental Funds

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended June 30, 2010**

	Special Revenue							
	Utilities	ESEA Title I	ESEA Title I Migrant	ESEA Title II, IV, V	Special Education	Vocational Education	Other Federal Programs	School Food Service
REVENUES								
Ad Valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	4,668,294	-	-	-	-	-	-	-
Investment income	44,843	-	-	-	-	-	-	2,838
Other	91,952	-	-	-	-	-	-	835,050
State sources	-	-	-	-	-	-	-	1,421,694
Federal sources	-	6,638,504	298,467	1,155,714	5,352,142	191,481	3,821,384	5,769,402
Total revenues	4,805,089	6,638,504	298,467	1,155,714	5,352,142	191,481	3,821,384	8,028,984
EXPENDITURES								
Current:								
Instruction -								
Regular programs	-	-	-	1,073,543	-	-	1,706,129	-
Special education programs	-	-	-	-	5,352,142	-	42,973	-
Vocational education programs	-	-	-	-	-	191,481	-	-
Other instructional programs	-	-	-	-	-	-	672,079	-
Special programs	-	-	-	-	-	-	752,005	-
Adult and continuing education programs	-	6,638,504	298,467	-	-	-	69,650	-
Support services -								
Pupil support services	-	-	-	82,171	-	-	47,231	-
Instructional staff support services	-	-	-	-	-	-	515,186	-
General administration	1,336	-	-	-	-	-	-	-
School administration	155,848	-	-	-	-	-	-	-
Operation and maintenance of plant services	5,093,561	-	-	-	-	-	-	-
Non-instructional services -								
Food services	-	-	-	-	-	-	-	7,743,709
Debt services -	-	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	5,250,745	6,638,504	298,467	1,155,714	5,352,142	191,481	3,805,253	7,743,709
Excess (deficiency) of revenues over expenditures	(445,656)	-	-	-	-	-	16,131	285,275
OTHER FINANCING SOURCES (USES)								
Transfer to other funds	-	-	-	-	-	-	-	-
Net change in fund balance	(445,656)	-	-	-	-	-	16,131	285,275
FUND BALANCES, BEGINNING	2,398,124	-	-	-	-	-	-	396,386
FUND BALANCES, ENDING	\$ 1,952,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,131	\$ 681,661

(continued)

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana  
Nonmajor Governmental Funds

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (continued)**  
Year Ended June 30, 2010

	Debt Service		Sales Tax Bonds	Capital Project Fund	Total
	Bond Retirement			Parishwide Construction	
<b>REVENUES</b>					
Ad Valorem tax	\$ 9,935,716	\$	-	-	\$ 9,935,716
Sales tax	-	-	-	-	4,668,294
Investment income	260,307	-	-	-	307,988
Other	-	-	-	-	927,002
State sources	-	-	-	-	1,421,694
Federal sources	-	-	-	-	23,227,094
Total revenues	10,196,023	-	-	-	40,487,788
<b>EXPENDITURES</b>					
Current:					
Instruction -					
Regular programs	-	-	-	-	2,779,672
Special education programs	-	-	-	-	5,395,115
Vocational education programs	-	-	-	-	191,481
Other instructional programs	-	-	-	-	672,079
Special programs	-	-	-	-	7,688,976
Adult and continuing education programs	-	-	-	-	69,650
Support services -					
Pupil support services	-	-	-	-	129,402
Instructional staff support services	-	-	-	-	515,186
General administration	452,220	-	-	-	453,556
School administration	-	-	-	-	155,848
Operation and maintenance of plant services	-	-	-	-	5,093,561
Non-instructional services -					
Food services	-	-	-	-	7,743,709
Debt services -					
Principal retirement	3,515,000	-	-	-	3,515,000
Interest and fiscal charges	3,687,099	-	-	-	3,687,099
Total expenditures	7,654,319	-	-	-	38,090,334
Excess (deficiency) of revenue over expenditures	2,541,704	-	-	-	2,397,454
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer to other funds	-	-	-	(1,535)	(1,535)
Net change in fund balance	2,541,704	-	-	(1,535)	2,395,919
<b>FUND BALANCES, BEGINNING AS RESTATED</b>	5,897,995	121,043		1,535	8,815,083
<b>FUND BALANCES, ENDING</b>	\$ 8,439,699	\$ 121,043		\$ -	\$ 11,211,002

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Schedule of Compensation Paid to School Board Members**  
Year Ended June, 30, 2010

Compensation for the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board receive \$416 per month, and the president receives \$516 per month for performing the duties of his/her office.

The following is a schedule of compensation paid to each School Board member for the year ended June 30, 2010:

Arthur L. Alexander	\$ 6,814
Edwin J. Buford, Fr.	6,814
Clara D. Carrier	6,814
Mary B. "Mel" Davis	6,814
Richard L. Denison, Jr.	6,814
Joel J. Dugas	6,814
Mary Fay L. Freshley	6,814
Kenric Fremin	6,814
Dan L. LeBlanc	7,414
Robbie J. LeBlanc	6,814
Jesse J. "Jay" McDonald	6,814
Blaine A. Meche	6,814
Elvin Pradia	7,414
Danny D. Segura	6,814
Total	<u>\$ 96,596</u>

## **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\*

Tynes E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Sell, CPA  
Paul L. Delcambre, Jr. CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## 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

## 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. Dale R. Henderson, Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish School Board (the School Board), as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

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

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

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

We also noted certain matters that we reported to management of the School Board in a separate letter dated November 17, 2010.

The School Board's responses to the findings identified in our audit are described in the accompanying corrective action plan for current year findings. We did not audit the School Board's responses and, accordingly, we express no opinion on the responses.

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

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

Morgan City, Louisiana  
November 17, 2010

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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WEB SITE  
[WWW.KCSRPCAS.COM](http://WWW.KCSRPCAS.COM)

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

Mr. Dale R. Henderson, Superintendent,  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

### Compliance

We have audited the compliance of the Iberia Parish School Board (the School Board), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2010. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

As described in item 2010-2 in the accompanying schedule of findings and questioned costs, the School Board did not comply with the requirements regarding allowable costs/cost principles that are applicable to Education Technology State Grants, Recovery Act (CFDA 84.386). Compliance with such requirements is necessary, in our opinion, to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the 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, 2010.

#### Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with 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 School Board's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance 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, 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2010-2 to be a material weakness.

The School Board's responses to the findings identified in our audit are described in the accompanying corrective action plan for current year findings. We did not audit the School Board's responses and, accordingly, we express no opinion on the responses.

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

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

Morgan City, Louisiana  
November 17, 2010



**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2010

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's Number</u>	<u>Expenditures</u>
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
Passed through Louisiana Department of Education:			
<u>Child Nutrition Cluster</u>			
School Breakfast Program	10.553		1,257,274
National School Lunch Program	10.555		4,318,057
Summer Food Service Program for Children	10.559		118,484
ARRA - Child Nutrition Discretionary Grants	10.579		72,385
Total United States Department of Agriculture			<u>5,766,200</u>
<b>UNITED STATES DEPARTMENT OF DEFENSE</b>			
Reserved Officers' Training Corps (ROTC)	N/A		<u>63,764</u>
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>			
Passed through Louisiana Department of Education:			
Adult Education - Basic Grants to States	84.002	28-10-44-23	69,650
<u>Title I Part A Cluster</u>			
Title I Grants to Local Educational Agencies	84.010	S010A090018	5,141,415
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	S389A090018A	1,344,427
Migrant Education - State Grant Program	84.011	S011A090018	294,811
Migrant Education Coordination Program	84.144	S144G070018	3,656
<u>Special Education Cluster</u>			
Special Education - Grants to States (IDEA - Part B)	84.027	H027A090033	3,010,421
Special Education - Preschool Grants (IDEA Preschool)	84.173	H173A090082	103,393
ARRA - Special Education - Grants to States (IDEA - Part B), Recovery Act	84.391	H391A090033	2,199,778
ARRA - Special Education - Preschool Grants (IDEA Preschool), Recovery Act	84.392	H392A090082	38,550
<u>Education Technology Cluster</u>			
Education Technology State Grants	84.318	S318X090018	19,881
ARRA - Education Technology State Grants, Recovery Act	84.386	S386A090018	513,082
Mathematics and Science Partnerships	84.366	28-09-MP-23	149,448
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	P334S080003	58,667
Reading First State Grants	84.357	28-09-RF-23	113,135
Improving Teacher Quality State Grants	84.367	S367A090017	1,074,028
English Language Acquisition Grants	84.365	S365A090018A	39,527
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	S394A090019	2,259,195
Career and Technical Education - Basic Grants to States	84.048	V048A090018A	191,481
Safe and Drug Free Schools and Communities - State Grants	84.186	Q186A090019	81,686
Total United States Department of Education			<u>16,706,231</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	G-0902LATANF	<u>751,461</u>
<b>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</b>			
Passed through Louisiana Department of Homeland Security and Emergency Preparedness			
Disaster Grants -Public Assistance (Presidentially Declared Disasters)	97.036	FEMA Disaster	577,014
Total expenditures of federal awards			<u>\$ 23,864,670</u>

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2010

(1) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Iberia Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the basic financial statements for the year ended June 30, 2010. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2010, the School Board had \$67,401 of commodities remaining in inventory.

(3) Relationship to Fund Financial Statements

Federal financial assistance is reported in the Iberia Parish School Board's fund financial statements as follows:

Revenues -

Major Governmental Fund:

General Fund	\$ 1,483,172
--------------	--------------

Other Governmental Funds:

School Lunch	5,769,402
--------------	-----------

Elementary and Secondary Education Act -

Title I	6,638,504
---------	-----------

Title I Migrant	298,467
-----------------	---------

Title II, IV, and V	1,155,714
---------------------	-----------

Special Education	5,352,142
-------------------	-----------

Vocational Education	191,481
----------------------	---------

Other Federal	<u>3,821,384</u>
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Total	<u>\$ 24,710,266</u>
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**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Notes to Schedule of Expenditures of Federal Awards (continued)  
Year Ended June 30, 2010

Expenses -

Major Governmental Fund:

General Fund

Other instructional programs	\$ 63,764
Facilities acquisition and construction	577,014

Other Governmental Funds:

School Lunch - Food services	5,766,200
------------------------------	-----------

Elementary and Secondary Education Act -

Title I - Special programs	6,638,504
----------------------------	-----------

Title I Migrant - Special programs	298,467
------------------------------------	---------

Title II, IV, and V -

Regular programs	1,073,543
------------------	-----------

Pupil support services	82,171
------------------------	--------

Special Education - Special education programs	5,352,142
--	-----------

Vocational Education -

Vocational education programs	191,481
-------------------------------	---------

Other Federal

Regular programs	1,722,260
------------------	-----------

Special education programs	42,973
----------------------------	--------

Other instructional programs	672,079
------------------------------	---------

Special programs	752,005
------------------	---------

Adult and continuing education programs	69,650
---	--------

Pupil support services	47,231
------------------------	--------

Instructional staff support services	515,186
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Total	<u>\$ 23,864,670</u>
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IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2010

Part I. Summary of Auditor's Results:

*Financial Statements:*

1. An unqualified opinion was issued on the financial statements of the School Board's governmental activities, each major fund and the aggregate remaining fund information.
2. No significant deficiencies in internal control were reported based on the audit of the basic financial statements.
3. An instance of noncompliance was disclosed during the audit which is material to the financial statements.

*Federal Award Programs:*

4. A significant deficiency in internal control over major federal award programs was disclosed by the audit and the deficiency is considered to be a material weakness.
5. The auditor's report on compliance for Education Technology State Grants, Recovery Act (CFDA 84.386) expresses a qualified opinion. The opinion on the remaining major programs is unqualified.
6. An audit finding that is required to be reported in accordance with Section 510(a) of Circular A-133 is reported in this Schedule.
7. The programs tested as major programs were as follows:

Program	CFDA Number
<i>Title I Part A Cluster</i>	
Title I Grants to Local Educational Agencies	84.010
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389
Improving Teacher Quality State Grants	84.367
<i>Special Education Cluster</i>	
Special Education -Grants to States (IDEA - Part B)	84.027
Special Education - Preschool Grants (IDEA Preschool)	84.173
ARRA - Special Education - Grants to States (IDEA - Part B), Recovery Act	84.391
ARRA - Special Education - Preschool Grants (IDEA Preschool), Recovery Act	84.392
<i>Education Technology Cluster</i>	
Education Technology State Grants	84.318
ARRA - Education Technology State Grants, Recovery Act	84.386
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394
Temporary Assistance for Needy Families (TANF)	93.558

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs (continued)  
Year Ended June 30, 2010

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 \$715,940.
9. The School Board did qualify as a low-risk auditee under Section 530 of Circular A-133.

*Other:*

10. A management letter was issued.

Part II. Findings required to be reported in accordance with Government Auditing Standards:

Internal Control Findings –

There are no findings reported under this section.

Compliance Findings –

2010-1 Advance Payment of Compensation

CONDITION: Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.

CRITERIA: Louisiana Constitution, Article VII, Section 14, Donation, Loan or Pledge of Public Credit

CAUSE: The cause of the conditions is the result of a failure to comply with the constitutional provisions, related state statutes, and AG opinions.

EFFECT: Payment of compensation prior to the rendering of services results in a violation of constitutional provisions.

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Schedule of Findings and Questioned Costs (continued)  
Year Ended June 30, 2010

Part III. Findings and questioned costs for Federal awards defined in Section 510(a) of Circular A-133:

DEPARTMENT OF EDUCATION

2010-2 Semiannual Certifications

CFDA Number and Title	Questioned Costs
<i>Education Technology Cluster</i>	
84.386 Education Technology State Grants, Recovery Act	<u>\$ 27,578.00</u>

COMPLIANCE REQUIREMENT: Allowable Costs/Cost Principles

CONDITION: Semiannual certifications were not completed.

CRITERIA: Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, Attachment B, Paragraph 8(h)(3), states, in part:

"Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or the supervisory official having first hand knowledge of the work performed by the employee."

CAUSE: The condition results from a failure to comply with federal administrative regulations.

EFFECT: There is no assurance that salaries and the related costs for fringe benefits were incurred for services provided solely on the respective federal program and are considered improperly documented. The failure to complete semi-annual certifications may also result in the reimbursement of questioned costs and/or loss of future federal funding.

CONTEXT: Six (6) expenditures for salaries totaling \$20,208 were selected from a population of program salary expenditures of \$30,675. None of the expenditures for salaries was supported by semiannual certifications resulting in questioned costs in the amount of \$20,208. Additionally, fringe benefit expenditures in the amount of \$7,370 were subjected to separate testing and questioned since the related salary expenditures were considered improperly documented.

RECOMMENDATION: We recommend that the School Board institute policies and procedures to cause the completion of the required certifications.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Summary Schedule of Prior Audit Findings**  
Year Ended June 30, 2010

**A. Internal Control –**

There were no findings previously reported under this section.

**B. Compliance –**

**2009-1 – Advance Payments of Compensation**

**CONDITION:** Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.

**RECOMMENDATION:** Louisiana Constitution, Article VII, Section 14, Donation, Loan or Pledge of Public Credit

**CURRENT STATUS:** See schedule of audit results and findings item 2010-1.

**C. OMB A-133 –**

There were no findings previously reported under this section.

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**Corrective Action Plan for Current Year Findings**  
Year Ended June 30, 2010

**2010-1 – Advance Payments of Compensation**

**CONDITION:** Teachers and other nine and ten month employees hired before July 1, 1979 are compensated in advance of the rendering of service for July and a portion of August.

**MANAGEMENT'S RESPONSE:** The Iberia Parish School Board, through the process of attrition, is reducing the number of employees paid in advance of services. We began the process of eliminating payment in advance through attrition effective July 1, 1979. This policy continues today. All persons employed by the Iberia Parish School Board, whether new employees returning to service due to general leaves or for other reasons, will receive their first paycheck on August 31 of the year employed. This procedure was approved by the Board. The Iberia Parish School Board, beginning in 2005-06, now pays its nine (9) month employees effective August 31 because they have earned that August payment. This means that two (2) month payment in advance has now been reduced to a one (1) month payment in advance.

**2010-2 Semiannual Certifications**

**CONDITION:** Semiannual certifications were not performed.

**MANAGEMENT'S RESPONSE:** The Education Technology State Grant was a new grant in Fiscal Year 2009-2010. Due to the situation whereby this grant was given to us late in the year we did not realize that semiannual certifications were to be prepared. We will in the future assure that all Federal Grants where an employee salary is involved will have the semiannual certification prepared. We will assure that this procedure will be put in place by having an inservice with our Supervisory Staff and our bookkeepers to assure compliance.



**IBERIA PARISH SCHOOL BOARD**

**SPECIAL AGREED-UPON PROCEDURES  
REPORT ON SCHOOL BOARD  
PERFORMANCE MEASURES**

**Year Ended June 30, 2010**

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# 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\*

Tyres E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Sell, CPA  
Paul L. Delcambre, Jr., CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2005  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## 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

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

Mr. Dale R. Henderson, Superintendent  
and Members of the Iberia Parish School Board  
New Iberia, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Iberia Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Iberia Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. Management of the Iberia Parish School Board is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this 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:

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

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

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

There were no exceptions noted.

**II. Education Levels of Public School Staff (Schedule 2)**

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

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

There were no exceptions noted.

**III. Number and Type of Public Schools (Schedule 3)**

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

There were no exceptions noted.

**IV. 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.

**V. 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.

**VI. 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 traced a random of 10 classes to the October 1<sup>st</sup> roll books for those classes and determined if the class was properly classified on the schedule.

There were no exceptions noted.

**VII. 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 Iberia Parish School Board.

There were no exceptions noted.

**VIII. Graduation Exit Exam (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 Iberia Parish School Board.

There were no exceptions noted.

**IX. Iowa and 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 Iberia Parish School Board.

There were no exceptions noted.

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

This report is intended solely for the use of management of Iberia Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. In accordance with the provisions of 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

Morgan City, Louisiana  
November 17, 2010

## SCHEDULE 1

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
Year Ended June 30, 2010**

**General Fund Instructional and Equipment Expenditures**

## General fund instructional expenditures:

## Teacher and student interaction activities -

Classroom teacher salaries	\$ 48,011,479
Other instructional staff activities	4,231,745
Employee benefits	14,173,768
Purchased professional and technical services	544,429
Instructional materials and supplies	918,748
Instructional equipment	<u>8,690</u>

Total teacher and student interaction activities \$ 67,888,859

## Other instructional activities

415,868

## Pupil support activities

3,664,520

## Less: Equipment for pupil support activities

## Net pupil support activities

3,664,520

## Instructional staff services

3,514,659

## Less: Equipment for instructional staff services

## Net instructional staff services

3,514,659

## School administration

5,083,039

## Less: Equipment for school administration

## Net school administration

5,083,039

## Total general fund instructional expenditures

\$ 80,566,945

## Total general fund equipment expenditures

\$ 129,689

**Certain Local Revenue Sources**

## Local taxation revenue:

## Constitutional ad valorem taxes

\$ 2,027,534

## Renewable ad valorem tax

2,849,539

## Up to 1% of collections by the Sheriff on taxes

## other than school taxes

318,464

## Sales and use taxes

20,410,733

## Total local taxation revenue

\$ 25,606,270

## Local earnings on investment in real property:

## Earnings from 16th section property

\$ 99,992

## Total local earnings on investment in real property

\$ 99,992

## State revenue in lieu of taxes:

## Revenue sharing - constitutional tax

\$ 212,309

## Revenue sharing - other taxes

295,901

## Total state revenue in lieu of taxes

\$ 508,210

## Nonpublic textbook revenue

\$ 60,086

## Nonpublic transportation revenue

\$ 226,814

SCHEDULE 2

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Education Levels of Public School Staff  
As of October 1, 2009

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%	-	-	-	-	-	-
Bachelor's degree	821	80%	11	79%	-	-	-	-
Master's degree	157	15%	2	14%	26	59%	-	-
Master's degree + 30	38	4%	1	7%	17	38%	-	-
Specialist in education	5	1%	-	-	2	4%	-	-
Ph. D. or Ed. D.	1	0%	-	-	-	-	-	-
Total	1,022	100%	14	100%	45	100%	-	-



SCHEDULE 3

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Number and Type of Public Schools  
Year Ended June 30, 2010

Type	Number
Elementary	19
Middle/Junior high	4
Secondary	6
Combination	1
Total	30

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

SCHEDULE 4

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers  
As of October 1, 2009

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant principals	-	-	3	3	4	2	3	15
Principals	-	-	-	3	6	1	20	30
Classroom teachers	73	106	318	99	146	88	206	1,036
Total	73	106	321	105	156	91	229	1,081

SCHEDULE 5

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

Public School Staff Data: Average Salaries  
Year Ended June 30, 2010

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average classroom teachers' salary including extra compensation	47,334.00	47,070.00
Average classroom teachers' salary excluding extra compensation	46,887.00	46,609.00
Number of teacher full-time equivalents (FTEs) used in computation of average salaries	1,034	1,004

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

SCHEDULE 6

IBERIA PARISH SCHOOL BOARD

New Iberia, Louisiana

Class Size Characteristics

As of October 1, 2009

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	24.9%	1,140	37.9%	809	18.7%	79	0.0%	-
Elementary activity classes	15.9%	728	29.3%	626	15.6%	66	37.0%	10
Middle/Junior high	9.7%	445	12.5%	268	4.0%	17	0.0%	-
Middle/Junior high activity classes	2.9%	131	0.4%	9	7.6%	32	3.7%	1
High	33.5%	1,532	18.3%	391	49.4%	209	37.0%	10
High activity classes	11.1%	506	1.6%	34	4.7%	20	22.2%	6
Combination	1.3%	59	0.0%	-	0.0%	-	0.0%	-
Combination activity classes	0.8%	36	0.0%	-	0.0%	-	0.0%	-

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

## SCHEDULE 7

## IBERIA PARISH SCHOOL BOARD

New Iberia, Louisiana

Louisiana Educational Assessment Program (LEAP)

Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	53	4%	34	3%	35	3%	73	6%	40	4%	51	5%
Mastery	201	17%	246	22%	215	19%	292	24%	173	15%	224	20%
Basic	614	51%	574	51%	509	46%	546	45%	570	50%	494	45%
Approaching basic	247	20%	206	18%	245	22%	190	16%	246	22%	207	19%
Unsatisfactory	95	8%	70	6%	104	9%	109	9%	101	9%	132	12%
Total	1,210		1,130		1,108		1,210		1,130		1,108	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grad 4												
Advanced	36	3%	60	5%	17	2%	24	2%	27	2%	14	1%
Mastery	170	14%	172	15%	134	12%	190	16%	157	14%	142	13%
Basic	552	45%	545	48%	527	48%	643	53%	565	50%	537	49%
Approaching basic	348	29%	257	23%	326	29%	221	18%	231	20%	253	23%
Unsatisfactory	109	9%	95	8%	103	9%	137	11%	148	13%	161	15%
Total	1,215		1,129		1,107		1,215		1,128		1,107	

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	24	2%	10	1%	6	1%	39	4%	60	7%	16	2%
Mastery	125	12%	101	11%	92	11%	58	5%	55	6%	44	5%
Basic	489	46%	480	53%	427	50%	606	57%	507	56%	490	58%
Approaching basic	334	31%	271	30%	270	32%	218	20%	192	21%	210	25%
Unsatisfactory	92	9%	44	5%	57	7%	143	13%	91	10%	91	11%
Total	1,064		906		852		1,064		905		851	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	13	1%	28	3%	4	0%	6	1%	11	1%	2	0%
Mastery	133	12%	139	15%	163	19%	101	9%	106	12%	74	9%
Basic	410	38%	326	36%	349	41%	478	45%	412	46%	410	48%
Approaching basic	319	30%	302	33%	216	25%	288	27%	254	28%	240	28%
Unsatisfactory	190	18%	110	12%	118	14%	192	18%	121	13%	124	15%
Total	1,065		905		850		1,065		904		850	

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

Graduation Exit Exam  
Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	8	1%	6	1%	6	1%	77	12%	99	14%	77	11%
Mastery	89	14%	83	12%	74	10%	153	24%	102	15%	104	15%
Basic	338	53%	378	54%	371	52%	299	47%	383	55%	362	50%
Approaching basic	145	23%	171	25%	177	25%	67	11%	77	11%	106	15%
Unsatisfactory	53	8%	57	8%	87	12%	38	6%	33	5%	68	9%
Total	633		695		715		634		694		717	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	13	2%	36	5%	13	2%	6	1%	5	1%	2	0%
Mastery	94	14%	121	18%	87	12%	63	10%	61	9%	41	6%
Basic	296	45%	289	42%	325	45%	403	61%	379	56%	422	59%
Approaching basic	191	29%	169	25%	191	27%	131	20%	155	23%	165	23%
Unsatisfactory	68	10%	67	10%	101	14%	59	9%	81	12%	86	12%
Total	662		682		717		662		681		716	

SCHEDULE 9

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

iLEAP Tests  
Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	36	3%	85	8%	28	3%	15	1%
Mastery	168	15%	162	15%	94	9%	141	13%
Basic	464	43%	451	42%	454	42%	504	47%
Approaching Basic	270	25%	220	20%	352	32%	262	24%
Unsatisfactory	146	13%	166	15%	156	14%	160	15%
Total	1,084	100%	1,084	100%	1,084	100%	1,082	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	19	2%	59	6%	24	3%	28	3%
Mastery	157	16%	120	13%	128	13%	121	13%
Basic	415	43%	459	48%	393	41%	466	49%
Approaching Basic	227	24%	167	17%	299	31%	212	22%
Unsatisfactory	142	15%	155	16%	116	12%	131	14%
Total	960	100%	960	100%	960	100%	958	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	16	2%	85	8%	31	3%	106	10%
Mastery	137	13%	134	13%	151	15%	122	12%
Basic	505	49%	511	49%	467	45%	456	44%
Approaching Basic	285	27%	163	16%	288	28%	214	21%
Unsatisfactory	95	9%	147	14%	99	9%	138	13%
Total	1,038	100%	1,040	100%	1,036	100%	1,036	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	27	2%	9	1%	13	1%	8	1%
Mastery	92	8%	66	6%	73	7%	89	8%
Basic	444	40%	551	49%	377	33%	504	45%
Approaching Basic	393	35%	270	24%	396	35%	259	23%
Unsatisfactory	171	15%	232	20%	267	24%	266	23%
Total	1,127	100%	1,128	100%	1,126	100%	1,126	100%

SCHEDULE 9

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

iLEAP Tests (continued)  
Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	5	1%	30	3%
Mastery	74	8%	82	9%
Basic	460	53%	494	57%
Approaching Basic	269	31%	178	21%
Unsatisfactory	61	7%	83	10%
Total	869	100%	867	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	35	3%	104	9%	30	3%	6	1%
Mastery	232	20%	255	22%	195	16%	199	17%
Basic	533	45%	521	44%	522	45%	565	48%
Approaching Basic	260	22%	194	17%	315	27%	254	22%
Unsatisfactory	115	10%	101	8%	108	9%	144	12%
Total	1,175	100%	1,175	100%	1,170	100%	1,168	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	22	2%	73	7%	31	3%	27	3%
Mastery	141	15%	130	13%	128	13%	120	12%
Basic	479	49%	464	48%	438	45%	487	50%
Approaching Basic	226	23%	164	17%	248	25%	203	21%
Unsatisfactory	108	11%	144	15%	131	14%	138	14%
Total	976	100%	975	100%	976	100%	975	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	9	1%	60	6.0%	18	2%	79	9%
Mastery	129	14%	164	17.0%	135	14%	124	13%
Basic	514	54%	521	55.0%	433	46%	416	44%
Approaching Basic	210	22%	111	12.0%	260	28%	220	23%
Unsatisfactory	83	9%	89	10.0%	99	10%	105	11%
Total	945	100%	945	100%	945	100%	944	100%



SCHEDULE 9

IBERIA PARISH SCHOOL BOARD  
New Iberia, Louisiana

iLEAP Tests (continued)  
Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	20	2%	45	4%	12	1%	21	2%
Mastery	128	11%	127	11%	140	13%	143	13%
Basic	483	44%	563	51%	415	38%	490	44%
Approaching Basic	330	30%	230	21%	328	30%	309	28%
Unsatisfactory	144	13%	140	13%	210	18%	141	13%
Total	1,105	100%	1,105	100%	1,105	100%	1,104	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	2	0%	40	5%
Mastery	79	10%	98	12%
Basic	468	57%	444	54%
Approaching Basic	216	26%	160	19%
Unsatisfactory	59	7%	83	10%
Total	824	100%	825	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	28	3%	73	7%	34	3%	20	2%
Mastery	193	18%	204	19%	154	14%	145	13%
Basic	515	47%	474	44%	504	47%	519	48%
Approaching Basic	225	21%	220	20%	283	26%	243	23%
Unsatisfactory	121	11%	111	10%	106	10%	154	14%
Total	1,082	100%	1,082	100%	1,081	100%	1,081	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	35	3%	74	7%	26	3%	38	4%
Mastery	172	17%	150	15%	151	15%	113	11%
Basic	492	49%	499	49%	430	43%	489	48%
Approaching Basic	229	23%	169	17%	314	30%	218	22%
Unsatisfactory	83	8%	119	12%	90	9%	153	15%
Total	1,011	100%	1,011	100%	1,011	100%	1,011	100%

**IBERIA PARISH SCHOOL BOARD**  
New Iberia, Louisiana

iLEAP Tests (continued)  
Years Ended June 30, 2010, 2009, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	37	4%	52	5%	40	4%	123	13%
Mastery	185	19%	152	16%	169	18%	121	13%
Basic	486	50%	533	55%	418	43%	418	43%
Approaching Basic	181	19%	139	14%	250	26%	193	20%
Unsatisfactory	76	8%	88	10%	88	9%	110	11%
<b>Total</b>	<b>965</b>	<b>100%</b>	<b>964</b>	<b>100%</b>	<b>965</b>	<b>100%</b>	<b>965</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	26	3%	37	4%	14	2%	14	2%
Mastery	107	12%	94	10%	117	13%	125	14%
Basic	447	49%	510	56%	364	40%	454	49%
Approaching Basic	255	27%	178	19%	289	31%	195	21%
Unsatisfactory	84	9%	99	11%	135	14%	130	14%
<b>Total</b>	<b>919</b>	<b>100%</b>	<b>918</b>	<b>100%</b>	<b>919</b>	<b>100%</b>	<b>918</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
<b>Grade 9</b>				
Advanced	12	1%	60	7%
Mastery	85	9%	71	8%
Basic	444	49%	491	54%
Approaching Basic	289	32%	163	17%
Unsatisfactory	84	9%	127	14%
<b>Total</b>	<b>914</b>	<b>100%</b>	<b>912</b>	<b>100%</b>

# 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. Nixon, CPA\*

Tynes E. Nixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angela Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Sell, CPA  
Paul L. Delcambre, Jr., CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## 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.KSRCPAS.COM

## MANAGEMENT LETTER

Mr. Dale R. Henderson, Superintendent,  
And Members of the Iberia Parish School Board  
New Iberia, Louisiana

During the audit of the financial statements of the governmental activities of the Iberia Parish School Board (hereinafter "School Board") as of and for the year ended June 30, 2010, we noted certain areas in which the School Board could be improved. Our comments are not intended to reflect upon the ability or integrity of the School Board's personnel.

### 2010-ML-1 Fixed Assets

The beginning balance on the listing of fixed assets did not reconcile to prior year ending balances. Additionally, on subsequent listings provided, additions to fixed assets were incomplete and/or certain assets were not included within the correct asset classes.

We recommend that the School Board institute policies and procedures to reconcile beginning balances to prior year ending balances, reconcile capital outlay accounts to the fixed assets listing periodically through the year, and review the appropriateness of assets comprising the asset classes.

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our procedures. Should you have any questions or need assistance, please feel free to contact us.

**KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC**  
Certified Public Accountants

Morgan City, Louisiana  
November 17, 2010

Member of:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

Member of:  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS