

Comprehensive Annual Financial Report



Of the

**East Baton Rouge Parish School System
Baton Rouge, Louisiana**

For the Year Ended June 30, 2007

**Prepared by the
Finance and Budget Management Staff**

**Catherine Fletcher, CPA
Chief Business Operations Officer**

**James P. Crochet, CPA
Chief Financial Officer**

East Baton Rouge Parish School System

**EAST BATON ROUGE PARISH SCHOOL SYSTEM
BATON ROUGE, LOUISIANA**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007

Table of Contents

**Page
Number**

Introductory Section

Table of Contents	i - v
Board Members	vi
Administrative Officers	vii
Letters of Transmittal	viii-xxiii
Government Finance Officers' Association of the United States and Canada Certificate of Achievement for Excellence in Financial Reporting	xxiv
Association of School Business Officials' International Certificate of Excellence in Financial Reporting	xxv
Organizational Chart	xxvi-xxvii

Financial Section

Independent Auditors' Report	xxviii-xxix
------------------------------	-------------

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis	xxx-xliv
--------------------------------------	----------

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements (GWFS)

Comparative Statement of Net Assets	1
Statement of Activities	2

Fund Financial Statements (FFS)

Governmental Funds:

Balance Sheet	3 - 4
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	5
Statement of Revenues, Expenditures and Changes in Fund Balance	6 - 9
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	10

**EAST BATON ROUGE PARISH SCHOOL SYSTEM
BATON ROUGE, LOUISIANA**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007

Table of Contents

	<u>Page Number</u>
BASIC FINANCIAL STATEMENTS (continued)	
<u>Proprietary Funds – Internal Service:</u>	
Balance Sheet	11
Statement of Revenues, Expenses and Changes in Net Assets	12
Statement of Cash Flows	13
<u>Fiduciary Funds:</u>	
Statement of Fiduciary Assets and Liabilities	14
Notes to Basic Financial Statements	15 - 34
REQUIRED SUPPLEMENTARY INFORMATION - PART II	
Major Fund Descriptions	35
Budgetary Comparison Schedules:	
General Fund	36
Title I Fund	37
Proposition 2 - Discipline Fund	38
Proposition 3 - Compensation Fund	39
Child Nutrition Fund	40
Notes to Required Supplemental Information	41
Supplemental Information	
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Detailed Budgetary Comparison Schedule	42 - 50

**EAST BATON ROUGE PARISH SCHOOL SYSTEM
BATON ROUGE, LOUISIANA**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007

Table of Contents

Page
Number

Supplemental Information (continued)

Non-major Governmental Funds:

Non-major Governmental Fund Descriptions 51 - 53

Combining Balance Sheet 54 - 59

Combining Statement of Revenues, Expenditures and Changes in Fund Balance 60 - 65

**Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual:**

Title II	66
Title V	67
Gear-Up Baton Rouge	68
Exceptional Education Program	69
Alcohol and Drug Abuse	70
Career and Technical Education	71
Temporary Assistance For Needy Families	72
State Grants	73
Continuing Education	74
Title IV	75
Local Grants	76
Direct Federal Programs	77
Summer School	78
Textbooks	79
Disaster Relief	80
WBRH Radio Station Training Program	81
Serve! Baton Rouge	82
Technology Literacy Challenge (Title III)	83
NASA – LSU 1 st Robotics	84
Reading First	85
Homeless Youth Assistance	86

**EAST BATON ROUGE PARISH SCHOOL SYSTEM
BATON ROUGE, LOUISIANA**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007

Table of Contents

Page
Number

Supplemental Information (continued)

Proprietary Fund Type – Internal Service Funds:

Internal Service Fund Descriptions	87
Combining Balance Sheet	88
Combining Statement of Revenues, Expenses and Changes in Net Assets	89
Combining Statement of Cash Flows	90

Fiduciary Fund Type – Agency Funds

Agency Fund Descriptions	91
Statement of Fiduciary Assets and Liabilities	92
Combining Statement of Changes in Assets and Liabilities	93

Capital Assets

Comparative Schedule of Capital Assets - By Sources	94
Schedule of Capital Assets at Cost - By Function	95
Schedule of Changes in Capital Assets - By Function	96

Statistical Section

Statistical Schedule Descriptions	97 - 98
Net Assets By Component – Last Seven Fiscal Years	99
Changes in Net Assets – Last Seven Fiscal Years	100
Fund Balances of Governmental Funds – Last Ten Fiscal Years	101
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	102 - 103

**EAST BATON ROUGE PARISH SCHOOL SYSTEM
BATON ROUGE, LOUISIANA**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007

Table of Contents

	<u>Page Number</u>
Statistical Section (continued)	
Assessed and Estimated Actual Value of Taxable Property – Last Ten Tax Years	104 - 105
Principal Property Taxpayers – Current Year and Nine Years Ago	106
Property Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Tax Years	107 – 108
Property Tax Levies and Collections – Last Ten Tax Years	109
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	110
Computation of Legal Debt Margin – Last Ten Tax Years	111
Computation of Direct and Overlapping Debt – December 31, 2006	112
Demographic Statistics – Last Ten Fiscal Years	113
Principal Employers – Current Year and Nine Years Ago	114
General Fund Expenditures by Function – Last Ten Fiscal Years	115 – 116
General Fund Expenditures by Function Per Pupil – Last Ten Fiscal Years	117 – 118
Full-Time Equivalents (FTE) Employees – Last Ten Fiscal Years	119 – 122
Board Members' Compensation – June 30, 2007	123
Percentage of Free and Reduced Students in Lunch Program – Last Ten Fiscal Years	124
History of High School Graduates – Last Ten Fiscal Years	125
Capital Asset Information – June 30, 2007	126 - 129



Comprehensive Annual Financial Report



Board Members

Patricia H. Smith, President

Noel Hammatt, Vice-President

Gerald "Jerry" Arbour

Jonathan C. Augustine

William P. "Bill" Black

Greg Baldwin

Jill Dyason

Vereta T. Lee

Darryl L. Robertson

Juanita Sanford

Tarvald A. Smith

Derrick W. Spell, M.D.

Charlotte D. Placide - Superintendent

East Baton Rouge Parish School System

Comprehensive Annual Financial Report

Administrative Officers

Superintendent of Schools

General Counsel

Special Assistant to the Superintendent

Assistant Superintendent for Accountability and Assessment

Chief Technology Officer

Director for Communications and Community Engagement

Public Information Officer

Associate Superintendent of Human Resources

Associate Superintendent for Instructional Support Services

Chief Academic Officer

Assistant Superintendent for Instructional Services

Area I, Elementary Schools

Assistant Superintendent for Instructional Services

Area II, Middle Schools

Assistant Superintendent for Instructional Services

Area III, High Schools

Assistant Superintendent for Instructional Services

Area IV, Elementary Schools

Director of Magnet School Programs

Director of Special Education

Interim Director of Reading

Director of Curriculum

Director for Preschool Programs

Director of Professional Development

Chief Business Operations Officer

Chief Financial Officer

Assistant Superintendent for Auxiliary Services

Administrative Director of Facilities

Administrative Director for Transportation

Budget Coordinator

Charlotte D. Placide

Domoine D. Rutledge

Angela Lee

Jennifer Baird

Jesse Noble

Chris Trahan

Kami McDonald

Elizabeth Duran-Swinford

Herman Brister

Robert Stockwell

Paula Fabre

Maria Pitre

John D. McCann

Paula Johnson

Carlos Sam

Lee Dixon

JoAnn Lamotte

Elizabeth Walsh

Bobbie Robertson

Kirk Guidry

Catherine Fletcher

James P. Crochet

Gail Johnson

Robert Cooper

William Talmadge

Doris Brown



East Baton Rouge Parish School System

November 15, 2007

President and Members of the
East Baton Rouge Parish School Board

Dear Board Members:


The Comprehensive Annual Financial Report of the East Baton Rouge Parish School System for the fiscal year ended June 30, 2007, is presented herewith. This financial report represents a comprehensive portrait of the School System's financial condition. It is structured in such a manner as to make it a very useful management instrument as well as an informative public document.

The Comprehensive Annual Financial Report, along with internal audit activities and other budgetary reports, combine to provide for an effective internal fiscal management control system. This combination of accounting and financial reporting serves the purpose of satisfying our responsibility to provide the public with complete and accurate financial data.

The fiscal year 2006 Comprehensive Annual Financial Report received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association and the Certificate of Excellence in Financial Reporting from the Association of School Business Officials. This was the twenty-first consecutive year that the School Board received both of these prestigious awards.

The staff of the Operations and Budget Management, Finance, and Graphic Arts Departments is to be commended for the attainment of such high standards for their financial reporting and their efforts in the preparation of this report on a timely basis. In addition, Postlethwaite & Netterville, our independent auditors, are to be commended for the professional, thorough, and timely manner in which the audit was conducted.

Respectfully submitted,



Charlotte D. Placide, MPA, RSBA, CGFO
CEO/Superintendent of Schools



November 15, 2007

President and Members
East Baton Rouge Parish School Board

Residents of East Baton Rouge Parish:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the East Baton Rouge Parish School System (School System), for the fiscal year ended June 30, 2007. This report provides full disclosure of the financial operations of the School System for the fiscal year ended June 30, 2007. This CAFR, which has been audited by Postlethwaite & Netterville, APAC, a firm of licensed certified public accountants, conforms to Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School Board and management of the School Board. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of various funds and account groups of the School System. All disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included.

The Reporting Model

The School Board and management adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year ended June 30, 2001*. This reporting model is designed to make the annual financial report easier for the public to understand and improve operational accountability with the introduction of district-wide financial statements compared to the previous reporting model which was based on fund and fund types. GASB No. 34 creates new basic financial statements for reporting on the School System's financial activities as follows:

Government-wide financial statements consist of a statement of net assets and a statement of activities. These statements are prepared on an accrual basis of accounting for all activities of the School System, which is similar to the basis of accounting and financial reporting followed by the private sector. The government-wide statements distinguish between the governmental and business-type activities of the School System.

Fund financial statements present information for individual major governmental and enterprise funds rather than by fund type. Non-major funds are presented in total in one column.

Notes to the financial statements provide additional information that is essential to a user's understanding of the basic financial statements. Notes contain information that are not a part of the financial statements; however, notes are an integral part of the statements.

Required Supplementary Information (RSI) consists of statements that present comparisons of actual information to the legally adopted budget. Management's Discussion and Analysis (MD&A) is also a part of the RSI and is intended to provide an objective, easy to understand narrative overview and analysis of the basic financial statements. It explains the financial position and results of operations of the School System for the past fiscal year. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A is located immediately following the report of the independent auditors. Copies of this CAFR will be made available to the Chamber of Commerce, major taxpayers, the public library, and other interested parties.

Reporting Entity

This report includes all funds and account groups of the School System. The School System is a political subdivision of the State of Louisiana created under the Constitution of Louisiana. It has the power to sue and be sued and to make rules and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the State Board of Elementary and Secondary Education (BESE). It is the responsibility of the School Board to make public education available to the residents of East Baton Rouge Parish.

The elected Board is chosen from twelve single-member districts with each member serving a concurrent four-year term. The School Board is authorized to formulate policy, to establish public schools as it deems necessary, to provide adequate school facilities for the children of East Baton Rouge Parish, to determine the number of teachers to be employed and to determine their salaries. Additionally, the School Board selects the Superintendent of Schools to serve as the School System's chief executive officer.

The public is invited to attend regular meetings of the School Board which are held the third Thursday of each month at 5:00 p.m. in the Board Room of the School System's Central Office, 1050 South Foster Drive. Meetings are televised live on Cox Cable Channel 21 and replayed at various times during the following weeks.

The School System provides a full range of public education services at all grade levels ranging from pre-kindergarten through grade twelve to approximately 46,462 students. Total enrollment includes students participating in pre-kindergarten programs, regular and enriched academic education, alternative education, exceptional student services education for the handicapped to age twenty-two, career and technical education and three Charter Schools (two elementary and one middle). In addition, the School System serves approximately 4,500 adult education students annually and employs approximately 6,000 persons. Services provided to students include instructional staff, instructional materials, instructional facilities, administrative support, business services, food services, system operations, facility maintenance, and bus transportation.

The goal of the School Board is to become an exemplary pre-kindergarten through 12th (PK-12) school system, with rigorous teaching and learning, where ALL students and adults meet high expectations.

The vision of the School Board is a high-achieving performance-based system advancing scholarship and the lifelong development of students consistent with their needs, interests and abilities, while strengthening the economic, social and cultural life of a diverse community and operating at the highest levels of ethical and professional behavior.

ECONOMIC CONDITION AND OUTLOOK

The School System is located in Baton Rouge, Louisiana, in the southeastern section of the State, along the Mississippi River. In addition to being the largest city in the State, post-Hurricane Katrina, Baton Rouge is also the capital of Louisiana and the principal home of two major state universities: Southern University (SU) and Louisiana State University (LSU).

The Baton Rouge Community College (BRCC), a two-year institution of higher education, opened in the Fall of 1998 and is one of America's fastest-growing campuses. When classes began at BRCC in 1998, enrollment was just under 1,900 students, current enrollment is approaching 7,000 students. The community college system builds a system of higher education that is more affordable for young people and provides opportunities for training and certification in a number of skills. BRCC is jointly under the control, supervision, and management of the Board of Supervisors of Southern University and Louisiana State University.

Baton Rouge is the home of one of the largest oil refining and petrochemical centers in the nation and is the hub of the industrial region that stretches eighty miles to New Orleans. Located 230 river miles (434 kilometers) above the mouth of the Mississippi River, with a 45-foot channel, Baton Rouge is the furthest inland deepwater port on the Gulf of Mexico via the Mississippi River. The expanding Port of Greater Baton Rouge ranks tenth among the major ports of the nation. The Port of Greater Baton Rouge is a strategic gateway for the handling of international and domestic commerce. The Greater Baton Rouge area is designated as a U.S. Customs Port of Entry.

Baton Rouge is the home for several high-technology research facilities such as Louisiana State University's C. B. Pennington Biomedical Research Center and its Center for Advanced Microstructure and Devices. Opened in 1988, the Pennington Center now houses 14 research laboratories, 17 core service laboratories, inpatient and outpatient clinics, a research kitchen, an administrative area, and more than \$20 million in technologically advanced equipment. More than 70 faculty members and over 600 physicians, scientists, and support personnel focus their research efforts on six key areas: obesity and metabolic syndrome, experimental obesity, functional foods, nutrition and chronic diseases, health and performance enhancement, and nutrition and the brain. Facilities such as these will continue to boost the local economy.

Wampold Companies began construction in August 2007 on the II City Plaza. This is the first large-scale office building in downtown Baton Rouge in more than 25 years. The site will be located in the heart of downtown at Convention and Fourth streets and will be a 12-story, 260,000 square-foot complex. The building is expected to open by the end of 2008 and is estimated to cost \$70 million. The plans will connect the new tower to City Plaza via a granite-and-glass breezeway. Other amenities include a courtyard between the towers and a first-floor with 10,000 square feet of additional high-end retail space. This new building will increase Class A office space, a segment of the Baton Rouge market that already was near capacity before Hurricane Katrina boosted demand.

In November 2006, Governor Kathleen Blanco announced a \$100 million expansion of the Formosa Plastics chemical plant on Scenic Highway. Construction began in early 2007 and will extend two years as Taiwan-based Formosa expands its vinyl chloride monomer output about 50 % to 744,000 tons per year. Vinyl chloride monomer is a building block for polyvinyl chloride products, such as PVC pipe, tubing, wall coverings, film and swimming pool liners. The expansion protects 290 jobs - 70 of them permanent contractors - at Formosa in Baton Rouge. This expansion will provide a boost to the local economy.

East Baton Rouge Parish consumer and business spending increased by approximately 9% during 2006. More than \$7.47 billion was spent in the parish last year. The numbers were even more impressive compared with 2004, the calendar year before Hurricane Katrina's energizing effect on the local economy. Spending throughout 2006 represented a 24% jump from the \$6.03 billion spent two years ago. The figures showed retailers raked in \$744.1 million in the key holiday-shopping month of December, a 5.1% decline from the year-ago period. The December figures represent a 14% increase over the \$653 million during the same month in 2004. Spending rose nearly 11% within incorporated areas to \$4.48 billion. Spending climbed 6.4% in unincorporated areas to \$2.98 billion. The numbers, based on the city-parish Finance Department's collection of a 2% sales tax, do not include vehicle sales, the collection of which is often volatile.

Actual sales tax collections through June 2007 were finalized and received from the City Parish in August 2007. Actual collections improved slightly for the fiscal year ended June 30, 2007. Actual collections parish wide indicate an increase over prior year's collections of approximately 2.58% compared to 22.58% for the prior year. Sales tax collections represent a major component or 29.6% of general operating revenue for the School System. The local economy remained constant in employment for goods producing and service providing jobs, when compared to a year ago. The unemployment rate for the Baton Rouge area for June 2007 was 4.6% compared to 4.6% for June 2006.

Several years ago, the Louisiana Legislature approved a revision to the State Minimum Foundation Program (MFP) for elementary and secondary education that has and will continue to greatly impact the School System. This MFP formula establishes a standard of local support for each school system based on the State average local support relative to the system's capacity to raise local funds. The formula provides that no school system will receive less State funds than the MFP formula provided to them in 1991-1992 unless there is a decline in student enrollment.

Student enrollment had declined by approximately 14,625 since 1994; however, approximately 5,856 of this decrease is attributable to the Baker and Zachary separations. This decline in student enrollment has resulted in State funding to the School System being reduced by millions of dollars. Student enrollment appears to have stabilized with February 1, 2007 student enrollment approved for the purpose of funding by the State of 46,462 students, which was 1,333 students more than the 2005-2006 State audited enrollment count.

Prior to 2002, the MFP formula provided no additional revenues to the School System even in a year of student enrollment growth. A "hold-harmless" clause was in the formula to provide assurance that the School System would not lose an estimated \$30 million. The Legislature had designated limited increases in State funding in recent years to approximately eleven districts with a "hold harmless" clause. The increases to those districts were designated for the purpose of increasing teacher compensation in conjunction with a move by the Legislature and the Governor to improve teacher compensation statewide. The "hold harmless" designation was modified by the Legislature for the 2001-2002 fiscal year and replaced with a designation of "over funded". The "hold harmless" distinction in Level 1 (local wealth) and Level 2 (local effort) of the MFP formula was replaced by an "over funded" designation in Level 3 of the formula. As a result, the School System has a not to exceed amount of approximately \$25.6 million or \$567 per student, with equal participation in Levels 1 and 2.

During the 2007 legislative session, the State Department of Education (SDE) presented simulations to the Board of Elementary and Secondary Education (BESE) to phase out the hold harmless over ten (10) years, which was subsequently approved by the Legislature. In the SDE simulations the District has an offset to hold harmless of approximately \$13.6 million, which is attributable to level 3 raises initially required in fiscal years 1996-1997, 1997-1998, and 1998-1999. The SDOE has proposed that the remaining hold harmless balance of \$12.0 million be eliminated over ten (10) years at \$1.2 million per year by reducing MFP funding, commencing 2007-2008.

The General Fund Budget has sustained substantial cuts to programs and extensive employee reductions as a result of declining student enrollment and State funding, and flat sales tax collections in recent years. However, no reductions were recommended for the 2007-2008 fiscal year and only modest reductions were recommended for 2006-2007. Sales tax growth prior to Hurricane Katrina was relatively minimal; however, post Katrina collections are robust. Sales tax collections are being monitored very closely to ensure stabilization before recurring costs are added to the General Fund Budget.

MAJOR INITIATIVES

Current Year - During the 2006-2007 year, the School System continued its efforts to improve student performance and community support through various programs.

Strategic Plan

Implementation of the Strategic/Accountability Plan (SAP) which was approved by the East Baton Rouge Parish School Board June 5, 2005 continues. With input from external and internal stakeholders, the School System developed a plan that consists of three objectives, which are supported by research-based strategies and then executed by tactics that are specific actions selected to implement those strategies. School System personnel have assumed the responsibility of regularly reporting SAP progress not only to the Board on a quarterly basis, but also semi-annually to the Guiding Coalition, a group of business and community leaders selected by the Board and the Superintendent to serve as Ambassadors for the School System. The existing plan expires in June 2008 and is currently in the process of revision with a target Board approval date of January 2008. The Strategic Plan's goal and objectives are as follows:

Goal:

To become an exemplary pre-kindergarten through 12th grade (PK-12) school system, with rigorous teaching and learning, where ALL students and adults meet high expectations.

Objectives:

1. Increase student achievement.
2. Promote a safe, caring, and service oriented district culture.
3. Improve communications and expand community engagement.

Tax Plan Progress

All projects in the first five year phase of the 1998 One-Cent Sales Tax Plan were completed in the 2004-2005 fiscal year at a total cost of \$168.5 million. All projects were completed on time and within budget constraints.

New School Openings

Construction of the new McKinley Middle Magnet School and Woodlawn Middle School were completed and ready for students, faculty, and staff in August 2006. The new Winbourne Elementary was ready for students, faculty, and staff in August 2007.

Tax Plan Continuation

In May 2003, the community continued to support the School System by voting to continue the five year one-cent sales tax. The continuation was again in the form of three propositions, mirroring the form it took in 1998 with collections to begin April 1, 2004 and continue through 2010. Proposition 1 calls for the construction of seven new schools (4 new, 3 rebuilt), major renovations at another four (3 high schools, 1 middle) and much needed repairs at another forty (7 high schools, 9 middle schools, 24 elementary schools). Both the new and renovated schools will provide appropriate educational spaces that are more conducive to teaching and learning, provide adequate special program and laboratory facilities; improve safety and security, and increase technology implementation and accessibility.

Propositions 2 and 3 will fund the continuation of discipline programs and employee compensation at current levels. A community Oversight Committee continues to ensure that the money approved by the voters is spent appropriately.

Major Projects

- The new Woodlawn Middle School and the new McKinley Middle School were completed and opened in August 2006. The new Winbourne Elementary opened in August 2007.
- Major renovations to Scotlandville Middle School to convert the site to an elementary school were completed in December 2006.
- Major renovations to Baton Rouge High School are in the planning phase. A staff committee has been appointed by the Superintendent to determine the direction of this restoration/renovation/replacement project.
- A classroom addition at LaBelle Aire Elementary School was completed October 2006.
- Classroom renovation projects at twelve (12) locations were completed and ready for students, faculty, and staff in August 2006.
- Classroom renovations at Broadmoor High were completed in August 2007. Classroom renovations and additions are underway at Park Forest Middle and Park Forest Elementary Schools.
- The major renovation at McKinley High School is in the planning phase.
- Demolition of the old Capitol Middle School to make room for the new Capitol Elementary School is complete. The new school is under construction and scheduled for completion August 2008.
- Construction of the new Winbourne Elementary School was completed in August 2007.
- The new Dufrocq Elementary School and the new Woodlawn Elementary School are in the design phase. Both schools are scheduled to open in August 2009.

Stupski Foundation

The School System has partnered with the Stupski Foundation in an effort to improve the overall performance of the School System. In October 2003, the School System received an invitation from the Stupski Foundation to attend a work session in a joint partnership which would provide expert and financial resources to the School System. Based in Mill Valley, California, the Stupski Foundation has worked with other high poverty, urban school systems similar to East Baton Rouge Parish School System (EBRPSS). Believing EBRPSS has a leadership team and a School Board committed to doing what it takes to improve the School System, Stupski began lending its expertise and support in the form of not only dollars, but also human capacity. With the Stupski teams' guidance, the School System began assessing students more frequently, so future instruction focuses on students' weaknesses proactively. The foundation will continue working with the School System for 2007-2008, but will adopt a less-active role as the partnership nears completion.

Established in 1996 as a non-profit operating foundation, the Stupski Foundation believes that it's most effective contribution to education reform is through support at the district level, providing expert resources and financial investment in district partnerships. Resource teams include former superintendents, educational leaders, and consultants who have led successful district reform initiatives, as well as organization development, data analysis, and systems experts.

The core belief of the Stupski Foundation is that all children can learn and achieve high academic standards, regardless of race or income. Success depends on creating an equitable, system-wide results-oriented culture that embraces change. Selected partner districts must demonstrate evidence of readiness and capacity to improve performance, including the leadership of the Superintendent and School Board with an impassioned will to do this work. The Stupski Foundation acts as a trusted advisor, coach and investor to help create a culture for system change through a courageous and honest collaboration and a shared commitment to reform.

Teach Baton Rouge

Teach Baton Rouge, the School System's alternative certification program, is in its seventh year of operation. The program aims to attract high-quality professionals to a career of teaching. Selection for the program is highly competitive. In the first year, only one out of ten applicants were selected. For the 2007-08 school year nearly two hundred people applied to the program, and thirty-five began teaching. All participants are "highly qualified" using current No Child Left Behind (NCLB) definitions before they enter the classroom as teachers. The program has been responsible for bringing over 125 new teachers into EBRPSS's classrooms. A large majority of program members teach in critical shortage areas such as special education, math, and science. All program members participate in a certification program that leads to full certification within eighteen months.

Teach Baton Rouge helps to build a more diverse teaching force - the recruiting efforts target males, African-Americans, and persons with math/science backgrounds. Teach Baton Rouge members enjoy success in the classroom. Several Teach Baton Rouge teachers have been selected as "Teacher of the Year" for their schools and have been given leadership roles within their individual school sites. In addition, several Teach Baton Rouge teachers were selected as Academic Distinction Fund (ADF) fellows, and are serving as mentors to new teachers. EBRPSS also currently has four teachers that have earned National Board Certification. Teach Baton Rouge teachers work in EBRPSS hardest to staff schools. Here they are paired with their colleagues from Teach for America, the national teacher corps that has placed over 340 teachers in East Baton Rouge Parish Schools since 1990.

30 EBR Schools Receive \$303,548 in Awards

As part of the State's Academic Accountability Program, thirty schools received monetary rewards. Eighteen schools, receiving labels of "Exemplary Academic Growth," and twelve schools, receiving growth labels of "Recognized Academic Growth" were awarded \$303,548. These awards ranged from \$3,959 to \$16,940 and can be used at the discretion of the schools for any allowable expenditures other than salaries, bonuses, or construction.

Test Scores and Awards

East Baton Rouge Parish School System students continued to show improvement on the state's LEAP Exams but had disappointing results in English and math on the Graduation Exit Exams (GEE). The scores of 4th and 8th graders showed noteworthy gains in English, improved in both science and social studies and remained stable in math. EBRPSS 3rd, 5th, 6th, 7th and 9th graders earned mixed results on the statewide iLEAP assessment. The iLEAP, which stands for Integrated Louisiana Educational Assessment Program, replaced The Iowa Tests beginning in the 2005-2006 school year, so districts now have two years of data with which to compare student academic achievement. The American College Test (ACT) average score for the school system was 19.5, the same as last year. Trends in the EBRPSS test data mirrored the State of Louisiana data collected in 2006-2007.

Educational Programs/Awards

Glasgow Middle School was one of three schools in Louisiana named a 2007 *No Child Left Behind* - Blue Ribbon School. The *No Child Left Behind* - Blue Ribbon Schools Program recognizes schools that make significant progress in closing the achievement gap or whose students achieve at very high levels. The schools are selected based on one of two criteria: 1) schools with at least 40 percent of their students from disadvantaged backgrounds that dramatically improve student performance to high levels on State tests; and 2) schools whose students, regardless of background, achieve in the top 10 percent of their state on State tests or in the case of private schools in the top 10 percent of the nation on nationally-normed tests. The 2006 *No Child Left Behind* - Blue Ribbon Schools will be honored at an award ceremony in Washington, D.C., November 12-13, 2007.

The National Board for Professional Teaching Standards announced that 26 East Baton Rouge Parish School System teachers have successfully completed the rigorous application for National Board Certification and are now recognized as among the nation's top educators. This is the highest credential in the teaching profession. Louisiana ranked 10th in the nation for the number of new National Board Certified teachers in 2006, and East Rouge Parish tops the state list.

Educational choice through magnet programs has resulted in approximately 28 magnet and gifted and talented programs being developed and implemented throughout the School System. Magnet programs create exciting learning experiences and promote student achievement. They attract students based on their learning needs, skills and special interests. Enhanced instructional and magnet programs such as Montessori, Visual and Performing Arts, Architectural Design, Medicine, Extended Day, Pre-Kindergarten, Medical/Health, Engineering, Computer Science and Technology, Communication, Math/Science, Foreign Language, and Environmental Science are just a few of the instructional programs being offered at various levels throughout the School System.

The Junior Reserve Officers' Training Corp (JROTC) is currently offered in nine high schools. The main goal of the program is to develop leaders and responsible citizens through a combination of academic and physical activities. JROTC is designed to teach citizenship and leadership, while instilling self-esteem, teamwork, and self-discipline in high school students. The focus of JROTC is reflected in its mission statement, "To Motivate Young People to be Better Citizens". JROTC promotes and encourages service to the community, promotes high school completion, and provides incentives to live drug free. The driving philosophy and vision behind this program is to produce successful students and productive adults. Since participation in this program makes cadets fully aware of the opportunities and benefits derived from their American heritage, the JROTC program makes substantial contributions to the community and ultimately the Nation's future. Uniforms and textbooks are furnished at no expense to the students, and there is no obligation to enter military service.

The School System's enrollment in Career and Technical Education (formerly vocational education) includes 9,908 high school students and 1,153 middle school students. A variety of innovative programs prepare students for productive citizenship and life-long learning, and are designed to assist all students in making a successful transition from school to the workplace, or post-secondary education. Some funding for career and technical programs is obtained through the Carl Perkins IV Applied Technology Act of 2006. The Basic Grant and Tech Prep initiatives resulted in funding of approximately \$780,669 for fiscal year 2006-2007. The goals of this department are accomplished by providing students with assistance in career development activities, development of five year career plans, purposeful course selection that develops both academic and technical skills, development of employability skills, and providing opportunities for students to obtain a Diploma Endorsement for Career and Technical Education.

The School System continues to expand opportunities of pre-school programs. Pre-K students are provided transportation to a number of sites for six hours of instruction daily along with before and after school care. EBRPSS quality pre-school environments provide small pupil-teacher ratios, certified teachers and a curriculum based on the National Association for the Education of Young Children standards of developmentally appropriate practices.

A range of services are offered based on the mentally and/or physically disabled child. Exceptional students can be placed in the following settings: the regular education classroom with extra support available, resource classrooms, or the self-contained and community-based classes. Alternative programs are also offered to help meet the needs of non-traditional learners such as: Staring Education Center and Mohican Preparatory Academy for over-aged middle school students and special programs for over-aged students at all middle schools except McKinley Middle Magnet and Sherwood Middle Magnet.

For high school aged non-traditional students the School System offers Baton Rouge Preparatory Academy, Northdale Academy and Valley Park Alternative schools. Juvenile Continuing Education Programs for middle and high school students expelled from the traditional schools, Options Pre-GED and Adult Education programs are also available.

High Schools in the School System are providing students with curriculum opportunities to pursue: 1) college degrees at the nation's finest colleges and universities; 2) college degrees after attending community colleges; 3) associate degrees at community and technical colleges; 4) employment opportunities; and 5) careers in the United States Military.

During the 2006-2007 school year, many high school students participated in dual enrollment courses in partnership with Baton Rouge Community College, Southern University, and Louisiana Technical College. Additionally students took honors courses, advanced placement courses and courses which were articulated with various colleges and universities. The School System works with many educational institutions to offer our students rigorous and varied educational opportunities.

A United States Treasury Official helped open Louisiana's first middle school credit union. The Staring Credit Union branch is a partnership between Staring Education Center, an alternative East Baton Rouge Parish middle school for over-age youth, and the Louisiana Department of Transportation and Development Federal Credit Union (LA DOTD FCU). The innovative program provides students hands-on learning opportunities, while teaching the importance of money-management skills and "real world" business practices. Staring Credit Union will operate as a branch of LA DOTD FCU, run by the students under the guidance of Marcia Wells, LA DOTD FCU's Community Development Representative. Staring students will staff the credit union during operating hours, setting up savings accounts and accepting deposits from classmates and teachers.

In 2005, the U.S. Department of Education's Safe Schools/Healthy Students office awarded the School System a three-year grant totaling \$8.7 million dollars designed to help curb violence and substance abuse among school children. The School System submitted a comprehensive plan in partnership with other community organizations. The plan addressed six elements: 1) a safe school environment; 2) alcohol and other drug and violence prevention and early intervention programs; 3) school and community mental health preventive and treatment intervention services; 4) early childhood psycho-social and emotional development programs; 5) educational reform; and 6) safe school policies. The grant is currently in year three and is expected to be renewed for an additional year.

Volunteers in Public Schools (VIPS)

For over 25 years, Volunteers In Public Schools (VIPS) has advocated and supported the belief that the entire community shares in the responsibility of educating its young citizens. VIPS' programs include *Everybody Reads*, a reading tutorial program that improves the reading skills of first-, second- and third-grade students. Last school year, *Everybody Reads* matched 538 students in 24 schools who were reading below grade level with Reading Friend volunteers. Additionally, VIPS piloted *EveryOne Counts*, a one-on-one tutorial program that improves the math skills of second and third graders. VIPS' Partners In Education program connects businesses and other local entities with public schools to enhance student achievement. Community involvement in EBRPSS rose by four percent as documented in the 144,454 volunteer hours reported for the 2006-2007 school year. The Independent Sector in Washington, D.C. set the hourly volunteer rate at \$18.04, equaling a dollar investment of \$2,711,400. This equates to the hiring of 45 teachers at a base salary of \$60,000.

Child Nutrition Program

One goal of the School System's Child Nutrition Program is to serve nutritious, appetizing, wholesome, affordable meals to the School System's students and staff. The administration believes that good nutrition is a key to learning and that every child has the right to a nutritious breakfast and lunch at the lowest possible price.

The Food Service Department provides 58,000 meals daily, including breakfast, lunch and snacks. Through a U.S. Department of Agriculture (USDA) Breakfast Grant, the Child Nutrition Program is able to offer a free breakfast to all students. For the 2007-2008 school year, student lunch prices are as follows: \$1.70 (elementary) and \$1.90 (middle or high).

All of the central Child Nutrition Program administrative staff have a BS degree with specific training in the field of Dietetics and Nutrition. School meals are planned to comply with the School System's Wellness Policy and all federal and state regulations for nutritious meals. The USDA through the Louisiana State Department of Education, Division of Nutrition Assistance, provides regulatory guidance and monitoring of the School System's Child Nutrition Program.

Transportation Department

During the 2006-2007 school year, the School System transported 41,971 students for a total of 4.88 million miles. With a total of 620 buses, the Transportation Department travels about 27,165 miles daily. Free service is provided to all students living more than one mile from their schools. A committee with representation from the community, administration, private and parochial schools, and city transit was formed to study options available to reduce the cost of transportation.

Charter School Demonstration Programs

During the 1995 Louisiana Legislative Session, the Legislature passed Senate Bill 1305 (Act 192 of 1995) which established a Charter School Demonstration (pilot) program and gave parents, teachers, and citizens an opportunity to create independent public schools.

The School Board received Board of Elementary and Secondary Education (BESE) approval to be one of the eight demonstration School Systems and began operation of three charter schools in the fall of 1997. The School Board approved two elementary and one middle charter schools. The three charter schools began operation in the fall of 1997, each with approximately 54 students. Enrollment has more than doubled in each school since they opened. Student enrollment increases have been approved by the School Board allowing for enrollment (with funding) in grades K-5 at the elementary schools of up to 120 and 180 students at each of the schools. The School Board previously approved an annual increase of 20 students for one of the elementary schools and also approved an increase of 15 students for the middle school for a total of 145 students. The total General Fund appropriation to the charter schools for the 2006-2007 fiscal year was \$3.5 million.

Facilities Management Partnership Contract

Approximately seven years ago, following extensive investigation and research, the School System developed a partnership arrangement with ServiceMaster to provide management services for some aspects of physical plant services, facilities, maintenance, and grounds. Subsequently, ServiceMaster was acquired by ARAMARK. The contract was amended slightly and the School System continued basically the same partnership with ARAMARK. On March 1, 2004, the School Board negotiated a five-year partnership arrangement with ARAMARK, with a five-year renewal option, to provide total Facilities Management Services in the following areas: maintenance, custodial, grounds, materials management/warehousing, and workforce management. The contract will make a number of staffing, procedural, and work flow changes, changes to delivery and procurement systems aimed at improving service to the School System, while capitalizing on efficiencies gained through the application of ARAMARK'S world-wide services and experience. The School System will gain reduced operational costs, predictable labor costs, rapid staffing adjustments, and renewed focus on core business functions. Conservatively, the system will reduce annual operating costs by \$5.0 million dollars when tracked against current expenditures. The School System gained a significant, one-time, flow of cash through the sale of vehicles, tools, and equipment. The School System received \$5.0 million from ARAMARK to assist in deferring the cost associated with the transition. Additionally, in 2007 the Board approved Aramark to provide management services for the implementation of an energy program aimed at reducing energy costs.

School System Desegregation Case and Settlement Agreement Ends

On August 14, 2003, U.S. District Judge James Brady signed an order ending the 47-year old East Baton Rouge Parish School Desegregation Case, one of the longest running school desegregation cases in the nation. Judge Brady approved the final settlement agreement, which was signed by all parties in the case. Those parties were the School Board, the Baton Rouge branch of the National Association for the Advancement of Colored People (NAACP), the original plaintiffs (37 original plaintiffs – children from 14 local families) and the U.S. Justice Department. Judge Brady said “now that the case is over, Baton Rouge residents should focus on making the School System one that the community can be proud”.

The settlement ended the case, but it also required the School System to continue many desegregation tools for four years, which ended July 2007. The settlement allowed more students to attend neighborhood schools, created more magnet programs, and allowed more students to transfer to the schools of their choosing. According to the settlement, schools still had enrollment limits, but the enrollment caps were higher at a few schools. Temporary buildings were still used, but most were taken out of service. Predominantly black schools continued to receive extra teachers and money and operated pre-kindergarten, extended-day, and extended-year programs.

Separation of City of Baker, Zachary, and Central Community School Systems

Effective with the 2003-2004 school year, the School System began the year much smaller than it has in decades. The cities of Baker and Zachary began the school year as their own school districts, running nine (9) schools with about 5,380 students that were previously a part of the School System. The separation of Baker and Zachary required years of effort and litigation, and resulted in a need for expenditure reductions in the School System as a result of the adverse financial impact of approximately \$10.7 million associated with the separation. Enrollment of approximately 51,000 students for the 2002-2003 school year reduced to about 45,000 students for the 2003-2004 school year. The parish payroll was reduced from about 7,115 employees to about 6,000 employees.

The 2006 legislative session contained legislation to allow the creation of a Central Community School System by way of a constitutional amendment, which was approved by voters in a November 2006 statewide election. The city of Central began the 2007 school year with four (4) schools and approximately 2,652 students that were previously a part of the School System. The estimated adverse financial impact associated with this separation is approximately \$5.0 million to the School System. Additionally, the School System continues to incur significant long-term retiree health care costs associated with the exit of the Baker and Zachary School Systems because legacy costs were not allocated to the newly formed districts. The creation of the Central Community School System will further exacerbate this dilemma by this new district not assuming its portion of legacy costs as well as disproportionately increasing the number of retired health plan participants relative to the School System's total group health plan participants. The impact of long-term retiree health care costs associated with the separation and subsequent creation of a school district will have a significant and long-term financial impact.

Milken Family Foundation

The Milken Family Foundation created the Teacher Advancement Program (TAP), which is a comprehensive, research-based school reform model that is intended to attract, retain, and motivate high quality teachers to America's schools. TAP is currently being implemented at Cedarcrest-Southmoor Elementary and Crestworth Middle School, two of the five schools in Louisiana being used as demonstration sites for the TAP program. The program provides teachers with technical support, training, certification, program reviews, and evaluation services. Master and mentor teachers at each site lead teachers through extensive job-embedded professional development and work study groups. Teachers in TAP schools receive a salary supplement if student academic performance meets the goals set by the school.

EBR/LSU Partnership Schools

Through the Louisiana State University (LSU) Partnership Program, Highland Elementary and McKinley Middle Magnet are special "professional development" schools for LSU students enrolled in the University's Teacher Education Program. School System teachers serve as mentors for LSU teacher candidates during a variety of pre-student teaching field experiences as well as during student teaching. At least one LSU faculty member works on a full-time basis at each of the two schools. This individual designs a credit-or CLU-bearing program specifically for each school's faculty, who have committed to ongoing professional development. An EBRPSS teacher, selected by the school principal, facilitates the partnership and coordinates assistance from various units on the LSU campus. Each school maintains a partnership advisory board composed of teachers, administrators, and LSU personnel.

The McKinley Middle Magnet partnership with LSU is beginning its fifth year, while the Highland partnership is entering its eighth year. At McKinley Middle, teacher interns from the Holmes Program in the Department of Curriculum & Instruction are placed with mentor teachers in selected classrooms. These future teachers assist in classrooms by preparing, planning, and teaching lessons of their own, working individually and in small groups with students, and facilitating higher order thinking projects.

The Highland Elementary partnership especially involves the school teachers serving as models for undergraduate students, who take nine credits (Methods of Teaching Reading [6 credits] and Methods of Teaching Social Studies [3 credits]) on the Highland campus. LSU teacher candidates taking these courses also assist classroom teachers by tutoring students and helping design thematic work stations. The program has provided numerous enriching experiences to LSU teacher candidates and has enhanced the participating schools, their students and teachers.

For the Future

EBR School Board Approves Plan to Expand Magnet and Gifted Programs

The East Baton Rouge Parish School Board approved staff recommendations that will expand the Magnet and Gifted/Talented programs throughout the School System. Previously, the School System would not have been able to offer additional programs during the period when the School System was under the desegregation court order and the Final Settlement Agreement. Currently, the bulk of these specialized programs are clustered in, or near, downtown area schools. The approved changes will result in shorter bus rides for many students in the parish who are currently participating in the Magnet and Gifted/Talented programs. The approved changes will also provide families more educational choices. Significant changes include the addition of gifted classes to Audubon Elementary, Parkview Elementary, Wedgewood Elementary and Woodlawn Middle Schools. A major component of the proposal will also expand the Gifted/Talented screening process to include all kindergarten students in the School System. The plan would also implement a French and Spanish Immersion program at Westdale Middle School for students who complete the program at South Boulevard Elementary School. The School Board also approved a new dedicated pre-engineering magnet academy at the Beechwood site which is currently a 6th grade satellite campus of Crestworth Middle School. Additionally, the academic and engineering magnet curriculum at Scotlandville Magnet High School will be enhanced and students enrolled in the Scotlandville Magnet Program will attend classes together and be assigned a core group of teachers who can monitor their progress throughout their high school career.

Autonomous School Networks

The East Baton Rouge Parish School System formally entered into agreements with two external partners to establish a network of autonomous schools in the School System. The goal of this alternative education design is to reduce the number of high school drop outs and create opportunities for a successful post-secondary education experience for students. The East Baton Rouge Parish Laboratory Academy will begin with a total of 100 ninth-graders attending class in specific classrooms that will be housed at Istrouma High School. The main campus of the CAN! Academy of Baton Rouge is expected to enroll 400 students and will be housed on Cadillac Street where the current Baton Rouge Preparatory Academy currently exists. Two satellite CAN! Academy campuses at Prescott Middle School and Glen Oaks Middle School will house an additional 100 students each.

School Closures and Openings

Demographic studies were conducted as part of the research to propose recommendations for a continuation of the 1998 Tax Plan and to bring forth a recommendation regarding the most efficient use of facilities district-wide. This study generated a list of thirteen (13) schools scheduled for closure or reuse over the next seven (7) years. The School Board approved the closure of Mohican Elementary School in 2003-2004 and Mayfair Elementary, Beechwood Elementary, and Scotlandville Middle Schools in 2004-2005. Mayfair Elementary is now a multi-use facility, including pre-K classes, adult education, and other special programs. Beechwood is the pre-engineering site for Crestworth Middle School. Scotlandville Middle has been converted to Scotlandville Elementary. Harding Elementary was closed and leased to J. K. Haynes as a charter school site. North Highlands was scheduled to be closed with the opening of the new Winbourne; however, with the increase in student population after Hurricanes Katrina and Rita, North Highlands will remain open through 2007-2008 while four new classrooms at Delmont and six more classrooms at Merrydale Elementary are constructed. The Old Winbourne Site is currently housing the Dufrocq Program until completion of the new school schedule for opening in August 2009.

Bill & Melinda Gates Foundation - Thurgood Marshall

The Bill and Melinda Gates Foundation is championing a small high school movement globally. The Foundation has engaged the Thurgood Marshall Scholarship Fund (TMSF) as an intermediary to solicit collaborative and partnered proposals from Historically Black Colleges and Universities and local school districts to radically reform district high schools. Southern University in Baton Rouge has partnered with the School System to develop a proposal to convert Capitol Senior High School (CSHS) into two small schools. The original design called for the establishment of Capitol Pre-College Academy (CPCA) serving 9th-10th graders and Capitol Early College Academy serving 11th-12th graders. The conversion of CSHS was to be phased in over three years with both schools being fully operational in 2007. The conversion began in the 2004-2005 school year with the admittance of 9th grade students into CPCA. Based on directives from the support funding source, the plan design has been modified to be more consistent with the research on small school models. In the fall of 2005, CSHS was converted into two small gender-based 9th – 12th schools both with a college preparatory focus. The schools will continue to operate in this configuration during the 2007-2008 school year.

The Wallace Foundation

The Wallace Foundation is focusing on initiatives which support state initiatives demonstrating the willingness and capacity to reform leadership practices to improve student achievement. A component of the Foundation's state-district leadership initiative is the State Action for Leadership Project (SAELP), whose goal is to ensure that State policies affecting leadership are coordinated with and supportive of local efforts to improve student learning. This program awards grants that will support partnerships between institutions of higher education and school districts to recruit, retain and induct leaders at our schools. The School System has partnered with Southern University to train teacher leaders and educational leaders. This District/University Partnership supports the Principals for Tomorrow Program, Principal Induction Program, Principals Academy Program, Principals Technology Program and Area Professional Development Programs provided by Assistant Superintendents. In addition the grant is funding six intern positions who will be spending a semester shadowing a principal. The grant will award \$230,000 in support of this initiative for the development of educational leaders, which will effectively lead to improved student learning in a standards-based and accountability-driven environment.

Internal Control

Management of the School System is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School System are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the costs of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management. The School System utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. It is believed that the School System's internal controls adequately safeguard assets and provide reasonable, proper recording of financial transactions.

Single Audit

As a recipient of Federal and State financial assistance, the School System is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the School System.

As a part of the School System's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, and to determine that the School System has complied with applicable laws and regulations. The results of the School System's Single Audit, for the fiscal year ended June 30, 2007, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls and Policy

The School System maintains budgetary controls. The objective of this system control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School System's governing body. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all funds. The School System also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts in the General Fund are reported as reservations of fund balance and generally are re-appropriated as part of the next year's budget.

The approved budget presents revenues by source and expenditures by function as defined by the Louisiana Board of Elementary and Secondary Education's Bulletin #1929. The Superintendent is authorized to transfer amounts between line items in accordance with budget policy established by the School System's governing body. However, budget amendments are required when total revenues drop 5% or more below expectations, total expenditures exceed budget estimates by 5% or more, and when beginning fund balance is less than 5% or more of its projected amount. Budget to actual comparisons are provided in this report for the General Fund and each Special Revenue Fund.

Capital Projects Funds

Capital Projects Funds are provided by 51% of a one-cent sales tax in Proposition 1 for facilities and technology as approved by the voters in November 1998 as mentioned previously. The effective collection date for this proposition was July 1, 1999. Total sales tax revenues in Proposition 1 for the year ended June 30, 2007 amounted to \$38.1 million. The collection of this tax is for a five-year period and is for the purpose of funding repairs and renovations, enhancing technology, and constructing new schools and classrooms. On May 2, 2003, the voters approved the continuation of the Tax Plan for an additional five years.

Cash Management

Cash temporarily idle during the year was invested in interest-bearing accounts with our fiscal agency, in certificates of deposits, and in the Louisiana Asset Management Pool (LAMP). The School System's Investment Policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Total investment income from all sources totaled \$8.3 million, reflecting an increase of approximately \$4.2 million from the prior year. This increase is a result of increased investment rates.

All of the School System's primary deposits as of June 30, 2007 were either collateralized by securities held by the School System or by its agent in the name of the School System as required by law. The School System's consolidated bank account holds the cash of all funds. Temporary negative cash balances may occur in various funds during the year pending reimbursements from State and Federal grants, as these grants are awarded on a reimbursement basis. The General Fund finances these temporary situations in the majority of the cases.

Risk Management

The School System's administration is charged with the responsibility of supervising the protection of the District's assets by implementing various risk management techniques and procedures to reduce, absorb, minimize or transfer risk. A Risk Management staff is in place to manage this process and includes contracted support to assist management with measures to identify and reduce the system's exposure to loss. The School System continues to carry various forms of liability insurance including, but not limited to, excess workers' compensation coverage, property and casualty, errors and omissions, auto liability and general liability. The School Board adopted a self-insurance program for general liability, property and fleet vehicle insurance. Annual appropriations continue to be approved by the School Board to fund this program. The medical insurance program includes health, life and other benefits for all full-time employees and retirees. The health program is monitored very closely to ensure its stability.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit by independent certified public accountants. The public accounting firm of Postlethwaite & Netterville was selected by the School System several years ago to perform its annual financial audit. In addition to meeting the requirements set forth in State statutes, this audit was designed to comply with requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditors' reports on the basic financial statements are included in the financial section of this report. The auditors' reports related specifically to the single audit, internal control, and compliance with laws and regulations are included in a separate report and are available for review at the School System.

AWARDS

Government Finance Officers Association

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the School System for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006. This was the twenty-first consecutive year that the School System has received this prestigious award. In order to be awarded a Certificate of Achievement, the School System published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the 2006-2007 Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and will submit it to the GFOA for review in determining eligibility for another certificate.

Association of School Business Officials

The School System has received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2006. This was the twenty-first consecutive year that the School System has received this prestigious award. This award certifies that the Comprehensive Annual Financial Report, for the fiscal year ended June 30, 2006, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive technical review of financial reports by an expert panel of certified public accountants and practicing school business officials has been made. The Certificate of Excellence is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International.


A Certificate of Achievement is valid for a period of one year only. Management believes that the Comprehensive Annual Financial Report, for the fiscal year ended June 30, 2007, which will be submitted to ASBO for review, also conforms to its principles and standards.

ACKNOWLEDGEMENTS

It is desired that this report contains the necessary information and data that will provide a better understanding of the operations of the School System. It is further hoped that this report has been designed in such a manner as to be used as an administrative tool and general source of information to enhance the School System's accountability to the public.

The preparation of this report in a timely manner could not have been achieved without a dedicated and highly qualified staff. I would like to take this opportunity to express my sincere appreciation to the entire Budget Management and Finance Department staff, whose extraordinary efforts and dedication contributed significantly in the timely, accurate preparation of this report. The professional, thorough, and timely manner in which our independent auditors, Postlethwaite & Netterville, conducted the audit is also appreciated. The Graphic Arts Department is to be commended on its creative input in the design and timely reproduction of this document. Additionally, members of the School Board are to be thanked for their interest and support in planning and conducting the financial operations of the School System in a responsible and progressive manner.

Sincerely,


James P. Crochet, CPA
Chief Financial Officer



Certificate of Achievement for Excellence in Financial Reporting

Presented to
East Baton Rouge
Parish School Board
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "Thomas J. Flannery".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

Association of School Business Officials International



This Certificate of Excellence in Financial Reporting

is presented to

EAST BATON ROUGE PARISH SCHOOL SYSTEM

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2006

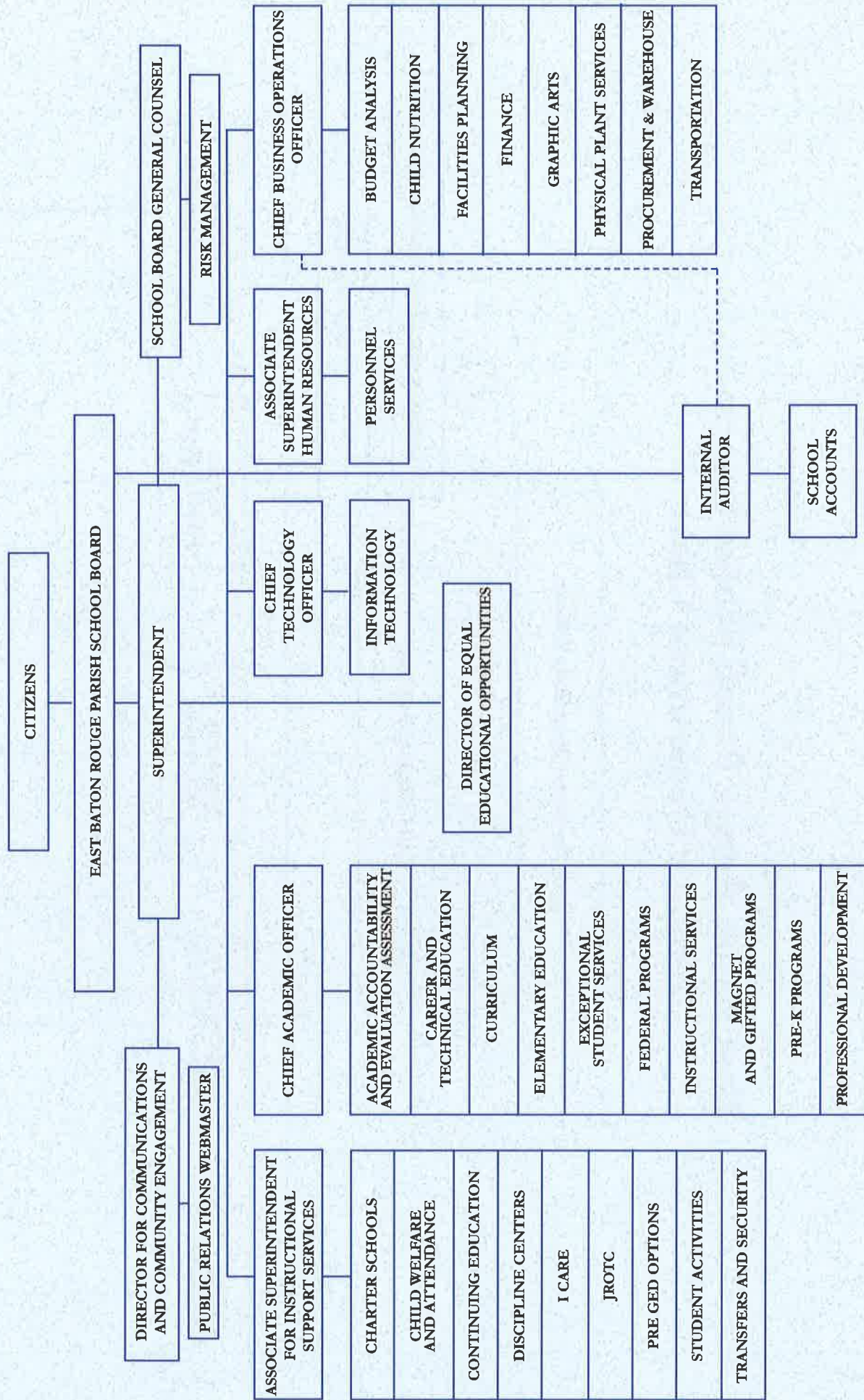
upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

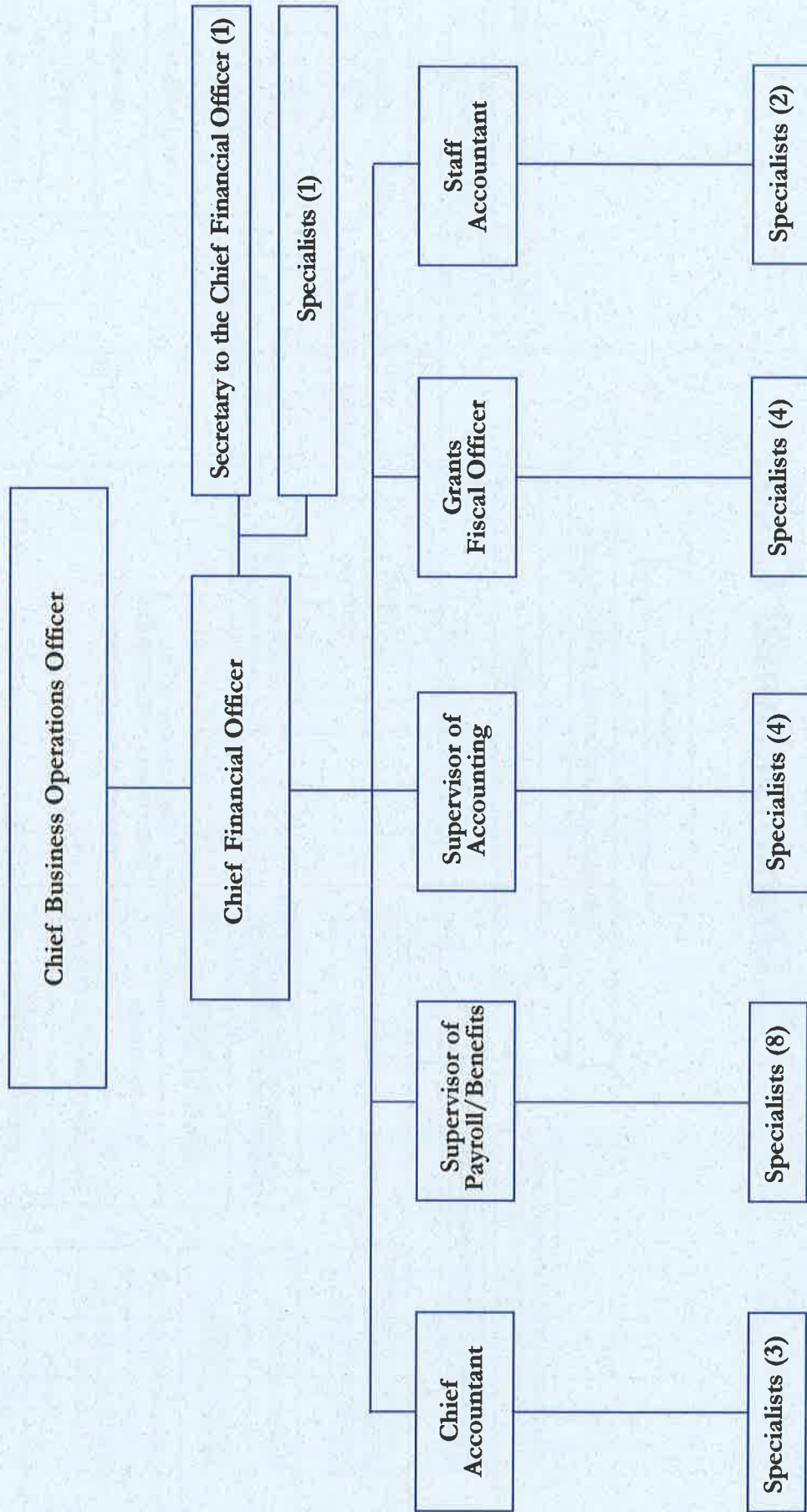
East Baton Rouge Parish School System

Organizational Chart



East Baton Rouge Parish School System

Finance Department Chart



Comprehensive Annual Financial Report



Financial Section



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

INDEPENDENT AUDITORS' REPORT

The East Baton Rouge Parish School System

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Baton Rouge Parish School System (School System) as of and for the year ended June 30, 2007, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System'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 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 East Baton Rouge Parish School System as of June 30, 2007 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.

The management's discussion and analysis and budgetary comparison information on pages xxx through xlv and pages 35 through 41, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Baton Rouge Parish School System's basic financial statements. The accompanying supplementary information consisting of the introductory section, combining and individual non-major fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2007 on our consideration of the East Baton Rouge Parish School System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants, agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The statement of net assets as of June 30, 2006 is shown on page 1 for comparative purposes. This statement was included as part of the School System's June 30, 2006 basic financial statements which were audited by us and upon which we issued our unqualified opinion in our report dated November 9, 2006.

A handwritten signature in cursive script, reading "Postlethwaite & Netterville".

Baton Rouge, Louisiana
November 14, 2007

Comprehensive Annual Financial Report



Required Supplemental Information ***Part I***

East Baton Rouge Parish School System

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

The Management's Discussion and Analysis (MD&A) of the East Baton Rouge Parish School System's (School System) financial performance provides an overall review, objective and easily readable analysis of the School System's financial activities for the fiscal year-ended June 30, 2007. The intent of the MD&A is to look at the School System's overall financial performance as a whole and to assist readers in assessing the financial position as a result of the year's operations in comparison to the prior year. Therefore, readers should read the MD&A in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letters of Transmittal (Page viii) of the Introductory Section, the School System's Financial Statements (Financial Section, Page 1), and the Notes to the Basic Financial Statements.

FINANCIAL HIGHLIGHTS

- Total assets of the School System exceeded total liabilities at June 30, 2007 by \$438.7 million (net assets). The unrestricted portion of net assets was \$143.6 million and may be used to meet the School System's ongoing obligations and operational needs.
- Total net assets increased by \$90.8 million for the year mainly due to new school construction funded by dedicated revenue and favorable financial results in the governmental and internal service funds. Net assets invested in capital assets, net of related debt, increased by \$14.3 million and there was an increase in net assets restricted for capital improvements of \$17.1 million. The second phase of the five year one-cent sales tax, which was renewed by the voters in May 2003, continued with numerous construction projects in progress. Construction projects underway include major renovations, classroom additions, classroom renovations, and technology projects for the 2006-2007 fiscal year. Additionally, new schools at McKinley Middle and Woodlawn Middle were opened in August 2006 and Winbourne Elementary was opened in August 2007. Net assets for the Proposition 3 Compensation Fund increased \$0.9 million from the prior year, which is a result of increased sales tax collections and better than expected operating results, while Proposition 2 Discipline Fund net assets increased \$0.6 million. Net assets for federal and state grant programs increased by \$4.7 million primarily due to increased funds appropriated for textbooks to continue to accumulate necessary funds for future years textbook adoptions, as well as, improved state grant and Child Nutrition Program funding. Net assets for costs required under the settlement agreement decreased slightly and unrestricted net assets increased by \$53.3 million.
- As the School System completed the fiscal year-ended June 30, 2007, its major funds reported fund balances of \$176.4 million as compared to \$124.6 million as of June 30, 2006. The fund balances include the General Fund at \$117.0 million, Propositions 1, 2, and 3 at \$27.9 million, \$4.7 million and \$24.9 million, respectively; and the Child Nutrition Fund with \$1.9 million as of June 30, 2007.
- At the close of the current fiscal year, the General Fund ended the year with a fund balance of \$117.0 million, an increase of \$32.2 million when compared to the prior year. Revenues exceeded expenditures by \$45.7 million and financing uses exceeded sources by \$13.5 million. The significant increase in fund balance is primarily a result of increased sales tax and ad valorem tax collections and better than expected operating results. The unreserved and undesignated portion of this fund balance is \$66.1 million or 20.4% of General Fund expenditures and will be necessary to support increased medical costs, risk management, instructional, and operational requirements.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2007

- Non-major fund balances were \$11.5 million for the fiscal year-ended June 30, 2007 as compared to \$6.8 million as of June 30, 2006. Non-major fund balances increased primarily due to increased funds appropriated for textbooks to continue to accumulate necessary funds for future years textbook adoptions.
- The Internal Service Funds ended the year with a net asset balance at June 30, 2007 of \$41.5 million. The Worker's Compensation, Risk Management and Medical Insurance Funds net asset balances were \$2.7 million, \$4.0 million and \$34.8 million, respectively.

USING THE BASIC FINANCIAL STATEMENTS

The School System's basic financial statements consist of the government-wide financial statements, the fund financial statements, the associated notes to those statements, and the required supplemental information of the MD&A and budgetary comparison schedules of the major funds. The statements are organized so the reader can understand the operations of the School System as a financial whole, i.e., an entire operating entity, its funds, and its fiduciary responsibilities. The government-wide financial statements, consisting of the Comparative Statement of Net Assets and the Statement of Activities (pages 1-2), provide highly consolidated financial information and render a government-wide perspective of the School System's financial position and results of operations for the year. The Fund Financial Statements (pages 3-4, 6-9) provide the next level of detail and look at the School System's most significant funds and a total of all other non-major funds.

Reporting the School System as a Whole

Comparative Statement of Net Assets and Statement of Activities

The Statement of Net Assets and the Statement of Activities present an aggregate view of the School System's finances and a long-term view of those finances. These statements seek to answer the question, "How did the School System as a whole do financially during the 2006-2007 fiscal year?" These statements include *all non-fiduciary assets and liabilities* using the *accrual basis* of accounting used by most private-sector enterprises. The *accrual basis* takes into account all of the School System's current year revenues when earned and expenses when incurred regardless of when they are received or paid.

These two statements report the School System's net assets and changes in those net assets. By showing the change in net assets for the year, the reader may ascertain whether the School System's financial condition has improved or deteriorated. The causes of the change may be the result of many factors, both financial and non-financial in nature. Non-financial factors which may have an impact on the School System's financial condition include the School System's property and sales tax base, student enrollment, facility conditions, required educational programs for which little or no funding is provided or other external factors.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

The following table reflects the condensed Statement of Net Assets for 2007:

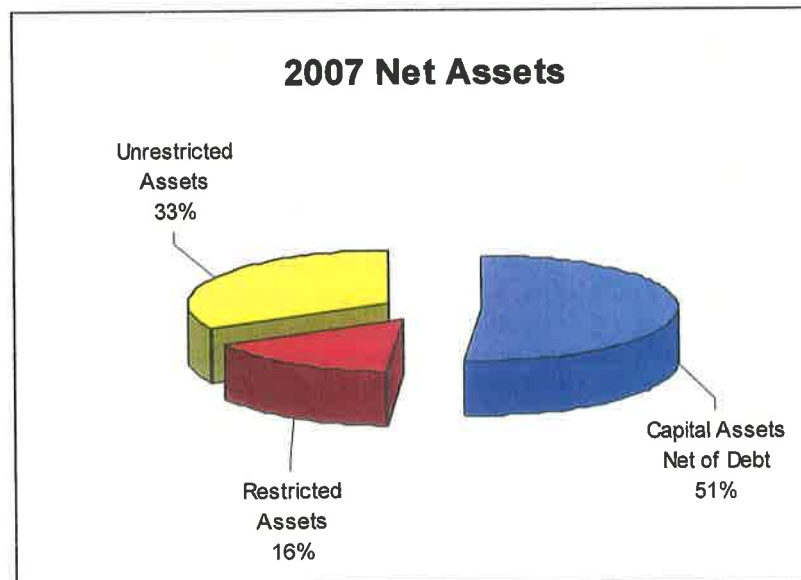
Table I

Combined Statement of Net Assets
Years-ended June 30, 2007 and June 30, 2006
(In millions)

	<u>2007</u>	<u>2006</u>	<u>Increase (Decrease)</u>
<u>Assets</u>			
Current & Other Assets	\$ 266.6	\$ 196.1	\$ 70.5
Capital Assets	<u>227.2</u>	<u>213.1</u>	<u>14.1</u>
Total Assets	\$ 493.8	\$ 409.2	\$ 84.6
<u>Liabilities</u>			
Current Liabilities	\$ 37.1	\$ 43.6	\$ (6.5)
Long-Term Liabilities	<u>18.0</u>	<u>17.7</u>	<u>0.3</u>
Total Liabilities	\$ 55.1	\$ 61.3	\$ (6.2)
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	\$ 225.8	\$ 211.5	\$ 14.3
Restricted	69.3	46.1	23.2
Unrestricted	<u>143.6</u>	<u>90.3</u>	<u>53.3</u>
Total Net Assets	<u>\$ 438.7</u>	<u>\$ 347.9</u>	<u>\$ 90.8</u>

For more detailed information refer to Page 1

The following table reflects an overview of Net Assets for the year-ended June 30, 2007:



For more detailed information refer to Page 1.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

Total assets increased by \$84.6 million from the previous fiscal year with \$14.1 million in the area of capital assets. Capital assets increased as a result of the completed construction of three new schools, additional classrooms at several school sites, and renovation and repair projects being complete or substantially complete at many other sites. McKinley Middle and Woodlawn Middle were opened in August 2006, while Winbourne Elementary was opened in August 2007. These projects are funded by 51% of a one-cent sales tax outlined in Proposition 1 - Capital Projects. Current and other assets increased by \$70.5 million primarily from \$89.9 million of the increase in cash and cash equivalents followed with a decrease of \$18.9 million due from governments. This net increase is attributable to positive financial results in the School System's governmental and internal service funds.

Total liabilities decreased by \$6.2 million from the previous fiscal year, with the greatest decrease being in accounts, salaries, and other payables for \$7.1 million, across all funds. The majority of the decrease in payables or \$4.7 million is attributable to projects funded by 51% of a one-cent sales tax outlined in Proposition 1 - Capital Projects. Also, the Disaster Relief Fund, which was established during 2005-2006 to account for federal funding to meet the needs of displaced students and physical damage to School System property as a result of Hurricanes Katrina and Rita, reported no payables for the current year as compared to \$1.8 million in the prior year.

Other current liabilities increased by \$0.7 million, as a result of the following factors. There was a \$0.5 million reduction in deferred financial commitment, which leaves a \$3.4 million balance representing the unamortized portion of the financial commitment with Aramark. In March 2004, the School System entered into a partnership with Aramark to privatize its maintenance, grounds, and janitorial functions. This partnership included a financial commitment from Aramark of an amount up to \$5,000,000 to support the labor conversion and maintenance and operations of facilities. The School System agreed to invest these funds in costs associated with the labor conversion and/or the maintenance and operation of the facilities. The financial commitment shall be amortized on a straight-line basis over a period of ten (10) years. Upon termination of the partnership by either party, for any reason, the School System must reimburse Aramark the unamortized portion of the financial commitment (note12). Claims payable changed slightly, as a result of ordinary fluctuations in claims processing, with a decrease of \$0.2 million in the Workers Compensation Fund and an increase of \$0.1 million in the Risk Management Fund. Fiduciary fund current liabilities increased by \$1.3 million largely due to payments of payroll withholdings payable at year-end and the timing of the related payrolls.

Long term liabilities increased by \$0.2 million. This increase is primarily a result of a \$0.4 million net increase in Compensated Absences and a \$0.2 million decline in the long-term obligation of the Qualified Zone Academy Bond (QZAB) debt for the purpose of renovations and repairs at various school sites

Net assets increased \$90.8 million as of June 30, 2007, with \$14.3 million of this increase in the area of capital assets, net of related debt resulting from the ongoing construction projects. Restricted net assets increased by \$23.2 million primarily due to a \$17.1 million increase in capital improvement, and a \$6.1 million net increase in supplemental compensation, discipline, federal and state grant programs, and costs required under the settlement agreement. Unrestricted net assets increased from the previous year by \$53.3 million mainly as a result of increased sales tax and ad valorem tax collections and better than expected operating results.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2007

Governmental Activities

The Condensed Statement of Changes in Net Assets presented in Table II, reflect the cost of the School System's governmental activities for the year ended June 30, 2007 of \$447.5 million, which is a 4.3% increase from the prior year. This statement portrays the activity in a traditional revenue over expense format and the numbers are derived from those presented in the Statement of Activities on page 2. The Statement of Activities shows the detailed cost of program services and the charges for services, grants, and contributions offsetting some of the costs of those program expenses. Operating Grants and Contributions totaling \$83.5 million subsidized certain programs of the School System.

The Child Nutrition Program is the second largest federally funded program with \$19.4 million in federal revenue compared to Title I with \$24.5 million. The federal reimbursement rate for meals served increased by approximately 3%. In addition, Charges for Services such as fees from other governments, agencies, schools systems, and students, for transportation services, school lunches, extended day tuition, and summer school tuition totaling \$5.1 million subsidized certain programs of the School System. Student paid lunches increased by \$.10 cents per meal, while all other meal prices remained constant. Approximately 74% of the students are eligible for free or reduced meal prices.

The significant decline of \$30.9 million in Operating Grants and Contributions is primarily attributable to the decline in Disaster Relief funding that was received in the prior year for the federal Hurricane Education Act – Temporary Impact Aid for Displaced Students and Federal Emergency Management Agency (FEMA) reimbursements. The additional revenues received in the prior year offset some of the additional operating costs that were incurred to transport, feed and educate the additional students displaced from Hurricane Katrina.

The remaining program expenses were funded by the taxpayers in East Baton Rouge Parish through Ad-Valorem and Sales and Use Taxes totaling \$266.8 million and State Revenue Sharing totaling \$3.9 million. The Minimum Foundation Program (MFP) from the State of Louisiana funded \$161.6 million, Interest and Investment Earnings funded \$8.3 million, E-Rate, Medicaid reimbursement and other general revenues contributed the remaining \$8.7 million.

Ad-Valorem taxes increased by approximately 8.6% due to growth in the property assessment rolls. The \$19.9 million increase in MFP funds is mainly a result of the State's base per pupil amount increasing from \$3,554 to \$3,652, a \$0.7 million increase for mandated costs, a pay raise through Level 3 of the MFP formula for certificated personnel of \$1,500 or approximately \$7.0 million and a non-certificated pay raise of \$500 or approximately \$1.3 million, an increase in the at-risk weight from 17% to 19%, and a \$3.1 million mid year adjustment for increased students. Sales Taxes from all sources increased approximately 2.2%. Sales tax growth prior to Hurricane Katrina was minimal; however, post Katrina collections are robust. It is unknown how long the population and retail sales growth in East Baton Rouge Parish will remain elevated, which are supporting the increased sales tax collections.

Several factors contributed to the increase in the cost of services by \$18.4 million from the previous year. Total instructional expenses increased by \$6.2 million in 2006-2007, while total support service and charter school appropriation expenses increased by \$12.2 million. Instructional and support service expense increases were largely attributable to; 1) The Board-approved pay raises for teachers and support staff with additional State MFP revenues; 2) Increased depreciation expense resulting from the major construction and renovation projects funded by Proposition 1 – Capital Project Fund; 3) Increased expenses in grant funded programs due to a grant award allocation increase for Special Education and the new Reading First grant; 4) Increased retirement costs; and 5) Increased plant operations and maintenance expenses due to various facility maintenance projects.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2007, the School System has approximately \$227.2 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additional purchases and capital outlays for construction, while decreases represent retirements of assets and depreciation of depreciable assets for the year. Table V shows the net book value of capital assets at the end of the 2007 and 2006 fiscal years.

Table V
Capital Assets at
Years-ended June 30, 2007 and June 30, 2006
(In Millions)

	<u>2007</u>	<u>2006</u>	<u>Increase (Decrease)</u>
Land	\$ 9.4	\$ 8.4	\$ 1.0
Buildings and improvements	195.8	152.8	43.0
Furniture and equipment	7.2	8.2	(1.0)
Construction in progress	<u>14.8</u>	<u>43.7</u>	<u>(28.9)</u>
Totals	<u>\$ 227.2</u>	<u>\$ 213.1</u>	<u>\$ 14.1</u>

For more detailed information refer to Page 25.

School construction for the new Woodlawn Middle and McKinley Middle Schools was completed and ready for students, faculty, and staff in August 2006. The new Winbourne Elementary was ready for students, faculty, and staff in August 2007.

In addition, other major construction projects, renovations, and classroom additions were completed during the year, while others were still in progress at June 30, 2007. Depreciation for the year-ended June 30, 2007 was \$10.6 million for buildings and improvements and \$2.3 million for furniture and equipment. Major construction and renovation projects will continue for the 2007-2008 fiscal year and will be funded with the Proposition 1 "pay-as-you go" sales tax initially approved by the voters in 1998 for a five-year period and renewed on May 2, 2003 for an additional five years.

Debt Administration

At June 30, 2007, the School System had outstanding Qualified Zone Academy Bond (QZAB) notes payable of \$1.4 million that are scheduled for repayment by November 2016. In accordance with LSA-R.S.39: 554 (D), the School System is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of the taxable property (including homestead exempt and nonexempt property) within the parish. At June 30, 2007, the statutory limit is \$1,131,596,109.

Other long-term obligations include accrued sick leave and annual leave. The balance at June 30, 2007 of both current and long-term obligations was \$16.6 million. More detailed information is available on pages 27 and 28.

East Baton Rouge Parish School System
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The financial well being of the School System is tied in large measure to the State funding formula and the sales and property tax base. Actual General Fund sales tax collections for the fiscal year-ended June 30, 2007 reflect an increase of 2.7%, which is a noteworthy improvement as compared to prior years. Sales tax growth prior to Hurricane Katrina was minimal; however, post Katrina collections are robust. It is unknown how long the population and retail sales growth in East Baton Rouge Parish will remain elevated, which are supporting the increased sales tax collections. Actual General Fund Ad Valorem and State MFP revenues both increased by 8.6% and 14.3% respectively. As previously mentioned, these revenues increased because of growth in the property assessment rolls and an increase in the State's base per pupil amount increasing from \$3,554 to \$3,652, a \$0.7 million increase for mandated costs, a pay raise through Level 3 of the MFP formula for certificated personnel of \$1,500 or approximately \$7.0 million and a non-certificated pay raise of \$500 or approximately \$1.3 million, an increase in the at-risk weight from 17% to 19%, and a \$3.1 million mid year adjustment for increased students.

The initial undesignated fund balance projected for the General Fund for the fiscal year-ending June 30, 2008 is \$50.0 million. The 2007-2008 budgeted expenditures are projected to increase by \$27.0 million as compared to prior year actual, which is largely attributable to the Board-approved pay raises for teachers and support staff and additional funds earmarked to improve instruction.

The Teachers' Retirement System's rate increased from 15.8% to 16.6% effective July 1, 2007. The Louisiana School Employees' Retirement System provided notification that the employer contribution rate will decrease from 19.6% to 18.1% for the 2007-2008 fiscal year. Increased retirement contribution rates effective July 1, 2007 are projected to increase contributions by \$1.4 million. The recently reported October 1, 2007 student enrollment figure of 44,415 students (excludes Pre-Kindergarten) was below projections by 555 students and was 580 students above the State MFP funded student counts for 2007-2008, which are based on the February 1, 2007 student enrollment figure. Kindergarten through twelfth grade enrollment is still subject to student audit adjustments and current special education counts and weight adjustments.

The actual undesignated fund balance of \$66.1 million for fiscal year-ended 2006-2007 was an improvement of \$8.0 million when compared with final projections of \$58.1 million. This positive fund balance variance will support increased retirement costs, health care premiums, and other unforeseen emergencies. *The overall financial position of the School System has improved as compared to the prior year.*

CONTACTING THE SCHOOL SYSTEM'S FINANCIAL MANAGEMENT

This CAFR is designed to provide full and complete disclosure of the financial condition and operations of the School System. However, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further detail. To obtain such details, please contact James P. Crochet, Chief Financial Officer, East Baton Rouge Parish School System, Post Office Box 2950, Baton Rouge, Louisiana, 70821. Feel free to also contact us by calling (225) 922-5440 during regular office hours, Monday through Friday, 8:00 a.m. to 4:30 p.m., Central Standard Time, or e-mail at jcrochet@ebrschools.org.



Comprehensive Annual Financial Report



Basic Financial Statements

East Baton Rouge Parish School System

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2007

ASSETS

	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 219,499,895	\$ 129,612,494
Receivables		
Accounts	2,002,251	1,295,540
Sales tax	16,872,112	17,909,913
Ad valorem tax	1,379,502	1,420,512
Due from governments	24,925,508	43,823,640
Inventory	1,942,876	2,054,146
Capital Assets		
Land and construction in progress	24,268,834	52,046,444
Buildings and equipment, net of accumulated depreciation	202,886,110	161,041,602
TOTAL ASSETS	\$ 493,777,088	\$ 409,204,291

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts, salaries and other payables	\$ 8,360,829	\$ 15,484,248
Unearned revenues	579,912	566,873
Deferred financial commitment with maintenance company	3,333,333	3,833,333
Due to external parties (fiduciary fund)	11,874,626	10,566,711
Insurance claims payable		
Due within one year	9,482,531	9,577,398
Due in more than one year	3,527,852	3,535,723
Long-term liabilities		
Due within one year	2,657,767	2,707,234
Due in more than one year	15,298,984	15,006,698
TOTAL LIABILITIES	\$ 55,115,834	\$ 61,278,218

NET ASSETS

Invested in capital assets, net of related debt	\$ 225,764,035	\$ 211,533,500
Restricted for:		
Capital improvements	27,889,497	10,781,273
Compensation	24,923,526	23,984,783
Discipline	4,717,320	4,166,554
Federal and state grant programs	11,497,597	6,777,501
Costs required under settlement agreement	226,895	342,572
Unrestricted	143,642,384	90,339,890
TOTAL NET ASSETS	\$ 438,661,254	\$ 347,926,073

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Governmental Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction:					
Regular education programs	\$ 147,101,404	\$ -	\$ 2,296,816	\$ -	\$ (144,804,588)
Special education programs	64,221,602	-	8,070,762	-	(56,150,840)
Other education programs	47,481,748	871,051	35,255,180	405,775	(10,949,742)
Support Services:					
Pupil support services	24,594,812	-	5,231,675	-	(19,363,137)
Instructional staff services	19,378,843	-	8,567,179	-	(10,811,664)
General administration services	9,692,604	-	155,016	-	(9,537,588)
School administration services	18,682,580	-	349,880	-	(18,332,700)
Business and central services	12,564,091	-	1,006,960	-	(11,557,131)
Plant operations and maintenance	47,877,600	-	333,660	-	(47,543,940)
Transportation	25,988,683	174,406	2,771,802	-	(23,042,475)
Child nutrition	26,189,372	4,083,381	19,447,943	-	(2,658,048)
Appropriation - charter schools	3,804,070	-	-	-	(3,804,070)
Total Governmental Activities	447,577,409	5,128,838	83,486,873	405,775	(358,555,923)
General Revenues					
Taxes:					
Ad valorem taxes					107,347,430
State revenue sharing					3,873,354
Sales and use taxes					159,512,971
State aid not restricted to specific programs (MFP)					161,556,552
Interest and investment earnings					8,308,087
Miscellaneous					8,692,710
Total general revenues					449,291,104
Change in Net Assets					90,735,181
Net Assets - July 1, 2006					347,926,073
Net Assets - June 30, 2007					\$ 438,661,254

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



EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GOVERNMENTAL FUNDS

Balance Sheet

JUNE 30, 2007

	General	Title I	Proposition 1 Capital Projects
<u>ASSETS</u>			
Cash and cash equivalents	\$ 178,450,478	\$ -	\$ 18,064,593
Receivables:			
Accounts	458,480	80,144	2,159
Sales tax	8,919,995	-	4,127,806
Ad valorem tax	1,379,502	-	-
Due from other funds	-	-	7,252,045
Due from other governments	1,441,894	7,144,493	-
Inventory	1,349,637	-	-
TOTAL ASSETS	\$ 191,999,986	\$ 7,224,637	\$ 29,446,603
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 3,227,712	\$ 1,720,698	\$ 1,557,106
Salaries and benefits payable	-	-	-
Due to other funds	68,302,129	5,503,939	-
Deferred financial commitment with maintenance company	3,333,333	-	-
Unearned revenues	112,942	-	-
TOTAL LIABILITIES	74,976,116	7,224,637	1,557,106
Fund balances:			
Reserved for inventory	1,349,637	-	-
Reserved for encumbrances	4,804,952	-	14,825,507
Unreserved, reported in:			
General Fund:			
Designated for coverage of medical claims	5,250,000	-	-
Designated for coverage of risk management claims	3,000,000	-	-
Designated for bus purchases	5,000,000	-	-
Designated for facilities	7,250,000	-	-
Designated for costs required under settlement agreement	226,895	-	-
Designated for energy conservation	3,000,000	-	-
Designated for instruction	15,000,000	-	-
Designated for current operations	6,000,000	-	-
Undesignated	66,142,386	-	-
Special Revenue Fund	-	-	-
Capital Projects Fund	-	-	13,063,990
TOTAL FUND BALANCES	117,023,870	-	27,889,497
TOTAL LIABILITIES AND FUND BALANCES	\$ 191,999,986	\$ 7,224,637	\$ 29,446,603

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

Proposition 2 Discipline	Proposition 3 Compensation	Child Nutrition	Other Non-major Governmental	Total
\$ 3,622,829	\$ 16,847,907	\$ 14,088	\$ -	\$ 216,999,895
-	421	-	588,555	1,129,759
655,566	3,168,745	-	-	16,872,112
-	-	-	-	1,379,502
454,278	4,948,017	1,350,098	9,544,771	23,549,209
-	-	514,618	15,824,503	24,925,508
-	-	593,239	-	1,942,876
<u>\$ 4,732,673</u>	<u>\$ 24,965,090</u>	<u>\$ 2,472,043</u>	<u>\$ 25,957,829</u>	<u>\$ 286,798,861</u>
\$ 15,353	\$ 41,564	\$ 271,581	\$ 1,241,781	\$ 8,075,795
-	-	-	1,860	1,860
-	-	-	13,059,344	86,865,412
-	-	-	-	3,333,333
-	-	309,723	157,247	579,912
<u>15,353</u>	<u>41,564</u>	<u>581,304</u>	<u>14,460,232</u>	<u>98,856,312</u>
-	-	283,516	-	1,633,153
6,299	-	201,441	-	19,838,199
-	-	-	-	5,250,000
-	-	-	-	3,000,000
-	-	-	-	5,000,000
-	-	-	-	7,250,000
-	-	-	-	226,895
-	-	-	-	3,000,000
-	-	-	-	15,000,000
-	-	-	-	6,000,000
-	-	-	-	66,142,386
4,711,021	24,923,526	1,405,782	11,497,597	42,537,926
-	-	-	-	13,063,990
<u>4,717,320</u>	<u>24,923,526</u>	<u>1,890,739</u>	<u>11,497,597</u>	<u>187,942,549</u>
<u>\$ 4,732,673</u>	<u>\$ 24,965,090</u>	<u>\$ 2,472,043</u>	<u>\$ 25,957,829</u>	<u>\$ 286,798,861</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007

Total Fund Balances at June 30, 2007 - Governmental Funds		\$ 187,942,549
Cost of capital assets at June 30, 2007	\$ 357,757,333	
Less: Accumulated depreciation as of June 30, 2007:		
Buildings	(101,280,126)	
Movable property	<u>(29,322,263)</u>	227,154,944
Consolidation of internal service funds		41,520,512
Elimination of interfund assets and liabilities		
Due from other funds	(74,990,786)	
Due to other funds	<u>74,990,786</u>	
Long-term liabilities at June 30, 2007		
Compensated absences payable	(16,565,842)	
Notes payable	<u>(1,390,909)</u>	<u>(17,956,751)</u>
Total net assets at June 30, 2007 - Governmental Activities		<u>\$ 438,661,254</u>

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



EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR ENDED JUNE 30, 2007

	<u>General</u>	<u>Title I</u>	<u>Proposition 1 Capital Projects</u>	<u>Proposition 2 Discipline</u>
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ 105,659,207	\$ -	\$ -	\$ -
Sales and use taxes	84,856,072	-	38,056,711	5,969,617
Earnings on investments	6,074,204	-	714,732	219,993
Extended day program tuition	499,523	-	-	-
Other	6,510,688	-	1,115,550	-
State sources:				
Unrestricted grants-in-aid, MFP	157,806,552	-	-	-
Revenue sharing	3,873,354	-	-	-
Restricted grants-in-aid	3,237,816	-	-	-
Federal grants	720,441	24,536,565	-	-
TOTAL REVENUES	369,237,857	24,536,565	39,886,993	6,189,610
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	116,417,278	-	-	3,840,609
Special education programs	51,145,981	-	-	59,712
Other education programs	12,811,113	16,932,601	-	-
Support:				
Pupil support services	16,517,373	414,687	-	972,192
Instructional staff services	9,976,374	3,451,834	-	155,848
General administration services	9,834,655	137,856	344,443	54,037
School administration services	17,557,661	-	-	211,497
Business and central services	10,585,120	448,629	847,874	-
Plant operations and maintenance	43,005,521	211,338	5,555,188	285,357
Transportation	23,754,988	231,010	-	59,592
Child nutrition	-	-	-	-
Appropriation-Charter schools	3,535,059	-	-	-
Settlement agreement	8,139,026	-	-	-
Facility acquisition and construction	39,177	12,529	21,831,264	-
Debt service - Principal	163,636	-	-	-
TOTAL EXPENDITURES	323,482,962	21,840,484	28,578,769	5,638,844
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	45,754,895	2,696,081	11,308,224	550,766

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

<u>Proposition 3 Compensation</u>	<u>Child Nutrition</u>	<u>Other Non-major Governmental</u>	<u>Total</u>
\$ -	\$ -	\$ 1,688,223	\$ 107,347,430
30,630,571	-	-	159,512,971
1,167,847	-	-	8,176,776
-	-	-	499,523
-	4,083,381	2,847,421	14,557,040
-	3,750,000	-	161,556,552
-	-	-	3,873,354
-	-	9,145,602	12,383,418
-	19,447,943	26,398,506	71,103,455
<u>31,798,418</u>	<u>27,281,324</u>	<u>40,079,752</u>	<u>539,010,519</u>
14,793,505	-	1,956,122	137,007,514
6,584,431	-	8,818,540	66,608,664
1,098,227	-	17,319,928	48,161,869
2,201,412	-	5,193,917	25,299,581
1,150,938	-	5,093,488	19,828,482
304,722	-	-	10,675,713
1,560,285	-	63,721	19,393,164
694,191	-	528,469	13,104,283
24,503	-	95,432	49,177,339
2,022,057	-	850,637	26,918,284
425,404	26,796,584	-	27,221,988
-	269,011	-	3,804,070
-	-	-	8,139,026
-	-	-	21,882,970
-	-	-	163,636
<u>30,859,675</u>	<u>27,065,595</u>	<u>39,920,254</u>	<u>477,386,583</u>
<u>938,743</u>	<u>215,729</u>	<u>159,498</u>	<u>61,623,936</u>
			(continued)

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR ENDED JUNE 30, 2007

	<u>General</u>	<u>Title I</u>	<u>Proposition 1 Capital Projects</u>	<u>Proposition 2 Discipline</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	5,065,632	-	5,800,000	-
Transfers out	(18,562,149)	(2,696,081)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(13,496,517)</u>	<u>(2,696,081)</u>	<u>5,800,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	32,258,378	-	17,108,224	550,766
Fund balances, June 30, 2006	<u>84,765,492</u>	<u>-</u>	<u>10,781,273</u>	<u>4,166,554</u>
FUND BALANCES, JUNE 30, 2007	<u><u>\$ 117,023,870</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,889,497</u></u>	<u><u>\$ 4,717,320</u></u>

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

<u>Proposition 3 Compensation</u>	<u>Child Nutrition</u>	<u>Other Non-Major Governmental</u>	<u>Total</u>
-	900,000	6,862,149	18,627,781
-	(68,000)	(2,301,551)	(23,627,781)
-	832,000	4,560,598	(5,000,000)
938,743	1,047,729	4,720,096	56,623,936
23,984,783	843,010	6,777,501	131,318,613
<u>\$ 24,923,526</u>	<u>\$ 1,890,739</u>	<u>\$ 11,497,597</u>	<u>\$ 187,942,549</u> (concluded)

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2007

Net Change in Fund Balances - Total Governmental Funds		\$ 56,623,936
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 27,018,462	
Depreciation expense for year ended June 30, 2007	<u>(12,858,665)</u>	14,159,797
Gain on disposition of capital assets		736,343
Proceeds from the sale of capital assets in excess of net gain/loss recognized		(829,241)
Change in net assets of internal service funds		20,287,166
Long Term Debt:		
Principal portion of debt service payments	163,636	
Excess of compensated absences earned over amounts used	<u>(406,456)</u>	<u>(242,820)</u>
Change in Net Assets - Governmental Activities		<u>\$ 90,735,181</u>

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
PROPRIETARY FUNDS - INTERNAL SERVICE
BALANCE SHEET
JUNE 30, 2007

	<u>Internal Service Funds</u>
<u>ASSETS</u>	
Current:	
Cash and cash equivalents	\$ 2,500,000
Due from other funds	51,441,577
Reimbursements receivable	<u>872,492</u>
 TOTAL ASSETS	 <u>\$ 54,814,069</u>
<u>LIABILITIES AND NET ASSETS</u>	
Liabilities:	
Current:	
Accounts payable	\$ 283,174
Claims payable	9,482,531
Noncurrent:	
Claims payable	<u>3,527,852</u>
 TOTAL LIABILITIES	 <u>13,293,557</u>
 Net Assets:	
Unrestricted	<u>41,520,512</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 54,814,069</u>

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
PROPRIETARY FUNDS - INTERNAL SERVICE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FISCAL YEAR ENDED JUNE 30, 2007

	Internal Service Funds
<u>OPERATING REVENUES</u>	
Premiums received	\$ 81,408,967
TOTAL OPERATING REVENUES	81,408,967
<u>OPERATING EXPENSES</u>	
Claims expense	60,514,972
Insurance premiums	2,812,191
Administrative fees	2,925,949
TOTAL OPERATING EXPENSES	66,253,112
NET OPERATING INCOME	15,155,855
<u>NON-OPERATING REVENUES</u>	
Interest income	131,311
TOTAL NON-OPERATING REVENUES	131,311
INCOME BEFORE TRANSFERS	15,287,166
Transfers in	5,000,000
Change in net assets	20,287,166
Net Assets, at June 30, 2006	21,233,346
NET ASSETS, AT JUNE 30, 2007	\$ 41,520,512

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
PROPRIETARY FUNDS - INTERNAL SERVICE
STATEMENT OF CASH FLOWS
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Internal Service Funds</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Cash premiums received	\$ 80,998,506
Cash paid in claims and benefits	(63,429,901)
Cash paid for expenses	(3,043,769)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>14,524,836</u>
 <u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>	
Advances to other funds	(14,735,744)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	<u>(14,735,744)</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Interest Income	131,311
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>131,311</u>
 NET CHANGE IN CASH	(79,597)
 Cash at beginning of year	<u>2,579,597</u>
 Cash at end of year	<u><u>\$ 2,500,000</u></u>
 <u>Reconciliation of operating income to net cash provided by operating activities</u>	
Operating Income	\$ 15,155,855
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in:	
Reimbursement receivables	(410,461)
Accounts and claims payable	(220,558)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 14,524,836</u></u>

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2007

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 4,224,268
Accounts receivable	29,373
Due from other funds	<u>11,874,626</u>
 TOTAL ASSETS	 <u>\$ 16,128,267</u>
<u>LIABILITIES</u>	
Benefits payable	\$ 2,445,883
Salaries payable	7,723,270
Payroll withholdings payable	1,423,577
Amounts held for other groups	<u>4,535,537</u>
 TOTAL LIABILITIES	 <u>\$ 16,128,267</u>

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

1. **GENERAL INFORMATION**

The East Baton Rouge Parish School System (the School System) is a corporate body created under Louisiana Revised Statutes 17:51. A board consisting of 12 members (the Board) elected from legally established districts is charged with the management and operation of the School System.

The School System is composed of a central office, 92 schools and several support facilities. Student enrollment as of February, 2007 was 46,462. The School System employs approximately 6,000 persons, approximately 3,800 of whom are directly involved in the instructional process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation and food service. The regular school term normally begins during the first half of August and is completed by the end of May.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The School System complies with Generally Accepted Accounting Principles (GAAP). The School System's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The School System applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, to its government-wide financial statements unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

A. **Financial Reporting Entity**

The basic criterion established by the Governmental Accounting Standards Board for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary government unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. The financial statements present the East Baton Rouge Parish School System (the primary government). Based on the aforementioned criteria, there are no component units included in the School System's reporting entity.

B. **Basis of Presentation**

The School System's *Basic Financial Statements* consist of the government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major fund and combined non-major fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America 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. Interfund activity consists of interfund advances, transfers and charges from the internal service funds to the governmental funds. As a general rule, the effect of interfund activity has been eliminated from both the statement of net assets and the statement of activities. Exceptions to the general rule are advances between fiduciary funds and the various functions of the School System and interfund services provided and used, which are not eliminated in the process of consolidation. Charges from the internal service funds to the governmental funds are eliminated in consolidation. The government-wide presentation focuses primarily on the sustainability of the School System as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

B. **Basis of Presentation** (continued)

Government-Wide Financial Statements (continued)

All programs of the School System are considered *Governmental Activities* which are normally supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues included in the Statement of Activities are derived from parties outside the School System's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School System's general revenues.

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

Fund Financial Statements

The daily accounts and operations of the School System are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

The funds of the School System are classified into three broad categories: Governmental, Proprietary and Fiduciary.

Governmental Fund Types:

The School System reports the following governmental funds as major funds:

General Fund - The General Fund is the primary operating fund of the School System. It is used to account for all financial resources except those required to be accounted for in another fund.

Title I Fund - Title I includes programs in the areas of language development, reading, and math. These programs strive to meet the special needs of economically and educationally deprived children through federal funds for teachers, aides, instructional materials, equipment and parental involvement.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Fund Financial Statements (continued)

Governmental Fund Types: (continued)

Proposition 1 - Capital Projects Fund - The *Proposition 1 Fund* accounts for the proceeds of a .51 cent sales tax approved as part of a plan to improve school facilities. The intent of the plan tax is to improve infrastructure in an effort to provide a "safe and dry" environment for the students, staff, and public in the school system.

Proposition 2- Discipline Funds - The *Proposition 2 Fund* accounts for the proceeds of a .08 cent sales tax approved as part of a plan to improve discipline in the schools. The intent of the plan is to remove disruptive and academically deficient students from the regular education classroom, reduce truancy and provide more effective alternative education.

Proposition 3- Compensation Fund - The *Proposition 3 Fund* accounts for the proceeds of a .41 cent sales tax approved as part of a plan to improve compensation. The intent of the plan is to improve ability to recruit and retain certified and qualified teachers, assistant principals and principals; to have more productive support employees; and to have the ability to reward performance that meets and/or exceeds standards.

Child Nutrition Fund - The *Child Nutrition Fund* is used to account for the operations of the school food service program that operates during the regular school term and during the summer break. The basic goals of the school food service program are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's eating habits with the ultimate goal of physically fit adults.

Proprietary Fund Type:

Internal Service Funds - Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The Workers' Compensation Fund, the Risk Management Fund and the Medical Insurance Fund are reported as Internal Service Funds on a combined basis.

Fiduciary Fund Types:

Agency Funds - Agency Funds are used to account for assets held by the School System as an agent for individuals, private organizations or other governmental units and/or other funds. The School System employs two separate Agency Funds: one fund accounts for the transactions of the student activity accounts maintained at the schools, and another accounts for voluntary and mandatory payroll withholdings.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

Government-Wide Financial Statements (GWFS)

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales taxes are recognized when the underlying sales transactions occur. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Proprietary Fund type is accounted for on a flow of economic resources measurement focus (accrual basis). With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Proprietary Fund type's operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Agency Funds have no measurement focus, but follow the accrual basis of accounting.

Governmental Funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The following paragraphs describe the revenue recognition practices under the modified accrual basis of accounting:

Revenues

Governmental Fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The School System's definition of available means expected to be received within six months of the end of the fiscal year, except for property taxes, for which the period is sixty days of the end of the fiscal year.

Non-exchange transactions, in which the School System received value without directly giving value in return, includes sales tax, property tax, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy and are recognized as revenue if collected soon enough to meet the availability criteria. Sales taxes are considered "measurable" when the underlying transaction occurs and are recognized as revenue if collected soon enough to meet the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied subject to the availability criteria. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Internal Service Funds consist solely of those established to account for self-insurance programs. Premium revenues are considered operating revenues while all other revenues are non-operating.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

Expenditures

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

D. **Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances outstanding at year end in the Governmental Funds Balance Sheet are reported as reservations of fund balance. These outstanding encumbrances are added to the budget in the subsequent year and are reported as expenditures when incurred.

E. **Cash and Cash Equivalents**

Cash and cash equivalents include interest-bearing demand deposits and short-term investments (usually time certificates of deposit or investments in the Louisiana Asset Management Pool, with a maturity date within three (3) months of the date of acquisition).

State statutes authorize the School System 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. In addition, local governments in Louisiana are 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.

The School System maintains four checking accounts, exclusive of the individual schools' bank accounts, with the School System's fiscal agent bank. These four accounts are the consolidated cash account and three interest bearing imprest accounts for disbursements of payrolls, disbursements to vendors, and to health care providers.

Interest earned on investments is distributed to the individual funds based on the invested balance of the participating fund during the year.

F. **Inventory**

Government-Wide Level

Inventory is stated at average cost and consists of expendable supplies held for consumption. The costs of inventory items are recognized as expenses when used.

Fund Level

Inventory of the general fund is stated at average cost and consists of expendable supplies held for consumption. The costs of inventory items are recognized as expenditures when used. The reportable inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of total assets.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

F. **Inventory** (continued)

Fund Level (continued)

Inventory of the Child Nutrition Special Revenue Fund consists of food purchased by the School System and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at average cost. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA, also on average cost basis. The amount of commodity inventory is included in unearned revenue until consumed.

G. **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 System maintains threshold levels for capitalizing capital assets as follows:

Movable capital assets with a cost of \$5,000 or more per unit.

All land and land improvements with a cost of \$25,000 or more.

Buildings and building improvements that extend the useful life of a building with a cost of \$25,000 or more.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School System, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 20 years for machinery and equipment and 10 to 50 years for buildings and improvements.

H. **Reserves and Designations**

Portions of fund balances are reserved for future use and, therefore, are not available for appropriation or expenditure. Designations of unreserved fund balances in Governmental Fund types indicate the School System's plans for the use of financial resources in a future period.

I. **Interfund Transactions**

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

J. **Compensated Absences**

Teachers and other school employees accrue from 10 to 12 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon employees' death or retirement, unused accumulated sick leave of up to 25 days is paid to employees or their heirs at the employees' current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination (non-retirement). Upon retirement, accumulated sick leave may be used in the retirement benefit computation as earned service. Extended sick leave will be paid at 65% of salary with a maximum of 90 days allowed every six years for teachers and bus drivers. Extended sick leave for all other employees will be paid at 50% of salary with a maximum of 25 days annually.

All 12-month employees earn from 10 to 20 days of annual vacation leave per year depending on length of service with the School System. Such leave is credited on a pro rata basis at the end of each payroll reporting period and accumulates. A maximum of 400 hours of unused annual leave is carried over to future periods and may be paid to the employee upon termination of employment.

All amounts reported are salary related, and include no fringe benefits since the amount of said benefits would be immaterial.

Sabbatical leave may be granted for medical/professional purposes. Any employee with a professional teaching certificate is entitled, subject to approval by the School System, to one (1) semester of sabbatical leave after three (3) years of continuous services, or two (2) semesters of sabbatical leave after six (6) or more years of continuous service. Continuous service must be as an employee of the School System. Sabbatical leave will be paid at 65% of salary. Sabbatical leave, which involves professional and cultural improvement, provides a continuing benefit to the employer and should not be accrued. Since sabbatical leave for medical purposes requires a doctor's certificate prior to being granted, it is similar to an extended sick leave benefit and should not be accrued as sabbatical leave benefits. Consequently, sabbatical leave benefits are recorded as current expenditures (in the FFS) in the period paid.

K. **Estimates**

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

L. **Non-Operating and Operating Revenues – Proprietary Funds**

Premium revenues, claims expenses and administrative costs customarily associated with self-insurance programs are accounted for as operating revenues and expenses. Interest income is reported as non-operating revenues.

M. **Reclassification**

Certain amounts in the 2006 Statement of Net Assets have been reclassified to conform to the current year's presentation.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

3. **DEPOSITS AND INVESTMENTS**

Under Louisiana R.S. 33:2955, as amended, the School System may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposit, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute.

Deposits and investments at June 30, 2007 were as follows:

	<u>Deposits</u>	<u>Investments</u>	<u>Total</u>
Major Governmental Funds:			
General Fund	\$ 178,438,462	\$ 12,016	\$ 178,450,478
Proposition 1 Capitol Projects Fund	17,888,000	176,593	18,064,593
Proposition 2 Discipline Fund	3,612,000	10,829	3,622,829
Proposition 3 Compensation Fund	15,903,000	944,907	16,847,907
Child Nutrition Fund	14,088	-	14,088
Subtotal – Major Governmental Funds	215,855,550	1,144,345	216,999,895
Fiduciary Fund Types:			
Consolidated Payroll	4,224,268	-	4,224,268
Proprietary Fund Types:			
Workers' Compensation Fund	2,500,000	-	2,500,000
 TOTAL	 <u>\$ 222,579,818</u>	 <u>\$ 1,144,345</u>	 <u>\$ 223,724,163</u>

Deposits

Custodial credit risk for deposits is the risk that in the event of financial institution failure, the School System's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. The School System had no custodial credit risk as of June 30, 2007.

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

3. **DEPOSITS AND INVESTMENTS** (continued)

Investments

Investments held at June 30, 2007 consist of \$1,144,345 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2007 is not categorized into the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with 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 subdivision of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

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

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

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School System's investment policy requires application of the prudent-person rule. The policy states that all investments *shall be made with the exercise of that judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.* The School System's investment policy limits investments to those discussed earlier in this section. LAMP has a Standard & Poor's Rating of AAAM.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

4. AD VALOREM TAXES

Ad valorem taxes were levied by the School System on May 18, 2006 for the calendar year 2006, based on the assessed valuation of property as of January 1 of the calendar year. The taxes become due on December 1 of each year, and become delinquent on December 31. However, before the taxes can be collected, the assessment list (tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed in the parish Clerk of Court's Office, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the 31st day of December of the current year for the payment of the tax due on it. The taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the East Baton Rouge Parish Tax Collector Office, which is a division of the East Baton Rouge Parish Sheriff's Department. If taxes are not paid within the period stipulated in the public notice, the property is sold for taxes due at a tax sale, usually held prior to the end of the School System's fiscal year.

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expires</u>
Parishwide taxes:			
Constitutional tax	5.25	5.25	Not applicable
Special maintenance tax	1.04	1.04	2016
Special tax – additional aid to public schools	6.50	6.50	2013
Special tax – additional teachers	2.78	2.78	2014
Special tax – employee salaries and benefits	1.86	1.86	2014
Special tax – employee salaries and benefits	7.14	7.14	2018
Special tax – replacing reduced state and local receipts	4.98	4.98	2017
Special tax – employee salaries and benefits	5.99	5.99	2016
Special tax – employee salaries and benefits	7.19	7.19	2013
Special tax – support ADAPP	.72	.72	2016

Under the Louisiana Constitution, ad valorem taxes other than Constitutional and Bond taxes must be renewed by popular vote every ten (10) years.

All property taxes are recorded in the General and Alcohol and Drug Abuse Funds on the basis explained in Note 2C. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2007 are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 8,352,161	\$ 1,117,235	\$ (33,250)	\$ 9,436,146
Construction in progress	43,694,283	14,832,688	(43,694,283)	14,832,688
Total capital assets, not being depreciated	<u>52,046,444</u>	<u>15,949,923</u>	<u>(43,727,533)</u>	<u>24,268,834</u>
Capital assets, being depreciated:				
Buildings and improvements	243,604,076	53,539,472	(95,748)	297,047,800
Machinery and equipment	35,435,715	1,223,349	(218,365)	36,440,699
Total capital assets, being depreciated	<u>279,039,791</u>	<u>54,762,821</u>	<u>(314,113)</u>	<u>333,488,499</u>
Total capital assets	331,086,235	70,712,744	(44,041,646)	357,757,333
Less accumulated depreciation for:				
Buildings and improvements	(90,804,587)	(10,550,298)	74,759	(101,280,126)
Machinery and equipment	(27,193,602)	(2,308,367)	179,706	(29,322,263)
Total accumulated depreciation	<u>(117,998,189)</u>	<u>(12,858,665)</u>	<u>254,465</u>	<u>(130,602,389)</u>
Total capital assets, being depreciated, net	<u>161,041,602</u>	<u>41,904,156</u>	<u>(59,648)</u>	<u>202,886,110</u>
Governmental activities capital assets, net	<u>\$213,088,046</u>	<u>\$ 57,854,079</u>	<u>\$ (43,787,181)</u>	<u>\$ 227,154,944</u>

Net depreciation expense for the year ended June 30, 2007 was charged to the following governmental functions:

Instruction:

Regular education programs	\$ 10,631,574
Special education programs	46,568
Other educational programs	221,572

Support:

Instructional staff services	55,024
General administration services	-
Business and central services	161,272
Plant operations and maintenance	13,228
Transportation	1,486,597
Child nutrition	242,830
	<u>\$ 12,858,665</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLANS

Plan Description - Substantially all School System employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems. Each system is administered and controlled at the State level by a separate board of trustees with contribution rates and benefit provisions approved by the Louisiana Legislature. Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. Five years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits under each plan.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing or calling:

Teachers Retirement System - 8401 United Plaza Blvd.
P. O. Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

School Employees' Retirement System - 8660 United Plaza Blvd.
Baton Rouge, LA 70804
(225) 925-6484

Funding Policy - Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2007, for the School System and covered employees were as follows:

	<u>School System</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	15.8%	8.00%
Plan A	15.8%	9.10%
School Employees' Retirement System	19.6%	7.50%

As provided by Louisiana Revised Statute 11:103, the School System's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The contributions made to the Systems for the past three fiscal years, which substantially equaled the required contributions for each of these years, were as follows:

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Teachers' Retirement System:			
Regular Plan	\$31,924,316	\$30,104,097	\$ 25,022,499
Plan A	174,347	243,072	286,703
School Employees' Retirement System	2,430,442	2,046,358	1,408,758

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT BENEFITS

The School System provides certain post-employment health care and life insurance benefits to its retired employees. Substantially all of the School System's employees may become eligible for such benefits upon reaching retirement age. Retirees contribute 13% and 23% of the retiree only coverage for the basic core and premium buy-up plans, respectively, and one-half of the cost of dependent coverage. The cost of retiree health care is recognized as an expenditure as premiums are paid. For fiscal year 2007, the School System's cost for providing all health care and life insurance benefits to the 4,723 retired employees and their dependents amounted to \$31,605,150.

The School System has a continuing future obligation for life insurance and health care benefits for retired teachers and noninstructional employees and their dependents. This future liability is not funded but will be payable by the General Fund out of future years' operations. Although actuarial consultants estimated that this future liability is significant, current generally accepted accounting principles as set forth by the Governmental Accounting Standards Board do not require the recording of this liability in the basic financial statements.

8. LONG-TERM OBLIGATIONS

The following is a summary of the changes in general long-term obligations for the year ended June 30, 2007:

	<u>Compensated Absences</u>	<u>Notes Payable</u>	<u>Total</u>
Balance at July 1, 2006	\$ 16,159,386	\$ 1,554,546	\$ 17,713,932
Additions	7,448,092	-	7,448,092
Deductions	(7,041,636)	(163,637)	(7,205,273)
Balance at June 30, 2007	<u>\$ 16,565,842</u>	<u>\$ 1,390,909</u>	<u>\$ 17,956,751</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2007:

	<u>Compensated Absences</u>	<u>Notes Payable</u>	<u>Total</u>
Current	\$ 2,494,131	\$ 163,636	\$ 2,657,767
Long-Term	<u>14,071,711</u>	<u>1,227,273</u>	<u>15,298,984</u>
Total	<u>\$ 16,565,842</u>	<u>\$ 1,390,909</u>	<u>\$ 17,956,751</u>

The majority of the compensated absence liability is liquidated through the General Fund, Title I, Child Nutrition and Proposition 3 funds, as these funds expend a majority of the payroll.

For the purpose of renovations, the School System issued \$2,250,000 of interest free notes payable through the federally sponsored Qualified Zone Academy Bond Program during the year ended June 30, 2002. Principal payments in the amount of \$40,909 are scheduled quarterly over a 15 year period ending November 1, 2016.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

8. **LONG-TERM DEBT** (continued)

The payments due under the terms of the notes payable as of June 30th are scheduled to occur as follows:

	<u>Payment Amount</u>
2008	\$ 163,636
2009	163,636
2010	163,636
2011	163,636
2012	163,636
2013-2016	<u>572,729</u>
	<u>\$ 1,390,909</u>

In accordance with LSA-R.S. 39:562(L), the School System is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property (including homestead exempt and nonexempt property) within the parish. At June 30, 2007, the statutory limit is \$1,131,596,109.

9. **UNEARNED REVENUES**

Unearned revenues at June 30, 2007 were as follows:

	<u>Ad Valorem Taxes Paid in Protest</u>	<u>USDA Commodities</u>	<u>Miscellaneous Other</u>	<u>Total</u>
Major Governmental Funds:				
General Fund	\$ 112,942	\$ -	\$ -	\$ 112,942
Child Nutrition	<u>-</u>	<u>309,723</u>	<u>-</u>	<u>309,723</u>
Subtotal – Major Governmental Funds	112,942	309,723	-	422,665
Non-major Governmental Funds:				
Local Grants	-	-	93,894	93,894
State Grants	-	-	61,453	61,453
Alcohol and Drug Abuse	<u>-</u>	<u>-</u>	<u>1,900</u>	<u>1,900</u>
Subtotal – Non-major Governmental Funds	-	-	157,247	157,247
Total	<u>\$ 112,942</u>	<u>\$ 309,723</u>	<u>\$ 157,247</u>	<u>\$ 579,912</u>

Under a revised state law, ad valorem tax collectors are required to remit all taxes collected in protest to the taxing authority. If a protest is settled in favor of the taxpayer, the funds must be refunded to the taxpayer. The School System defers all such collections until final settlement in favor of the School System occurs.

USDA commodities represent commodities received from the U.S. Department of Agriculture. Recognition is deferred until the commodities are used.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

10. DUE TO/FROM OTHER FUNDS

The School System's consolidated cash account holds the cash of all funds. As a result, negative cash balances occur in certain funds and are in essence "financed" by the General Fund. Positive book cash balances are displayed on the Governmental Funds balance sheet as "Due from other funds", while negative cash balances are included in "Due to other Funds" on the Governmental Funds balance sheet. Individual balances due to/from other funds at June 30, 2007, which represent short-term loans, are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Governmental Funds:		
General Fund	\$ -	\$ 68,302,129
Title I Fund	-	5,503,939
Proposition 1 Capitol Projects Fund	7,252,045	-
Proposition 2 Discipline Fund	454,278	-
Proposition 3 Compensation Fund	4,948,017	-
Child Nutrition Fund	<u>1,350,098</u>	<u>-</u>
Subtotal – Major Governmental Funds	14,004,438	73,806,068
Non-Major Governmental Funds:		
Title II	-	1,292,909
Title V	-	61,734
Gear-Up Baton Rouge	-	173,764
Exceptional Education Program	-	3,552,153
Alcohol and Drug Abuse	598,374	-
Career and Technical Education	-	293,148
Temporary Assistance for Needy Families	-	2,877,556
State Grants	-	1,716,076
Continuing Education	-	143,310
Title IV	-	22,174
Local Grants	479,465	-
Direct Federal Programs	-	333,976
Summer School	45,714	-
Textbooks	8,110,076	-
Disaster Relief Fund	-	2,186,577
WBRH Radio Station Training Program	310,980	-
Technology Literacy Challenge (Title III)	-	107,814
NASA LSU 1 st Robotics	162	-
Reading First	-	179,802
Homeless Youth Assistance	<u>-</u>	<u>118,351</u>
Subtotal – Non-Major Governmental Funds	9,544,771	13,059,344
Fiduciary Fund Types:		
Consolidated Payroll	11,874,626	-
Proprietary Fund Types:		
Workers' Compensation Fund	2,671,575	-
Group Health Insurance	40,977,013	-
Risk Management	<u>7,792,989</u>	<u>-</u>
 TOTAL	 <u>\$ 86,865,412</u>	 <u>\$ 86,865,412</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

11. LITIGATION AND CONTINGENCIES

The School System is a defendant in several workers' compensation, personal injury and certain personnel action lawsuits. Management and legal counsel for the School System believe that the potential claims against the School System not covered by insurance would not materially affect the System's financial position.

Settlement Agreement

On August 14, 2003, U.S. District Judge James Brady signed the order ending the 47-year old School System desegregation case. The parties in the case were the School System, the Baton Rouge branch of the National Association for the Advancement of Colored People (NAACP), the original plaintiffs, and the U.S. Justice Department. The Judge dismissed all objections at the fairness hearing and approved the final Settlement Agreement signed by the parties in the case. The settlement ends the case, but commits the School Board to continue several desegregation tools for four years, which ended in July, 2007. During the year ended June 30, 2007, the School Board expended the following amounts in complying with the Settlement Agreement:

Time Out Room Moderators	\$ 602,909
Instructional Equity Account	756,369
Racially Identifiable Black Schools (Y-Factor)	2,620,395
Magnet Programs	<u>4,159,353</u>
	<u>\$ 8,139,026</u>

Federal Grants

In the normal course of operations, the School System receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

12. COMMITMENTS

At June 30, 2007, the School System had construction commitments of approximately \$14.8 million. The majority of these commitments will ultimately be paid out of the Proposition 1 Capital Projects Fund.

In March 2004, the School System privatized its maintenance and janitorial functions. The School System entered into a management services agreement with a privately owned company to assume maintenance services for the School System's facilities. The management services agreement includes a financial commitment from the company of \$5,000,000, which is to be used by the School System to cover certain maintenance costs. This commitment amount has been received by the School System and is being amortized on a straight-line basis over a period of ten years. Upon termination of the management services agreement by either party, for any reason, the School System must reimburse the company for the unamortized portion of the financial commitment. As of June 30, 2007, the unamortized portion of the financial commitment was approximately \$3.4 million and is recorded as a deferred financial commitment in the School System's basic financial statements.

13. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2007, were as follows:

	<u>Transfers From:</u>				
	<u>General Fund</u>	<u>Title I Fund</u>	<u>Child Nutrition Fund</u>	<u>Non-major Governmental</u>	<u>Total</u>
<u>Transfers To:</u>					
General Fund	\$ -	\$ 2,696,081	\$ 68,000	\$ 2,301,551	\$ 5,065,632
Proposition 1					
Capital Projects Fund	5,800,000	-	-	-	5,800,000
Child Nutrition Fund	900,000	-	-	-	900,000
Non-major					
Governmental Funds	6,862,149	-	-	-	6,862,149
Internal Service Funds	5,000,000	-	-	-	5,000,000
Total	<u>\$ 18,562,149</u>	<u>\$ 2,696,081</u>	<u>\$ 68,000</u>	<u>\$ 2,301,551</u>	<u>\$ 23,627,781</u>

The purposes of interfund transfers generally are: 1) to transfer indirect cost reimbursements to the general fund from the special revenue funds, and 2) to transfer supplemental local funds for program operations from the general fund to other programs.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

14. RISK MANAGEMENT

The School System is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; workers' compensation and health insurance for its employees. The School System uses excess insurance to reduce its exposure to large losses on insured events. The School System does not report risks covered by excess insurance as liabilities unless it is probable that those risks will not be covered by excess insurance carriers. Settlements did not exceed excess insurance coverage for each of the past three fiscal years.

The School System has established the following internal service funds to account for and finance these uninsured risks of loss:

a. Workers' Compensation Fund

The Workers' Compensation Fund accounts for the School System's workers' compensation claims. The workers' compensation limit for each accident is the statutory amount. The School System's self-insured retention is \$325,000 per accident.

b. Risk Management Fund

The Risk Management Fund accounts for the School System's property, general liability and automobile liability. The School System has self-insured retention of \$250,000 per property occurrence and self-insured retention of \$500,000 per general liability and automobile occurrence. Currently, the maximum cumulative amount of self-retention which could be paid by the School System in any one year is unlimited. The School System has purchased commercial insurance for claims in excess of the self-insured retention levels from commercial insurance carriers with a \$1,000,000 per occurrence limit.

c. Medical Insurance Fund

The Medical Insurance Fund accounts for the School System's group health insurance program for its active and retired employees. A maximum lifetime benefit of \$2,000,000 per employee is allowed.

A reconciliation of the unpaid claims liabilities as of June 30 follows:

	<u>2007</u>			
	<u>Workers'</u> <u>Compensation</u> <u>Fund</u>	<u>Risk</u> <u>Management</u> <u>Fund</u>	<u>Medical</u> <u>Insurance</u> <u>Fund</u>	<u>Total</u>
Unpaid claims as of July 1, 2006	\$ 2,644,564	\$ 3,706,159	\$ 6,762,398	\$ 13,113,121
Current year claims incurred and changes in estimates	2,165,274	2,240,164	58,921,725	63,327,163
Claims paid	(2,376,300)	(2,169,009)	(58,884,592)	(63,429,901)
Unpaid claims as of June 30, 2007	<u>\$ 2,433,538</u>	<u>\$ 3,777,314</u>	<u>\$ 6,799,531</u>	<u>\$ 13,010,383</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

14. **RISK MANAGEMENT** (continued)

	2006			
	Workers' Compensation Fund	Risk Management Fund	Medical Insurance Fund	Total
Unpaid claims as of July 1, 2005	\$ 2,782,313	\$ 3,077,735	\$ 8,222,455	\$ 14,082,503
Current year claims incurred and changes in estimates	1,796,882	2,218,351	61,722,615	65,737,848
Claims paid	(1,934,631)	(1,589,927)	(63,182,672)	(66,707,230)
Unpaid claims as of June 30, 2006	<u>\$ 2,644,564</u>	<u>\$ 3,706,159</u>	<u>\$ 6,762,398</u>	<u>\$ 13,113,121</u>

The above unpaid claims as of June 30 include amounts for claims incurred but not yet reported, as determined from actual claims paid subsequent to year-end as well as an estimate based upon historical lag trends.

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of the unpaid claims liabilities:

	Workers' Compensation Fund	Risk Management Fund	Medical Insurance Fund	Total
<u>June 30, 2007:</u>				
Current	\$ 1,522,000	\$ 1,161,000	\$ 6,799,531	\$ 9,482,531
Long-Term	911,538	2,616,314	-	3,527,852
Total -	<u>\$ 2,433,538</u>	<u>\$ 3,777,314</u>	<u>\$ 6,799,531</u>	<u>\$ 13,010,383</u>
<u>June 30, 2006:</u>				
Current	\$ 1,666,000	\$ 1,149,000	\$ 6,762,398	\$ 9,577,398
Long-Term	978,564	2,557,159	-	3,535,723
Total	<u>\$ 2,644,564</u>	<u>\$ 3,706,159</u>	<u>\$ 6,762,398</u>	<u>\$ 13,113,121</u>

15. **RESTRICTED NET ASSETS**

Restricted net assets consist primarily of amounts authorized by the electorate for capital improvements, compensation, and school discipline initiatives.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

16. EDUCATION EXCELLENCE FUND

Pursuant to Act #161 of the 2002 First Extraordinary Session of the Legislature, the State of Louisiana established the Education Excellence Fund (EEF) for the oversight, appropriation, and disposition of proceeds from the tobacco settlements. These funds are dedicated for use in educational programs, and are available to local school districts, subject to the approval of an expenditure plan by the Louisiana Department of Education. The funds are held and invested by the Treasurer of the State of Louisiana on behalf of local school districts and are disbursed in accordance with approved expenditure plans. At June 30, 2007, the School System's EEF funds invested through the Treasurer totaled approximately \$4.8 million. These funds are recognized as revenue to the School System upon submission and subsequent approval of an annual expenditure plan. The School System expended approximately \$1,200,000 during the 2006-2007 fiscal year in accordance with its respective expenditure plan.

17. SUBSEQUENT EVENT

The 2006 Legislative Session contained legislation to allow for the creation of a Central Community School System by way of a constitutional amendment, which was approved by voters in a November, 2006 statewide election. The City of Central began the 2007-2008 school year with four schools and approximately 2,700 students, who were previously part of the East Baton Rouge Parish School System. All property and equipment was transferred pursuant to the legislation; however, the Central Community School System sued for additional School System assets. All claims were denied by a State District Court judge on October 23, 2007. The board of the Central Community School System has subsequently voted to appeal the decision to the 1st Circuit Court of Appeal.

18. RECENT ACCOUNTING PRONOUNCEMENT

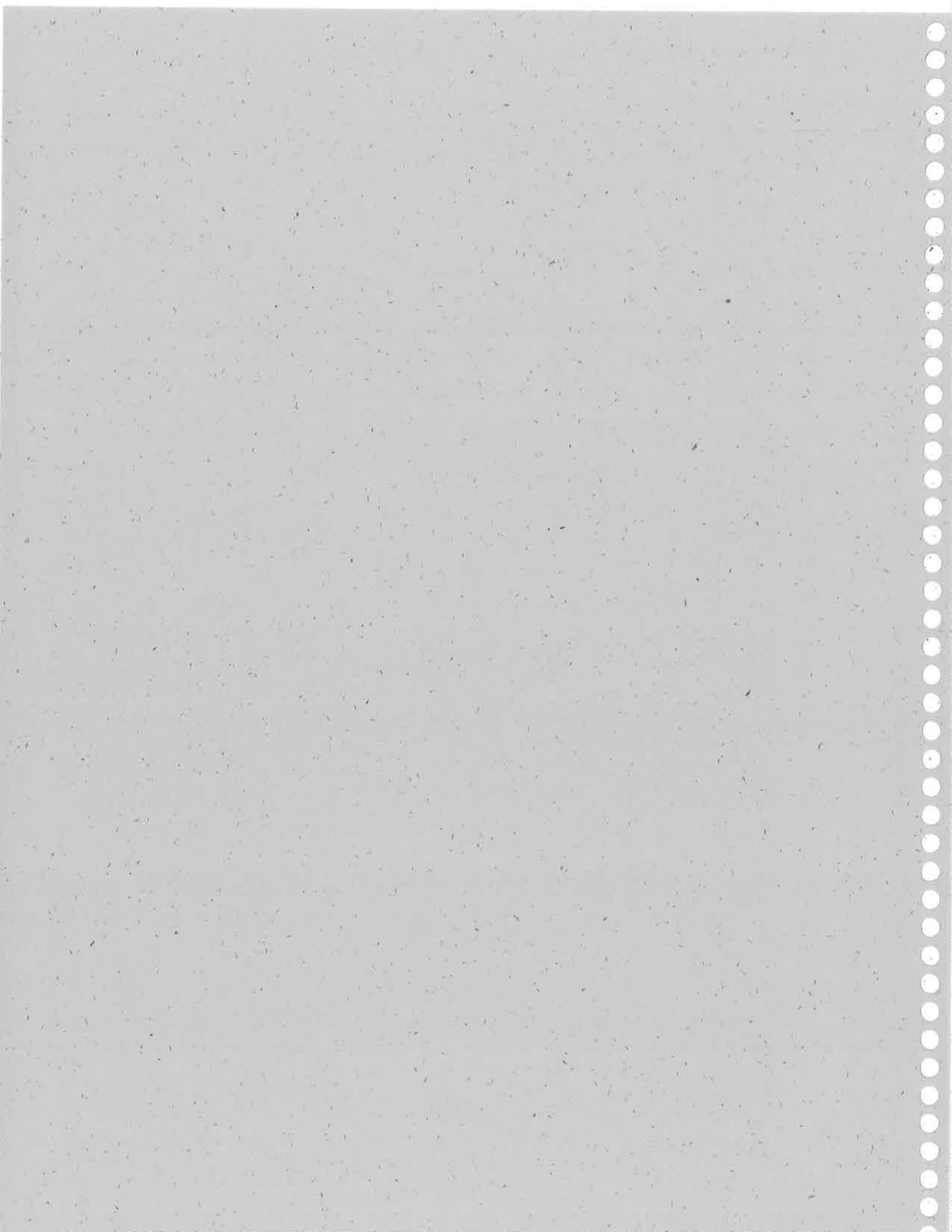
The GASB has issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. This statement will require the School System to record a liability on the statement of net assets for future health benefits to be paid to retirees. In measuring this liability, the School System has engaged an outside actuarial firm to evaluate its post-retirement benefits. The requirements of the statement are effective for the School System for the fiscal year 2007-2008.

Comprehensive Annual Financial Report



Required Supplemental Information ***Part II***

East Baton Rouge Parish School System



EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

BUDGETARY COMPARISON SCHEDULES
MAJOR FUND DESCRIPTIONS

Budgetary comparison schedules are reported for the following General and Special Revenue Funds:

GENERAL FUND

The General Fund accounts for all financial transactions except those required to be accounted for in another fund.

TITLE I FUND

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

PROPOSITION 2 - DISCIPLINE FUND

Proposition 2 is a locally funded initiative to improve discipline. The intent is to remove disruptive and academically deficient students from the regular education classroom, reduce truancy and provide more effective alternative education.

PROPOSITION 3 - COMPENSATION FUND

Proposition 3 is a locally funded initiative to improve compensation. The intent is to improve ability to recruit and retain certified and qualified teachers, assistant principals and principals; to have more productive support employees; and to have the ability to reward performance that meets and/or exceeds standards.

CHILD NUTRITION FUND

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****GENERAL FUND****BUDGETARY COMPARISON SCHEDULE****FISCAL YEAR ENDED JUNE 30, 2007**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ 96,580,000	\$ 103,500,000	\$ 105,659,207	\$ 2,159,207
Sales and use taxes	72,500,000	80,000,000	84,856,072	4,856,072
Earnings on investments	2,000,000	4,300,000	6,074,204	1,774,204
Extended day program tuition	400,000	400,000	499,523	99,523
Other	4,644,786	5,582,765	6,510,688	927,923
State sources:				
Unrestricted grants-in-aid, MFP	154,602,370	157,806,552	157,806,552	-
Revenue sharing	3,700,000	3,700,000	3,873,354	173,354
Restricted grants-in-aid	2,496,000	3,046,678	3,237,816	191,138
Federal grants	625,000	625,000	720,441	95,441
TOTAL REVENUES	337,548,156	358,960,995	369,237,857	10,276,862
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	121,575,337	121,384,693	116,417,278	4,967,415
Special education programs	54,929,451	53,887,046	51,145,981	2,741,065
Other education programs	15,310,818	15,793,156	12,811,113	2,982,043
Support:				
Pupil support services	17,104,269	17,702,095	16,517,373	1,184,722
Instructional staff services	10,703,913	11,331,011	9,976,374	1,354,637
General administration services	8,181,483	10,397,437	9,834,655	562,782
School administration services	17,723,027	18,129,139	17,557,661	571,478
Business and central services	12,275,079	13,117,803	10,585,120	2,532,683
Plant operations and maintenance	42,238,539	47,469,128	43,005,521	4,463,607
Transportation	25,589,225	28,348,801	23,754,988	4,593,813
Appropriations-Charter schools	3,200,000	3,450,000	3,535,059	(85,059)
Settlement agreement	8,870,000	8,870,000	8,139,026	730,974
Facility acquisition and construction	-	139,177	39,177	100,000
Debt service	163,635	163,635	163,636	(1)
TOTAL EXPENDITURES	337,864,776	350,183,121	323,482,962	26,700,159
EXCESS OF REVENUES OVER EXPENDITURES	(316,620)	8,777,874	45,754,895	36,977,021
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	3,150,000	4,000,000	5,065,632	1,065,632
Transfers out	(3,775,000)	(8,312,000)	(18,562,149)	(10,250,149)
TOTAL OTHER FINANCING SOURCES (USES)	(625,000)	(4,312,000)	(13,496,517)	(9,184,517)
NET CHANGE IN FUND BALANCE	(941,620)	4,465,874	32,258,378	27,792,504
Fund balance, June 30, 2006	84,765,492	84,765,492	84,765,492	-
FUND BALANCE, JUNE 30, 2007	\$ 83,823,872	\$ 89,231,366	\$ 117,023,870	\$ 27,792,504

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****TITLE I FUND****BUDGETARY COMPARISON SCHEDULE****FISCAL YEAR ENDED JUNE 30, 2007**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Federal grants	\$ 25,171,931	\$ 25,171,931	\$ 24,536,565	\$ (635,366)
TOTAL REVENUES	25,171,931	25,171,931	24,536,565	(635,366)
<u>EXPENDITURES</u>				
Instruction:				
Other education programs	17,413,523	17,413,523	16,932,601	480,922
Support:				
Pupil support services	421,579	421,579	414,687	6,892
Instructional staff services	3,535,817	3,535,817	3,451,834	83,983
General administrative services	115,430	115,430	137,856	(22,426)
Business and central services	455,954	455,954	448,629	7,325
Plant operations and maintenance	215,005	215,005	211,338	3,667
Facility acquisition and construction	12,529	12,529	12,529	-
Transportation	235,129	235,129	231,010	4,119
TOTAL EXPENDITURES	22,404,966	22,404,966	21,840,484	564,482
EXCESS OF REVENUES OVER EXPENDITURES	2,766,965	2,766,965	2,696,081	(70,884)
<u>OTHER FINANCING USES</u>				
Transfers out	(2,766,965)	(2,766,965)	(2,696,081)	70,884
TOTAL OTHER FINANCING USES	(2,766,965)	(2,766,965)	(2,696,081)	70,884
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund balance, June 30, 2006	-	-	-	-
FUND BALANCE, JUNE 30, 2007	\$ -	\$ -	\$ -	\$ -

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

PROPOSITION 2 - DISCIPLINE FUND

BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Local sources:				
Sales and use taxes	\$ 5,130,000	\$ 5,685,000	\$ 5,969,617	\$ 284,617
Earnings on investments	85,000	210,950	219,993	9,043
TOTAL REVENUES	<u>5,215,000</u>	<u>5,895,950</u>	<u>6,189,610</u>	<u>293,660</u>
<u>EXPENDITURES</u>				
Instruction:				
Regular education programs	4,201,275	4,211,045	3,840,609	370,436
Special education programs	30,720	59,625	59,712	(87)
Support:				
Pupil support services	1,092,350	1,024,045	972,192	51,853
Instructional staff services	187,595	167,355	155,848	11,507
General administration services	55,350	46,130	54,037	(7,907)
School administration services	196,555	200,700	211,497	(10,797)
Plant operations and maintenance	303,795	292,840	285,357	7,483
Transportation	75,750	55,220	59,592	(4,372)
TOTAL EXPENDITURES	<u>6,143,390</u>	<u>6,056,960</u>	<u>5,638,844</u>	<u>418,116</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(928,390)</u>	<u>(161,010)</u>	<u>550,766</u>	<u>711,776</u>
Fund balance, June 30, 2006	<u>4,166,554</u>	<u>4,166,554</u>	<u>4,166,554</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ 3,238,164</u>	<u>\$ 4,005,544</u>	<u>\$ 4,717,320</u>	<u>\$ 711,776</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

PROPOSITION 3 - COMPENSATION FUND

BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Local sources:				
Sales and use taxes	\$ 26,305,000	\$ 29,373,000	\$ 30,630,571	\$ 1,257,571
Earnings on investments	350,000	522,000	1,167,847	645,847
TOTAL REVENUES	26,655,000	29,895,000	31,798,418	1,903,418
<u>EXPENDITURES</u>				
Instruction:				
Regular education programs	12,959,450	14,792,470	14,793,505	(1,035)
Special education programs	5,643,550	6,615,470	6,584,431	31,039
Other education programs	944,105	1,118,280	1,098,227	20,053
Support:				
Pupil support services	2,021,440	2,240,265	2,201,412	38,853
Instructional staff services	1,002,015	1,107,660	1,150,938	(43,278)
General administration services	287,610	319,450	304,722	14,728
School administration services	1,265,385	1,592,360	1,560,285	32,075
Business and central services	621,940	746,100	694,191	51,909
Plant operations and maintenance	25,860	23,940	24,503	(563)
Transportation	1,438,300	2,040,085	2,022,057	18,028
Child nutrition services	-	425,405	425,404	1
TOTAL EXPENDITURES	26,209,655	31,021,485	30,859,675	161,810
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	445,345	(1,126,485)	938,743	2,065,228
Fund balance, June 30, 2006	23,984,783	23,984,783	23,984,783	-
FUND BALANCE, JUNE 30, 2007	\$ 24,430,128	\$ 22,858,298	\$ 24,923,526	\$ 2,065,228

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

CHILD NUTRITION FUND

BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Local sources:				
Other	\$ 3,405,800	\$ 3,540,000	\$ 4,083,381	\$ 543,381
State sources:				
Unrestricted grants-in-aid, MFP	3,750,000	3,750,000	3,750,000	-
Federal grants	18,500,000	19,100,000	19,447,943	347,943
TOTAL REVENUES	25,655,800	26,390,000	27,281,324	891,324
<u>EXPENDITURES</u>				
Salaries and wages	9,273,000	9,273,000	9,768,834	(495,834)
Employee benefits	6,194,600	6,494,600	6,282,384	212,216
Utilities	1,076,000	1,076,000	782,428	293,572
Professional fees	118,000	118,000	90,647	27,353
Food purchases	8,300,000	8,700,000	8,398,750	301,250
Equipment	200,000	150,000	82,257	67,743
Repairs and maintenance	200,000	425,000	-	425,000
Materials and supplies	770,000	870,000	1,087,008	(217,008)
Other	327,000	427,000	304,276	122,724
Appropriations-Charter schools	205,000	205,000	269,011	(64,011)
TOTAL EXPENDITURES	26,663,600	27,738,600	27,065,595	673,005
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,007,800)	(1,348,600)	215,729	1,564,329
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	675,000	900,000	900,000	-
Transfers out	(68,000)	(68,000)	(68,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	607,000	832,000	832,000	-
NET CHANGE IN FUND BALANCE	(400,800)	(516,600)	1,047,729	1,564,329
Fund balance, June 30, 2006	843,010	843,010	843,010	-
FUND BALANCE, JUNE 30, 2007	\$ 442,210	\$ 326,410	\$ 1,890,739	\$ 1,564,329

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

1. BUDGET AND BUDGETARY ACCOUNTING

The School System follows these procedures in establishing the budgetary data reflected in the financial statements:

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis. These budgets include proposed expenditures and the means of financing them.

The Capital Projects fund's budget is adopted on a project basis, since such projects may be started and completed at any time during the year or may extend beyond one fiscal year.

Prior to September 15, the Superintendent submits to the Finance Committee a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1. Public hearings are conducted to obtain taxpayer comments. Upon submission to the Board, the General Fund budget is legally enacted through adoption by the Board. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. For the Capital Projects Fund, the level of budget control is at the fund, department or project level, and expenditures/encumbrances by policy should not exceed appropriations. The School System approves budgets at the fund level, and the Superintendent is authorized to transfer amounts between line items within any fund.

Budgets are prepared on the modified accrual basis of accounting. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Encumbered appropriations at year end that have been approved by the Board are generally expended during the next fiscal year's operations, assuming that the underlying liability is ultimately incurred. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School System to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School System amended its General Fund budget once during the year, reflecting an increase of total budgeted revenues of approximately \$21.5 million and an increase of total budgeted expenditures of approximately \$12.3 million.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant Funds are included in Special Revenue Funds, and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are reappropriated at the beginning of the following fiscal year. Unencumbered appropriations of certain nongrant-oriented Special Revenue Funds lapse at the end of the fiscal year. Special Revenue Funds' budgets were amended for insignificant amounts as necessary to comply with state law.



Comprehensive Annual Financial Report



Supplemental Information

East Baton Rouge Parish School System

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

DETAILED BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Positive (Negative)
<u>REVENUES</u>				
Local Sources:				
Ad valorem taxes				
Constitutional tax	\$ 11,600,000	\$ 12,400,000	\$ 12,675,886	\$ 275,886
Renewable taxes	82,830,000	88,700,000	90,484,372	1,784,372
1% collections	2,150,000	2,400,000	2,498,949	98,949
Sales and use taxes	72,500,000	80,000,000	84,856,072	4,856,072
Earnings on investments	2,000,000	4,300,000	6,074,204	1,774,204
Transportation fees	155,000	155,000	174,406	19,406
Tuition-extended day program	400,000	400,000	499,523	99,523
Other	4,489,786	5,427,765	6,336,282	908,517
TOTAL LOCAL SOURCES	<u>176,124,786</u>	<u>193,782,765</u>	<u>203,599,694</u>	<u>9,816,929</u>
State sources:				
Unrestricted grants-in aid				
State equalization	154,602,370	157,806,552	157,806,552	-
Restricted grants-in-aid				
Pips salary increment	1,000,000	1,200,000	1,330,883	130,883
Non public transportation	1,396,000	1,726,678	1,748,163	21,485
Other	100,000	120,000	158,770	38,770
Revenue in lieu of taxes				
Revenue sharing	3,700,000	3,700,000	3,873,354	173,354
TOTAL STATE SOURCES	<u>160,798,370</u>	<u>164,553,230</u>	<u>164,917,722</u>	<u>364,492</u>
Federal sources:				
ROTC	625,000	625,000	720,441	95,441
TOTAL FEDERAL SOURCES	<u>625,000</u>	<u>625,000</u>	<u>720,441</u>	<u>95,441</u>
TOTAL REVENUES	<u>337,548,156</u>	<u>358,960,995</u>	<u>369,237,857</u>	<u>10,276,862</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

DETAILED BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
<u>EXPENDITURES</u>				
Instruction:				
Regular education programs				
Salaries	\$ 83,002,896	\$ 83,532,100	\$ 80,135,014	\$ 3,397,086
Sabbatical	600,000	600,000	576,708	23,292
Employee benefits	36,321,541	34,742,541	33,974,191	768,350
Purchased services	132,200	132,200	170,800	(38,600)
Materials and supplies	1,419,500	2,278,652	1,541,481	737,171
Equipment	45,000	45,000	-	45,000
Other	54,200	54,200	19,084	35,116
TOTAL REGULAR EDUCATION PROGRAMS	<u>121,575,337</u>	<u>121,384,693</u>	<u>116,417,278</u>	<u>4,967,415</u>
Special education programs				
Salaries	36,899,048	36,604,048	34,824,475	1,779,573
Sabbatical	154,500	154,500	64,784	89,716
Employee benefits	17,718,803	16,960,803	16,067,398	893,405
Purchased services	58,790	51,790	61,996	(10,206)
Materials and supplies	37,000	44,517	37,212	7,305
Equipment	37,000	37,000	36,972	28
Other	24,310	34,388	53,144	(18,756)
TOTAL SPECIAL EDUCATION PROGRAMS	<u>54,929,451</u>	<u>53,887,046</u>	<u>51,145,981</u>	<u>2,741,065</u>
Other education programs				
Salaries	10,638,350	10,927,257	9,020,274	1,906,983
Sabbatical	54,550	84,550	128,849	(44,299)
Employee benefits	3,711,793	3,753,989	2,886,585	867,404
Purchased services	53,525	53,725	18,739	34,986
Materials and supplies	456,600	539,759	454,247	85,512
Equipment	213,000	250,876	211,998	38,878
Other	183,000	183,000	90,421	92,579
TOTAL OTHER EDUCATION PROGRAMS	<u>15,310,818</u>	<u>15,793,156</u>	<u>12,811,113</u>	<u>2,982,043</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DETAILED BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Support:				
Pupil support services				
Child welfare and attendance services				
Salaries	\$ 429,108	\$ 430,208	\$ 425,740	\$ 4,468
Employee benefits	4,485,103	4,547,703	4,010,545	537,158
Materials and supplies	6,200	10,366	10,006	360
Other	10,600	10,600	7,629	2,971
Guidance services				
Salaries	6,696,200	7,196,200	7,001,566	194,634
Sabbatical	50,000	50,000	47,102	2,898
Materials and supplies	1,500	1,500	184	1,316
Equipment	1,000	1,000	-	1,000
Other	2,150	2,150	545	1,605
Health services				
Purchased services	1,265,000	1,265,000	1,265,000	-
Pupil assessment and appraisal services				
Salaries	2,821,354	2,821,354	2,483,130	338,224
Sabbatical	2,000	2,000	25,403	(23,403)
Purchased services	10,000	10,000	11,960	(1,960)
Materials and supplies	12,000	12,000	10,194	1,806
Other	20,125	20,125	2,890	17,235
Other pupil support services				
Salaries	1,268,479	1,293,349	1,188,251	105,098
Materials and supplies	9,000	9,290	8,483	807
Equipment	2,900	3,200	2,837	363
Purchased services	4,500	9,000	9,005	(5)
Other	7,050	7,050	6,903	147
TOTAL PUPIL SUPPORT SERVICES	17,104,269	17,702,095	16,517,373	1,184,722

(Continued)

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DETAILED BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Instructional staff services				
Salaries - Directors and supervisors	\$ 1,671,039	\$ 1,681,170	\$ 1,595,453	\$ 85,717
Salaries - Secretarial	449,951	497,345	490,432	6,913
Sabbatical	26,000	56,000	66,922	(10,922)
Employee benefits	2,769,705	2,874,005	2,477,875	396,130
Purchased services	528,125	923,125	531,775	391,350
Materials and supplies	172,000	173,890	58,131	115,759
Equipment	6,000	18,286	2,837	15,449
Other	71,925	71,925	78,228	(6,303)
Materials and supplies - Training services	323,000	336,322	120,027	216,295
School library services				
Salaries	3,991,412	3,999,923	3,907,699	92,224
Materials and supplies	82,500	83,192	84,989	(1,797)
Equipment	5,000	5,000	4,996	4
Other	650	650	176	474
Books and periodicals	357,500	360,130	337,647	22,483
Other educational media services				
Salaries	249,106	250,048	219,187	30,861
TOTAL INSTRUCTIONAL STAFF SERVICES	<u>10,703,913</u>	<u>11,331,011</u>	<u>9,976,374</u>	<u>1,354,637</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

DETAILED BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Administration - General				
Board of Education				
Salaries - Board members	\$ 116,400	\$ 116,400	\$ 116,128	\$ 272
Salaries - secretarial	32,646	33,746	33,746	-
Employee benefits	282,304	283,554	226,090	57,464
Legal services				
Salaries	152,715	156,690	156,690	-
Contracts	500,000	500,000	456,141	43,859
Materials and supplies	15,000	15,153	14,042	1,111
Equipment	1,000	1,000	-	1,000
Other	324,500	324,500	113,172	211,328
Audit services	37,500	39,000	39,197	(197)
Insurance	2,574,500	4,574,500	4,575,657	(1,157)
Tax assessment and collection services				
Property taxes				
Sheriff's fees	20,000	20,000	3,275	16,725
Pension fund	2,800,000	3,000,000	2,968,971	31,029
Sales and use tax	910,000	910,000	770,578	139,422
Office of the superintendent				
Salaries	231,360	239,304	253,941	(14,637)
Materials and supplies	24,000	24,033	19,923	4,110
Equipment	1,000	1,000	-	1,000
Other	26,900	26,900	10,459	16,441
Other executive administrative services				
Salaries	131,658	131,657	76,645	55,012
TOTAL GENERAL ADMINISTRATION	8,181,483	10,397,437	9,834,655	562,782
Administration-School				
Salaries	12,113,396	12,518,396	12,499,203	19,193
Sabbatical	93,324	93,324	1,969	91,355
Employee benefits	5,471,807	5,472,307	5,050,678	421,629
Materials and supplies	40,000	40,612	989	39,623
Other	4,500	4,500	4,822	(322)
TOTAL SCHOOL ADMINISTRATION	17,723,027	18,129,139	17,557,661	571,478

(Continued)

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

DETAILED BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Business and Central Services				
Fiscal services				
Salaries	\$ 1,308,726	\$ 1,322,811	\$ 1,281,154	\$ 41,657
Employee benefits	1,061,538	1,059,511	881,407	178,104
Materials and supplies	79,000	82,753	47,858	34,895
Other	109,035	109,400	88,581	20,819
Interest on short term loans	65,000	65,000	-	65,000
Equipment	15,000	18,014	3,014	15,000
Purchased services	138,500	138,500	91,921	46,579
Purchasing services				
Salaries	259,085	266,085	265,860	225
Materials and supplies	10,000	10,136	5,663	4,473
Equipment	1,500	17,600	15,795	1,805
Other	11,250	11,298	7,141	4,157
Postage	50,000	51,297	23,637	27,660
Printing and publishing				
Salaries	197,353	195,892	168,147	27,745
Materials and supplies	10,000	145,880	109,382	36,498
Other	4,380	4,678	2,490	2,188
Printing and binding	30,000	30,000	30,299	(299)
Rental of equipment	195,000	95,000	137,686	(42,686)
Repairs and maintenance	8,000	8,164	7,652	512
Equipment	4,000	74,000	71,607	2,393

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DETAILED BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Business and Central Services (continued)				
Planning, research and development				
Salaries	\$ 467,253	\$ 472,234	\$ 538,350	\$ (66,116)
Materials and supplies	30,000	37,721	29,163	8,558
Equipment	5,000	5,000	4,696	304
Other	7,200	7,200	2,548	4,652
Repairs and maintenance	144,000	144,000	16,623	127,377
Public information services				
Salaries	85,215	101,092	8,299	92,793
Advertising	55,000	61,755	70,725	(8,970)
Materials and supplies	80,000	81,495	22,549	58,946
Equipment	1,000	1,225	-	1,225
Other	12,000	12,000	408	11,592
Repairs and maintenance	85,000	85,000	38,215	46,785
Personnel services				
Salaries	871,583	952,656	862,747	89,909
Purchased services	156,385	158,385	121,010	37,375
Materials and supplies	47,500	67,665	63,821	3,844
Other	145,350	149,850	48,594	101,256
Repairs and maintenance	22,710	25,710	23,802	1,908
Fingerprinting, background check and drug screening	67,500	90,500	102,400	(11,900)
Equipment	1,500	1,500	418	1,082
Information systems				
Salaries	1,013,151	1,045,038	1,019,415	25,623
Materials and supplies	1,682,942	1,911,404	1,714,827	196,577
Technical services	861,080	981,550	473,434	508,116
Equipment	1,470,384	1,605,934	1,001,480	604,454
Other	53,500	53,500	30,043	23,457
Repairs and maintenance	145,000	145,711	113,587	32,124
Business and central services				
Employee benefits	1,207,459	1,213,659	1,038,672	174,987
TOTAL BUSINESS AND CENTRAL SERVICES	12,275,079	13,117,803	10,585,120	2,532,683

(Continued)

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DETAILED BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Operation and maintenance of plant services				
Salaries	\$ 776,241	\$ 778,041	\$ 699,324	\$ 78,717
Employee benefits	2,833,098	2,636,098	2,685,857	(49,759)
Equipment	-	-	10,226	(10,226)
Other	24,123,000	25,328,083	24,663,578	664,505
Rental of equipment	17,000	17,000	16,963	37
Materials and supplies	5,000	5,800	650	5,150
Gasoline\fuel	9,500	9,500	8,541	959
Operation of buildings				
Water\sewerage	565,000	565,000	573,004	(8,004)
Disposal services	410,000	410,000	398,865	11,135
Repairs and maintenance	-	4,464,827	1,838,046	2,626,781
Insurance	375,000	375,000	375,000	-
Telephone	2,224,700	1,929,779	2,201,432	(271,653)
Natural gas	1,300,000	1,300,000	1,118,596	181,404
Electricity	9,600,000	9,600,000	8,415,439	1,184,561
Insurance	-	50,000	-	50,000
TOTAL OPERATION AND MAINTENANCE OF PLANT SERVICES	42,238,539	47,469,128	43,005,521	4,463,607
Transportation services				
Supervision of student transportation				
Salaries	637,034	665,880	672,033	(6,153)
Materials and supplies	10,000	10,652	8,130	2,522
Purchased Services	24,000	26,000	25,510	490
Equipment	4,000	4,000	-	4,000
Other	9,000	9,000	3,148	5,852
Repairs and maintenance	10,250	10,250	-	10,250
Regular transportation services				
Salaries	10,111,500	10,986,500	10,216,840	769,660
Employee benefits	9,054,941	8,905,441	8,471,516	433,925
Materials and supplies	1,445,000	1,821,277	1,614,403	206,874
Equipment	504,500	2,119,979	75,135	2,044,844
Other	56,000	58,886	53,340	5,546
Repairs and maintenance	430,000	434,829	216,619	218,210
Insurance	339,000	339,000	339,000	-
Gasoline\fuel	2,954,000	2,957,107	2,059,314	897,793
TOTAL TRANSPORTATION SERVICES	25,589,225	28,348,801	23,754,988	4,593,813

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

DETAILED BUDGETARY COMPARISON SCHEDULE

FISCAL YEAR ENDED JUNE 30, 2007

	Original	Final	Actual	Variance with Final Positive (Negative)
Appropriations-Charter schools	\$ 3,200,000	\$ 3,450,000	\$ 3,535,059	\$ (85,059)
Settlement agreement	8,870,000	8,870,000	8,139,026	730,974
Facility acquisition and construction	-	139,177	39,177	100,000
Debt service	163,635	163,635	163,636	(1)
TOTAL EXPENDITURES	337,864,776	350,183,121	323,482,962	26,700,159
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(316,620)	8,777,874	45,754,895	36,977,021
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	3,150,000	4,000,000	5,065,632	1,065,632
Transfers out	(3,775,000)	(8,312,000)	(18,562,149)	(10,250,149)
TOTAL OTHER FINANCING SOURCES (USES)	(625,000)	(4,312,000)	(13,496,517)	(9,184,517)
NET CHANGE IN FUND BALANCE	(941,620)	4,465,874	32,258,378	27,792,504
Fund balance, June 30, 2006	84,765,492	84,765,492	84,765,492	-
FUND BALANCE, JUNE 30, 2007	\$ 83,823,872	\$ 89,231,366	\$ 117,023,870	\$ 27,792,504

(Concluded)

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

TITLE II

Title II increases student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools. The program also holds local educational agencies and schools accountable for improvements in student academic achievement.

TITLE V

Title V (PL 96-212) is a federally funded program which provides grants to school districts that are heavily impacted by refugee children. Services are provided to that particular student population and their parents.

GEAR UP BATON ROUGE

Gear Up Baton Rouge is a systemic effort to change teaching and learning in two middle schools with students who qualify in overwhelming numbers for free and reduced lunch. The goals of the grant are: 1) Increase articulation success through primary and secondary education and into post secondary education; 2) Increase high school graduation and post secondary education attendance rates within low income student populations; 3) Increase academic performance of low income students; 4) Enhance school academic and curricular reforms through professional development for teachers and through active involvement in school improvement teams; 5) Provide for project evaluation; 6) Coordinate project dissemination at the local, state, regional, and national levels.

EXCEPTIONAL EDUCATION PROGRAM

The Individuals with Disabilities Act (IDEA) is a federally-financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

ALCOHOL AND DRUG ABUSE

The Alcohol and Drug Abuse Prevention Fund sponsors the prevention of alcohol and drug abuse among children of East Baton Rouge Parish schools. It is funded by ad valorem taxes and donations.

CAREER AND TECHNICAL EDUCATION

The Career and Technical Education Fund accounts for a program designed to administer various vocational programs which provide vocational training and assistance.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

The Pre-GED/Skills Option Program is a comprehensive counseling and guidance program with components for pre-GED academic, workplace readiness and skills instructions for students who are at risk of dropping out of high school.

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

STATE GRANTS

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

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (continued)

CONTINUING EDUCATION

The *Continuing Education Fund* is a program which offers higher education opportunities to persons who are age 16 and older.

TITLE IV

The *Title IV School Program* is a federally funded program which provides drug abuse and prevention education for all students of East Baton Rouge Parish.

LOCAL GRANTS

Grants from various private foundations provide additional support for educational programs. Program areas include teacher mini-grants, math improvement, remediation, staff development and homeless youth activities.

DIRECT FEDERAL PROGRAMS

This fund accounts for programs whose funding is received directly from a federal agency.

Safe Schools/Healthy Students provides for programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels.

Fund for the Improvement of Education (FIE) provides for programs to improve the quality of education, to assist all students to meet challenging state content standards, and to contribute to the achievement of elementary and secondary students.

Teaching American History provides support programs to raise student achievement by improving teacher's knowledge, understanding, and appreciation of American History.

MOSAIC is an extended day and summer school program providing educational tutoring and English language courses to elementary school students. The program has 40 different language groups participating. Most of the students are immigrants or refugees, and the program management regularly interacts with the Office of Migration and Refugee Services. The program objective is to facilitate LEP (Limited English Proficient) students in attaining or surpassing the academic level of their English-speaking peers.

SUMMER SCHOOL

The *Summer School Program* is designed to provide summer programs enabling students who have failed subjects to remove deficiencies, enroll in courses to enrich their educational experiences, and to enable students to take additional courses in order to meet graduation requirements. Revenues for the fund are generated through a registration fee charged to each student for each class taken.

TEXTBOOKS

The Textbook Fund is used to account for textbooks purchased for East Baton Rouge Parish School System students, as well as, State-approved nonpublic schools.

DISASTER RELIEF FUND

The *Disaster Relief Fund* is used to account for federal funding to be used to meet the educational needs of students enrolled in the School System who were displaced as a result of natural disasters.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (continued)

WBRH RADIO STATION TRAINING PROGRAM

The *WBRH Radio Station Training Program Fund* accounts for the operations of the radio station and the training of students involved in radio training.

SERVE! BATON ROUGE

SERVE! Baton Rouge is a program funded by a grant from the Louisiana Serve Commission that provides tutoring and mentoring to academically at-risk youth at twelve elementary schools in the East Baton Rouge Parish School System.

TECHNOLOGY LITERACY CHALLENGE (Title III)

Title III is a provision of the federally legislated Goals 2001: Educate America Act. The funds provide instructional and technical training for classroom teachers.

NASA – LSU 1ST ROBOTICS

The *NASA – LSU 1ST Robotic* program is funded by the Aerospace Education Services Program (AESP), which provides in-service and pre-service workshops for K-12 teachers to initiate dramatic and enduring educational change that directly impacts teaching and learning science, mathematics, and technology in existing classrooms. AESP Specialists support and complement teacher training by visiting in individual classrooms to assist teachers in implementing the strategies demonstrated in teacher workshops.

READING FIRST

The *Reading First* program provides the necessary assistance to states and districts to establish research-based reading programs for students in kindergarten through third grade. By teaching all children to read well by the end of third grade, we will ensure that all students advance to later grades well prepared to achieve their full academic potential.

HOMELESS YOUTH ASSISTANCE

The purpose of the program is to provide financial assistance to local educational agencies serving homeless children and youth displaced by Hurricane Katrina or Hurricane Rita to address the educational and related needs of these students consistent with section 723 of the McKinney-Vento Homeless Assistance Act (McKinney-Vento Act).



EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - GEAR UP BATON ROUGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Federal grants	\$ 341,673	\$ 178,009	\$ (163,664)
TOTAL REVENUES	<u>341,673</u>	<u>178,009</u>	<u>(163,664)</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	9,503	63,709	(54,206)
Support:			
Pupil Support Services	287,415	109,022	178,393
Instructional Staff Services	9,636	-	9,636
Plant operations and maintenance	81	81	-
Transportation	9,879	5,033	4,846
TOTAL EXPENDITURES	<u>316,514</u>	<u>177,845</u>	<u>138,669</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>25,159</u>	<u>164</u>	<u>(24,995)</u>
<u>OTHER FINANCING USES</u>			
Transfers out	<u>(25,159)</u>	<u>(164)</u>	<u>24,995</u>
TOTAL OTHER FINANCING USES	<u>(25,159)</u>	<u>(164)</u>	<u>24,995</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - EXCEPTIONAL EDUCATION PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 21,479,861	\$ 13,362,708	\$ (8,117,153)
TOTAL REVENUES	21,479,861	13,362,708	(8,117,153)
<u>EXPENDITURES</u>			
Instruction:			
Special education programs	13,898,782	8,653,316	5,245,466
Support:			
Pupil support services	1,114,688	1,004,293	110,395
Instructional staff services	2,242,834	1,619,234	623,600
Administrative	7,873	810	7,063
Business and central services	1,423,332	226,754	1,196,578
Plant operations and maintenance	73,233	12,770	60,463
Transportation	504,652	364,505	140,147
TOTAL EXPENDITURES	19,265,394	11,881,682	7,383,712
EXCESS OF REVENUES OVER EXPENDITURES	2,214,467	1,481,026	(733,441)
<u>OTHER FINANCING USES</u>			
Transfers out	(2,214,469)	(1,481,028)	733,441
TOTAL OTHER FINANCING USES	(2,214,469)	(1,481,028)	733,441
NET CHANGE IN FUND BALANCE	(2)	(2)	-
Fund balance, June 30, 2006	2	2	-
FUND BALANCE, JUNE 30, 2007	\$ -	\$ -	\$ -

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - ALCOHOL AND DRUG ABUSE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Local sources:			
Ad valorem taxes	\$ 1,656,520	\$ 1,688,223	\$ 31,703
Other	5,000	3,480	(1,520)
TOTAL REVENUES	<u>1,661,520</u>	<u>1,691,703</u>	<u>30,183</u>
<u>EXPENDITURES</u>			
Support:			
Pupil support services	1,607,413	1,445,769	161,644
Instructional staff services	-	22,739	(22,739)
Administrative	50,027	176	49,851
Business and central services	34,733	101,558	(66,825)
Plant operations and maintenance	39,053	41,638	(2,585)
Transportation	-	324	(324)
TOTAL EXPENDITURES	<u>1,731,226</u>	<u>1,612,204</u>	<u>119,022</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>(69,706)</u>	 <u>79,499</u>	 <u>149,205</u>
<u>OTHER FINANCING USES</u>			
Transfers out	-	(16,167)	(16,167)
 TOTAL OTHER FINANCING USES	 <u>-</u>	 <u>(16,167)</u>	 <u>(16,167)</u>
 NET CHANGE IN FUND BALANCE	 <u>(69,706)</u>	 <u>63,332</u>	 <u>133,038</u>
 Fund balance, June 30, 2006	 <u>538,019</u>	 <u>538,019</u>	 <u>-</u>
 FUND BALANCE, JUNE 30, 2007	 <u>\$ 468,313</u>	 <u>\$ 601,351</u>	 <u>\$ 133,038</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - CAREER AND TECHNICAL EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 924,891	\$ 891,840	\$ (33,051)
TOTAL REVENUES	924,891	891,840	(33,051)
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	886,083	795,388	90,695
Support:			
Instructional staff services	32,681	91,419	(58,738)
Administrative	130	80	50
Business and central services	2,900	1,999	901
Transportation	3,097	2,954	143
TOTAL EXPENDITURES	924,891	891,840	33,051
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	-	-	-
FUND BALANCE, JUNE 30, 2007	\$ -	\$ -	\$ -

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
State and federal:			
Federal grants	\$ 2,401,200	\$ 2,168,464	\$ (232,736)
TOTAL REVENUES	<u>2,401,200</u>	<u>2,168,464</u>	<u>(232,736)</u>
<u>EXPENDITURES</u>			
Instruction:			
Regular Education Programs	-	-	-
Special Education Programs	-	-	-
Other education programs	1,920,796	1,497,189	423,607
Support			
Instructional staff services	348,355	417,609	(69,254)
Business and central services	13,695	39,739	(26,044)
Plant operations and maintenance	1,050	579	471
Transportation	114,661	34,743	79,918
TOTAL EXPENDITURES	<u>2,398,557</u>	<u>1,989,859</u>	<u>408,698</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>2,643</u>	<u>178,605</u>	<u>175,962</u>
<u>OTHER FINANCING USES</u>			
Transfers out	(11,330)	(7,493)	3,837
TOTAL OTHER FINANCING USES	<u>(11,330)</u>	<u>(7,493)</u>	<u>3,837</u>
NET CHANGE IN FUND BALANCE	(8,687)	171,112	179,799
Fund balance, June 30, 2006	<u>398,507</u>	<u>398,507</u>	-
FUND BALANCE, JUNE 30, 2007	<u>\$ 389,820</u>	<u>\$ 569,619</u>	<u>\$ 179,799</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - STATE GRANTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
State support	\$ 9,502,343	\$ 8,619,300	\$ (883,043)
TOTAL REVENUES	<u>9,502,343</u>	<u>8,619,300</u>	<u>(883,043)</u>
<u>EXPENDITURES</u>			
Instruction:			
Special education programs	157,407	165,224	(7,817)
Other education programs	7,999,632	7,153,230	846,402
Support:			
Pupil support services	94,817	89,625	5,192
Instructional staff services	1,684,275	1,359,951	324,324
Administrative	83,286	54,973	28,313
Business and central services	147,513	138,953	8,560
Plant operations and maintenance	29,876	12,107	17,769
Transportation	370,702	434,800	(64,098)
TOTAL EXPENDITURES	<u>10,567,508</u>	<u>9,408,863</u>	<u>1,158,645</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	<u>(1,065,165)</u>	<u>(789,563)</u>	<u>275,602</u>
<u>OTHER FINANCING SOURCES USES</u>			
Transfers out	<u>(1,408)</u>	<u>-</u>	<u>1,408</u>
TOTAL OTHER FINANCING USES	<u>(1,408)</u>	<u>-</u>	<u>1,408</u>
NET CHANGE IN FUND BALANCE	<u>(1,066,573)</u>	<u>(789,563)</u>	<u>277,010</u>
Fund balance, June 30, 2006	<u>1,786,133</u>	<u>1,786,133</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ 719,560</u>	<u>\$ 996,570</u>	<u>\$ 277,010</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - CONTINUING EDUCATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 951,995	\$ 753,164	\$ (198,831)
TOTAL REVENUES	951,995	753,164	(198,831)
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	906,091	717,693	188,398
Support:			
Administrative	280	-	280
TOTAL EXPENDITURES	906,371	717,693	188,678
EXCESS OF REVENUES OVER EXPENDITURES	45,624	35,471	(10,153)
<u>OTHER FINANCING USES</u>			
Transfers out	(45,624)	(35,471)	10,153
TOTAL OTHER FINANCING USES	(45,624)	(35,471)	10,153
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	-	-	-
FUND BALANCE, JUNE 30, 2007	\$ -	\$ -	\$ -

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - TITLE IV

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 404,201	\$ 404,201	\$ -
TOTAL REVENUES	<u>404,201</u>	<u>404,201</u>	<u>-</u>
<u>EXPENDITURES</u>			
Support:			
Pupil support services	396,276	396,276	-
TOTAL EXPENDITURES	<u>396,276</u>	<u>396,276</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>7,925</u>	<u>7,925</u>	<u>-</u>
<u>OTHER FINANCING USES</u>			
Transfers out	<u>(7,925)</u>	<u>(7,925)</u>	<u>-</u>
TOTAL OTHER FINANCING USES	<u>(7,925)</u>	<u>(7,925)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - LOCAL GRANTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Local sources:			
Other	\$ 2,198,330	\$ 2,198,376	\$ 46
TOTAL REVENUES	<u>2,198,330</u>	<u>2,198,376</u>	<u>46</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	2,099,016	1,943,491	155,525
Support:			
Instructional staff services	298,149	250,433	47,716
Administrative	1,452	2,319	(867)
Business and central services	11,209	3,909	7,300
Plant operations and maintenance	17,134	17,134	-
Transportation	4,798	7,893	(3,095)
TOTAL EXPENDITURES	<u>2,431,758</u>	<u>2,225,179</u>	<u>206,579</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	<u>(233,428)</u>	<u>(26,803)</u>	<u>206,625</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	100,000	100,000	-
Transfers out	<u>(19,738)</u>	<u>(19,738)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>80,262</u>	<u>80,262</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(153,166)</u>	<u>53,459</u>	<u>206,625</u>
Fund balance, June 30, 2006	<u>548,446</u>	<u>548,446</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ 395,280</u>	<u>\$ 601,905</u>	<u>\$ 206,625</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - DIRECT FEDERAL PROGRAMS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 3,053,601	\$ 2,393,781	\$ (659,820)
TOTAL REVENUES	<u>3,053,601</u>	<u>2,393,781</u>	<u>(659,820)</u>
<u>EXPENDITURES</u>			
Support:			
Pupil support services	2,742,947	2,134,961	607,986
Instructional staff services	160,380	67,618	92,762
Business and central services	1,451	1,232	219
Plant operations and maintenance	<u>4,320</u>	<u>4,248</u>	<u>72</u>
TOTAL EXPENDITURES	<u>2,909,098</u>	<u>2,208,059</u>	<u>701,039</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>144,503</u>	<u>185,722</u>	<u>41,219</u>
<u>OTHER FINANCING USES</u>			
Transfers out	<u>(144,503)</u>	<u>(185,722)</u>	<u>(41,219)</u>
TOTAL OTHER FINANCING USES	<u>(144,503)</u>	<u>(185,722)</u>	<u>(41,219)</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - SUMMER SCHOOL

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Local sources:			
Other	\$ 368,600	\$ 371,528	\$ 2,928
TOTAL REVENUES	<u>368,600</u>	<u>371,528</u>	<u>2,928</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	492,900	501,776	(8,876)
Support:			
Administrative	-	40	(40)
Transportation	-	385	(385)
TOTAL EXPENDITURES	<u>492,900</u>	<u>502,201</u>	<u>(9,301)</u>
 NET CHANGE IN FUND BALANCE	 <u>(124,300)</u>	 <u>(130,673)</u>	 <u>(6,373)</u>
 Fund balance, June 30, 2006	 <u>285,348</u>	 <u>285,348</u>	
 FUND BALANCE, JUNE 30, 2007	 <u>\$ 161,048</u>	 <u>\$ 154,675</u>	 <u>\$ (6,373)</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - TEXTBOOKS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
State and federal:			
Other state support	\$ 544,517	\$ 526,302	\$ (18,215)
TOTAL REVENUES	<u>544,517</u>	<u>526,302</u>	<u>(18,215)</u>
<u>EXPENDITURES</u>			
Instruction:			
Regular Education Programs	4,575,107	1,604,371	2,970,736
Support:			
Instructional Staff Services	<u>96,180</u>	<u>90,014</u>	<u>6,166</u>
TOTAL EXPENDITURES	<u>4,671,287</u>	<u>1,694,385</u>	<u>2,976,902</u>
 EXCESS OF REVENUES (UNDER) EXPENDITURES	 <u>(4,126,770)</u>	 <u>(1,168,083)</u>	 <u>2,958,687</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	4,500,000	6,500,000	2,000,000
Transfers out	<u>(30,030)</u>	<u>(29,416)</u>	<u>614</u>
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>4,469,970</u>	 <u>6,470,584</u>	 <u>2,000,614</u>
 NET CHANGE IN FUND BALANCE	 343,200	 5,302,501	 4,959,301
 Fund balance, June 30, 2006	 <u>2,976,744</u>	 <u>2,976,744</u>	 <u>-</u>
 FUND BALANCE, JUNE 30, 2007	 <u>\$ 3,319,944</u>	 <u>\$ 8,279,245</u>	 <u>\$ 4,959,301</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - DISASTER RELIEF

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 89,602	\$ 89,602	\$ -
TOTAL REVENUES	<u>89,602</u>	<u>89,602</u>	<u>-</u>
<u>EXPENDITURES</u>			
Instruction:			
Regular Education Programs	89,602	351,751	(262,149)
TOTAL EXPENDITURES	<u>89,602</u>	<u>351,751</u>	<u>(262,149)</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	<u>-</u>	<u>(262,149)</u>	<u>(262,149)</u>
<u>OTHER FINANCING SOURCES</u>			
Transfers in	-	262,149	262,149
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>262,149</u>	<u>262,149</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - WBRH RADIO STATION TRAINING PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Local sources:			
Other	\$ 250,600	\$ 274,037	\$ 23,437
TOTAL REVENUES	<u>250,600</u>	<u>274,037</u>	<u>23,437</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	362,650	224,107	138,543
TOTAL EXPENDITURES	<u>362,650</u>	<u>224,107</u>	<u>138,543</u>
 NET CHANGE IN FUND BALANCE	 (112,050)	 49,930	 161,980
 Fund balance, June 30, 2006	 <u>243,990</u>	 <u>243,990</u>	 <u>-</u>
 FUND BALANCE, JUNE 30, 2007	 <u>\$ 131,940</u>	 <u>\$ 293,920</u>	 <u>\$ 161,980</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - SERVE! BATON ROUGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>			
Federal grants	\$ 20,507	\$ 20,507	\$ -
TOTAL REVENUES	<u>20,507</u>	<u>20,507</u>	<u>-</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	427	427	-
Support:			
Pupil support services	11,554	11,554	-
Instructional staff services	8,526	8,526	-
Administrative	-	-	-
TOTAL EXPENDITURES	<u>20,507</u>	<u>20,507</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	-	-	-
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - TECHNOLOGY LITERACY CHALLENGE (TITLE III)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Federal grants	\$ 500,747	\$ 399,218	\$ 101,529
TOTAL REVENUES	<u>500,747</u>	<u>399,218</u>	<u>101,529</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	422,260	336,261	85,999
Support:			
Instructional staff services	62,176	52,132	10,044
Business and central services	2,071	674	1,397
Plant operations and maintenance	2,528	2,378	150
Transportation	1,978	-	1,978
TOTAL EXPENDITURES	<u>491,013</u>	<u>391,445</u>	<u>99,568</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>9,734</u>	<u>7,773</u>	<u>1,961</u>
<u>OTHER FINANCING USES</u>			
Transfers out	<u>(9,734)</u>	<u>(7,773)</u>	<u>(1,961)</u>
TOTAL OTHER FINANCING USES	<u>(9,734)</u>	<u>(7,773)</u>	<u>(1,961)</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - NASA-LSU 1st ROBOTICS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	-	-	-
TOTAL EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	312	312	-
FUND BALANCE, JUNE 30, 2007	\$ 312	\$ 312	\$ -

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - READING FIRST

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 1,630,195	\$ 1,414,573	\$ (215,622)
TOTAL REVENUES	<u>1,630,195</u>	<u>1,414,573</u>	<u>(215,622)</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	1,515,182	1,358,687	156,495
Support:			
Instructional staff services	59,888	8,050	51,838
Administrative		-	-
TOTAL EXPENDITURES	<u>1,575,070</u>	<u>1,366,737</u>	<u>208,333</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>55,125</u>	<u>47,836</u>	<u>(7,289)</u>
<u>OTHER FINANCING USES</u>			
Transfers out	(55,125)	(47,836)	7,289
TOTAL OTHER FINANCING USES	<u>(55,125)</u>	<u>(47,836)</u>	<u>7,289</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	-	-	-
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SPECIAL REVENUE FUND - HOMELESS YOUTH ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Federal grants	\$ 131,644	\$ 131,644	\$ -
TOTAL REVENUES	<u>131,644</u>	<u>131,644</u>	<u>-</u>
<u>EXPENDITURES</u>			
Instruction:			
Other education programs	109,103	109,103	-
Support:			
Instructional staff services	3,925	3,925	-
Plant Operations and Maintenance	<u>3,537</u>	<u>3,537</u>	<u>-</u>
TOTAL EXPENDITURES	<u>116,565</u>	<u>116,565</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>15,079</u>	<u>15,079</u>	<u>-</u>
<u>OTHER FINANCING USES</u>			
Transfers out	<u>(15,079)</u>	<u>(15,079)</u>	<u>-</u>
TOTAL OTHER FINANCING USES	<u>(15,079)</u>	<u>(15,079)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund balance, June 30, 2006	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS

WORKERS' COMPENSATION FUND

The *Workers' Compensation Fund* is designed to protect the School System against catastrophic losses in a single year in the area of employee related accidents.

RISK MANAGEMENT FUND

The *Risk Management Fund* is designed to account for the School System's property, general and automobile liability.

MEDICAL INSURANCE FUND

The *Medical Insurance Fund* accounts for the activity of the School System's managed health care program for its employees.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

PROPRIETARY FUND TYPE
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

	Workers' Compensation Fund	Risk Management Fund	Medical Insurance Fund	Total Internal Service Funds
<u>ASSETS</u>				
Current:				
Cash and cash equivalents	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000
Due from other funds	2,671,575	7,792,989	40,977,013	51,441,577
Reimbursement receivable	-	1,440	871,052	872,492
TOTAL ASSETS	\$ 5,171,575	\$ 7,794,429	\$ 41,848,065	\$ 54,814,069
<u>LIABILITIES AND NET ASSETS</u>				
Liabilities:				
Current:				
Accounts payable	\$ 7,354	\$ 42,305	\$ 233,515	\$ 283,174
Claims payable	1,522,000	1,161,000	6,799,531	9,482,531
Non current:				
Claims payable	911,538	2,616,314	-	3,527,852
TOTAL LIABILITIES	2,440,892	3,819,619	7,033,046	13,293,557
Net assets (unrestricted)	2,730,683	3,974,810	34,815,019	41,520,512
TOTAL LIABILITIES AND NET ASSETS	\$ 5,171,575	\$ 7,794,429	\$ 41,848,065	\$ 54,814,069

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

PROPRIETARY FUND TYPE
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FISCAL YEAR ENDED JUNE 30, 2007

	<u>Workers'</u> <u>Compensation</u> <u>Fund</u>	<u>Risk</u> <u>Management</u> <u>Fund</u>	<u>Medical</u> <u>Insurance</u> <u>Fund</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<u>OPERATING REVENUES</u>				
Premiums received	\$ 1,904,585	\$ 3,585,852	\$ 75,918,530	\$ 81,408,967
TOTAL OPERATING REVENUE	<u>1,904,585</u>	<u>3,585,852</u>	<u>75,918,530</u>	<u>81,408,967</u>
<u>OPERATING EXPENSES</u>				
Claims expense	1,899,717	2,240,164	56,375,091	60,514,972
Insurance premiums	265,557	-	2,546,634	2,812,191
Administrative fees	124,572	135,345	2,666,032	2,925,949
TOTAL OPERATING EXPENSES	<u>2,289,846</u>	<u>2,375,509</u>	<u>61,587,757</u>	<u>66,253,112</u>
NET OPERATING INCOME (LOSS)	<u>(385,261)</u>	<u>1,210,343</u>	<u>14,330,773</u>	<u>15,155,855</u>
<u>NON-OPERATING REVENUES</u>				
Interest income	131,311	-	-	131,311
TOTAL NON-OPERATING REVENUES	<u>131,311</u>	<u>-</u>	<u>-</u>	<u>131,311</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(253,950)</u>	<u>1,210,343</u>	<u>14,330,773</u>	<u>15,287,166</u>
Transfers in	2,500,000	2,500,000	-	5,000,000
CHANGE IN NET ASSETS	2,246,050	3,710,343	14,330,773	20,287,166
NET ASSETS at JUNE 30, 2006	<u>484,633</u>	<u>\$ 264,467</u>	<u>\$ 20,484,246</u>	<u>\$ 21,233,346</u>
NET ASSETS at JUNE 30, 2007	<u>\$ 2,730,683</u>	<u>\$ 3,974,810</u>	<u>\$ 34,815,019</u>	<u>\$ 41,520,512</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****PROPRIETARY FUND TYPE****INTERNAL SERVICE FUNDS****COMBINING STATEMENT OF CASH FLOWS****FISCAL YEAR ENDED JUNE 30, 2007**

	Workers' Compensation Fund	Risk Management Fund	Medical Insurance Fund	Total Internal Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
O Cash premiums received	\$ 1,904,585	\$ 3,584,412	\$ 75,509,509	\$ 80,998,506
Cash paid in claims and benefits	(2,376,300)	(2,169,009)	(58,884,592)	(63,429,901)
Cash paid for expenses	(117,218)	(95,554)	(2,830,997)	(3,043,769)
NET CASH PROVIDED BY				
(USED IN) OPERATING ACTIVITIES	(588,933)	1,319,849	13,793,920	14,524,836
<u>CASH FLOWS FROM NONCAPITAL FINANCING</u>				
<u>ACTIVITIES:</u>				
Interfund transfers and advances	416,336	(1,358,160)	(13,793,920)	(14,735,744)
NET CASH PROVIDED BY (USED IN)				
NONCAPITAL FINANCING ACTIVITIES	416,336	(1,358,160)	(13,793,920)	(14,735,744)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>				
Interest Income	131,311	-	-	131,311
NET CASH PROVIDED BY				
INVESTING ACTIVITIES	131,311	-	-	131,311
NET CHANGE IN CASH	(41,286)	(38,311)	-	(79,597)
Cash at beginning of year	2,541,286	38,311	-	2,579,597
CASH AT END OF YEAR	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000
Reconciliation of operating income (loss) to net cash				
provided by (used in) operating activities				
Operating income (loss)	\$ (385,261)	\$ 1,210,343	\$ 14,330,773	\$ 15,155,855
Adjustments to reconcile operating income (loss) to				
net cash provided by (used in) operating activities:				
Changes in:				
Reimbursement receivables	-	(1,440)	(409,021)	(410,461)
Accounts and claims payable	(203,672)	110,946	(127,832)	(220,558)
NET CASH PROVIDED BY (USED				
IN) OPERATING ACTIVITIES	\$ (588,933)	\$ 1,319,849	\$ 13,793,920	\$ 14,524,836

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUNDS

CONSOLIDATED PAYROLL FUND

The *Consolidated Payroll Fund* was established to account for the payroll deductions and withholdings for all employees paid by the School System.

SCHOOL ACTIVITY FUND

The activities of the various individual school accounts are accounted for in the *School Activity Fund*. While the fund is under the supervision of the School System, these monies belong to the individual schools or their student bodies and are not available for use by the School System.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

June 30, 2007

	<u>Consolidated Payroll Fund</u>	<u>School Activity Fund</u>	<u>Agency Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ 4,224,268	\$ 4,224,268
Accounts receivable	29,373	-	29,373
Due from other funds	11,874,626	-	11,874,626
TOTAL ASSETS	<u>\$ 11,903,999</u>	<u>\$ 4,224,268</u>	<u>\$ 16,128,267</u>
<u>LIABILITIES</u>			
Benefits payable	\$ 2,445,883	\$ -	\$ 2,445,883
Salaries payable	7,723,270	-	7,723,270
Payroll withholdings payable	1,423,577	-	1,423,577
Amounts held for other groups	311,269	4,224,268	4,535,537
TOTAL LIABILITIES	<u>\$ 11,903,999</u>	<u>\$ 4,224,268</u>	<u>\$ 16,128,267</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FISCAL YEAR ENDED JUNE 30, 2007

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
<u>CONSOLIDATED PAYROLL FUND</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 20,541,426	\$ 20,541,426	\$ -
Accounts receivable	70,370	848,611	889,608	29,373
Due from other funds	10,566,711	275,801,300	274,493,385	11,874,626
TOTAL ASSETS	\$ 10,637,081	\$ 297,191,337	\$ 295,924,419	\$ 11,903,999
<u>LIABILITIES</u>				
Accounts payable	\$ 41,313	\$ 71,990,915	\$ 71,720,959	\$ 311,269
Benefits payable	2,001,417	68,259,976	67,815,510	2,445,883
Salaries payable	6,954,259	12,127,429	11,358,418	7,723,270
Payroll withholdings payable	1,640,092	84,322,936	84,539,451	1,423,577
TOTAL LIABILITIES	\$ 10,637,081	\$ 236,701,256	\$ 235,434,338	\$ 11,903,999
<u>SCHOOL ACTIVITY FUND</u>				
<u>ASSETS</u>				
Cash and cash equivalents				
TOTAL ASSETS	\$ 4,251,790	\$ 10,383,445	\$ 10,410,967	\$ 4,224,268
<u>LIABILITIES</u>				
Amounts held for other groups	4,251,790	10,383,445	10,410,967	4,224,268
TOTAL LIABILITIES	\$ 4,251,790	\$ 10,383,445	\$ 10,410,967	\$ 4,224,268
<u>TOTAL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,251,790	\$ 30,924,871	\$ 30,952,393	\$ 4,224,268
Accounts receivable	70,370	848,611	889,608	29,373
Due from other funds	10,566,711	275,801,300	274,493,385	11,874,626
TOTAL ASSETS	\$ 14,888,871	\$ 307,574,782	\$ 306,335,386	\$ 16,128,267
<u>LIABILITIES</u>				
Accounts payable	\$ 41,313	\$ 71,990,915	\$ 71,720,959	\$ 311,269
Benefits payable	2,001,417	68,259,976	67,815,510	2,445,883
Salaries payable	6,954,259	12,127,429	11,358,418	7,723,270
Payroll withholdings payable	1,640,092	84,322,936	84,539,451	1,423,577
Amounts held for other groups	4,251,790	10,383,445	10,410,967	4,224,268
TOTAL LIABILITIES	\$ 14,888,871	\$ 247,084,701	\$ 245,845,305	\$ 16,128,267

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

COMPARATIVE SCHEDULE OF CAPITAL ASSETS - BY SOURCES

JUNE 30, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Capital assets:		
Land	\$ 9,436,146	\$ 8,352,161
Buildings and improvements	297,047,800	243,604,076
Furniture and equipment	36,440,699	35,435,715
Construction in progress	<u>14,832,688</u>	<u>43,694,283</u>
 TOTAL CAPITAL ASSETS	 <u>\$ 357,757,333</u>	 <u>\$ 331,086,235</u>
Capital assets from:		
Capital projects fund	\$ 143,952,749	\$ 141,304,884
Other governmental funds	<u>213,804,584</u>	<u>189,781,351</u>
 TOTAL ASSETS AT COST	 <u>\$ 357,757,333</u>	 <u>\$ 331,086,235</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

SCHEDULE OF CAPITAL ASSETS AT COST - BY FUNCTION

JUNE 30, 2007

<u>Function</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Furniture and Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
Administrative	\$ 1,165,877	\$ 11,547,254	\$ 8,961,155	\$ -	\$ 21,674,286
Instructional	7,529,969	282,374,633	15,236,549	14,832,688	319,973,839
Maintenance	740,300	3,125,913	12,242,995	-	16,109,208
 TOTAL	 \$ 9,436,146	 \$ 297,047,800	 \$ 36,440,699	 \$ 14,832,688	 \$ 357,757,333

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY FUNCTION
FISCAL YEAR ENDED JUNE 30, 2007

<u>Function</u>	Capital Assets June 30, 2006	Additions	Adjustments and Deductions	Capital Assets June 30, 2007
Administrative	\$ 12,966,477	\$ 8,777,414	\$ (69,605)	\$ 21,674,286
Instructional	301,992,291	61,935,330	(43,953,782)	319,973,839
Maintenance	16,127,467	-	(18,259)	16,109,208
 TOTAL	 \$ 331,086,235	 \$ 70,712,744	 \$ (44,041,646)	 \$ 357,757,333

Comprehensive Annual Financial Report



Statistical Section

East Baton Rouge Parish School System

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

STATISTICAL SCHEDULE DESCRIPTIONS

This part of the School System's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information states about the School System's overall financial health.

FINANCIAL TRENDS

These schedules contain trend information to assist the reader in understanding how the School System's financial position and well-being have changed over time.

- Net Assets By Component – Last Seven Fiscal Years
- Changes in Net Assets – Last Seven Fiscal Years
- Fund Balances of Governmental Funds – Last Ten Fiscal Years
- Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years

REVENUE CAPACITY

These schedules contain information to help the reader assess the School System's ability to generate own-source revenues, namely the property tax.

- Assessed and Estimated Actual Value of Taxable Property – Last Ten Tax Years
- Principal Property Taxpayers – Current Year and Nine Years Ago
- Property Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Tax Years
- Property Tax Levies and Collections – Last Ten Tax Years

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the School System's current levels of outstanding debt and the School System's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type – Last Ten Fiscal Years
- Computation of Legal Debt Margin – Last Ten Tax Years
- Computation of Direct and Overlapping Debt – December 31, 2006

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School System's financial activities take place.

- Demographic Statistics – Last Ten Fiscal Years
- Principal Employers – Current Year and Nine Years Ago

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

STATISTICAL SCHEDULE DESCRIPTIONS (continued)

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the School System's financial report related to the services the School System provides and the activities it performs.

- General Fund Expenditures by Function – Last Ten Fiscal Years
- General Fund Expenditures by Function Per Pupil – Last Ten Fiscal Years
- Full-Time Equivalents (FTE) Employees – Last Ten Fiscal Years
- Board Members' Compensation – June 30, 2007
- Percentage of Free and Reduced Students in Lunch Program – Last Ten Fiscal Years
- History of High School Graduates – Last Ten Fiscal Years
- Capital Asset Information – June 30, 2007

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School System implemented GASB Statement No. 34 with the fiscal year beginning July 1, 2000; therefore, schedules presenting government-wide information include information beginning with June 30, 2001.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

NET ASSETS BY COMPONENT

LAST SEVEN FISCAL YEARS

(accrual basis of accounting)

(Unaudited)

	Fiscal Year						
	2007	2006	2005	2004	2003	2002	2001
Governmental activities							
Invested in capital assets, net of related debt	\$ 225,764,035	\$ 211,533,500	\$ 186,734,515	\$ 173,233,096	\$ 154,779,577	\$ 117,937,595	\$ 70,772,075
Restricted	69,254,835	46,052,683	37,821,604	31,581,102	31,896,228	41,406,522	51,249,628
Unrestricted	143,642,384	90,339,890	25,271,626	10,880,770	7,585,867	5,090,149	(1,757,640)
Total governmental activities net assets	<u>\$ 438,661,254</u>	<u>\$ 347,926,073</u>	<u>\$ 249,827,745</u>	<u>\$ 215,694,968</u>	<u>\$ 194,261,672</u>	<u>\$ 164,434,266</u>	<u>\$ 120,264,063</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****CHANGES IN NET ASSETS**
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Fiscal Year Ended June 30,

	2007	2006	2005	2004	2003	2002	2001
Expenses:							
Instruction:							
Regular education programs	\$ 147,101,404	\$ 147,701,382	\$ 127,813,148	\$ 123,266,742	\$ 135,363,693	\$ 131,388,055	\$ 127,051,866
Special education programs	64,221,602	58,496,304	55,085,920	55,110,215	57,939,527	53,709,898	50,980,486
Other education programs	47,481,748	46,296,059	41,560,479	37,325,869	38,846,770	39,352,603	34,893,054
Support Services:							
Pupil support services	24,594,812	20,449,183	19,246,256	19,402,706	20,903,012	20,235,682	19,675,621
Instructional staff services	19,378,843	17,540,587	14,335,482	13,176,049	14,666,496	13,756,543	15,051,260
General administration services	9,692,604	9,311,757	9,539,624	9,263,975	8,917,227	8,615,549	10,683,334
School administration services	18,682,580	17,754,035	17,404,397	16,928,728	18,813,356	18,683,964	18,642,591
Business and central services	12,564,091	10,969,154	10,953,063	9,780,530	8,782,419	7,434,464	8,308,697
Plant operations and maintenance	47,877,600	45,462,490	45,399,347	40,656,948	43,630,455	34,775,378	38,475,183
Transportation	25,988,683	26,181,964	23,512,199	23,453,713	22,734,348	21,975,939	20,691,466
Child nutrition	26,189,372	25,679,703	25,339,113	24,940,146	27,805,218	26,804,429	24,437,035
Appropriation - charter schools	3,804,070	3,273,244	2,846,532	2,645,958	2,531,735	2,494,800	2,304,524
Interest on long-term debt	-	-	21,275	41,884	61,847	49,595	70,608
Total expenses	447,577,409	429,115,862	393,056,835	375,993,463	400,996,103	379,276,899	371,265,725
Program revenues:							
Charges for services:							
Instruction	871,051	810,410	813,246	816,705	805,652	3,191,225	2,585,898
Pupil support services	-	-	-	-	-	219,178	145,794
Instructional staff services	-	-	-	-	-	118,772	97,661
General administration services	-	-	-	-	-	10,204	5,223
School administration services	-	-	-	-	-	209,790	142,011
Business and central services	-	-	-	-	-	42,856	51,540
Plant operation and maintenance	-	-	-	-	-	328,563	195,063
Transportation	174,406	195,970	173,958	111,229	224,766	657,756	499,423
Child nutrition	4,083,381	3,156,100	3,962,803	3,951,872	4,415,312	4,391,685	5,168,449
Appropriation - charter schools	-	-	-	-	-	8,163	-
Operating grants and contributions	83,486,873	114,391,369	67,551,209	61,053,767	63,943,777	54,488,871	53,216,805
Capital grants and contributions	405,775	173,419	-	79,297	175,747	681,365	1,475,000
Total program revenues	89,021,486	118,727,268	72,501,216	66,012,870	69,565,254	64,348,428	63,582,867
Net (expense) revenue	(358,555,923)	(310,388,594)	(320,555,619)	(309,980,593)	(331,430,849)	(314,928,471)	(307,682,858)
General revenues and other changes in net assets:							
Taxes:							
Ad valorem taxes	107,347,430	98,852,998	94,212,705	88,593,017	85,424,341	81,549,651	77,083,447
State revenue sharing	3,873,354	3,692,262	3,722,441	3,759,550	3,919,550	125,380,879	122,957,236
Sales and use taxes	159,512,971	156,104,231	128,856,908	123,437,777	128,970,873	3,934,795	3,864,710
State aid not restricted to specific programs (MFP)	161,556,552	141,675,723	122,712,378	118,772,955	138,122,384	143,066,171	134,999,246
Interest and investment earnings	8,308,087	4,121,466	1,877,172	812,544	1,157,708	2,016,482	3,432,028
Miscellaneous	8,692,710	4,040,242	3,306,792	(3,962,954)	3,663,399	3,150,696	2,157,051
Total general revenues and other changes in net assets	449,291,104	408,486,922	354,688,396	331,412,889	361,258,255	359,098,674	344,493,718
Change in net assets	\$ 90,735,181	\$ 98,098,328	\$ 34,132,777	\$ 21,432,296	\$ 29,827,406	\$ 44,170,203	\$ 36,810,860

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****FUND BALANCES OF GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS****(modified accrual basis of accounting)****(Unaudited)**

Fiscal Year	General Fund			All Other Governmental Funds			
	Reserved	Unreserved	Total	Reserved*	Unreserved Reported in Special Revenue Funds	Unreserved Reported in Capital Projects Funds	Total all other Govern- mental Funds
2007	\$ 6,154,589	\$ 110,869,281	\$ 117,023,870	\$ 15,316,763	\$ 42,537,926	\$ 13,063,990	\$ 70,918,679
2006	2,871,392	81,894,100	84,765,492	30,239,225	35,421,305	(19,107,409)	46,553,121
2005	5,162,226	28,951,745	34,113,971	31,947,471	26,220,068	(20,382,621)	37,784,918
2004	4,472,752	23,979,402	28,452,154	17,546,799	21,164,022	(6,280,292)	32,430,529
2003	8,756,322	21,106,915	29,863,237	18,448,689	25,629,195	(10,609,462)	33,468,422
2002	7,797,320	14,332,666	22,129,986	31,061,266	24,654,826	(9,332,586)	46,383,506
2001	4,400,231	6,176,909	10,577,140	34,875,455	22,905,954	-	57,781,409
2000	8,363,215	11,824,595	20,187,810	4,033,731	16,492,692	18,713,918	39,240,341
1999	6,886,586	25,483,535	32,370,121	(386,119)	3,480,047	-	3,093,928
1998	7,399,273	21,859,613	29,258,886	24,615	4,752,975	-	4,777,590

* Includes Special Revenue, Capital Projects and Debt Service Funds.

All fund balances in Debt Service Funds are reserved to pay future debt service.

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS****(modified accrual basis of accounting)****(Unaudited)**

	Fiscal Year Ended June 30,				
	2007	2006	2005	2004	2003
<u>REVENUES</u>					
Local sources:					
Ad valorem taxes	\$ 107,347,430	\$ 98,852,998	\$ 94,212,705	\$ 88,593,016	\$ 85,424,341
Sales and use taxes	159,512,971	156,104,231	128,856,908	123,438,777	128,970,873
Earnings on investments	7,176,776	4,012,708	1,810,176	782,875	1,090,254
Extended day program tuition	499,523	455,985	498,571	501,648	389,703
Other	14,557,040	7,947,653	8,640,248	8,021,981	9,218,331
State sources:					
Unrestricted grants-in-aid, MFP	161,556,552	141,675,723	122,712,378	118,772,955	138,122,384
Revenue sharing	3,873,354	3,692,262	3,722,441	3,759,550	3,919,550
Restricted grants-in-aid	12,383,418	14,628,369	9,351,153	8,458,456	10,111,888
Federal grants	71,103,455	99,762,999	58,200,057	52,595,311	53,831,889
TOTAL REVENUES	538,010,519	527,132,928	428,004,637	404,924,569	431,079,213
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	137,007,514	133,974,192	115,310,628	109,252,991	117,724,785
Special education programs	66,608,664	60,728,883	56,965,341	55,953,643	57,854,439
Other education programs	48,161,869	46,829,768	41,891,932	38,240,184	38,687,079
Support:					
Pupil support services	25,299,581	21,017,431	19,698,072	19,718,690	20,894,078
Instructional staff services	19,828,482	17,743,073	14,450,744	13,269,682	14,148,848
General administration services	10,675,713	10,158,309	9,395,121	9,427,681	8,903,905
School administration services	19,393,164	18,343,537	17,855,830	17,573,343	18,762,788
Business and central services	13,104,283	11,381,908	11,057,097	10,101,355	9,658,645
Plant operations and maintenance	49,177,339	46,130,576	46,857,400	53,489,970	56,665,244
Transportation	26,918,284	29,520,498	23,053,224	23,724,879	20,730,700
Child nutrition	27,221,988	26,480,077	25,953,662	25,089,361	27,488,135
Appropriation-Charter schools	3,804,070	3,273,244	2,860,991	2,650,946	2,527,906
Settlement agreement	8,139,026	7,983,433	7,587,358	10,677,005	12,388,972
Facility acquisition and construction	21,882,970	33,984,639	23,208,315	17,361,099	28,982,806
Debt service - Principal	163,636	163,636	837,106	800,832	780,869
Debt service - Interest	-	-	5,610	41,884	61,847
TOTAL EXPENDITURES	477,386,583	467,713,204	416,988,431	407,373,545	436,261,046
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	60,623,936	59,419,724	11,016,206	(2,448,976)	(5,181,833)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	18,627,781	30,846,861	9,582,330	13,808,470	11,160,708
Transfers out	(23,627,781)	(30,846,861)	(9,582,330)	(13,808,470)	(11,160,708)
TOTAL OTHER FINANCING SOURCES (USES)	(5,000,000)	-	-	-	-
<u>NET CHANGE IN FUND BALANCES</u>	\$ 55,623,936	\$ 59,419,724	\$ 11,016,206	\$ (2,448,976)	\$ (5,181,833)
Debt service as a percentage of noncapital expenditures	0.04%	0.04%	0.21%	0.22%	0.21%

Fiscal Year Ended June 30,				
2002	2001	2000	1999	1998
\$ 81,549,651	\$ 77,083,447	\$ 72,591,567	\$ 67,387,307	\$ 63,627,613
125,380,879	122,957,238	119,666,992	71,015,058	61,754,604
1,934,468	3,379,918	2,362,338	1,862,304	2,035,517
386,122	540,142	468,224	482,772	496,242
8,542,607	9,290,872	7,310,303	9,458,194	6,932,014
143,066,171	134,999,246	138,394,114	142,060,835	140,417,052
3,934,795	3,864,710	3,819,628	3,671,399	3,731,737
8,849,552	9,229,785	9,221,641	11,516,762	11,335,712
45,639,319	43,987,020	40,923,935	38,363,943	33,723,225
419,283,564	405,332,378	394,758,742	345,818,574	324,053,716

120,631,487	118,232,984	120,125,203	111,232,414	101,423,896
52,392,760	50,874,390	48,544,657	44,600,770	39,856,982
38,674,522	34,802,715	35,088,720	35,002,475	34,040,971
19,846,052	19,658,358	18,771,525	15,602,750	13,131,095
13,149,339	14,622,448	14,110,053	11,857,075	7,432,350
8,570,952	8,131,542	8,905,724	6,889,220	8,767,619
18,325,464	18,625,513	17,027,709	17,603,225	17,056,615
7,306,641	8,284,913	8,012,865	8,467,580	6,647,451
35,217,882	50,088,729	37,904,317	33,493,484	35,853,993
20,134,464	22,040,868	18,534,619	17,037,640	15,378,202
26,175,170	24,339,431	23,217,927	23,920,484	21,601,065
2,478,545	2,304,524	1,774,730	1,282,140	797,486
12,011,102	9,910,798	10,639,867	10,770,582	8,878,318
47,360,267	13,529,395	8,274,744	5,219,785	10,174,766
1,683,525	865,000	-	-	-
70,299	90,382	949,587	1,051,782	2,934,215
424,028,471	396,401,990	371,882,247	344,031,406	323,975,024
(4,744,907)	8,930,388	22,876,495	1,787,168	78,692
5,736,826	5,835,380	10,972,585	3,575,929	3,030,604
(5,736,826)	(5,835,380)	(10,972,585)	(3,575,929)	(3,030,604)
-	-	-	-	-
\$ (4,744,907)	\$ 8,930,388	\$ 22,876,495	\$ 1,787,168	\$ 78,692

0.47%

0.25%

0.26%

0.31%

0.94%

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS
(December 31, 1997 through 2006)
(Unaudited)

<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Industrial Property</u>	<u>Public Utilities</u>	<u>Less: Homestead Exempt Property</u>	<u>Total Taxable Assessed Value</u>
<u>Parish of East Baton Rouge</u>						
2006	\$2,042,924,300	\$630,969,950	\$327,393,900	\$231,843,590	\$620,821,750	\$2,612,309,990
2005	1,914,081,200	579,874,150	297,409,100	220,667,330	612,224,400	2,399,807,380
2004	(1)	(1)	(1)	(1)	(1)	2,885,035,660
2003	(1)	(1)	(1)	(1)	(1)	2,669,273,996
2002	(1)	(1)	(1)	(1)	(1)	2,533,605,400
2001	(1)	(1)	(1)	(1)	(1)	2,437,458,220
2000	(1)	(1)	(1)	(1)	(1)	2,324,089,310
1999	(1)	(1)	(1)	(1)	(1)	2,196,149,252
1998	(1)	(1)	(1)	(1)	(1)	2,110,523,938
1997	(1)	(1)	(1)	(1)	(1)	1,984,916,760

***Actual Valuation (Market Value) as Compared to Assessed Valuation**

Residential properties are assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. The overall assessed value is estimated to be 11% of actual market value.

****Exempt Properties**

Does not include exempt assessed valuations as follows:

	<u>2006</u>	<u>2005</u>
(a) Manufacturing plants under a ten-year contract	\$ 474,375,423	\$ 517,971,429
(b) Churches, schools, and government buildings	74,284,288	66,713,950
Total Exempt Properties	<u>\$ 548,659,711</u>	<u>\$ 584,685,379</u>

(1) Breakdown of assessed property unavailable for the years 1997 through 2004.

Source: Comprehensive Annual Financial Report of City-Parish Government of Baton Rouge.
East Baton Rouge Parish Assessor's Grand Recapitulation of the
Assessment Roll for the Parish of East Baton Rouge.

<u>Total Direct Tax Rate- Millages</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Total Assessed Value to Total Estimated Actual Value*</u>
<u>Parish of East Baton Rouge</u>			
393.10	\$3,233,131,740 **	\$29,392,106,727	11 %
395.38	3,012,031,780	27,382,107,091	11
(1)	2,885,035,660	26,227,596,909	11
(1)	2,669,273,996	24,266,127,236	11
(1)	2,533,605,400	23,032,776,364	11
(1)	2,437,458,220	22,158,711,091	11
(1)	2,324,089,310	21,128,084,636	11
(1)	2,196,149,252	19,964,993,200	11
(1)	2,110,523,938	19,964,993,200	11
(1)	1,984,916,760	18,044,697,818	11

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	Type of Business	December 31, 2006			December 31, 1997		
		Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation	Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
ExxonMobil Corporation	Petroleum Products	\$ 259,175,400	1	8.02 %	\$ 157,632,090	1	7.94 %
Entergy, Inc.	Electric and Gas Utility	64,645,430	2	2.00	51,509,430	3	2.60
Georgia-Pacific Corporation	Pulp and Paper Products	49,814,300	3	1.54	28,740,740	4	1.45
Bellsouth Communications (South Central Bell-1997)	Telephone Utility	48,643,420	4	1.50	55,205,190	2	2.78
J P Morgan/Chase (Bank One-1997)	Bank	32,500,850	5	1.01	25,902,800	5	1.30
Hibernia National Bank	Bank	21,506,300	6	0.67	14,741,500	7	0.74
State Farm Insurance	Insurance	18,239,350	7	0.56	-	-	-
Wal-Mart	Retail Store	18,082,100	8	0.56	-	-	-
Baton Rouge Water Works	Water Utility	15,554,280	9	0.48	15,124,270	6	0.76
Formosa Plastics	Plastics Manufacturer	15,401,350	10	0.48	-	-	-
City National Bank (now Whitney National Bank)	Bank	-	-	-	14,295,200	8	0.72
Belle of Baton Rouge	Gaming Riverboat	-	-	-	10,524,900	9	0.53
Paxon Polymer	Plastic Manufacturer	-	-	-	8,602,250	10	0.43
		<u>\$ 543,562,780</u>		<u>16.82 %</u>	<u>\$ 382,278,370</u>		<u>19.25 %</u>

(1) Source: East Baton Rouge Parish Assessor's Office



EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS (1)
LAST TEN TAX YEARS
(December 31, 1997 through 2006)
(Unaudited)

Year	City		Parish			
	Operating	Municipal Fire Salaries and Benefits	Operating	Debt Service (2)	Mosquito and Rodent Tax	Emergency Medical Services
<u>TAX RATES (mills per dollar)</u>						
2006	7.84	6.00	3.78	0.00	1.23	3.13
2005	7.84	6.00	3.78	0.00	1.23	3.13
2004	7.84	6.00	3.78	0.00	1.23	2.70
2003	8.34	6.00	4.06	0.00	1.14	2.90
2002	8.34	6.00	4.06	0.00	1.14	2.90
2001	8.34	6.00	4.06	0.00	1.14	2.90
2000	8.34	0.00	4.06	0.00	1.14	2.90
1999	8.50	0.00	4.20	0.00	1.18	3.00
1998	8.50	0.00	4.20	0.00	1.18	3.00
1997	8.50	0.00	4.20	0.63	1.18	3.00

<u>TAX LEVIES</u>						
2006	\$11,052,854	\$8,458,817	\$12,221,238	\$0	\$3,976,752	\$10,119,702
2005	10,383,178	7,946,310	11,385,480	0	3,704,799	9,427,659
2004	10,067,328	7,704,587	10,905,435	0	3,548,594	7,789,596
2003	10,048,391	7,229,058	10,837,252	0	3,042,972	7,740,895
2002	9,622,772	6,922,857	10,286,438	0	2,888,310	7,347,456
2001	9,412,866	6,771,846	9,896,080	0	2,778,702	7,068,629
2000	9,233,409	0	9,435,803	0	2,649,462	6,739,859
1999	8,924,989	0	9,223,827	0	2,591,456	6,588,448
1998	8,662,650	0	8,864,201	0	2,490,418	6,331,572
1997	8,253,582	0	8,336,650	1,250,498	2,342,202	5,954,750

The tax levies represent the original levy of the Assessor and include the homestead exemption amount.

All taxes are billed when assessment rolls are filed during the month of November of the current tax year. Taxes become delinquent on January 1 of the following year. Penalty for delinquent taxes is 15% per annum. No discounts are allowed for taxes, and there is no provision for partial payments.

Taxpayers who have not paid their taxes by January 2 of each year are notified by the Sheriff through registered mail that all taxes must be paid within 20 days from the date of notice. After expiration of the 20th day, the Sheriff shall sell the least quantity of property of any debtor which any bidder will buy for the amount of taxes, interest and cost due.

By agreement, the East Baton Rouge Parish Sheriff is the tax collector for City property taxes and receives a commission of 4.5% of total taxes collected for the City. The Sheriff, as provided by State Law, is the official tax collector of general property taxes levied by the Parish and Parish Special Districts.

<u>Library Board of Control</u>	<u>School District</u>	<u>Recreation and Park</u>	<u>Law Enforcement District</u>	<u>Assessor's Salary and Expense Fund</u>	<u>Total</u>
<u>TAX RATES (mills per dollar)</u>					
11.10	43.45	14.46	14.99	1.38	107.36
9.97	43.45	14.46	14.99	1.38	106.23
9.97	43.45	10.95	14.99	1.38	102.29
10.72	43.45	10.95	14.99	1.48	104.03
10.72	43.45	10.95	14.99	1.48	104.03
10.72	43.45	10.95	14.99	1.48	104.03
10.72	43.45	10.95	14.99	1.48	98.03
11.10	43.45	10.95	14.99	1.53	98.90
11.10	43.45	10.95	14.99	1.53	98.90
11.10	43.45	10.95	14.99	1.53	99.53

<u>TAX LEVIES</u>					
\$35,887,762	\$131,404,174	\$46,760,784	\$48,464,645	\$4,461,722	\$312,808,450
30,029,957	122,414,442	43,563,016	45,150,356	4,156,604	288,161,801
28,763,806	117,833,099	31,591,140	43,246,685	3,981,349	265,431,619
28,614,617	109,279,071	29,228,550	40,012,417	3,950,525	249,983,748
27,160,250	110,085,155	27,742,979	37,978,745	3,749,736	243,784,698
26,129,552	105,907,560	26,690,168	36,537,499	3,607,438	234,800,340
24,914,237	100,981,681	25,448,778	34,838,099	3,439,652	217,680,980
24,377,257	95,422,686	24,047,834	32,920,277	3,360,108	207,456,882
23,426,816	91,702,265	23,110,237	31,636,754	3,229,102	199,454,015
22,032,576	86,244,633	21,734,839	29,753,902	3,036,923	188,940,555

- (1) Not included are the following: Consolidated Road Lighting District No. 1, Consolidated Garbage District No. 1, St. George Fire Protection District, Alsen Fire Protection District, Brownsfield Fire Protection District, Central Fire Protection District, Eastside Fire Protection District, East Baton Rouge Parish Fire Protection District No. 6, Downtown Development District, Pontchartrain Levee District, Comite Diversion Canal, City of Baker and City of Zachary. These represent isolated areas that affect less than a majority of City-Parish residents.
- (2) Parishwide debt.

Source: East Baton Rouge Parish Assessor's Grand Recapitulation of the Assessment Roll for the Parish of East Baton Rouge

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN TAX YEARS

(December 31, 1997 through 2006)

(Unaudited)

<u>Fiscal Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Levy Collections (2)</u>	<u>Percent of Levy Collected</u>	<u>Prior Year Tax Collections (2)</u>	<u>Total Collections (2)</u>	<u>Ratio of Total Collections to Tax Levy</u>
2006	\$106,587,111	\$ 104,083,137	97.7	\$ 765,344	\$ 104,848,481	98.4
2005	97,879,939	95,541,833	97.6	930,848	96,472,681	98.6
2004	93,630,316	91,569,038	97.8	525,940	92,094,978	98.4
2003	85,891,174	85,598,317	99.7	860,045	86,458,362	100.7
2002	85,045,184	82,718,422	97.3	706,402	83,424,824	98.1
2001	81,264,695	78,653,814	96.8	996,909	79,650,723	98.0
2000	76,759,889	74,426,059	97.0	818,601	75,244,660	98.0
1999	71,821,605	70,189,060	97.7	706,666	70,895,726	98.7
1998	68,642,992	66,837,246	97.4	220,648	67,057,894	97.7
1997	63,713,890	61,865,128	97.1	1,445,784	63,310,912	99.4

- (1) "Total Tax Levy" represents the original levy of the Assessor, less the amount of homestead exemption, and is the amount to be paid by the taxpayer.

The amounts to be paid by the taxpayer are ultimately collected in full, except for adjustments due to assessment errors and delayed homestead exemptions. The amount paid by the State Treasurer for homestead exemption is based on an appropriation formula by the State of Louisiana.

- (2) Does not include 1% of collections required by law to be remitted to Teachers Retirement System of Louisiana for credit of the School System.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Qualified Zone Academy Bond Program	Capital Leases	Compensated Absences	Certificates of Indebtedness	Total Debt (1)	Percentage of Personal Income (2)	Debt Per Capita (2)	Debt Per Student (2)
2007	\$ 1,390,909	\$ -	\$16,565,842	\$ -	\$ 17,956,751	(3)	(3)	(3)
2006	1,554,546	-	16,159,386	-	17,713,932	0.13%	41	381
2005	1,718,183	-	15,121,530	-	16,839,713	0.13%	40	362
2004	1,881,819	657,804	14,664,120	-	17,203,743	0.13%	41	380
2003	2,045,455	1,295,000	17,040,292	-	20,380,747	0.16%	49	453
2002	2,209,091	1,912,233	18,365,302	-	22,486,626	0.19%	54	441
2001	-	-	18,550,541	905,000	19,455,541	0.17%	47	372
2000	-	-	20,708,791	1,770,000	22,478,791	0.20%	54	413
1999	-	-	17,442,470	2,590,000	20,032,470	0.20%	50	367
1998	-	92,801	16,880,065	3,375,000	20,347,866	0.21%	51	367

- (1) Details regarding the School System's outstanding debt can be found in the notes to the basic financial statements.
- (2) See Schedule of Demographic Statistics for personal income and population data.
- (3) Information not available.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN TAX YEARS

(December 31, 1997 through 2006)
(Unaudited)

<u>Year</u>	<u>Assessed Value</u>	<u>Debt Limit of Thirty- Five Percent (35%) of Assessed Value</u>	<u>Less: Total Bonded Debt</u>	<u>Legal Debt Margin</u>
<u>Parish of East Baton Rouge</u>				
2006	\$3,233,131,740	\$1,131,596,109	\$ -	\$1,131,596,109
2005	3,012,031,780	1,054,211,123	-	1,054,211,123
2004	2,885,035,660	1,009,762,481	-	1,009,762,481
2003	2,669,273,996	934,245,899	-	934,245,899
2002	2,533,605,400	886,761,890	-	886,761,890
2001	2,437,458,220	853,110,377	-	853,110,377
2000	2,324,089,310	813,431,259	-	813,431,259
1999	2,196,149,252	768,652,238	-	768,652,238
1998	2,110,523,938	738,683,378	-	738,683,378
1997	1,984,916,760	694,720,866	-	694,720,866

(1) Legal debt limit of 35% is established by Louisiana Revised Statute Title 39, Section 562.

Source: Comprehensive Annual Financial Report of City-Parish Government of Baton Rouge,
East Baton Rouge Parish Assessor's Grand Recapitulation of the
Assessment Roll for the Parish of East Baton Rouge.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

DECEMBER 31, 2006

(Unaudited)

	<u>Gross Debt Outstanding</u>	<u>Amounts in Debt Service Fund for Principal</u>	<u>Net Debt Outstanding</u>
<u>East Baton Rouge Parish School System:</u>			
Qualified Zone Academy Bond Program	\$ 1,390,909	\$ -	\$ 1,390,909
<u>Overlapping Debt:</u>			
City of Baker	913,000	425,052	487,948
City of Zachary	2,111,812	-	2,111,812
Hospital Service District No. 1 (Lane Memorial Hospital)	5,419,587	1,781,390	3,638,197
St. George Fire Protection District	2,128,590	-	2,128,590
Central Fire Protection District No. 4	1,722,221	-	1,722,221
Eastside Fire Protection District	300,000	-	300,000
Port of Greater Baton Rouge	6,870,000	791,737	6,078,263
Parish of East Baton Rouge			
- LA Community Development Authority	7,557,222	-	7,557,222
City of Baton Rouge			
- 2002A Variable Rate Taxable Refunding	23,305,000	-	23,305,000
- 2002B Variable Rate Taxable Refunding	43,420,000	-	43,420,000
- LA Community Development Authority	18,228,441	-	18,228,441
	<u>111,975,873</u>	<u>2,998,179</u>	<u>108,977,694</u>
 TOTAL DIRECT AND OVERLAPPING DEBT	 <u>\$ 113,366,782</u>	 <u>\$ 2,998,179</u>	 <u>\$ 110,368,603</u>

Overlapping governments are those that coincide at least in part, with the geographic boundaries of the parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government. The percentage of overlapping debt applicable is estimated using assessed property values and calculated by determining the portion of the district's taxable assessed value within East Baton Rouge Parish and dividing it by the Parish's total taxable assessed value. The percentage is estimated to be 37%.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(December 31, 1997 through 2006)
(Unaudited)

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (3)</u>	<u>Median Age (1)</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate (5)</u>	<u>Unemployment Labor Market Area (6)</u>
1997	396,331	\$ 23,387	29.9	56,135	5.1 %	5.3 %
1998	396,556	24,995	29.9	55,507	4.3	4.6
1999	399,105	25,461	29.9	54,518	3.7	4.0
2000	412,852 (2)	26,633	31.5	54,448	4.2	4.8
2001	414,040	27,602	31.5	52,317	4.9	5.5
2002	414,833	29,010	31.5	50,961	5.0	5.6
2003	416,881	29,786	30.4	44,997	5.8	6.5
2004	416,492	30,641	31.5	45,266	5.0	5.4
2005	417,218	31,468	31.9	46,459	5.6	5.3
2006	437,167	32,412	33.5	46,462 (4)	3.4 (7)	3.4 (7)

All information is parishwide.

- (1) Estimates – Louisiana Tech University for the U.S. Bureau of the Census
- (2) Official U. S. Census
- (3) Estimates - Bureau of Economic Analysis
- (4) East Baton Rouge Parish School System – February 1, 2007 enrollment excludes pre-kindergarten.
- (5) Louisiana Department of Labor - Benchmark rates for East Baton Rouge Parish only - These data are disaggregated using claims for unemployment compensation and population sharing ratios which are applied to present market area estimates and are valid only for the allocation of manpower revenue sharing
- (6) Louisiana Department of Labor - Baton Rouge Metropolitan Statistical Area (MSA). Year 2004 and prior the MSA includes East Baton Rouge, Ascension, Livingston, and West Baton Rouge Parishes. In 2005 the MSA was expanded to include East Feliciana, Iberville, Pointe Coupee, St. Helena and West Feliciana Parishes. Baton Rouge serves as the focus of employment for many of the parishes that border it.
- (7) Preliminary figures.

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(December 31, 1997 and 2006)
(Unaudited)

December 31, 2006				December 31, 1997	
Employer	Industry Type	Number of Employees	Percent of Total	Employer	Industry Type
ExxonMobil Corporation	Petroleum Products Chemical Products Plastic Products	1,700	0.8%	ExxonMobil Corporation	Petroleum Products Chemical Products Plastic Products
Abide Home Care SVC, LLC	Home Health Care	1,000	0.5%	Louisiana State Government	Government
West Telemarketing	Telemarketing	2,400	1.2%	Louisiana State University-Baton Rouge	University
Southern University-Baton Rouge	University	1,900	0.9%	East Baton Rouge Parish School Board	Government
Port Hudson Pulp Mill	Paper Mill	1,100	0.5%	City-Parish Government	Government
Louisiana State University Medical Center (Earl K. Long Medical Center)	Hospital	1,000	0.5%	Baton Rouge General Medical Center	Hospital
Baton Rouge General Medical Center	Hospital	1,600	0.8%	Our Lady of the Lake Regional Medical Center	Hospital
Our Lady of the Lake Regional Medical Center	Hospital	3,000	1.4%	Walmart Stores, Inc.	Retail
Performance Contractors	Construction	1,175	0.6%	Harmony Corporation	Construction
Casino Rouge (Hollywood Casino)	Riverboat Gaming	700	0.3%	U.S. Post Office	Government

Number of employees obtained from on-line database -Reference USA (an infoUSA company), East Baton Rouge Parish Library. Information not available for 1997.

Employer list obtain from the Louisiana Department of Labor (<https://www.vohost.com>).

The total number of employees in East Baton Rouge Parish at December 2006 was 207,607.

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****GENERAL FUND EXPENDITURES BY FUNCTION****LAST TEN FISCAL YEARS****(modified accrual basis of accounting)****(Unaudited)**

	Fiscal Year Ended June 30,				
	2007	2006	2005	2004	2003
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	\$ 116,417,278	\$ 105,226,194	\$ 99,170,538	\$ 93,200,605	\$ 101,972,957
	36.0%	34.7%	35.0%	33.0%	34.9%
Special education programs	51,145,981	48,894,359	46,891,454	47,046,000	47,609,384
	15.8%	16.1%	16.5%	16.6%	16.3%
Other education programs	12,811,113	11,677,587	12,022,915	11,551,497	12,315,182
	4.0%	3.9%	4.2%	4.1%	4.2%
Support:					
Pupil support services	16,517,373	15,028,351	14,850,991	14,609,799	15,531,879
	5.1%	5.0%	5.2%	5.2%	5.3%
Instructional staff services	9,976,374	8,839,690	7,950,764	7,501,320	7,767,200
	3.1%	2.9%	2.8%	2.7%	2.7%
General administration services	9,834,655	9,400,245	8,769,743	8,809,819	8,277,887
	3.0%	3.1%	3.1%	3.1%	2.8%
School administration services	17,557,661	16,627,868	16,414,181	16,332,959	17,476,448
	5.4%	5.5%	5.8%	5.8%	6.0%
Business and central services	10,585,120	9,029,261	9,003,468	8,378,445	8,715,360
	3.3%	3.0%	3.2%	3.0%	3.0%
Plant operations and maintenance	43,005,521	39,786,181	37,235,049	39,573,985	38,382,662
	13.3%	13.1%	13.1%	14.0%	13.1%
Transportation	23,754,988	27,219,238	20,836,495	22,348,275	19,188,217
	7.3%	9.0%	7.3%	7.9%	6.6%
Child nutrition	-	-	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
Appropriation-Charter schools	3,535,059	3,022,308	2,632,223	2,430,212	2,335,620
	1.1%	1.0%	0.9%	0.9%	0.8%
Settlement agreement	8,139,026	7,983,433	7,587,358	10,677,005	12,388,972
	2.5%	2.6%	2.7%	3.8%	4.2%
Facility acquisition and construction	39,177	150,968	-	-	-
	0.0%	0.0%	0.0%	0.0%	0.0%
Debt service - Principal	163,636	163,636	337,106	300,832	280,869
	0.1%	0.1%	0.1%	0.1%	0.1%
Debt service - Interest	-	-	5,610	41,884	61,847
	0.0%	0.0%	0.0%	0.0%	0.0%
Total	<u>\$ 323,482,962</u>	<u>\$ 303,049,319</u>	<u>\$ 283,707,895</u>	<u>\$ 282,802,637</u>	<u>\$ 292,304,484</u>
Pupil count - October 1	46,462	46,459	45,266	44,997	50,961
Average expenditures per pupil	\$ 6,962	\$ 6,523	\$ 6,268	\$ 6,285	\$ 5,736

Fiscal Year Ended June 30,				
2002	2001	2000	1999	1998
\$ 104,497,036	\$ 103,440,145	\$ 107,332,936	\$ 106,151,610	\$ 101,423,896
36.8%	35.5%	37.5%	37.3%	37.2%
44,689,680	43,009,888	41,753,772	41,346,593	39,856,982
15.7%	14.8%	14.6%	14.5%	14.6%
12,560,720	12,717,304	12,618,153	14,028,846	12,609,824
4.4%	4.4%	4.4%	4.9%	4.6%
15,325,683	15,212,942	14,679,249	13,745,210	13,131,095
5.4%	5.2%	5.1%	4.8%	4.8%
7,773,200	10,005,754	9,362,264	9,273,896	7,432,350
2.7%	3.4%	3.3%	3.3%	2.7%
7,968,709	7,468,047	7,257,491	6,782,735	6,679,545
2.8%	2.6%	2.5%	2.4%	2.5%
17,125,946	17,219,604	17,027,709	17,603,225	17,056,615
6.0%	5.9%	5.9%	6.2%	6.3%
6,677,296	7,691,522	7,437,085	7,591,991	6,647,451
2.4%	2.6%	2.6%	2.7%	2.4%
33,014,060	39,082,228	34,366,787	33,234,697	35,199,598
11.6%	13.4%	12.0%	11.7%	12.9%
18,855,883	21,090,464	17,428,537	16,845,443	15,378,202
6.6%	7.2%	6.1%	5.9%	5.6%
-	-	-	-	-
0.0%	0.0%	0.0%	0.0%	0.0%
2,286,951	2,304,524	1,608,812	1,282,140	776,767
0.8%	0.8%	0.6%	0.4%	0.3%
12,011,102	9,910,798	10,639,867	10,770,582	8,878,318
4.2%	3.4%	3.7%	3.8%	3.3%
-	1,259,218	4,084,616	5,219,785	4,515,999
0.0%	0.4%	1.4%	1.8%	1.7%
1,183,525	865,000	820,000	877,801	2,440,216
0.4%	0.3%	0.3%	0.3%	0.9%
70,299	90,382	129,587	173,981	493,999
0.0%	0.0%	0.0%	0.1%	0.2%
<u>\$ 284,040,090</u>	<u>\$ 291,367,820</u>	<u>\$ 286,546,865</u>	<u>\$ 284,928,535</u>	<u>\$ 272,520,857</u>
52,317	54,448	54,518	55,507	56,135
\$ 5,429	\$ 5,351	\$ 5,256	\$ 5,133	\$ 4,855

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

GENERAL FUND EXPENDITURES BY FUNCTION PER PUPIL

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year Ended June 30,				
	2007	2006	2005	2004	2003
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	\$ 2,506 36.0%	\$ 2,265 34.7%	\$ 2,191 35.0%	\$ 2,071 33.0%	\$ 2,001 34.9%
Special education programs	1,101 15.8%	1,052 16.1%	1,036 16.5%	1,046 16.6%	934 16.3%
Other education programs	276 4.0%	251 3.9%	266 4.2%	257 4.1%	242 4.2%
Support:					
Pupil support services	355 5.1%	323 5.0%	328 5.2%	325 5.2%	305 5.3%
Instructional staff services	215 3.1%	190 2.9%	176 2.8%	167 2.7%	152 2.7%
General administration services	212 3.0%	202 3.1%	194 3.1%	196 3.1%	162 2.8%
School administration services	378 5.4%	358 5.5%	363 5.8%	363 5.8%	343 6.0%
Business and central services	228 3.3%	194 3.0%	199 3.2%	186 3.0%	171 3.0%
Plant operations and maintenance	926 13.3%	856 13.1%	823 13.1%	879 14.0%	753 13.1%
Transportation	511 7.3%	586 9.0%	460 7.3%	497 7.9%	377 6.6%
Child nutrition	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Appropriation-Charter schools	76 1.1%	65 1.0%	58 0.9%	54 0.9%	46 0.8%
Settlement agreement	175 2.5%	172 2.6%	168 2.7%	237 3.8%	243 4.2%
Facility acquisition and construction	1 0.0%	3 0.0%	- 0.0%	- 0.0%	- 0.0%
Debt service - Principal	4 0.1%	4 0.1%	7 0.1%	7 0.1%	6 0.1%
Debt service - Interest	- 0.0%	- 0.0%	0 0.0%	1 0.0%	1 0.0%
Total	<u>\$ 6,962</u>	<u>\$ 6,523</u>	<u>\$ 6,268</u>	<u>\$ 6,285</u>	<u>\$ 5,736</u>
Pupil count - October 1	46,462	46,459	45,266	44,997	50,961

Fiscal Year Ended June 30,				
2002	2001	2000	1999	1998
\$ 1,997	\$ 1,900	\$ 1,969	\$ 1,912	\$ 1,807
36.8%	35.5%	37.5%	37.3%	37.2%
854	790	766	745	710
15.7%	14.8%	14.6%	14.5%	14.6%
240	234	231	253	225
4.4%	4.4%	4.4%	4.9%	4.6%
293	279	269	248	234
5.4%	5.2%	5.1%	4.8%	4.8%
149	184	172	167	132
2.7%	3.4%	3.3%	3.3%	2.7%
152	137	133	122	119
2.8%	2.6%	2.5%	2.4%	2.5%
327	316	312	317	304
6.0%	5.9%	5.9%	6.2%	6.3%
128	141	136	137	118
2.4%	2.6%	2.6%	2.7%	2.4%
631	718	630	599	627
11.6%	13.4%	12.0%	11.7%	12.9%
360	387	320	303	274
6.6%	7.2%	6.1%	5.9%	5.6%
-	-	-	-	-
0.0%	0.0%	0.0%	0.0%	0.0%
44	42	30	23	14
0.8%	0.8%	0.6%	0.4%	0.3%
230	182	195	194	158
4.2%	3.4%	3.7%	3.8%	3.3%
-	23	75	94	80
0.0%	0.4%	1.4%	1.8%	1.7%
23	16	15	16	43
0.4%	0.3%	0.3%	0.3%	0.9%
1	2	2	3	9
0.0%	0.0%	0.0%	0.1%	0.2%
\$ 5,429	\$ 5,351	\$ 5,256	\$ 5,133	\$ 4,855
52,317	54,448	54,518	55,507	56,135

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

FULL-TIME EQUIVALENTS (FTE) EMPLOYEES
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year			
	2007	2006	2005	2004
<u>Regular Employees: CERTIFICATED</u>				
Instructional:				
Supervising Instructors	4.0	3.0	3.0	5.0
Classroom Teachers - Regular Programs	2,193.0	2,227.9	2,062.6	2,090.0
Classroom Teachers - Special Education	648.0	646.4	619.7	649.0
Classroom Teachers - Vocational Education	107.0	110.2	120.9	126.0
Classroom Teachers - Other Instructional Programs	4.0	1.0	3.0	12.0
Classroom Teachers - Special Programs	244.0	265.6	231.0	237.0
Classroom Teachers - Adult/Continuing Ed Programs	8.0	8.0	12.0	9.0
Classroom Teachers - Community College Programs	26.0	27.0	21.0	23.0
<i>Total Classroom Teachers</i>	<u>3,230.0</u>	<u>3,286.1</u>	<u>3,070.2</u>	<u>3,146.0</u>
Therapist/Specialist/Counselor - Instructional Programs	66.0	37.9	127.2	129.0
Sabbatical Leave - Instructional Programs	30.0	26.0	40.0	27.0
<i>Total Certificated - Instructional Programs</i>	<u>3,330.0</u>	<u>3,353.0</u>	<u>3,240.4</u>	<u>3,307.0</u>
Instructional Support:				
Supervisors - Instructional Support Functions	74.0	69.0	54.5	53.0
Librarians/Media-based Teachers/Staff Instructors - Instr Spt	92.0	91.6	94.9	100.0
Therapist/Specialist/Counselor - Instructional Support Functions	382.0	356.0	249.8	245.0
Sabbatical Leave - Instructional Support Functions	9.0	6.0	3.0	2.0
<i>Total Certificated - Instructional Support</i>	<u>557.0</u>	<u>522.6</u>	<u>402.2</u>	<u>400.0</u>
Support Services:				
Superintendents	1.0	1.0		1.0
Assistant/Associate/Deputy Superintendents				
School Principals	95.0	93.0	94.0	98.0
School Assistant Principals	62.0	55.5	56.0	53.0
Other School Administrators				
Non-Classroom Teachers - Support Services				
Sabbatical Leave - Support Services	1.0	3.0	4.0	2.0
<i>Total Certificated - Support Services</i>	<u>159.0</u>	<u>152.5</u>	<u>154.0</u>	<u>154.0</u>
Total Certificated	<u>4,046.0</u>	<u>4,028.1</u>	<u>3,796.6</u>	<u>3,861.0</u>

Fiscal Year					
2003	2002	2001	2000	1999	1998
6.0	7.0	7.0	6.0	16.0	2.0
2,410.7	2,518.0	2,646.0	2,689.0	2,593.0	2,445.7
701.0	668.0	707.0	686.0	659.0	635.6
147.0	146.0	149.0	174.0	153.0	156.8
23.0	99.0	46.0	62.0	58.0	48.0
243.0	136.0	198.0	157.0	139.0	145.9
9.0	10.0	4.0	6.0	5.0	5.0
25.0					
3,558.7	3,577.0	3,750.0	3,774.0	3,607.0	3,437.0
136.0	129.0	109.0	111.0	110.0	103.0
39.7	39.0	36.0		72.0	92.0
3,740.4	3,752.0	3,902.0	3,891.0	3,805.0	3,634.0
56.0	46.0	58.0	59.0	44.0	51.0
109.0	104.0	108.0	109.0	111.0	113.0
275.0	263.5	200.0	200.0	224.0	253.0
4.0	7.0	3.0		10.0	6.0
444.0	420.5	369.0	368.0	389.0	423.0
1.0	1.0	1.0	1.0	1.0	1.0
105.0	105.0	103.0	104.0	101.0	107.0
66.0	64.0	72.0	71.0	76.0	73.0
		1.0			
1.0	2.0			3.0	5.0
173.0	172.0	177.0	176.0	181.0	186.0
4,357.4	4,344.5	4,448.0	4,435.0	4,375.0	4,243.0

(continued)

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

FULL-TIME EQUIVALENTS (FTE) EMPLOYEES

LAST TEN FISCAL YEARS

(Unaudited)

(Continued)

	Fiscal Year			
	2007	2006	2005	2004
<u>Regular Employees: NON-CERTIFICATED</u>				
Instructional:				
Aide - Instructional Programs	605.0	632.5	596.8	641.0
<i>Total Non-Certificated - Instructional Programs</i>	605.0	632.5	596.8	641.0
Instructional Support:				
Supervisors - Instructional Support Functions				
Therapist/Specialist/Counselor - Instructional Support Functions				
Clerical/Secretarial - Instructional Support Functions	59.0	55.8	51.8	78.0
Aide - Instructional Support Functions	7.0	2.0		
Service Worker - Instructional Support Functions				
Skilled Craftsman - Instructional Support Functions				
Degreed Professional - Instructional Support Functions	1.0	1.0	2.0	27.0
Other Personnel - Instructional Support Functions	57.0	48.6	37.5	38.0
<i>Total Non-Certificated - Instructional Support</i>	124.0	107.4	91.3	143.0
Support Services:				
Supervisors/Managers/Administrators/Support Services	131.0	135.0	130.0	154.0
Clerical/Secretarial - Support Services	244.0	241.6	238.6	260.0
Aide - Support Services	58.0	54.0	56.0	61.0
Service Worker - Support Services	1,065.0	953.8	913.0	1,298.0
Skilled Craftsman - Support Services	28.0	30.0	29.0	142.0
Degreed Professional - Support Services	17.0	18.0	17.0	17.0
Other Personnel - Support Services	57.0	53.2	42.3	36.0
<i>Total Non-Certificated - Support Services</i>	1,600.0	1,485.6	1,425.9	1,968.0
Total Non-Certificated	2,329.0	2,225.5	2,114.0	2,752.0
Total Regular Employees (Certificated and Non-Certificated)	6,375.0	6,253.6	5,910.6	6,613.0
<u>Other Reported Personnel</u>				
School Board Member	13.0	12.0	13.0	11.0
<i>Total Other Reported Personnel</i>	13.0	12.0	13.0	11.0
Grand Total	6,388.0	6,265.6	5,923.6	6,624.0

Fiscal Year					
2003	2002	2001	2000	1999	1998
673.3	637.0	709.0	620.0	534.0	527.0
673.3	637.0	709.0	620.0	534.0	527.0
		1.0	1.0	1.0	1.0
78.0	76.0	75.0	50.0	74.0	67.0
			2.0	9.0	4.0
					1.0
					3.0
28.0	30.0	27.0	25.0	29.0	31.0
28.0	37.0	40.0	66.0	53.0	32.0
134.0	143.0	143.0	144.0	166.0	139.0
165.0	166.0	170.0	155.0	149.0	160.0
291.0	284.0	306.0	324.0	279.0	281.0
60.0	56.0	57.0	45.0	46.0	32.0
1,367.0	1,415.0	1,454.0	1,474.0	1,566.0	1,415.0
151.0	153.0	164.0	153.0	165.0	195.0
17.0	11.0	16.0	18.0	12.0	9.0
38.0	30.0	35.0	30.0	50.0	43.0
2,089.0	2,115.0	2,202.0	2,199.0	2,267.0	2,135.0
2,896.3	2,895.0	3,054.0	2,963.0	2,967.0	2,801.0
7,253.7	7,239.5	7,502.0	7,398.0	7,342.0	7,044.0
11.0	13.0	13.0	13.0	12.0	14.0
11.0	13.0	13.0	13.0	12.0	14.0
7,264.7	7,252.5	7,515.0	7,411.0	7,354.0	7,058.0
(concluded)					

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

BOARD MEMBERS' COMPENSATION
JUNE 30, 2007
(Unaudited)

<u>Name</u>	<u>Compensation Base (1)</u>	<u>Additional Compensation (3)</u>	<u>Total</u>
Arbour, Gerald "Jerry"	\$ 9,600	\$ 95	\$ 9,695
Augustine, Jonathan	4,800	40	4,840
Baldwin, Gregory	4,800	-	4,800
Black, William	9,600	-	9,600
Devall, Dalton	3,688	138	3,826
Dyason, Jill	9,600	471	10,071
Hammatt, Noel	9,600	-	9,600
Haynes-Smith, Patricia (2)	10,800	104	10,904
Kelley, Ingrid	-	41	41
Lee, Vereta	4,800	143	4,943
Pratt, Warren	-	30	30
Robertson, Darryl L.	9,600	360	9,960
Sanford, Juanita	840	94	934
Smith, Tarvald A.	9,600	-	9,600
Spell, Darrick	4,800	49	4,849
Thornton, Clarence	-	3	3
	<u>\$ 92,128</u>	<u>\$ 1,568</u>	<u>\$ 93,696</u>

Notes:

- (1) Base compensation per member is \$800 per month.
- (2) Presiding President of the Board receives \$900 per month in base compensation.
- (3) Each board member is reimbursed for mileage @ .34 cents per mile.

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

PERCENTAGE OF FREE AND REDUCED STUDENTS IN LUNCH PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

<u>School Year</u>	<u>Free</u>	<u>Reduced</u>	<u>Total</u>
1997-1998	52.36%	7.36%	59.72%
1998-1999	50.17%	7.53%	57.70%
1999-2000	56.10%	7.25%	63.35%
2000-2001	57.52%	7.73%	65.25%
2001-2002	59.78%	7.55%	67.33%
2002-2003	60.97%	7.84%	68.81%
2003-2004	66.01%	7.21%	73.22%
2004-2005	68.14%	7.24%	75.38%
2005-2006	72.38%	6.05%	78.43%
2006-2007	67.35%	6.51%	73.86%

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

HISTORY OF HIGH SCHOOL GRADUATES

LAST TEN FISCAL YEARS

(Unaudited)

<u>School Year</u>	<u>Females</u>	<u>Males</u>	<u>Total</u>
1998	1,582	1,263	2,845
1999	1,497	1,194	2,691
2000	1,579	1,244	2,823
2001	1,543	1,292	2,835
2002	1,550	1,265	2,815
2003	1,656	1,437	3,093
2004	1,237	1,051	2,288
2005	1,203	1,091	2,294
2006	1,363	1,053	2,416
2007	1,338	1,046	2,384

EAST BATON ROUGE PARISH SCHOOL SYSTEM**Baton Rouge, Louisiana****CAPITAL ASSET INFORMATION****JUNE 30, 2007****(Unaudited)****Elementary Schools**

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Audubon	1967	36,075	45,326	8.0	21	446
Banks	1951	32,443	44,001	10.0	22	468
Baton Rouge Center VPA	1954	38,326	46,088	16.0	24	510
Belfair Montessori	1951	36,732	56,354	5.0	20	425
Bellingrath Hills	1966	37,120	44,930	13.0	24	510
Bernard Terrace	1927	45,507	45,735	8.0	20	425
Broadmoor	1954	46,717	56,472	20.0	24	510
Brookstown	1948	47,602	53,052	10.0	25	531
Brownfields	1956	40,101	51,176	12.0	25	531
Buchanan	1955	56,818	58,829	8.0	23	489
Cedarcrest	1967	41,937	49,363	7.0	24	510
Claiborne	1954	37,805	49,807	8.0	22	468
Crestworth	1968	36,157	40,492	15.0	21	446
Dalton	1955	38,985	52,636	9.0	21	446
Delmont	1955	42,279	45,948	7.0	21	446
Dufrocq Montessori	1923	36,977	37,385	10.0	17	361
Eden Park	1960	32,082	32,082	4.0	20	425
Forest Heights	1973	43,195	47,883	10.0	25	531
Glen Oaks Park	1973	45,801	53,305	9.0	25	531
Greenbriar	1960	36,343	50,432	9.0	21	446
Greenville	1959	45,278	58,628	7.0	30	638
Highland	1940	41,679	41,679	7.0	21	446
Howell Park	1955	37,683	50,683	13.0	22	468
Jefferson Terrace	1958	43,701	45,949	7.0	24	510
LaBelle Aire	1973	65,809	75,872	8.0	34	723
Lanier	1958	43,647	48,393	10.0	23	489
LaSalle	1955	36,362	48,272	8.0	19	404
Magnolia Woods	1963	36,559	61,979	8.0	21	446
Mayfair	1962	29,509	41,324	12.0	16	350
Melrose	1955	33,378	40,746	8.0	15	319
Merrydale	1968	35,429	39,599	15.0	22	468
North Highlands	1924	49,897	54,547	4.0	19	404
Northeast	2002	100,000	100,000	23.0	41	871
Park	1955	36,024	44,807	27.0	25	531
Park Forest	1976	34,996	46,943	10.0	29	616
Parkview	1974	37,558	47,928	8.0	24	510
Polk	1960	39,104	42,713	3.0	18	383
Progress	1959	37,446	55,253	17.0	24	510
Riveroaks	1968	38,368	41,968	10.0	23	489
Rosenwald PK Center	1927	14,524	14,524	2.0	7	140
Ryan	1969	38,576	50,906	11.0	21	446
Scotlandville	1951	72,567	78,633	15.0	31	659
Sharon Hills	1964	40,957	59,105	10.0	21	446

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

CAPITAL ASSET INFORMATION

JUNE 30, 2007

(Unaudited)

(Continued)

Elementary Schools

(Continued)

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Shenandoah	1972	41,416	41,416	7.0	21	446
South Boulevard	1905	28,606	32,119	2.0	12	255
Tanglewood	1971	49,292	57,765	9.0	28	595
Twin Oaks	1974	38,946	49,652	7.0	24	510
University Terrace	1956	50,043	58,044	9.0	22	468
Villa del Rey	1959	44,535	62,775	16.0	21	446
Wedgewood	1977	54,490	55,642	13.0	28	595
Westdale	1959	41,093	47,502	11.0	21	446
Westminster	1967	37,710	44,360	31.0	21	446
White Hills	1960	34,172	87,501	11.0	21	446
Wildwood	1969	38,620	39,266	7.0	22	468
Winbourne	1948	37,731	53,950	12.0	17	361
Wyandotte	1925	11,945	11,945	4.0	9	180
Totals		<u>2,306,652</u>	<u>2,793,684</u>	<u>580.0</u>	<u>1,242</u>	<u>26,383</u>

Junior High/Middle Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Broadmoor	1961	80,386	121,605	14.0	37	800
Capitol	2004	112,500	112,500	20.0	43	950
Central	1949	102,528	129,093	47.0	40	875
Crestworth	1968	84,138	92,741	15.0	33	725
Crestworth Engineering	1964	29,816	37,142	10.0	16	350
Glasgow	1955	61,409	61,409	21.0	26	575
Glen Oaks	1955	100,604	129,464	19.0	43	950
Kenilworth	1973	97,206	98,716	22.0	35	775
McKinley	2006	114,000	119,400	12.0	40	875
Park Forest	1968	97,190	116,540	17.0	36	800
Prescott	1955	93,836	104,618	23.0	45	1,000
Sherwood	1967	92,290	98,370	42.0	43	950
Southeast	1974	103,018	104,728	32.0	38	825
Westdale	1956	88,556	114,226	24.0	38	825
Woodlawn	2006	114,000	114,000	30.0	43	950
Totals		<u>1,371,477</u>	<u>1,554,552</u>	<u>348.0</u>	<u>556</u>	<u>12,225</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM

Baton Rouge, Louisiana

CAPITAL ASSET INFORMATION

JUNE 30, 2007

(Unaudited)

(Continued)

High Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Baton Rouge	1928	172,677	172,677	19.0	55	1,200
Belaire	1974	157,772	160,424	35.0	62	1,350
Broadmoor	1960	153,077	204,321	32.0	51	1,125
Capitol	1960	133,187	140,212	40.0	60	1,325
Central	1978	168,640	197,122	32.0	54	1,175
Glen Oaks	1960	186,066	258,925	40.0	52	1,150
Istrouma	1947	233,761	257,930	30.0	62	1,350
McKinely	1961	155,625	174,913	28.0	56	1,225
Northeast	2003	138,500	146,564	50.0	43	950
Robert E. Lee	1959	131,166	189,079	26.0	44	975
Scotlandville	1960	153,191	179,715	35.0	53	1,175
Tara	1970	152,126	186,967	24.0	57	1,250
Woodlawn	2005	186,500	207,750	57.0	59	1,300
Totals		<u>2,122,288</u>	<u>2,476,599</u>	<u>448.0</u>	<u>708</u>	<u>15,550</u>

Special Education

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Arlington Prep Academy	1950	20,889	22,519	10.0	13	275
B.R. Prep Academy	1950	32,995	32,995	9.0	18	400
Mohican Education Center	1956	31,891	45,492	10.0	15	225
Southdowns	1949	34,929	41,818	15.0	18	383
Wilma C. Montgomery	1980	32,400	51,824	3.2	20	425
Totals		<u>153,104</u>	<u>194,648</u>	<u>47.2</u>	<u>84</u>	<u>1,708</u>

Alternatives

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Northdale Magnet Academy	1959	37,769	52,544	16.0	24	525
Christa McAuliffe - Adult Ed.	1966	39,997	76,048	11.1	21	450
Staring Educational Center (1)						
Valley Park Center	1967	89,082	89,082	23.0	34	750
Totals		<u>166,848</u>	<u>217,674</u>	<u>50.1</u>	<u>79</u>	<u>1,725</u>

EAST BATON ROUGE PARISH SCHOOL SYSTEM
Baton Rouge, Louisiana

CAPITAL ASSET INFORMATION

JUNE 30, 2007

(Unaudited)

(Continued)

Charter Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Square Footage with Covered Walkways</u>	<u>Acreage</u>	<u>Classrooms (2)</u>	<u>Capacity (2)</u>
Children's Charter	1924	23,717	23,717	2.0	12	255
Community School	1961	21,428	21,428	5.0	7	150
J.K. Haynes Charter School	1956	44,986	55,536	11.0	22	468
Totals		<u>90,131</u>	<u>100,681</u>	<u>18.0</u>	<u>41</u>	<u>873</u>

(1) Facility not owned by East Baton Rouge Parish School System, the property is leased.

(2) Does not include temporary buildings at various school locations.