

**ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA**

Financial Statements and Schedules

June 30, 2016



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Principal Officials

School Board Members

John Brown, Sr.	District 1	
Cynthia Cade	District 2	Vice President
Sarah Usdin	District 3	
Leslie Ellison	District 4	
Seth Bloom	District 5	President
Woody Koppel	District 6	
Nolan Marshall, Jr.	District 7	

Officers are elected for a term of one calendar year by Board Members. The 2016 officers are shown above.

Administrative Officials

Dr. Henderson Lewis, Jr.	Superintendent
Michelle Blouin-Williams	Chief Administrative Officer
Mary K. Garton	Chief Portfolio Officer
Stanley C. Smith	Chief Financial Officer

ORLEANS PARISH SCHOOL BOARD



Superintendent | Henderson Lewis, Jr., Ph.D

December 1, 2016

The President and Board Members
Orleans Parish School Board

When Act 91 was passed into law in early 2016, it established a historic opportunity for the Orleans Parish School Board (OPSB) to redefine local oversight of all public schools in New Orleans, more than 10 years after the tragedy of Hurricane Katrina. As Superintendent, Act 91 has charged me with presenting a plan that details how the task of unifying the RSD schools with OPSB schools under local oversight will occur on July 1, 2018.

Much has changed in the landscape of public education in New Orleans over the past decade. First and foremost, our students are performing at higher levels than we have ever seen – on state tests, high school graduation rates, and other measures. Our progress has dramatically outpaced the rest of the state, although we still have much further to go in order to close the achievement gap with the rest of the state and nation. We have made these gains by embracing several core values, including: choice for families, empowerment of schools and educators, strong authorization and accountability standards for schools, and a focus on equity so that more resources are provided for those students who need additional supports. We believe these same values will propel our schools toward further progress in the future.

It is a privilege to lead OPSB and our community through a period of unique opportunity to help define the future of public education in New Orleans.

DEMOGRAPHICS

- District student enrollment for the 2016-17 school year has increased to 18,094 students.
- The Orleans Parish School Board (OPSB) operates six (6) Network (traditional) schools, two (2) programs for adjudicated youth and has oversight of 25 charter schools.
- The OPSB coordinates special educational services for 77 non-public schools.
- The OPSB provides child nutrition services for 15 school sites in Orleans Parish.

ACADEMICS RANKINGS

- Data recently released by the Louisiana Department of Education shows that the city's District Performance Score has increased by 1.5 points. Our score is now 84.9. This score is inclusive of both the Recovery School District and Orleans Parish School Board's Schools.
- 22 of 25 schools were awarded progress points, including two which received the maximum possible of 10.
- 22 of OPSB's 24 schools which received letter grades this year were A, B or C schools (92%).
- Of OPSB's 25 schools which received accountability scores this year and last, 15 schools had increased SPS scores.
- Our city's cohort graduation rate is now 75.5 percent, up from 72.7 percent last year.
- The city-wide percentage of grade 3-8 students scoring "Mastery" or above on ELA and math assessments has increased to 31 percent, up from 28 percent in 2015.

COMPASS AND COLLEGE and CAREER READINESS

- Ninety-five percent of teachers overall received effective proficient or highly effective Compass ratings. (Compass is the state's educator support and evaluation system designed to provide all educators with regular, meaningful feedback on their performance.)
- One hundred percent of teachers are utilizing standards-based instruction.

COMPETITIVE GRANTS RECEIVED

- 21st Century Grant
- Believe and Succeed
- Believe and Prepare
- Chevron Project Lead the Way (PLTW) Grant
- Close Up Grant
- Education for Homeless Children and Youth
- High Cost Services, IDEA, MFP, SGF
- Innovative Approaches to Literacy
- Kellogg Grant
- School Climate and Transformation
- Striving Readers Comprehensive Literacy Grant
- Title I Grants to Local Educational Agencies
- Walton Foundation

PORTFOLIO SYSTEM

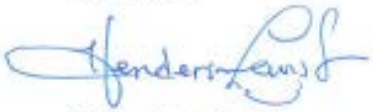
- Two new charter schools, Cypress Academy and Foundation Preparatory Academy, opened for school year 2015-2016
- Three additional charters have been approved by the School Board to open in future years
- Successful return of four RSD Type 3B charter schools to the School Board during school year 2015 - 2016 – Mary D. Coghill, Lake Area New Technology, Pierre A. Capdau and KIPP Renaissance High School

OPERATIONS AND FINANCE

- New building dedications for Marion Abramson High School, Lake Forest Elementary School, George Washington Carver High School, Sherwood Forest Elementary School and Sophie B. Wright High School.
- An additional \$259 million allocated for the next phase of new or renovated construction projects.
- An additional \$19.4 million from the FEMA settlement will go toward the next phase of construction associated with refurbishments for the following schools: Lake Area New Tech Early College High School, McDonogh 32 Literacy Charter School, Lycee Francais de la Nouvelle-Orleans and Johnson Elementary School.
- Realized a consolidated net position of \$ 556.9 million, an increase of \$ 173.4 million from our previous year balance of \$383.5 million.
- Within fiscal year 2016, expenditures on federal and state awards totaled \$102.3 million. These expenditures benefit OPSB students, OPSB charter school students and non-public students.
- Capital project expenditures during fiscal year 2016, for both major construction and repair and maintenance projects totaled \$ 45.9 million.

The Orleans Parish School Board continues to instill a world-class public education system that is child-centered and supports the rebuilding of the City of New Orleans.

Respectfully,

A handwritten signature in blue ink that reads "Henderson Lewis, Jr." in a cursive style.

Dr. Henderson Lewis, Jr.
Superintendent of Schools

Independent Auditor's Report

To the Orleans Parish School Board
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Orleans Parish School Board (School Board) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following discretely presented component units which represent 73%, 71% and 70%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units: Bricolage Academy, Cypress Academy, Encore Learning, Foundation Preparatory, Homer A. Plessy Community School, Hynes Charter School, InspireNOLA Charter Schools - Alice M. Harte Elementary, Edna Karr High School and Wilson Charter School, Lusher Charter School, New Orleans Charter Science and Math High School, Robert Russa Moton Charter School, and Warren Easton Senior High School. These financial statements were audited by other auditors whose reports thereon were furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Orleans Parish School Board as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, other post-employment benefits information, and net pension liability information on pages 4 through 11 and 80 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Orleans Parish School Board's basic financial statements. The introductory section, the schedules in the other supplementary information section as listed in the table of contents, and statistical schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules in the other supplementary information section as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules in the other supplementary information section as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016 on our consideration of Orleans Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* in considering the School Board's internal control over financial reporting and compliance.

Emphasis of a Matter

As discussed in Note 2 to the financial statements, the School System adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016. The adoption of this standard required additional disclosures about fair value measurements. Our opinion is not modified with respect to this matter.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Metairie, LA
December 20, 2016

Overview and Analysis of Financial Activities

The Orleans Parish School Board (School Board or OPSB), as the financial manager of the Orleans Parish School System, offers the readers of these financial statements an overview and analysis of the financial activities of the School Board. This overview and analysis is designed to assist the users of these financial statements to focus on significant issues, identify significant changes in the School Board's financial position, both at the government-wide and fund levels, and highlight material changes from the School Board's approved budget.

Our discussion and analysis of the School Board's financial performance includes a section entitled *Financial Highlights* which provides an overview of its financial activities for the fiscal years ended June 30, 2016 and 2015. This discussion and analysis should be read in conjunction with the Annual Financial Report's Letter of Transmittal in the Introductory Section, the School System's Financial Statements (Financial Section) and the Notes to the Financial Statements.

Financial Highlights

- As of June 30, 2016, the School Board reported a consolidated net position of \$556.9 million, which is an increase of \$173.4 million from the June 30, 2015, balance of \$383.5 million.
- As of June 30, 2016, the School Board reported a General Fund balance of \$69.3 million. This represents an increase of \$21.6 million from the June 30, 2015, balance of \$47.7 million. The increase is primarily due to a settlement from BP Oil for \$19.3 million. Expenses also increased pursuant to a Cooperative Endeavor Agreement with the Recovery School District (RSD) stipulating a \$1.3 million contribution to city-wide services for exceptional needs funding.
- For fiscal year 2016, Ad Valorem Tax Revenues, including the gross up for fees, totaled \$158.3 million. This represents an increase of \$10 million from the prior year.
- Sales Tax Revenues totaled \$127.8 million for the fiscal year 2016, which represents an increase of \$4.3 million from the prior year.
- The Minimum Foundation Program (MFP) distribution from the State of Louisiana totaled \$64.4 million for fiscal year 2016. Louisiana funds public education through a block grant known as the Minimum Foundation Program, or MFP. The MFP formula is developed and approved annually by the Louisiana State Board of Elementary and Secondary Education.
- Within fiscal year 2016, expenditures on Federal and State awards totaled \$102.3 million. The largest grants were as follows: (1) U.S. Department of Homeland Security (FEMA Disaster Relief Program) = \$71.2 million; (2) U.S. Department of Education, No Child Left Behind, Title I = \$15.9 million and (3) U.S. Department of Education, Individuals with Disabilities and Exceptionalities, IDEA Part B = \$4.9 million. These expenditures benefit OPSB students, OPSB charter school students and non-public students.
- Principal payment on the General Obligation Bonds totaled \$9.9 million. The Qualified School Construction Bond (QSCB) is required to make an annual deposit to a sinking fund for maturation. The contribution in fiscal year 2016 was \$11.9 million. Interest payments for both bonds totaled \$2.9 million.
- As of June 30, 2016, the School Board had total Long-Term debt of \$234.5 million. This is comprised of the following: (1) Bonds totaling \$130.7 million; (2) Bond Premiums of \$3.5 million; (3) OPEB Obligation payable of \$489,000; (4) Pension Obligation payable of \$65.5 million; (5) Compensated absences of \$2.6 million and (6) Claims payable of \$31.7 million.

- As of June 30, 2016, the School Board had a fund balance of \$56.1 million in its Debt Service funds. The components are as follows: (1) General Obligation Bonds of \$21.7 million and (2) QSCB Bonds of \$34.4 million. These funds are dedicated by Board action to the repayment of the related outstanding debt.
- As of June 30, 2016, the School Board had a net investment in capital assets, book value less accumulated depreciation, of \$436.6 million. This net investment does not include property transfers from the RSD. The long-term debt plus accrued interest on these capital assets totaled \$135.1 million. The difference between the net investment in capital assets, net of related debt represents a surplus of approximately \$305.9 million.
- Capital project expenditures during fiscal year 2016, for both major construction and repair and maintenance projects totaled \$45.9 million.
- At June 30, 2016 the component units (i.e., the seventeen charter schools) had a net position of \$7.2 million. Additionally, revenue for the current fiscal year totaled \$138.6 million.

Using this Annual Financial Report

This discussion and analysis is intended to serve as an introduction to the School Board's basic financial statements. The basic financial statements consist of the following: (1) Government-Wide Financial Statements; (2) Fund Financial Statements; (3) Notes to the Financial Statements and (4) Supplementary Financial Information.

Government-Wide Financial Statements (pages 13 through 16) include the Statement of Net Position and Statement of Activities, which provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. In summary, the Government-Wide Financial Statements show the results of operations and financial position using the total economic resources measurement focus and the accrual basis of accounting which emphasizes the long-term financial picture and are very similar to the financial statements of the private sector.

The Fund Financial Statements (pages 18 through 28) represent information for three fund categories - governmental, proprietary and fiduciary. Financial statements for governmental funds tell how we financed our services in the short-term as well as what remains for future spending. These fund statements provide the reader with some insight into the School Board's overall financial health. In short, the fund-level financial statements show the results of operations and financial position using the current financial resources measurement focus and the modified accrual basis of accounting, emphasizing the change in fund balances as a result of the current year's operations, as well as the amount of resources available to spend.

Fund Financial Statements also report the School Board's operations in more detail than the Government-Wide Financial Statements by providing information about the School Board's most significant funds - such as the General Fund, Pass-Through Fund, General Obligation Bond Fund, Hurricane Katrina Restoration Fund, Capital Projects Fund, Facilities Preservation Fund and the Federal Grant Fund. The Governmental Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances include the major funds as well as an aggregate of the remaining funds that report general government operations.

The School Board maintains two types of Proprietary Funds. The Enterprise Fund is used to report the same functions presented as business-type activities in the Government-Wide Financial Statements. An enterprise fund was established to account for the rental receipts and operating costs of a five story building purchased. Another enterprise fund, which represents a blended component unit, was established to facilitate tax credit financing for the construction and renovation of school buildings as described in Note 22. The Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the School Board's major functions/funds. The School Board uses internal service funds for its employee health insurance, retiree health insurance and workers' compensation. Because these services predominantly benefit the governmental rather than business-type functions, they are included within governmental activities in the Government-Wide Financial Statements.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Other sections include Notes to the Financial Statements (pages 30 through 78) and certain Required Supplementary Information (pages 80 through 89). Included in the Required Supplementary Information is a comparison of the General Fund budget with actual results on pages 80 through 85. Over the course of the year, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures.

Reporting on School Board as a Whole

Government-Wide Financial Analysis

The following analysis focuses on the Statement of Net Position (Table 1) and Statement of Activities (Table 2) of the School Board's governmental and business-type activities:

Table 1
Condensed Comparative Statement of Net Position (In Thousands)
At June 30, 2016 and 2015

	Governmental Activities		Business-Type Activities		Total		Increase (Decrease) Amount	Increase (Decrease) Percent
	2016	2015	2016	2015	2016	2015		
Current and Other Assets	\$ 257,199	\$ 213,840	\$ 5,260	\$ (12,642)	\$ 262,459	\$ 201,198	\$ 61,261	30.45 %
Capital Assets, Net	429,525	349,051	7,080	6,845	436,605	355,896	80,709	22.68 %
Loan Receivable and Accrued Interest	-	-	67,834	39,094	67,834	39,094	28,740	73.52 %
Long-Term Receivable RSD	109,899	126,554	-	-	109,899	126,554	(16,655)	(13.16) %
T total Assets	796,623	689,445	80,174	33,297	876,797	722,742	154,055	21.32 %
Deferred Outflows of Resources	14,443	14,088	-	-	14,443	14,088	355	nm
Current and Other Liabilities	96,615	99,622	217	122	96,832	99,744	(2,912)	(2.92) %
Long-Term Liabilities	234,538	244,902	-	-	234,538	244,902	(10,364)	(4.23) %
T total Liabilities	331,153	344,524	217	122	331,370	344,646	(13,276)	(3.85) %
Deferred Inflows of Resources	2,951	8,657	-	-	2,951	8,657	(5,706)	nm
Net Position:								
Net Investment in Capital								
Assets	404,272	329,573	7,080	6,845	411,352	336,418	74,934	22.27 %
Restricted	131,787	115,894	-	-	131,787	115,894	15,893	13.71 %
Unrestricted	(59,097)	(95,115)	72,877	26,330	13,780	(68,786)	82,566	(120.03) %
T total Net Position	\$ 476,962	\$ 350,352	\$ 79,957	\$ 33,175	\$ 556,919	\$ 383,526	\$ 173,393	45.21 %

The School Board's net position was \$556.9 million at June 30, 2016, and \$383.5 million at June 30, 2015. Of which, \$13.8 million and \$(68.8) million were unrestricted at June 30, 2016 and 2015, respectively. Restricted net position is reported separately to show legal constraints from debt covenants, capital projects and enabling legislation that limit the School Board's ability to use the net position for day-to-day operations. As of June 30, 2016 and 2015, the restricted net position amounted to \$131.8 million and \$115.9 million, respectively.

Current and other assets increased from June 30, 2015 to June 30, 2016, by \$61.3 million.

Net capital assets increased from June 30, 2015 to June 30, 2016, by \$80.7 million primarily due to the acquisition of a new school site and the completion of construction on new school sites to accommodate the city's master plan. (See Notes 2 and 6, Capital Assets in the accompanying financial statements for additional discussion regarding depreciation methods and related accumulated depreciation). The June 30, 2016, financial statements reflect \$109.9 million in capital assets transferred to the RSD as a long-term receivable. This is a \$16.7 million decrease from fiscal year 2015 due to the transfer of eighteen sites back to the School Board from the RSD. These transfers will continue over the next few years as the enactment of school re-unification progresses.

Liabilities decreased by \$13.3 million reflecting an improved accounts payable process. Long-term liabilities decreased by \$10.4 million. This net change is composed of decreases in most long-term obligations and a decrease in Compensated Absences totaling \$5.0 million, \$4.2 million of which pursuant to a review of internal policy and data. Claims Payable increased by a negligible amount.

Table 2
Condensed Comparative Statement of Activities (in Thousands)
For the Years Ended June 30, 2016 and 2015

Governmental Activities	Governmental Activities		Business-Type Activities		Total		Variance	Variance
	2016	2015	2016	2015	2016	2015	(Decrease) Amount	(Decrease) Percent
Revenues								
Program Revenues								
Charges for Services	\$ 685	\$ 842	\$ 1,433	\$ 1,485	\$ 2,118	\$ 2,327	\$ (209)	(8.98) %
Operating Grants	33,570	37,038	-	-	33,570	37,038	(3,468)	(9.36) %
Capital Grants	75,236	63,514	-	-	75,236	63,514	11,722	18.46 %
Total Program Revenues	109,491	101,394	1,433	1,485	110,924	102,879	8,045	7.82 %
General Revenues								
Ad Valorem Taxes	158,311	148,299	-	-	158,311	148,299	10,012	6.75 %
Sales and Use Taxes	127,844	123,557	-	-	127,844	123,557	4,287	3.47 %
State Revenue Sharing	2,691	2,760	-	-	2,691	2,760	(70)	(2.52) %
Interest and Investment Earnings	76	65	868	360	944	425	519	122.09 %
Minimum Foundation Program (MFP)	64,378	56,597	-	-	64,378	56,597	7,781	13.75 %
Donation of Capital Assets	43,359	70,629	-	-	43,359	70,629	(27,270)	(38.61) %
Gain on Disposal of Capital Assets	-	-	22,839	14,631	22,839	14,631	8,208	56.10 %
Contributions and Donations	-	-	5,670	-	5,670	-	5,670	100.00 %
Judgments	20,499	-	-	-	20,499	-	20,499	100.00 %
Other General Revenues	14,756	8,320	-	-	14,756	8,320	6,436	77.35 %
Total General Revenues	431,914	410,227	29,377	14,991	461,291	425,218	36,073	8.48 %
Total Revenues	\$ 541,405	\$ 511,621	\$ 30,810	\$ 16,476	\$ 572,215	\$ 528,097	\$ 44,118	8.35 %

Table 2 (Continued)
Condensed Comparative Statement of Activities (in Thousands)
For the Years Ended June 30, 2016 and 2015

Governmental Activities	Governmental Activities		Business-Type Activities		Total		Variance	Variance
	2016	2015	2016	2015	2016	2015	Increase (Decrease) Amount	Increase (Decrease) Percent
Functions/Program								
Instruction								
Regular Education Programs	21,519	17,578	-	-	21,519	17,578	3,941	22.42 %
Special Education Programs	7,265	7,420	-	-	7,265	7,420	(155)	(2.09) %
Other Educational Programs	18,790	22,088	-	-	18,790	22,088	(3,298)	(14.93) %
Support Services								
Student Services	8,684	8,468	-	-	8,684	8,468	216	2.55 %
Instructional Staff Support	7,488	8,664	-	-	7,488	8,664	(1,176)	(13.58) %
General Administration	17,642	15,568	-	-	17,642	15,568	2,074	13.32 %
School Administration	3,377	3,024	-	-	3,377	3,024	353	11.68 %
Business Services	2,638	2,695	-	-	2,638	2,695	(57)	(2.10) %
Student Transportation Services	5,307	4,387	-	-	5,307	4,387	920	20.97 %
Central Services	3,011	4,134	-	-	3,011	4,134	(1,123)	(27.17) %
Plant Services	11,033	10,029	-	-	11,033	10,029	1,004	10.01 %
Other	10,707	12,819	-	-	10,707	12,819	(2,112)	(16.48) %
Food Services	6,050	6,383	-	-	6,050	6,383	(333)	(5.22) %
Transfer to RSD Schools - Local MFP	161,061	150,173	-	-	161,061	150,173	10,888	7.25 %
Transfer to Charter Schools - Local and State MFP	106,540	92,299	-	-	106,540	92,299	14,241	15.43 %
Interest on Long-Term Debt	1,962	2,577	-	-	1,962	2,577	(615)	(23.86) %
Transfer to Other LEA	-	-	4,570	6,761	4,570	6,761	(2,191)	(32.41) %
Rental Properties	-	-	1,179	1,220	1,179	1,220	(41)	(3.37) %
Total Expenses	393,073	368,306	5,749	7,981	398,822	376,286	22,535	5.99% %
Changes in Net Position Before Transfers	148,332	143,316	25,062	8,495	173,393	151,812	21,581	14.22 %
Transfers	(21,721)	(10,662)	21,721	10,662	-	-	-	- %
Changes in Net Position	126,611	132,653	46,782	19,158	173,393	151,812	21,581	14.22 %
Net position - June 30, 2015	350,351	217,698	33,175	14,017	383,527	231,715		
Net Position - June 30, 2016	\$ 476,962	\$ 350,351	\$ 79,957	\$ 33,175	\$ 556,920	\$ 383,527		

Total revenues for all governmental and business-type activities for the fiscal years ended June 30, 2016 and June 30, 2015, were \$572.2 million and \$528.1 million, respectively. The increase in total revenue in 2016 compared to 2015 is due to significant increases in Ad Valorem Taxes, Sales and Use Tax and MFP revenues. A judgment award from BP Oil for \$19.3 million also contributed to said increase. These increases were offset somewhat by decreases in Donations of Capital Assets.

As reported in the Statement of Activities (Table 2) the total cost of all governmental and business-type activities for the fiscal years ended June 30, 2016 and June 30, 2015, were \$398.8 million and \$376.3 million, respectively. The overall increase is mainly due to Transfers to the RSD and charter schools. The transfer to the RSD schools represents their share of local revenues for the fiscal year based on the ratio of students serviced by each entity. The transfers to charter schools represent their share of state MFP and local revenue share based on their student population. The School Board continues to focus on the provisions of instructional and related support services aimed at all of its student population.

Some of the costs were funded by those who benefited from the programs or by other governments and organizations who subsidized certain programs as reflected in operating grants revenues. The School Board funded the remaining "public benefit" portion of our governmental costs with revenues from Ad Valorem Taxes and Sales and Use Taxes of \$286.2 million for 2016 and \$271.9 million for 2015. MFP funding provided \$64.4 million for 2016 versus \$56.6 million for 2015. State revenue sharing funded the remaining "public benefit" governmental costs.

Table 3, Comparable Governmental and Business-Type Activities, reflects the gross cost of program services and the net costs after taking into account the program revenues for the governmental and business-type activities. General revenues (including tax revenues), investment earnings and unrestricted State revenues are used to support the net remaining costs of the School Board activities.

Table 3
Comparable Governmental and Business-Type Activities (in Thousands)

Description	For the Years Ended June 30,			
	2016		2015	
	Gross Cost of Services	Net Cost of Services	Gross Cost of Services	Net Cost of Services
GOVERNMENTAL ACTIVITIES				
Regular Education Programs	\$ 21,519	\$ 5,367	\$ 17,578	\$ 5,961
Special Education Programs	7,265	(43)	7,420	337
Other Education Programs	18,790	(8,821)	22,088	(7,505)
Student Services	8,684	(1,827)	8,468	(1,185)
Instructional Staff Support	7,488	(2,068)	8,664	(2,164)
General Administration	17,642	4,839	15,568	5,713
School Administration	3,377	926	3,024	1,110
Business Services	2,638	716	2,695	981
Student Transportation Services	5,307	1,295	4,387	1,464
Central Services	3,011	784	4,134	1,470
Plant Services	11,033	3,025	10,029	3,671
Other	10,707	10,707	12,819	12,819
Food Services	6,050	(882)	6,383	(812)
Transfer to RSD Schools - Local MFP	161,061	161,061	150,173	150,173
Transfer to Charter Schools - Local and State MFP	106,540	106,540	92,299	92,299
Interest on Long-Term Debt	1,962	1,962	2,577	2,577
	<u>\$ 393,073</u>	<u>\$ 283,582</u>	<u>\$ 368,306</u>	<u>\$ 266,909</u>
BUSINESS-TYPE ACTIVITIES				
Rental Properties	\$ 1,179	\$ (254)	\$ 1,220	\$ (265)
Transfers to Other LEA	4,570	4,570	6,761	6,761
	<u>\$ 5,749</u>	<u>\$ 4,316</u>	<u>\$ 7,981</u>	<u>\$ 6,496</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 398,822</u>	<u>\$ 287,898</u>	<u>\$ 376,287</u>	<u>\$ 273,406</u>

Overall, the net cost of services in fiscal year 2016 increased by \$14.5 million.

Reporting on the Individual Funds

Fund Financial Analysis

Our analysis of the School Board's major funds begins on page 18 of the basic financial statements. The Fund Financial Statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board has established other funds for particular purposes (such as the Child Nutrition) to help it control, manage and reflect legal responsibilities for using certain taxes, grants and other funds (such as grants from the Department of Education). The School Board's funds (governmental, proprietary and fiduciary) use the following accounting approach:

Governmental Funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on funds flowing into and out of funds and the balances left at year-end that are available for spending. Said funds are reported using an accounting method called modified accrual accounting. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds, through reconciliation to the basic financial statements, is described on page 22 of the financial statements.

Proprietary Funds - Proprietary funds for the School Board use the accrual basis of accounting, the same as on the government-wide statements. The Internal Service funds are used to account for the financing services provided by the School Board's departments (such as employee health, retiree health and workers' compensation). The Enterprise Fund is used to account for the rental receipts and operating costs of a five story building owned by the School Board as well as a blended component unit that facilities tax credit financing for the construction and renovation of school buildings. The Balance Sheet, Statement of Revenues Expenses and Changes in Net Position and Statement of Cash Flows reports are presented on pages 23 through 26 of the basic financial statements.

Fiduciary Funds - The School Board is the trustee, or fiduciary, for its student activities funds. All of the School Board's fiduciary activities are reported in the separate Statements of Assets and Liabilities and Changes in Assets and Liabilities on pages 27 and 28 of the basic financial statements, respectively. We exclude these activities from the School Board's other financial statements because the assets cannot be utilized by the School Board to finance its operations.

Capital Asset and Debt Administration

Capital Assets

The School Board's capital assets include land, buildings and improvements, furniture and equipment, and construction-in-progress.

A comparative analysis of capital assets as of June 30, 2016 and 2015, is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 25,349,188	\$ 16,591,800	\$ 1,440,992	\$ 1,440,992	\$ 26,790,180	\$ 18,032,792
Buildings and Improvements	454,806,281	244,670,661	6,309,639	5,953,135	461,115,920	250,623,796
Furniture and Equipment	13,389,660	12,188,174	-	-	13,389,660	12,188,174
Construction in Progress	11,613,990	152,951,944	-	-	11,613,990	152,951,944
	505,159,119	426,402,579	7,750,631	7,394,127	512,909,750	433,796,706
Accumulated Depreciation	(75,633,905)	(77,351,838)	(670,846)	(548,937)	(76,304,751)	(77,900,775)
Total	\$ 429,525,214	\$ 349,050,741	\$ 7,079,785	\$ 6,845,190	\$ 436,604,999	\$ 355,895,931

Overall net capital assets increased from June 30, 2015 to June 30, 2016, by \$80.7 million. This increase reflects construction and improvement costs pursuant to the City of New Orleans' master plan to re-build schools. Additional information on Capital Assets can be found in Note 2, Summary of Significant Accounting Policies and Note 6, Capital Assets.

On November 6, 2008, the School Board approved a Master Plan for Orleans Parish school facilities. The Master Plan provides a blueprint for determining which school facilities will be rebuilt and which sites will be renovated. During October 2011, the School Board and RSD completed a revised Master Plan that incorporated cost savings made possible through the standardization of systems across all school facilities that will be constructed or rehabilitated. A complete copy of the Master Plan is available on the School Board's web site: www.opsb.us. Construction expenditures are anticipated to increase as more rebuilding projects commenced in fiscal year 2016.

Long-Term Debt

Obligations include bonds and other long-term obligations, such as accrued vacation and sick leave pay. More detailed information about long-term liabilities is presented in Note 9 in the notes to the accompanying financial statements and in earlier sections of this Management's Discussion and Analysis.

Pursuant to the requirements of LSA-R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of the taxable property (including homestead exempt and non-exempt property) within the Parish of Orleans. At June 30, 2016, the statutory debt limit for general obligation bonds is \$888,951,414 with a net legal debt margin of \$859,001,584.

Economic Factors and Next Year's Budget

The economic viability of the School Board is related primarily to the Ad Valorem Taxes and Sales and Use Tax Revenues and MFP. For fiscal year 2016, the School Board reflected increased Ad Valorem Taxes and Sales and Use Tax Revenues. Ad Valorem Tax increases reflect higher assessments. The Sales and Use Tax base growth is attributable to commercial development inclusive of the Louisiana State University's medical complex center near the central business district, new retail developments including a high-end retail outlet and increased population.

Contacting the School Board's Financial Management

This financial report is designed to provide the citizens, taxpayers, parents, students, investors and creditors with a general overview of the School Board's finances and to provide accountability for the funds it receives. If you have questions about this report or wish to request additional financial information, please call 504-304-4185, 3520 General DeGaulle Dr., Ste. 5055, New Orleans, LA 70114-4000.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Net Position
June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and Cash Equivalents	\$ -	\$ 1,607,833	\$ 1,607,833	\$ 54,302,811
Investments	-	-	-	18,548,038
Taxes Receivable				
Sales Taxes	21,060,931	-	21,060,931	-
Ad Valorem Taxes	7,333,235	-	7,333,235	-
Due from Other Governments	12,612,459	-	12,612,459	8,105,736
Internal Balances	(1,690,936)	1,690,936	-	-
Equity in Pooled Cash	184,056,752	1,951,504	186,008,256	-
Prepaid Items	2,412,844	-	2,412,844	1,108,200
Inventory	51,637	-	51,637	5,017
Other Receivables	8,775,160	9,738	8,784,898	584,544
Other	-	-	-	294,175
Long-Term Accounts Receivable - RSD	109,898,303	-	109,898,303	-
Loan Receivable and Accrued Interest	-	67,834,467	67,834,467	-
Restricted Investments	22,587,143	-	22,587,143	-
Capital Assets				
Land	25,349,188	1,440,992	26,790,180	-
Construction in Progress	11,613,990	-	11,613,990	-
Capital Assets, Net of Accumulated Depreciation	392,562,036	5,638,793	398,200,829	6,233,305
Total Assets	796,622,742	80,174,263	876,797,005	89,181,826
Deferred Outflows of Resources				
Deferred Outflows on Pension Obligation	14,442,868	-	14,442,868	47,250,087
Total Deferred Outflows of Resources	14,442,868	-	14,442,868	47,250,087
Liabilities				
Accounts Payable	10,527,114	172,555	10,699,669	3,370,200
Payroll Withholdings	1,639,689	-	1,639,689	-
Salaries Payable	1,114,875	-	1,114,875	563,509
Other Payables	2,721,836	44,541	2,766,377	3,300,763
Accrued Interest Payable	937,417	-	937,417	-
Due to Fiduciary Funds	374,563	-	374,563	-
Due to Other Governments	9,057,737	-	9,057,737	275,029
Unearned Revenues	55,684,362	-	55,684,362	342,755
Funds Held for Future Distribution	14,557,618	-	14,557,618	-
Long-Term Liabilities				
Bonds, Notes and Loans Due Within One Year	11,219,095	-	11,219,095	50,238
Bonds, Notes and Loans Due in More Than One Year	122,994,668	-	122,994,668	578,803
Compensated Absences Due Within One Year	-	-	-	62,682
Compensated Absences Due in More Than One Year	2,602,276	-	2,602,276	-
OPEB Obligation Payable	489,000	-	489,000	-
Pension Obligation Payable	65,549,001	-	65,549,001	114,147,177
Claims Payable Due Within One Year	-	-	-	-
Claims Payable Due in More Than One Year	31,683,934	-	31,683,934	-
Total Liabilities	331,153,185	217,096	331,370,281	122,691,156

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Net Position (Continued)
June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Deferred Inflows of Resources				
Deferred Inflows on Pension Obligation	2,950,767	-	2,950,767	6,546,106
Total Deferred Inflows of Resources	2,950,767	-	2,950,767	6,546,106
Net Position				
Net Investment in Capital Assets	404,272,337	7,079,785	411,352,122	6,233,305
Restricted - Nonspendable	-	-	-	138,023
Restricted for:				
School Food Service	51,637	-	51,637	-
Debt Service	56,058,162	-	56,058,162	-
Capital Projects	75,676,913	-	75,676,913	-
Instructional Services	-	-	-	640,252
Student Activities	-	-	-	695,327
Scholarships	-	-	-	16,120
Other	-	-	-	717,807
Unrestricted	(59,097,391)	72,877,382	13,779,991	(1,246,183)
Total Net Position	\$ 476,961,658	\$ 79,957,167	\$ 556,918,825	\$ 7,194,651

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Activities
Fiscal Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Governmental Activities								
Instruction								
Regular Education Programs	\$ 21,518,727	\$ -	\$ 986,065	\$ 15,165,679	\$ (5,366,983)	\$ -	\$ (5,366,983)	\$ -
Special Education Programs	7,264,584	-	2,188,042	5,119,835	43,293	-	43,293	-
Other Education Programs	18,789,952	-	14,368,041	13,242,530	8,820,619	-	8,820,619	-
Support Services								
Student Services	8,683,924	252,118	4,138,236	6,120,139	1,826,569	-	1,826,569	-
Instructional Staff Support	7,487,693	-	4,278,769	5,277,075	2,068,151	-	2,068,151	-
General Administration Services	17,641,687	-	369,328	12,433,270	(4,839,089)	-	(4,839,089)	-
School Administration Services	3,377,102	-	70,700	2,380,069	(926,333)	-	(926,333)	-
Business Services	2,638,366	-	62,877	1,859,432	(716,057)	-	(716,057)	-
Student Transportation Services	5,307,002	-	271,532	3,740,197	(1,295,273)	-	(1,295,273)	-
Central Services	3,010,617	10,105	95,101	2,121,783	(783,629)	-	(783,629)	-
Plant Services	11,033,319	-	232,672	7,775,914	(3,024,733)	-	(3,024,733)	-
Other	1,300,000	-	-	-	(1,300,000)	-	(1,300,000)	-
Food Services	6,050,027	422,884	6,508,667	-	881,524	-	881,524	-
Transfer to RSD Schools	161,061,267	-	-	-	(161,061,267)	-	(161,061,267)	-
Transfer to Charter Schools	106,540,381	-	-	-	(106,540,381)	-	(106,540,381)	-
Other	9,406,816	-	-	-	(9,406,816)	-	(9,406,816)	-
Interest on Long-Term Debt	1,962,020	-	-	-	(1,962,020)	-	(1,962,020)	-
Total Governmental Activities	393,073,485	685,107	33,570,030	75,235,923	(283,582,425)	-	(283,582,425)	-
Business-Type Activities								
Rental Properties	1,178,919	1,432,970	-	-	-	254,051	254,051	-
Transfer to Other LEA	4,569,625	-	-	-	-	(4,569,625)	(4,569,625)	-
Total Business-Type Activities	5,748,544	1,432,970	-	-	-	(4,315,574)	(4,315,574)	-
Total Primary Government	398,822,029	2,118,077	33,570,030	75,235,923	(283,582,425)	(4,315,574)	(287,897,999)	-
Component Units								
Audubon Charter School	8,322,522	-	-	-	-	-	-	(8,322,522)
Hynes Charter School Corporation	7,303,712	-	-	-	-	-	-	(7,303,712)
Lake Forest Elementary Charter School	6,015,036	-	-	-	-	-	-	(6,015,036)
Lusher Charter School	17,145,308	-	-	-	-	-	-	(17,145,308)
Einstein Charter School	14,124,293	-	-	-	-	-	-	(14,124,293)
Encore Learning	5,292,759	-	-	-	-	-	-	(5,292,759)
Robert Russa Moton Charter School	2,900,831	-	-	-	-	-	-	(2,900,831)
Warren Easton Senior High School	10,916,321	-	-	-	-	-	-	(10,916,321)
Benjamin Franklin High School	9,596,150	-	-	-	-	-	-	(9,596,150)
InspireNOLA Charter Schools	34,872,711	-	-	-	-	-	-	(34,872,711)
Homer A. Plessy Community School	2,377,701	-	-	-	-	-	-	(2,377,701)
Bricolage Academy	3,131,679	-	-	-	-	-	-	(3,131,679)
Cypress Academy	1,073,487	-	-	-	-	-	-	(1,073,487)
Foundation Preparatory	996,079	-	-	-	-	-	-	(996,079)
New Orleans Charter Science and Math High School	7,813,166	-	-	-	-	-	-	(7,813,166)
Total Component Units	131,881,755	-	-	-	-	-	-	(131,881,755)

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Activities (Continued)
Fiscal Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Net Expenses from Previous Page				(283,582,425)	(4,315,574)	(287,897,999)	(131,881,755)	
General Revenues								
Taxes								
Ad Valorem (Property) Taxes				158,311,016	-	158,311,016	-	
Sales and Use Taxes				127,844,470	-	127,844,470	-	
State Revenue Sharing				2,690,500	-	2,690,500	-	
Minimum Foundation Program (MFP)				64,377,681	-	64,377,681	-	
Minimum Foundation Program and Local Share				-	-	-	100,344,463	
Orleans Parish School Board, State and Other Grants and Contracts				-	-	-	21,636,995	
Interest and Investment Earnings				75,553	868,325	943,878	644,617	
Gain on Disposal of Capital Assets				-	22,838,667	22,838,667	-	
Internal Service Funds Net Operating Loss				-	-	-	-	
Contributions and Donations				-	5,670,315	5,670,315	-	
Judgments				20,499,056	-	20,499,056	-	
Donation of Capital Assets				43,359,340	-	43,359,340	-	
Miscellaneous				14,755,785	-	14,755,785	11,516,688	
Transfers				(21,720,670)	21,720,670	-	4,422,993	
Total General Revenues, Transfers and Special Items				410,192,731	51,097,977	461,290,708	138,565,756	
Change in Net Position				126,610,306	46,782,403	173,392,709	6,684,001	
Net Position - June 30, 2015				350,351,352	33,174,764	383,526,116	510,650	
Net Position - June 30, 2016				\$ 476,961,658	\$ 79,957,167	\$ 556,918,825	\$ 7,194,651	

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Pass-Through Fund	General Obligation Bond Fund	QSCB Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	OSCB Construction Fund	Master Plan Fund	Facilities Preservation Fund	Federal Grant Fund	Other Governmental Funds	Total
Assets												
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes Receivable												
Sales Taxes	-	21,060,931	-	-	-	-	-	-	-	-	-	21,060,931
Ad Valorem Taxes	-	7,333,235	-	-	-	-	-	-	-	-	-	7,333,235
Due from Other Governments	2,668,513	-	-	-	-	-	-	-	-	9,424,805	519,141	12,612,459
Equity in Pooled Cash	67,371,172	-	21,665,170	11,924,115	-	10,724,744	52,242,003	18,600,821	20,046,461	-	15,676,555	218,251,041
Prepaid Items and Other Assets	1,761,547	-	-	-	-	-	-	-	-	-	-	1,761,547
Inventory	-	-	-	-	-	-	-	-	-	-	51,637	51,637
Other Receivables	7,572,193	-	-	-	-	51,000	-	-	-	-	640,418	8,263,611
Restricted Investments	-	-	-	22,587,143	-	-	-	-	-	-	-	22,587,143
Total Assets	\$ 79,373,425	\$ 28,394,166	\$ 21,665,170	\$ 34,511,258	\$ -	\$ 10,775,744	\$ 52,242,003	\$ 18,600,821	\$ 20,046,461	\$ 9,424,805	\$ 16,887,751	\$ 291,921,604
Liabilities and Fund Balances												
Liabilities												
Accounts Payable	\$ 3,446,864	\$ 924,251	\$ -	\$ 118,266	\$ 1,820,948	\$ 56,772	\$ -	\$ -	\$ -	\$ 1,101,261	\$ 1,750,266	\$ 9,218,628
Payroll Withholdings	1,639,689	-	-	-	-	-	-	-	-	-	-	1,639,689
Salaries Payable	1,114,875	-	-	-	-	-	-	-	-	-	-	1,114,875
Due to Other Funds	374,562	-	-	-	-	-	-	1,690,936	-	-	-	2,065,498
Due to Other Governments	3,493,530	202,919	-	-	-	-	-	-	5,333,079	28,209	-	9,057,737
Equity in Pooled Cash	-	12,709,378	-	-	15,160,407	-	-	-	-	8,451,909	3,248,122	39,569,816
Unearned Revenues	-	-	-	-	-	-	-	53,105,337	-	-	70,971	53,176,308
Funds Held For Future Distribution	-	14,557,618	-	-	-	-	-	-	-	-	-	14,557,618
Total Liabilities	10,069,520	28,394,166	-	118,266	16,981,355	56,772	-	54,796,273	5,333,079	9,581,379	5,069,359	130,400,169
Fund Balances (Deficit)												
Nonspendable:												
Prepaid Items	1,761,547	-	-	-	-	-	-	-	-	-	-	1,761,547
Inventory	-	-	-	-	-	-	-	-	-	-	51,637	51,637
Restricted for:												
Debt Service	-	-	21,665,170	34,392,992	-	-	-	-	-	-	-	56,058,162
Capital Projects	-	-	-	-	-	-	52,242,003	-	14,713,382	-	8,721,528	75,676,913
Committed for:												
Capital Projects	-	-	-	-	-	10,718,972	-	-	-	-	-	10,718,972
Assigned to:												
Special Programs	1,600,000	-	-	-	-	-	-	-	-	-	5,774,208	7,374,208
Unassigned	65,942,358	-	-	-	(16,981,355)	-	-	(36,195,452)	-	(156,574)	(2,728,981)	9,879,996
Total Fund Balances (Deficit)	69,303,905	-	21,665,170	34,392,992	(16,981,355)	10,718,972	52,242,003	(36,195,452)	14,713,382	(156,574)	11,818,392	161,521,435
Total Liabilities and Fund Balances	\$ 79,373,425	\$ 28,394,166	\$ 21,665,170	\$ 34,511,258	\$ -	\$ 10,775,744	\$ 52,242,003	\$ 18,600,821	\$ 20,046,461	\$ 9,424,805	\$ 16,887,751	\$ 291,921,604

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2016

Total Fund Balances at June 30, 2016 - Governmental Funds		\$ 161,521,435
Cost of Capital Assets at June 30, 2016	505,159,119	
Less: Accumulated Depreciation as of June 30, 2016		
Buildings	(64,792,555)	
Movable Property	<u>(10,841,350)</u>	429,525,214
Accounts Receivable - RSD		109,898,303
Deferred Outflows on Pension Obligation	14,442,868	
Deferred Inflows on Pension Obligation	<u>(2,950,767)</u>	11,492,101
Short-Term Interest Payable		(937,421)
Long-Term Liabilities at June 30, 2016		
Bonds Payable	(130,670,000)	
Bond Premium	(3,543,763)	
Claims Payable	(31,683,934)	
OPEB Obligation Payable	(489,000)	
Pension Obligation Payable	(65,549,001)	
Compensated Absences Payable	<u>(2,602,276)</u>	<u>(234,537,974)</u>
Total Net Position at June 30, 2016 - Governmental Activities		<u>\$ 476,961,658</u>

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2016

	General Fund	Pass-Through Fund	General Obligation Bond Fund	OSCB Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	OSCB Construction Fund	Master Plan Fund	Facilities Preservation Fund	Federal Grant Fund	Other Governmental Funds	Total
Revenues												
Local Sources												
Ad Valorem Taxes	\$ 11,913,137	\$ 129,185,840	\$ 12,363,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,848,462	\$ -	\$ -	\$ 158,311,016
Sales and Use Tax	8,122,929	99,742,330	-	11,866,588	-	-	-	-	8,112,623	-	-	127,844,470
Earnings on Investments	39,307	-	49	-	-	-	19,624	16,573	-	-	-	75,553
Food Services	-	-	-	-	-	-	-	-	-	-	422,884	422,884
Donations	1,500	-	-	-	-	-	-	-	-	-	4,291,582	4,293,082
Other	3,943,697	-	-	-	-	3,699,751	-	3,081,120	-	-	-	10,724,568
State and Federal Sources												
Minimum Foundation Program	17,716,158	46,556,720	-	-	-	-	-	-	-	-	104,803	64,377,681
State Revenue Sharing	2,690,500	-	-	-	-	-	-	-	-	-	-	2,690,500
Other	769,129	663,056	-	-	-	-	-	-	-	-	802,689	2,234,874
Federal Sources	41,399	-	-	-	71,235,923	-	-	-	-	24,492,005	6,508,667	102,277,994
Total Revenues	45,237,756	276,147,946	12,363,626	11,866,588	71,235,923	3,699,751	19,624	3,097,693	12,961,085	24,492,005	12,130,625	473,252,622
Expenditures												
Current												
Instruction												
Regular Programs	13,554,994	-	-	-	3,064,903	-	-	-	-	503,488	401,636	17,525,021
Special Programs	3,958,191	-	-	-	-	-	-	-	-	1,914,006	44,137	5,916,334
Other Programs	1,571,703	-	-	-	83,395	-	-	-	-	13,137,604	509,984	15,302,686
Support												
Student Services	3,250,828	-	-	-	-	-	-	-	-	3,719,452	101,976	7,072,256
Instructional Staff Support	2,087,964	-	-	-	-	-	-	-	-	3,875,110	134,962	6,098,036
General Administration	3,836,725	9,121,985	524,796	192,129	-	356,721	-	-	335,173	-	-	14,367,529
School Administration	2,750,339	-	-	-	-	-	-	-	-	-	-	2,750,339
Business Services	2,023,742	-	-	-	5,560	-	-	-	-	7,185	112,219	2,148,706
Student Transportation Services	4,171,244	-	-	-	-	-	-	-	-	150,820	-	4,322,064
Central Services	2,349,547	-	-	-	-	72,171	-	-	-	30,153	-	2,451,871
Plant Services	7,765,991	-	-	-	37,567	1,102,401	-	-	-	1,588	78,075	8,985,622
Food Services	-	-	-	-	-	-	-	-	-	-	6,050,027	6,050,027
Capital Outlay	28,002	-	-	-	43,104,723	757,681	-	-	-	-	2,058,268	45,948,674
Other	1,300,000	-	-	-	-	-	-	-	-	-	-	1,300,000
Debt Service												
Principal Retirement	-	-	9,905,000	-	-	-	-	-	-	-	-	9,905,000
Interest and Bank Charges	-	-	2,692,950	245,229	-	-	-	-	-	-	-	2,938,179
Total Expenditures	48,649,270	9,121,985	13,122,746	437,358	46,296,148	2,288,974	-	-	335,173	23,339,406	9,491,284	153,082,344
Excess (Deficiency) of Revenues												
Over (Under) Expenditures	(3,411,514)	267,025,961	(759,120)	11,429,230	24,939,775	1,410,777	19,624	3,097,693	12,625,912	1,152,599	2,639,341	320,170,278

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Revenues, Expenditures and
Changes in Fund Balances (Continued)
Governmental Funds
Fiscal Year Ended June 30, 2016

	General Fund	Pass-Through Fund	General Obligation Bond Fund	QSCB Fund	Hurricane Katrina Restoration Fund	Capital Projects Fund	QSCB Construction Fund	Master Plan Fund	Facilities Preservation Fund	Federal Grant Fund	Other Governmental Funds	Total
Other Financing Sources (Uses)												
Proceeds from Debt Service												
Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Refunding Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
Judgments	19,278,971	-	-	-	-	1,220,085	-	-	-	-	-	20,499,056
Other	4,293,442	(9,406,817)	-	-	-	-	-	-	-	-	-	(5,113,375)
Transfers In	13,072,912	-	-	-	-	1,417,906	11,663,729	-	-	-	-	26,154,547
Transfers Out	(11,663,729)	-	-	-	-	(107,429)	(11,668,222)	(21,613,241)	(1,417,906)	(1,294,142)	(110,550)	(47,875,219)
Transfers Out - Building	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out - Charter Schools	-	(101,890,956)	-	-	-	-	-	-	-	-	(4,649,425)	(106,540,381)
Transfers Out - Recovery School District	-	(155,728,188)	-	-	-	-	-	-	(5,333,079)	-	-	(161,061,267)
Transfers Out - Other LEA	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	24,981,596	(267,025,961)	-	-	-	2,530,562	(4,493)	(21,613,241)	(6,750,985)	(1,294,142)	(4,759,975)	(273,936,639)
Net Change in Fund Balances	21,570,082	-	(759,120)	11,429,230	24,939,775	3,941,339	15,131	(18,515,548)	5,874,927	(141,543)	(2,120,634)	46,233,639
Fund Balances, June 30, 2015	47,733,823	-	22,424,290	22,963,762	(41,921,130)	6,777,633	52,226,872	(17,679,904)	8,838,455	(15,031)	13,939,026	115,287,796
Fund Balances, June 30, 2016	\$ 69,303,905	\$ -	\$ 21,665,170	\$ 34,392,992	\$ (16,981,355)	\$ 10,718,972	\$ 52,242,003	\$ (36,195,452)	\$ 14,713,382	\$ (156,574)	\$ 11,818,392	\$ 161,521,435

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Fiscal Year Ended June 30, 2016

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Excess of Expenditures and Other Uses Over Revenues and Other Financing Sources - Total Governmental Funds		\$ 46,233,639
Capital Assets		
Capital Outlay and Other Expenditures Capitalized	98,816,103	
Depreciation Expense for Year Ended June 30, 2016	(5,614,609)	
Assets Disposed	<u>(29,382,962)</u>	63,818,532
Long-Term Debt		
Bond Premium, Net	844,095	
Principal Portion of Debt Service and Capital Lease Payments	9,905,000	
Excess of Interest Paid Over Interest Accrued	132,064	
Increase in Estimate of Long-Term Claims Payable	(73,806)	
Decrease in OPEB Obligation Payable	195,000	
Excess of Pension Expense Over Actual Employer Contributions	591,340	
Excess of Compensated Absences Used Over Amounts Earned	<u>4,964,442</u>	<u>16,558,135</u>
Change in Net Position - Governmental Activities		<u>\$ 126,610,306</u>

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-Type Activities			Governmental Activities Internal Service
	Enterprise Funds			
	Timbers	Orleans Schools Facility Foundation	Totals	
Assets				
Current				
Cash and Cash Equivalents	\$ -	\$ 1,607,833	\$ 1,607,833	\$ -
Equity in Pooled Cash	1,951,504	-	1,951,504	5,644,972
Other Receivables	9,738	-	9,738	511,549
Due from Other Funds	-	1,690,936	1,690,936	-
Due from Other Governments	-	-	-	-
Loan Receivable and Accrued Interest	-	1,448,824	1,448,824	-
Prepaid Items and Other Assets	-	-	-	651,297
Noncurrent				
Loan Receivable	-	66,385,643	66,385,643	-
Capital Assets				
Land	1,440,992	-	1,440,992	-
Net Investment in Capital Assets	5,638,793	-	5,638,793	-
Total Assets	9,041,027	71,133,236	80,174,263	6,807,818
Liabilities and Net Position				
Liabilities				
Current				
Accounts Payable	172,555	-	172,555	1,308,483
Deposit Payable	44,541	-	44,541	-
Due to Other Funds	-	-	-	-
Equity in Pooled Cash	-	-	-	269,445
Noncurrent				
Claims Payable	-	-	-	2,721,836
Unearned Revenue	-	-	-	2,508,054
Total Liabilities	217,096	-	217,096	6,807,818
Net Position				
Unrestricted	8,823,931	71,133,236	79,957,167	-
Total Net Position	\$ 8,823,931	\$ 71,133,236	\$ 79,957,167	\$ -

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2016

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Timbers	Orleans Schools Facility Foundation	Totals	Internal Service
Operating Revenues				
Employer Contributions	\$ -	\$ -	\$ -	\$ 7,621,155
Retiree Contributions	-	-	-	1,461,950
Employee Contributions	-	-	-	19,853
Workers Compensation Reimbursement	-	-	-	1,287,104
Rental Income	1,427,929	164	1,428,093	-
Other Miscellaneous	4,877	-	4,877	-
Total Operating Revenues	1,432,806	164	1,432,970	10,390,062
Operating Expenses				
Business Services	121,909	-	121,909	-
Central Services	-	-	-	10,306,379
Plant Services	1,011,383	99	1,011,482	-
General Administrative	45,528	-	45,528	83,683
Total Operating Expenses	1,178,820	99	1,178,919	10,390,062
Operating Income	253,986	65	254,051	-
Nonoperating Revenues				
Investment Income	18	868,307	868,325	-
Contributions and Donations	-	5,670,315	5,670,315	-
Gain on Disposal of Capital Assets	-	22,838,667	22,838,667	-
Transfers In	107,429	44,493,346	44,600,775	-
Transfers Out	-	(22,880,105)	(22,880,105)	-
Transfers Out - Other LEA	-	(4,569,625)	(4,569,625)	-
Total Nonoperating Revenues	107,447	46,420,905	46,528,352	-
Change in Net Position	361,433	46,420,970	46,782,403	-
Net Position, June 30, 2015	8,462,498	24,712,266	33,174,764	-
Net Position, June 30, 2016	\$ 8,823,931	\$ 71,133,236	\$ 79,957,167	\$ -

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2016

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Timbers	Orleans Schools Facility Foundation	Totals	Internal Service
Cash Flows from Operating Activities				
Cash Premiums Received	\$ -	\$ -	\$ -	\$ 9,108,315
Receipts from Customers	1,423,068	164	1,423,232	-
Payments for Claims and Benefits	-	-	-	(10,273,048)
Payments to Suppliers	(665,142)	(99)	(665,241)	-
Payments to Employees and for Employee Benefits	(296,459)	-	(296,459)	-
Net Cash Provided by (Used in) Operating Activities	461,467	65	461,532	(1,164,733)
Cash Flows from Capital and Related Financing Activities				
Contributions and Donations	-	5,670,315	5,670,315	-
Receipts from Other Funds	-	42,802,410	42,802,410	-
Proceeds from Sale of Capital Assets	-	22,838,667	22,838,667	-
Purchase of Capital Assets	(356,504)	-	(356,504)	-
Contribution to Others	-	(4,569,625)	(4,569,625)	-
Payments to Other Funds	(155,707)	(38,379,105)	(38,534,812)	-
Net Cash (Used in) Provided by Capital and Related Financing Activities	(512,211)	28,362,662	27,850,451	-
Cash Flows from Investing Activities				
Cash Receipts from Loan Collections	-	395,800	395,800	-
Cash Payments for Loans to Others	-	(28,952,908)	(28,952,908)	-
Interest Income	18	791,947	791,965	-
Net Cash Provided by (Used in) Investing Activities	18	(27,765,161)	(27,765,143)	-
Net Increase (Decrease) in Cash	(50,726)	597,566	546,840	(1,164,733)
Cash at Beginning of Year	50,726	1,010,267	1,060,993	1,164,733
Cash at End of Year	\$ -	\$ 1,607,833	\$ 1,607,833	\$ -

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Statement of Cash Flows (Continued)
Proprietary Funds
Fiscal Year Ended June 30, 2016

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Timbers	Orleans Schools Facility Foundation	Totals	Internal Service
Reconciliation of Operating Income to Net Cash				
Provided by (Used in) Operating Activities				
Operating Income	\$ 253,986	\$ 65	\$ 254,051	\$ -
Adjustments to Reconcile Operating Income to Net				
Cash Provided by (Used in) Operating Activities:				
Depreciation	121,909	-	121,909	-
Changes in:				
Equity in Pooled Cash	-	-	-	(5,375,528)
Other Receivables	(9,738)	-	(9,738)	484,972
Due from Other Funds	-	-	-	31,806,645
Prepaid Items and Other Assets	-	-	-	(357,780)
Accounts Payable	93,659	-	93,659	461,053
Unearned Revenue	-	-	-	(1,521,594)
Due to Other Funds	-	-	-	(27,682,035)
Deposits Payable	1,651	-	1,651	-
Claims Payable	-	-	-	1,019,534
Net Cash Provided by (Used in)				
Operating Activities	\$ 461,467	\$ 65	\$ 461,532	\$ (1,164,733)

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2016

	Trust Funds	Agency Funds
Assets		
Cash	\$ -	\$ 279,271
Investments	312,670	-
Due from Other Funds	373,650	913
Equity in Pooled Cash	479,499	-
	<hr/>	<hr/>
Total Assets	1,165,819	280,184
Liabilities		
Accounts Payable	352,805	-
Due to Student Groups	-	280,184
	<hr/>	<hr/>
Total Liabilities	352,805	280,184
Net Position		
Held in Trust for Various Purposes	\$ 813,014	\$ -
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 Fiscal Year Ended June 30, 2016

	Trust Funds
Additions	
Other Miscellaneous	\$ 1,300,000
Interest and Investment Gain	42,532
	<hr/>
Total Additions	1,342,532
Deductions	
Instruction	
Special Programs	1,249,851
Support	
Student Services	-
Business Services	9,750
Student Transportation Services	-
	<hr/>
Total Deductions	1,259,601
Change in Net Position	82,931
Net Position - Beginning	<hr/> 730,083
Net Position - Ending	<hr/> <hr/> \$ 813,014

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. General Information

The Orleans Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51 and 17:121. A board consisting of seven members (the Board) elected from legally established districts is charged with the management and operation of the school system.

As of the report date, the School Board has 864 full-time or part-time employees of which 501 are involved in the instructional process.

In November 2005, Louisiana House Bill 121 (Act 35) transferred control of each School Board school deemed to be in academic crisis, as determined by standardized student testing results, resulting in approximately 83% (106 schools) of the School Board's former schools being transferred to the Louisiana State Department of Education's Recovery School District (RSD). The RSD is responsible for providing all educational services to students attending the School Board transferred schools. Act 35 provided for the transfer of operational and managerial control of the transferred schools for a period of not less than five years. Further, Act 35 provides the RSD with authorization to manage and retain funding under the Minimum Foundation Program corresponding to the students attending the transferred schools. While the School Board retains ownership of each School Board transferred school, all rights and responsibilities associated with property ownership were transferred to the RSD.

As of the report date, the School Board is operating six schools and two programs with approximately 3,700 students. The School Board also has seventeen charter schools opened and operating that have approximately 11,200 students. The School Board is working collaboratively with the RSD to ensure that a sufficient number of additional schools are opened to provide educational services to the New Orleans student population.

The regular school term begins in mid-August and runs through late May.

Note 2. Summary of Significant Accounting Policies

The School Board complies with accounting principles generally accepted in the United States of America (GAAP). The School Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999. The following is a summary of the School Board's significant accounting policies:

Financial Reporting Entity

The accompanying financial statements present the School Board and its component units, as determined under the guidelines established by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Financial Reporting Entity (Continued)

GASB has set forth criteria to be considered in determining when a potential component unit should be included in the financial statements of a primary government. These criteria include:

1. The primary government is financially accountable if it appoints a voting majority of the organization's governing, and
 - a. It is able to impose its will on that organization.
 - b. There is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
2. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.
3. The primary government may determine, through exercise of management's judgment, that an organization that does not meet the specific financial accountability criteria should be included as a component unit to prevent the reporting entity's financial statements from being misleading. This determination should be based on the nature and significance of the organization's relationship with the primary government.

Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The School Board has seventeen discretely presented component units, defined by GASB Statement No. 61 as other legally separate organizations for which the School Board is financially accountable. Copies of submitted audited financial statements are available on the legislative auditor's web site at www.la.state.la.us. The School Board also has one component unit blended with the primary government due to the closeness of their relationship with the primary government. This component unit is the Orleans Schools Facility Foundation (OSFF), a non-profit organization, reported as an enterprise fund. Separate financial statements for OSFF are not issued.

There are no other primary governments with which the School Board has a significant relationship. Certain units of local government over which the School Board exercises no authority, such as the City-Parish government and other independently elected officials, are excluded from the accompanying financial statements. These units of government are considered separate from those of the School Board. The School Board is not a component unit of any other entity.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Financial Reporting Entity (Continued)

Discretely presented component units which require inclusion in the basic financial statements are as follows:

Component Units	Number of Students
Charter Schools	
* Audubon Charter School	832
* Benjamin Franklin High School	901
* Bricolage Academy	241
* Cypress Academy	51
* Einstein Charter School	1,191
* Encore Learning	472
* Foundation Preparatory	38
* Homer A. Plessy Community School	244
* Hynes Charter School	688
* InspireNOLA Charter Schools	
Alice M. Harte Elementary	787
Edna Karr High School	1,113
Wilson Charter School	550
* Lake Forest Elementary Charter School	613
* Lusher Charter School	1,712
* New Orleans Charter Science and Math High School	430
* Robert Russa Moton Charter School	342
* Warren Easton Senior High School	996
	11,201
Total Charter Student Enrollment	11,201

* Submitted June 30, 2016 audited financial statements.

Primary Government	Number of Students
Orleans Parish School Board (OPSB) Schools	
Schools:	
Bethune Elementary School	516
McDonogh No. 35 High School	1,028
Eleanor McMain High School	794
Benjamin Franklin Elementary Math and Science	815
Mahalia Jackson Elementary School	260
McDonogh No. 35 Career Academy	200
Programs:	
Alternative Learning Center	72
Youth Study Center	33
	3,718
Total OPSB Student Enrollment	3,718

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Basis of Presentation

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

Government-Wide Financial Statements

The Government-Wide Financial Statements (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 the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Operating grants and contributions consist of the many educational grants received from the federal and state government.

As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are advances between fiduciary funds and the various functions of the School Board. The government-wide presentation focuses primarily on the sustainability of the School Board as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The internal service funds provide services to the governmental funds. Accordingly, the internal service funds activities were rolled up into the governmental activities in the GWFS. Pursuant to GASB Statement No. 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, 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 Fund Financial Statements (FFS) are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB Statement No. 34. Emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category or fund type) are summarized into a single column.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

The daily accounts and operations of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, 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 funds of the School Board are classified into three broad categories: Governmental, Proprietary and Fiduciary. In turn, each category is divided into separate fund types.

Governmental Fund Types

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs for various educational objectives and child nutrition services.

Debt Service Funds - Debt Service Funds, established to meet requirements of bond ordinances and other long-term borrowing, are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs and some capitalized leases. A separate Debt Service Fund is maintained for each similar bond issue type (e.g., General Obligation Bonds, Refunding Bonds) or each refunding, unique issue, or long-term loan currently outstanding.

Capital Projects Funds - Capital Projects Funds are used to account for the receipt and disbursement of the proceeds of general bond issues and other special or designated revenues used for the acquisition or construction of major capital facilities, renovations and major repairs (other than General Fund capital outlays, and Special Revenue Fund capital outlays).

Proprietary Fund Type

Enterprise Fund - Timbers - An enterprise fund established to account for the rental receipts and operating costs of three buildings located in New Orleans, LA. The Timbers Enterprise Fund is reported as a major fund.

Enterprise Fund - Orleans Schools Facility Foundation - An enterprise fund established to account for the activity of the Orleans Schools Facilities Foundation (OSFF), a public benefit corporation of the School Board organized under the provisions of the Public School Facilities Financing Act contained in LA. R.S. 17:100.10. The purpose of OSFF is to assist in facilitating tax credit financing for the construction and renovation school buildings as described in Note 21. The Orleans Schools Facility Foundation Enterprise Fund is reported as a major fund.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Proprietary Fund Types (Continued)

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 Employee Health Insurance Fund, Retiree Health Insurance Fund, Workers' Compensation Insurance Fund and E-Rate Fund are reported as Internal Service Funds.

Fiduciary Fund Types

Agency Funds - Agency Funds are used to account for assets held by the School Board as an agent for individuals, private organizations or other governmental units and/or other funds. The School Board has one agency fund which is used to account for those monies collected by pupils and school personnel for school and school-related purposes.

Trust Funds - Trust Funds are created to account for cash, investments and other resources contributed by various individuals to the School Board to be expended for purposes for which the trusts were established.

In accordance with GASB, the Fiduciary Funds information is presented separately within this report and is not included in the Government-Wide Financial Statements or Fund Financial Statements.

Major Funds

The School Board reports the following major governmental funds:

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

Pass-Through Fund – Special revenue fund established to account for the collection of ad valorem taxes, sales taxes and certain state funding. These revenues are then transferred to the appropriate funds or other entities.

General Obligation Bond Fund – Debt service fund established to account for the accumulation of resources for and payment of long-term debt principal, interest and related costs on outstanding general obligation bonds issued by the School Board. Fund revenues include receipt of ad valorem taxes from constitutional millage and interest earned on cash balances. Additionally, the School Board may transfer from the General Fund amounts to cover deficiencies, if any, or to provide additional reserves to service future obligations.

Qualified School Construction Bond (QSCB) Fund – Established to account for the accumulation of resources for and payment of long-term debt principal, interest and related costs on outstanding bonds issued by the School Board. Fund revenues include receipt of sales and use taxes and interest earned on cash balances. Effective fiscal year 2014, sales and use tax revenues were transferred to fund debt service obligations that commenced in fiscal year 2015. Additionally, the School Board may transfer additional sales and use tax amounts to cover deficiencies, if any, or to provide additional reserves to service future obligations.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Major Funds (Continued)

Hurricane Katrina Restoration Fund – Capital projects fund established to account for receipts and expenditures for projects funded by FEMA grant monies for reimbursement of allowable expenditures. Fund expenditures are used for mold remediation inside flooded schools, repairs and major construction to hurricane damaged schools, school facilities and administrative facilities.

Capital Projects Fund – Capital projects fund established to account for the receipts and disbursements for projects funded from the sales of surplus properties and insurance proceeds. Fund expenditures are used for both new construction and the renovation of existing facilities.

QSCB Construction Fund – Capital projects fund established to account for the construction, rehabilitation and repair of public school facilities funded through the Qualified School Construction Bonds (QSCB).

Master Plan Fund – Capital projects fund established to account for the receipts and disbursements for the rebuilding of schools funded by insurance proceeds.

Facilities Preservation Fund – Capital projects fund established pursuant to Act 543. It is to provide the allocation and dedication of certain local tax revenues to the replacement, repair and improvement of school facilities.

Federal Grant Fund – Special revenue fund established to account for revenues from federal sources which are legally restricted to expenditures for specified purposes.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements (GWFS)

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

Fund Financial Statements (FFS)

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 financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (FFS) (Continued)

The Proprietary Fund and Fiduciary Fund types are accounted for on a flow of economic resources measurement focus. 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. For the Enterprise Fund - Timbers, the principal operating revenues are charges to tenants for rent, and operating expenses include costs to maintain and operate the building. For the Enterprise Fund – Orleans Schools Facility Foundation, there are no significant operating revenues or expenses as the activity is principally collection of payments related to the loan receivable. In the Internal Service Funds, current premium and claims expenses or increases in claims estimates occurring in the current period are considered operating expenses.

Contributions received which are related to these operating expenses are considered operating revenues. Interest earned on bank accounts or monies received from other funds which exceed their allocated share of the current operating expenses of the Proprietary Fund are considered non-operating revenues or transfers in to the fund.

The Governmental Fund type is accounted for on the modified accrual basis of accounting. The following paragraphs describe the revenue recognition practices under that basis.

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 Board's definition of available means expected to be received within sixty days of the end of the fiscal year for property taxes and generally the next twelve months for other revenues. Revenues not considered available are recorded as unearned revenues.

Non-exchange transactions, in which the School Board receives value without directly giving value in return, include sales taxes, property taxes, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes are considered measurable when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

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.

The Proprietary Fund and Trust Funds are accounted for using the accrual basis of accounting; revenues are recognized when earned and expenses are recognized when incurred.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Budget and Budgetary Accounting

The School Board 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.

Annually, the Superintendent submits to the School Board a proposed annual appropriated budget for the General Fund and Special Revenues Funds. Public hearings are advertised and conducted to obtain taxpayer comments and the proposed budgets are published. The budget is adopted by the School Board and, as required, is submitted no later than September 30th to the State Department of Education for approval. The Superintendent is authorized to move budgeted items within the functional categories, the legal level of control, but may not increase the total amount authorized.

Expenditures for Special Revenue Fund budgets, except for the Child Nutrition Program, may not exceed budgeted amounts by more than five percent unless a budget revision is approved by the State Department of Education. For the Child Nutrition Program, budget amendments follow the same requirements as the General Fund.

The Capital Projects Funds' budgets are 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. Capital Projects Funds are allocated by project using architectural and engineering estimates. All projects remain programmed and funded until completed or until the School Board decides to eliminate the project. Accordingly, budget and actual comparisons are not reported in the basic financial statements for those funds.

Budgets are prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Unencumbered appropriations 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 Board 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.

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services; they are reported as restricted, committed or assigned fund balance.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include interest-bearing demand deposits and short-term investments as described below, with a maturity date within three months of the date of acquisition. The School Board maintains an accounting record reflecting the equity or deficit of each participating fund's interest in a pooled operating cash account.

Note 2. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments (Continued)

State statutes authorize the School Board to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. The School Board's Cash Management and Investment Policy requires that cash balances of all funds are combined and invested to the extent possible in direct obligations of the U.S. Government or its agencies, certificates of deposit and other short-term obligations. Interest earned on these investments is distributed to the individual funds on the basis of invested balances of the participating funds during the year.

Investments for the School Board are reported at fair value.

Accounts Receivable

Management has recorded a \$253,159 allowance for Federal Grant Fund receivables. Management considers all other receivables outstanding at June 30, 2016, to be fully collectible and as such, has no provision for uncollectible receivables recorded related to these receivables.

Inventory - Government-Wide Level

Inventory is stated at first-in, first-out (FIFO) cost and consists of food items held for consumption at the various schools. The cost of inventory items is recognized as an expense when used.

Inventory - Fund Level

Inventory of the Child Nutrition Special Revenue Fund consists of food, lunchroom materials, and supplies purchased by the School Board 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 FIFO cost. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are valued at the market value at the date of donation based on market values provided by the USDA. The amount of commodity inventory is included in unearned revenue until consumed.

Long-Term Accounts Receivable - RSD and Return of Capital Assets from the RSD

As disclosed in Note 1, Act 35 transferred 106 schools from the School Board to the RSD. For the schools transferred to the RSD, the School Board recognized a receivable for the net book value of the land, buildings and equipment for the schools transferred.

For those schools that are returned to and accepted by the School Board from the RSD, Long-Term Accounts Receivable - RSD is reduced and capital assets are increased by the net book value of the land, buildings and equipment that were initially transferred to the RSD. Management will then perform an assessment to determine whether the land, buildings and equipment (the facilities) have incurred impairment, as well as perform an assessment to determine whether any significant enhancements or improvements have been made to the facilities.

For facilities deemed to be impaired, an impairment charge is recorded to the GWFS. For facilities which significant improvements or enhancements have been made, the value of the enhancements or improvements are recorded for the actual costs incurred for the new structure or improvements, net of the amount of depreciation calculated for the period from when the enhancements or improvements were initially placed in service by the RSD to the date in which the facilities were returned to the School Board. For those instances in which cost information is not available, a professional appraisal shall be obtained.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Long-Term Accounts Receivable - RSD and Return of Capital Assets from the RSD (Continued)

For facilities transferred to the School Board, depreciation resumes/initiates once the facilities are placed into service by the School Board. The remaining useful lives of facilities transferred to the School Board are evaluated for reasonableness. Depreciation on the facilities is recognized on a straight-line basis over the estimated remaining useful life.

During the year ended June 30, 2016, numerous properties were transferred from the RSD to the School Board. An adjustment was made to reduce the Long-Term Accounts Receivable – RSD and increase capital assets totaling \$16,655,941 as of June 30, 2016. Improvements made to these properties, which were recorded as donations of capital assets, totaled \$43,359,340 for the year ended June 30, 2016. Impairment recognized on twelve properties totaled \$5,853,247 for the year ended June 30, 2016 and are recorded as program expense within the statement of activities.

Capital Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains 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 \$50,000 or more, and buildings and building improvements that extend the useful life of a building with a cost of \$50,000 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 Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows: from 3 to 10 years for furniture and equipment, 5 to 8 years for transportation equipment, 5 to 20 years for equipment, 25 years for building improvements, 10 to 20 years for improvements other than building, and 20 to 40 years for buildings. Costs of assets damaged by Hurricane Katrina were reduced by the impairment and the adjusted cost depreciated over the assets' remaining useful life.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the GWFS as "internal balances."

Fund Equity

The School Board follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used.

Nonspendable - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Fund Equity (Continued)

Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions, or by enabling legislation.

Committed - amounts constrained to specific purposes by a government itself, using its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body which the governing body delegates the authority.

Unassigned - amounts that are available for any purpose.

The School Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the School Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service or other purposes).

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All interfund transfers are reported as operating transfers.

Compensated Absences

Under School Board policy, each employee is entitled to ten days of sick leave per year. Sick leave may be accumulated without limit; however, employees or their heirs are only reimbursed for accumulated sick leave up to twenty-five days upon death or retirement 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 in excess of reimbursement may be used in the retirement benefit computation as earned service.

Full-time employees who work year-round are granted vacation in varying amounts (maximum of 22 days per year) as established by School Board policy. Such leave is credited on a pro rata basis at the end of each payroll reporting period and accumulates. All leave earned during any fiscal year must be taken within the following six month period or it is forfeited. Any unused leave may be paid to the employee at termination.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Compensated Absences (Continued)

Sabbatical leave may be granted for medical or professional purposes. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous services, or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave is paid at 65% of salary. Sabbatical leave is accrued upon Board approval.

Unearned Revenues

The School Board reports unearned revenues when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Funds Held For Future Distribution

Funds held for future distribution represent funds for which the School Board has not made a determination as to the amount or who may have a legal claim to the funds, such as RSD or charter schools. Once the School Board has determined that either it or another entity has a legal claim to the resources, the amounts identified are reclassified as either revenue or as an obligation due to another entity.

Long-Term Obligations

For government-wide reporting, the issuance costs associated with the bonds are considered an outflow of resources in the reporting period in which they are incurred in accordance with GASB Statement No. 65.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

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

Estimates

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

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Pension Plans (Plans)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Plans, and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Adoption of New Accounting Principles

For the year ended June 30, 2016, the following statements were implemented:

Governmental Accounting Standards Board Statement No. 72 (GASB 72)

The objective of GASB Statement No. 72, *Fair Value Measurement and Application*, is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements.

Governmental Accounting Standards Board Statement No. 76 (GASB 76)

The objective of GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, is to identify, within the context of the current governmental financial reporting environment, the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles.

Note 3. Deposits and Investments

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Under state law, all deposits are secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the School Board's name. At June 30, 2016, the carrying amount of the School Board's deposits (demand deposits) was \$186,487,752 and the related bank balances were \$189,068,527. The bank balance of \$189,068,527 was covered by federal depository insurance or secured by bank owned securities specifically pledged to the School Board and held in joint custody by an independent bank or trust department.

In addition, six schools maintained Student Activity Funds with book and bank balances at June 30, 2016 of \$279,271 and \$301,955, respectively. The bank balances of these accounts were secured by federal depository insurance and the pledge of securities held by the pledging bank's agent in the School Board's name. These funds are not assets of the School Board, but rather assets held for the benefit of the students attending those schools and are reported as Agency Funds in the Other Supplementary Information section and not included in the GWFS.

Investments

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The School Board has a formal investment policy that limits investment of amounts in excess of immediate cash requirements only to statutorily permitted investments.

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Investments (Continued)

Credit risk. State law limits investments to the following:

1. Direct United States Treasury obligations
2. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America
3. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are federally sponsored
4. Direct security repurchase agreements of any federal book entry only securities
5. Time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks
6. Mutual or trust fund institutions which are registered with the SEC and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies
7. Guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service
8. Investment grade commercial paper of domestic United States corporations

The School Board has no investment policy that would further limit its investment choices.

Included in investments as of June 30, 2016, are marketable securities, which are uninsured investments for which the securities are held in a fiduciary trust fund, of \$312,670.

Fair Value Measurement

The Trust Fund's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 - Investments reflect prices quoted in active markets.
- Level 2 - Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt, equities, and investment derivatives classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Mortgage and asset backed securities classified in Level 3, due to lack of an independent pricing source, are valued using an internal fair value as provided by the investment manager.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Fair Value Measurement (Continued)

The following table sets forth by level, within the fair value hierarchy, the Trust Fund's assets at fair value as of June 30, 2016:

	June 30, 2016	Fair Value Measurements Using:		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Marketable Securities	\$ 312,670	\$ 312,670	\$ -	\$ -
Total Investments by Fair Value Level	\$ 312,670	\$ 312,670	\$ -	\$ -

Note 4. Ad Valorem Taxes and Sales Taxes

Ad valorem taxes were levied by the School Board on September 16, 2015 for the calendar year 2016 based on the assessed valuation of property as of October 2015. Values are established by the Orleans Parish Assessors' Offices each year based on 10% of the assessed market value of residential property and commercial land and on 15% of the assessed market value of commercial buildings, public utilities and personal property. The taxes become due on January 1 of each year, and become delinquent on February 1. 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 Board of Tax Commission, 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 year for the payment of the tax due on it. Ad valorem taxes are collected by the City of New Orleans and remitted to the School Board on a periodic basis. 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 City of New Orleans. If taxes are not paid within the period stipulated in the public notice, the property is sold for taxes due at a tax sale held by the City of New Orleans. The tax sale is usually held prior to the end of the School Board's fiscal year.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 4. Ad Valorem Taxes and Sales Taxes (Continued)

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

	Authorized Millage	Levied Millage	Expires
Constitutional Millage	27.65	27.65	Not Applicable
Dedicated Millage			
Purpose A	School Books, Materials and Supplies	1.550	2018
Purpose B	Early Childhood, Discipline and Dropout Programs	1.550	2018
Purpose C	Employee Salary, Benefits and Incentives	7.270	2018
Purpose D	Air Conditioning, Asbestos Removal and Facilities	2.320	2028
School Board General Obligation Bond Taxes	<u>4.97</u>	<u>4.97</u>	2025
Total Millage	<u><u>45.31</u></u>	<u><u>45.31</u></u>	

On July 19, 2008, the voters of Orleans Parish approved an extension of the Dedicate Millage for Purposes A, B and C for another 10 years, and Purpose D for another 20 years.

All ad valorem taxes are recorded on the basis explained in Note 2. For governmental funds, revenues 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. 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. The School Board records these taxes gross of the Assessor's and City's collection fees, which amounted to \$3,626,213 and \$3,020,474, respectively, for the year ended June 30, 2016.

Since ad valorem taxes receivable are secured by property, there is no allowance for uncollectible taxes.

Sales taxes are assessed and due on the first day of the month subsequent to the month of sale of any retail sales of goods used or consumed within Orleans Parish, including leases and rentals of movable tangible property. The rate of sales tax dedicated to the School Board is one and one-half percent. Revenues arising from the one percent sales tax authorized by the voters of Orleans Parish in 1966 are used exclusively for the payment of salaries of teachers and/or for the general operations of the School Board. The proceeds of the one-half percent sales tax, which was authorized in 1980, are used for the payment of salaries of teachers and other educational employees of the School Board, for the expenses of maintaining and operating schools and for providing funds to pay for capital improvements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 4. Ad Valorem Taxes and Sales Taxes (Continued)

Sales taxes which remain uncollected on the twenty-first day of the month due are classified as delinquent. Sales taxes are collected by the City of New Orleans and the State of Louisiana and are remitted monthly to the School Board. The School Board records these taxes in the period that the underlying transaction occurred, including the City's collection fees, which amounted to \$2,239,859, for the year ended June 30, 2016.

Note 5. Loans Receivable

On April 1, 2013, as part of a New Market Tax Credit (NMTC) transaction, the OSFF advanced \$6,948,587 to Wheatley NMTC Investment Fund, LLC in the form of a subordinate loan note. The note accrues interest at 1.40% and the maturity date is March 11, 2048. Interest only payments are due quarterly for the first seven years of the note, with principal and interest payments due quarterly for the remainder of the note. At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and others charges are due. Interest earned for the year ended June 30, 2016 totaled \$48,725. The loan is collateralized by a grant of a first position security interest in all of Wheatley NMTC Investment Fund LLC rights, title and interest in its 100% membership interest in the Sub-CDE.

Future maturities are as follows:

Fiscal Year Ending June 30,	Principal
2017	\$ -
2018	-
2019	-
2020	163,666
2021	168,810
Thereafter	6,616,111
Total	\$ 6,948,587

On October 22, 2013, as part of a NMTC transaction, the OSFF advanced \$6,849,000 to McDonogh Elementary Investment Fund, LLC in the form of a subordinate loan note. The note accrues interest at 0.78% and the maturity date is October 23, 2045. Interest only payments are due quarterly for the first seven years of the note, with principal and interest payments due quarterly for the remainder of the note. At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and others charges are due. Interest earned for the year ended June 30, 2016 totaled \$53,444. The loan is collateralized by a grant of a first position security interest in all of McDonogh Elementary Investment Fund, LLC rights, title and interest in its 99.99% membership interest in the Sub-CDE.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 5. Loans Receivable (Continued)

Future maturities are as follows:

Fiscal Year Ending June 30,	Principal
2017	\$ -
2018	-
2019	-
2020	46,915
2021	249,467
Thereafter	6,552,618
Total	<u><u>\$ 6,849,000</u></u>

On May 19, 2015, as part of a tax credit transaction, the OSFF advanced \$6,296,500 to COCRF Investor 41, LLC in the form of a subordinate loan note. The note accrues interest at 1.43% and the maturity date is June 10, 2040. Interest only payments are due quarterly for the first seven years of the note, with principal and interest payments due quarterly for the remainder of the note. At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and other charges are due. Interest earned for the year ended June 30, 2016 totaled \$89,993. The loan is collateralized by a multiple indebtedness leasehold mortgage, pledge of leases and rents and security agreement under Uniform Commercial Code covering certain assets.

Future maturities are as follows:

Fiscal Year Ending June 30,	Principal
2017	\$ -
2018	-
2019	-
2020	-
2021	-
Thereafter	6,296,500
Total	<u><u>\$ 6,296,500</u></u>

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 5. Loans Receivable (Continued)

On February 27, 2015, as part of a tax credit transaction, the OSFF advanced \$18,997,332 to Drew Elementary School Facility (DESF) in the form of a subordinate loan note. The note accrues interest at 3.0% and the maturity date is February 27, 2045. Interest only payments are due monthly through April 30, 2015, with principal and interest payments due annually for the remainder of the note. At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and other charges are due. Interest earned for the year ended June 30, 2016 totaled \$562,952. The loan is collateralized by a grant of a first position security interest in the leasehold estate, including the land and building.

Future maturities are as follows:

Fiscal Year Ending June 30,	Principal
2017	\$ 480,800
2018	457,050
2019	465,750
2020	586,191
2021	501,204
Thereafter	16,074,987
Total	<u><u>\$ 18,565,982</u></u>

On April 28, 2016, as part of a tax credit transaction, the OSFF advanced \$28,952,908 to SBW School Facility L.L.C. (SBWSF) in the form of a subordinate loan note. The note accrues interest at 2.23% and the maturity date is April 27, 2046. Principal and interest payments are due annually for the remainder of the note. At maturity, final payment of all outstanding principal, accrued interest and any and all unpaid fees and other charges are due. Interest earned for the year ended June 30, 2016 totaled \$112,989. The loan is collateralized by a grant of a first position security interest in the leasehold estate, including the land and building.

Future maturities are as follows:

Fiscal Year Ending June 30,	Principal
2017	\$ 746,534
2018	705,285
2019	721,175
2020	737,423
2021	754,036
Thereafter	25,288,455
Total	<u><u>\$ 28,952,908</u></u>

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 6. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2016, are as follows:

	Land*	Buildings and Improvements	Furniture and Equipment	Construction in Progress*	Total
Governmental Activities					
Assets at Cost					
Balance at June 30, 2015	\$ 16,591,800	\$ 244,670,661	\$ 12,188,174	\$ 152,951,944	\$ 426,402,579
Additions	4,318,382	62,106,621	1,201,486	31,189,614	98,816,103
Deletions	(281,391)	(36,434,113)	-	-	(36,715,504)
Transfers	-	172,527,568	-	(172,527,568)	-
Transfers from RSD	4,720,397	11,935,544	-	-	16,655,941
Balance at June 30, 2016	25,349,188	454,806,281	13,389,660	11,613,990	505,159,119
Accumulated Depreciation					
Balance at June 30, 2015	-	67,180,853	10,170,985	-	77,351,838
Additions	-	4,944,244	670,365	-	5,614,609
Deletions	-	(7,332,542)	-	-	(7,332,542)
Balance at June 30, 2016	-	64,792,555	10,841,350	-	75,633,905
Total Governmental Activities					
Capital Assets, Net of Accumulated Depreciation at June 30, 2016	\$ 25,349,188	\$ 390,013,726	\$ 2,548,310	\$ 11,613,990	\$ 429,525,214
Business-Type Activities					
Assets at Cost					
Balance at June 30, 2015	\$ 1,440,992	\$ 5,953,135	\$ -	\$ -	\$ 7,394,127
Additions	-	356,504	-	-	356,504
Deletions	-	-	-	-	-
Transfers	-	-	-	-	-
Transfers from RSD	-	-	-	-	-
Balance at June 30, 2016	1,440,992	6,309,639	-	-	7,750,631
Accumulated Depreciation					
Balance at June 30, 2015	-	548,937	-	-	548,937
Additions	-	121,909	-	-	121,909
Deletions	-	-	-	-	-
Balance at June 30, 2016	-	670,846	-	-	670,846
Total Business-Type Activities					
Capital Assets, Net of Accumulated Depreciation at June 30, 2016	\$ 1,440,992	\$ 5,638,793	\$ -	\$ -	\$ 7,079,785
Total Primary Government					
Capital Assets, Net of Accumulated Depreciation at June 30, 2016	\$ 26,790,180	\$ 395,652,519	\$ 2,548,310	\$ 11,613,990	\$ 436,604,999

* Not being depreciated

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 6. Capital Assets (Continued)

The School Board reviewed its capital assets and noted no impairment as of June 30, 2016.

Depreciation expense and loss on disposals for the year ended June 30, 2016, was charged to the following governmental functions:

	Depreciation	Loss on Disposals
Instruction		
Regular Education Programs	\$ 1,131,764	\$ 5,922,869
Special Education Programs	382,076	1,999,523
Other Education Programs	988,246	5,171,795
Support		
Student Services	456,726	2,390,185
Instructional Staff Services	393,811	2,060,932
General Administration	927,854	4,855,743
School Administration	177,617	929,522
Business and Central Services	138,763	726,191
Transportation Services	279,119	1,460,713
Central Services	158,342	828,650
Plant Services	580,291	3,036,840
Total	\$ 5,614,609	\$ 29,382,963

Note 7. Pension Plans

Teachers' Retirement System of Louisiana

Plan Description - Employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Benefits Provided (Continued)

Normal Retirement

Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% benefit factor after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between July 1, 1999 and December 31, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% benefit factor at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% benefit factor at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Plan B - Members may retire with a 2.0% benefit factor at age 55 with 30 years of service, or age 60 (first employed between January 1, 2011 – June 30, 2015) with 5 years of service, or age 62 (first employed after July 1, 2015) with 5 years of service, or an actuarially reduced benefit with 20 years of service at any age.

For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable benefit factor, and by the years of creditable service. For Regular Plan and Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum monthly benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can not exceed 36 months of the members' maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Benefits Provided (Continued)

Disability Benefits

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor Benefits

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2016 are as follows:

2016 TRSL Sub Plan	Contributions	
	Employee	Employer
K-12 Regular Plan	8.00%	26.30%
Plan B	5.00%	28.80%

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Contributions (Continued)

The School Board's contractually required composite contribution rate for the year ended June 30, 2016 was 25.0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$7,169,650 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the School Board reported a liability of \$65,549,001 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the School Board's proportion was 0.60963%, which was an increase of 0.02183% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the School Board recognized pension expense of \$4,537,296 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$2,041,034.

At June 30, 2016, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 752,206
Changes of assumptions	-	-
Net difference between projected pension plan investments	-	1,446,578
Changes in proportion and differences between School Board contributions and proportionate share of contributions	7,273,218	751,983
School Board contributions subsequent to the measurement date	7,169,650	-
Total	\$ 14,442,868	\$ 2,950,767

\$7,169,650 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amortization Amounts
2017	\$ 957,097
2018	\$ 957,097
2019	\$ 957,097
2020	\$ 1,451,137

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 are as follows:

	TRSL
Actuarial cost method	Entry Age Normal
Amortization approach	Closed
Actuarial assumptions:	
Expected remaining service lives	5 years
Investment rate of return	7.75% net of investment expenses
Inflation rate	2.5% per annum
Projected salary increases	3.5% - 10.0% (varies depending on duration of service)
Cost-of-living adjustments	None
Mortality	RP-2000 Mortality Table with projection to 2025 using Scale AA
Disability and Termination	Based on a five year (2008-2012) experience study of the System's members

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2007 and ending June 30, 2012.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00%	4.71%
International Equity	19.00%	5.69%
Domestic Fixed Income	14.00%	2.04%
International Fixed Income	7.00%	2.80%
Alternative Investments	29.00%	5.94%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.75%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Board's proportionate share of the net pension liability using the discount rate of 7.75%, as well as what the School Board's proportionate share of the net pension obligation would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
School Board's Proportionate Share of the TRSL Net Pension Liability	\$ 82,943,310	\$ 65,549,001	\$ 50,754,805

Notes to Financial Statements

Note 7. Pension Plans (Continued)

Support of Non-Employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2016, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$228,157 for its participation in TRSL.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2015 Comprehensive Annual Financial Report at www.trsl.org.

Payables to the Pension Plan

As of June 30, 2016, the School Board had payables to the plan of \$663,971 (Regular Plan) and \$44,181 (Plan B).

Louisiana School Employees' Retirement System

Some School Board employees participate in the Louisiana School Employees' Retirement System (the System), which is a cost-sharing, multiple-employer public employee retirement system. The 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. The School Board does not consider the amounts related to the School Board's proportionate share of the net pension liability associated with the System to be material to the financial statements.

The System issues a publicly available financial report that can be obtained at www.lasers.net.

Funding Policy

Contributions to the System plan is required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rate in effect for the year ended June 30, 2016, for the School Board was 30.20% and for covered employees was 8.0% effective July 1, 2010 for new System members and 7.5% for existing System members.

As provided by Louisiana Revised Statute 11:103, the School Board'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 System for the past three fiscal years, which substantially equaled the required contributions for each of these years, were \$210,011, \$193,999, and \$136,670 for the years ended June 30, 2016, 2015 and 2014, respectively.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB)

In accordance with state statutes, the School Board provides certain post employment health care to its retired employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching retirement age, if they are currently participating in the active health plan. Starting on February 1, 2006, the School Board paid approximately 25% of the health insurance costs for retired employees and their covered dependents. Retirees contribute 75% of the retiree and dependent coverage premiums. Retirees who are eligible for Parts A and B of Medicare pay a reduced premium for health coverage. Prior to February 1, 2006, the School Board had a traditional fully-insured Health Insurance Plan and recorded expenditures as premiums were paid. On February 1, 2006, the School Board changed to a self insured Health Insurance Plan and records expenditures as amounts are remitted to Blue Cross Blue Shield Louisiana, a third party administrator that reimbursed medical providers for participant claims. For the year ended June 30, 2016, the School Board's cost for providing all health care benefits to the 301 retired employees and their dependents amounted to \$1,194,516.

The School Board follows Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45)*.

Annual OPEB Cost

The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period not to exceed thirty years. A level dollar, closed amortization period has been used.

The total ARC for the fiscal year beginning July 1, 2015 is \$822,000, as set forth below.

Normal Cost	\$	71,000
Interest on Normal Cost		3,000
Amortization Payment		719,000
Interest on Amortization Payment		<u>29,000</u>
Annual Required Contribution (ARC)	\$	<u><u>822,000</u></u>

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB)

Annual OPEB Cost (Continued)

The following table shows the School Board's OPEB Obligation for the fiscal year 2016:

Beginning Net OPEB Obligation, July 1, 2015		\$	684,000
Annual Required Contribution	822,000		
Interest on Net OPEB Obligation	27,000		
ARC Adjustment	<u>(24,000)</u>		
OPEB Cost	825,000		
Contributions Made	-		
Current Year Retiree Premium	<u>1,020,000</u>		
Change in Net OPEB Obligation			<u>(195,000)</u>
Ending Net OPEB Obligation, June 30, 2016		\$	<u>489,000</u>

The following table shows the School Board's annual Post-Employment Benefits (PEB) cost, percentage of the cost contributed, and the net unfunded Post-Employment Benefits (PEB) liability:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
June 30, 2016	\$ 825,000	123.64%	\$ 489,000
June 30, 2015	\$ 731,000	127.50%	\$ 684,000
June 30, 2014	\$ 733,000	118.01%	\$ 885,000

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB) (Continued)

Funded Status and Funding Progress

In the fiscal year ended June 30, 2016, the School Board made no contributions to its post employment benefits plan trust since such a trust had not been established. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2015, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$20,136,000, which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2015-2016, the entire actuarial liability of \$20,136,000 was unfunded. Below is the schedule of funding progress for the year ended June 30, 2016:

Fiscal Year	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded UAAL	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2016	7/1/2015	\$ -	\$ 20,136,000	\$ 20,136,000	0%	\$ 31,824,242	63%
2015	7/1/2014	-	17,439,000	17,439,000	0%	33,109,777	53%
2014	7/1/2013	-	17,508,000	17,508,000	0%	31,380,631	56%

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) termination probabilities; (2) retirement rate; (3) health care cost trend rate; (4) participation assumption; (5) mortality rate and age based morbidity; (6) discount rate (investment return assumption); (7) non-claim expenses; and (8) salary increase assumption. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

Actuarial Cost Method

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

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB) (Continued)

Actuarial Value of Plan Assets

Since the ARC has not yet been funded, there are not any assets. It is anticipated that, if funding should take place in the future, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6) would be used, as provided in paragraph number 125 of GASB Statement No. 45.

Termination

The rate of withdrawal for reasons other than death and retirement were developed from the Teachers' Retirement System of Louisiana (TRSL) Actuarial Valuation as of June 30, 2015. Sample termination probabilities are as follows:

Age	Years of Service			
	< 1 Year	1 - 2 Years	2 - 3 Years	4+ Years
20	20.0%	20.0%	9.5%	18.0%
25	18.0%	12.6%	9.5%	9.0%
30	19.0%	12.0%	10.9%	5.3%
35	18.0%	11.7%	9.5%	4.0%
40	16.5%	12.3%	9.0%	3.7%
45	16.3%	9.9%	9.0%	4.0%
50	17.5%	11.2%	9.0%	4.0%
55	17.5%	10.6%	9.0%	4.0%
60	20.0%	10.6%	9.0%	4.0%

Eligibility Criteria

To be eligible for retiree health benefits, a retired employee must have met the requirements for retirement eligibility through the Teachers' Retirement System of Louisiana (TRSL):

- Employees hired on or after July 1, 2015:
 - Age 62 with 5 years of service, or
 - 20 years of service at any age (actuarially reduced benefit)
- Employees hired on or after July 1, 2011 and before July 1, 2015:
 - Age 60 with 5 years of service, or
 - 20 years of service at any age (actuarially reduced benefit)
- Employees hired on or after July 1, 1999 and before July 1, 2011:
 - Age 60 with 5 years of service, or
 - Age 55 with 25 years of service, or
 - 30 years of service at any age, or
 - 20 years of service at any age (actuarially reduced benefit)
- Employees hired before July 1, 1999:
 - Age 60 with 5 years of service, or
 - 20 years of service at any age

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB) (Continued)

Investment Return Assumption (Discount Rate)

GASB Statement No. 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Based on the assumption that the ARC will be funded, a 4.0% annual investment return has been used in this valuation.

Amortization Method

The unfunded actuarial accrued liability is amortized over the period of 30 years on an open basis. It is calculated assuming a level percentage of projected payroll.

Health Care Cost Trend Rate

The following annual trend rates are applied on a select and ultimate basis:

<u>Benefit</u>	<u>Select</u>	<u>Ultimate</u>
Pre 65 Medical/Rx benefits	7.5%	4.5%
Post Medicare benefits	6.5%	4.5%
Administrative Fees	4.5%	4.5%

Select trends are reduced 0.5% each year until reaching the ultimate trend.

Participation Assumption

The participation assumption is the assumed percentage of future retirees that participate and enroll in the health plan. The participation assumption used in this valuation is 25% for pre-65 retirees and 70% of pre-65 enrollees continuing coverage beyond age 65, and is based on data provided by the School Board.

Per Capita Health Claim Cost

Per capita health claim costs for the School Board's plan are developed using a blend of historical claims experience and manual claim costs. The annual age 60 and age 70 per capita health claim costs by plan are show below:

Age 60	\$8,548
Age 70	\$11,221

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB) (Continued)

Age Based Morbidity

The assumed per capita health claim costs are adjusted to reflect expected increases related to age. The increase in per capita health claim costs related to age are assumed to be the following:

Age	Increase	Age	Increase
42 - 46	3.19%	65 - 69	3.00%
47 - 51	3.89%	70 - 74	2.50%
52 - 56	3.58%	75 - 79	2.00%
57 - 61	4.52%	80 - 84	1.00%
62 - 64	5.06%	85 - 89	0.05%

Post-65 Plan Election

It is assumed that all future post-65 retirees elect the fully-insured Humana plan.

Pre-65 Plan Costs

The current annual plan costs assumed in the valuation of excise tax are based on the School Board's current premium information and plan enrollment and are estimated to be \$11,300 per year for retirees and \$11,500 per year for spouses.

Contributions

Premiums and employer contributions are assumed to increase with healthcare cost trend in future years.

Mortality

RP-2014 Generational Table with MP-2015 Projection Scale and applied on a gender-specific basis.

Retirement Age

Annual retirement probabilities were development from the TRSL Actuarial Valuation as of June 30, 2015. Sample retirement ages and associated probabilities are as follows:

Age	Years of Service (Teachers)		
	< 25 Years	25 - 29 Years	30+ Years
50	3%	5%	30%
55	15%	75%	30%
60	25%	30%	20%
65	20%	20%	30%
70	20%	30%	40%
71	20%	30%	20%
72	20%	30%	25%
73	20%	30%	25%
74	20%	30%	25%
75	100%	100%	100%

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Other Post Employment Benefits (OPEB) (Continued)

Salary Increase Assumption

The salary increase assumption is 3.5% per annum.

Census Data

The census data was provided by the School Board as of September 2016.

CPI Trend

Health CPI is assumed to increase at a rate of 3% each year.

Inflation Rate

Inflation rate is assumed a rate of 3% per year.

Excise Tax Threshold

The 2018 annual threshold costs for excise tax, trended by CPI to 2020, are as follows:

Active Single	\$	10,200
Active Family	\$	27,500
Pre-65 Retiree Single	\$	11,850
Pre-65 Retiree Single	\$	30,950

Spousal Coverage

The assumed number of eligible dependents is based on the current proportions of single and family contracts. If spouse date of birth information was not available, then males were assumed to be 3 years older than their spouse.

Medicare Eligibility

All future retirees are assumed to be eligible for Medicare at age 65.

Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee. These amounts are provided in the table below:

Expense Type	Cost Per Retired Employee Per Month	
		PPO
Stop Loss - Specific (Single)		\$18.27
Stop Loss - Specific (Family)		\$48.76
Administrative Fee		\$35.84

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 9. Long-Term Obligations

All of the bonds and notes payable of the School Board are reported in the GWFS and are serviced by the debt service funds with revenues as described below.

<u>Bonds Payable</u>	<u>Range of Interest in Remaining Years</u>	<u>Final Maturity</u>	<u>Balance as of June 30, 2016</u>
Refunding Bonds			
Series 2010 - Issued September 1, 2010	2.50 - 5.00%	9/1/2020	\$ 51,615,000
Revenue Bonds			
QSCB 2011 - Issued December 20, 2011	4.40%	2/1/2021	<u>79,055,000</u>
Total			<u><u>\$ 130,670,000</u></u>

Refunding Bonds

The Refunding Bond is a special limited School Board obligations payable from and secured by pledge of and lien on ad valorem taxes, sales taxes and revenue sharing. The bonds do not constitute general indebtedness or pledge of the general credit of the School Board.

\$97,005,000 Public School Refunding Bonds, dated September 1, 2010 – The purpose of the bonds was to refund the outstanding (a) General Obligation School Bonds Series 1995, (b) General Obligation School Bonds, Series 1996, (c) General Obligation School Bonds, Series 1997, (d) General Obligation School Bonds, Series 1997A, (e) General Obligation School Bonds, Series 1998A, and (f) General Obligation School Bonds, Series 1998B. The debt will be paid from the unlimited ad valorem taxation.

Revenue Bonds

\$79,055,000 Public School Revenue Bonds (Taxable QSCB), Series 2011B – The Qualified School Construction Bonds (QSCB) were issued for the purpose of construction, rehabilitation, and repair of public school facilities, including the equipping of school facilities. The bonds are secured by and payable from the revenues from the ad valorem tax and the ½% sales and use tax.

The School Board irrevocably designated the Series 2011B bonds as “Qualified School Construction Bonds” as defined in Section 54F of the Internal Revenue Code and has elected under Section 6431(f)(1) of the Code to receive a subsidy from the United States Department of the Treasury equal to the lesser of the amount of interest payable on the Series 2011A Bonds if interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Code.

The QSCB Revenue Bonds Sinking Fund issued on December 20, 2011 mature on February 1, 2021. The School Board is required to establish and make annual deposits to a sinking fund in order to pay the bonds when they mature. The required sinking fund minimum value at June 30, 2016 was \$22,587,143. The actual balance of the sinking fund at June 30, 2016, was \$22,587,143, which equals the required deposit.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 9. Long-Term Obligations (Continued)

Debt Service Requirements

The annual requirements to amortize all long-term debt outstanding at June 30, 2016, excluding capital leases, accrued compensated absences and claims payable is as follows:

Year Ending June 30,	Refunding Bonds		Revenue Bonds		Total - All Debt	
	Principal	Interest	Principal	Interest *	Principal	Interest
2017	\$ 10,375,000	\$ 2,243,475	\$ -	\$ 3,478,420	\$ 10,375,000	\$ 5,721,895
2018	10,880,000	1,730,000	-	3,478,420	10,880,000	5,208,420
2019	11,420,000	1,196,600	-	3,478,420	11,420,000	4,675,020
2020	9,240,000	705,150	-	3,478,420	9,240,000	4,183,570
2021	9,700,000	242,500	79,055,000	3,478,420	88,755,000	3,720,920
Total	\$ 51,615,000	\$ 6,117,725	\$ 79,055,000	\$ 17,392,100	\$ 130,670,000	\$ 23,509,825

* The School Board received a federal borrowing subsidy related to the interest payments.

	Beginning Balance	Additions/ Change in Estimates	Retirements/ Debt Forgiveness	Ending Balance	Balance Due Within One Year
Long-Term Obligations					
Refunding Bonds					
Series 2010	\$ 61,520,000	\$ -	\$ 9,905,000	\$ 51,615,000	\$ 10,375,000
Unamortized Premium on 2010 Bond	4,030,092	-	780,017	3,250,075	780,017
Revenue Bonds					
QSCB 2011 Bond	79,055,000	-	-	79,055,000	-
Unamortized Premium on QSCB 2011 Bond	357,766	-	64,078	293,688	64,078
OPEB Obligation Payable	684,000	(195,000)	-	489,000	-
Pension Obligation Payable	60,078,661	5,470,340	-	65,549,001	-
Accrued Compensated Absences	7,566,718	(4,964,442)	-	2,602,276	-
Liability for Claims Payable	31,610,128	73,806	-	31,683,934	-
Total Long-Term Obligations	\$ 244,902,365	\$ 384,704	\$ 10,749,095	\$ 234,537,974	\$ 11,219,095

Bond Indentures

There are a number of limitations and restrictions contained in the various bond indentures. The School Board is in compliance with all significant covenants.

Statutory Debt Limit

As of June 30, 2016, the statutory debt limit for general obligation bonds was \$888,951,414, and the net legal debt margin was \$859,001,584.

At June 30, 2016, the primary government has accumulated \$56,058,162 in the debt service funds for future debt requirements.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 10. Leases

Operating Leases

The School Board owns the building in which its offices are held and created the Enterprise Fund - Timbers Fund. Future annual rental payments to be received for these leases are as follows:

Fiscal Year Ending June 30,	Amount
2017	\$ 331,944
2018	251,424
2019	81,656
2020	29,117
2021	26,965
Thereafter	<u>321,112</u>
Total	<u>\$ 1,042,218</u>

The following are the amounts expected to be charged internally to the School Board for rent and utilities:

Fiscal Year Ending June 30,	Amount
2017	\$ 689,556
2018	689,556
2019	<u>57,463</u>
Total	<u>\$ 1,436,575</u>

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 11. Changes in Agency Funds - Deposits Due Others

Agency Fund	Balance at July 1, 2015	Additions	Deletions	Balance at June 30, 2016
Student Activity	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Total	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184

Note 12. Due To/From Other Funds

Individual balances due to/from other funds at June 30, 2016, are as follows:

	Due To Other Funds	Due From Other Funds
Governmental Funds		
General Fund	\$ 374,562	\$ -
Master Plan Fund	1,690,936	-
Enterprise Funds	-	1,690,936
Fiduciary Funds	-	374,562
Total	\$ 2,065,498	\$ 2,065,498

The primary purpose of interfund receivables/payables are to loan monies from the General Fund to individual funds through operating transfers. All interfund payables are expected to be repaid within the next fiscal year.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 12. Due To/From Other Funds (Continued)

Equity in Pooled Cash

To the extent possible, cash is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose funds are deposited in the pooled cash account has equity therein. Pooled cash at June 30, 2016, was as follows:

Governmental Activities	
General Fund	\$ 67,371,172
Pass-Through Fund	(12,709,378)
General Obligation Fund	21,665,170
QSCB Fund	11,924,115
Hurricane Katrina Restoration Fund	(15,160,407)
Capital Projects Fund	10,724,744
QSCB Construction Fund	52,242,003
Master Plan Fund	18,600,821
Direct-Run Schools R&M Capital Projects	20,046,461
Federal Grant Fund	(8,451,909)
Other Governmental Funds, Net	12,428,433
Internal Service Fund, Net	5,375,527
	\$ 184,056,752
Business-Type Activities	
Timbers	1,951,504
	\$ 186,008,256

Note 13. On-Behalf Payments for Fringe Benefits and Salaries

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The state of Louisiana made pension contributions directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$197,190 for the year ended June 30, 2016. On-behalf revenues and related expense are recorded in the General Fund.

**ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 14. Act No. 640

Act No. 640 of the 2010 Regular Session of the Louisiana Legislature allows the School Board to exclude certain costs from the amount of local revenues that it would otherwise be required to transfer to the Recovery School District to fund certain legacy cost arising from Hurricane Katrina and Act 35 of the 2010 Extraordinary Legislative Session. The exclusion is limited to \$6 million dollars each year, although any excess in cost may be carried over to the next fiscal year.

Legacy costs as of June 30, 2016 are as follows:

Legacy Costs	2016
Carryover from Prior Fiscal Year	\$ -
Employer's Cost of Health Insurance for Retired Participants in the Board's Plan as of July 1, 2015, not to Exceed 25% of Total Premium Costs	737,304
A Supplement of \$200 per Month for Health Insurance Premiums for Retired Participants in the Board's Plan as of July 1, 2015	476,200
Workers' Compensation Claims Filed Against the Board Prior to August 29, 2005, including Administrative Costs	935,664
Costs to Defend Legal Claims Against the Board Prior to August 29, 2005	391,694
Legal Claims Against the Board after August 29, 2005 Attributable to Hurricane Katrina or Act 35 of 1995 1st Extraordinary Session	6,599
Cost of Short-Term Borrowing, Including but not Limited to Attorney Fees and Interest	171,362
Fee of One-Tenth of One Percent of Total Ad Valorem and Sales Taxes Collected	286,155
Total	<u>3,004,978</u>
Maximum Allowed	<u>(6,000,000)</u>
Carryover to Next Fiscal Year	<u>\$ -</u>

The exclusion expires (1) once the above costs are extinguished, (2) upon action by the Orleans Parish School Board to reduce the constitutional millage from the level in effect for fiscal year 2009-2010, (3) 12 months following the full settlement of the Orleans Parish School Board Special Community Disaster Loans, or (4) 20 tax years from the roll forward millage adoption, whichever occurs first.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 15. Act No. 543

Act 543 of the 2014 Regular Session of the Louisiana Legislature requires the establishment of a school facilities preservation program (the "program"). The program is to be funded by the following sources:

- The proceeds of local sales taxes at a rate equivalent to the rate being used as of July 1, 2014, by the OPSB to pay school facility debt.
- The proceeds from property taxes dedicated to capital outlay and authorized by voters after July 1, 2014.

Each year, OPSB is required to transfer to the RSD a proportion of the funds equal to the proportion of students attending school on campuses that are in the school district and that are controlled by the RSD to the total number of students attending school on campuses that are in the school district that are controlled by either OPSB or the RSD, based on the February 1st student enrollment counts.

Student enrollment for each campus are as follows:

OPSB Controlled Campuses	12,143
RSD Controlled Campuses	31,023
Total Students Enrolled in the School District	<u>43,166</u>
Percentage of Students Enrolled at OPSB Controlled Campuses	<u>28%</u>
Percentage of Students Enrolled at RSD Controlled Campuses	<u>72%</u>

A schedule of the amount of funds generated for the program, and the amount retained by the OPSB and the amount transferred to the RSD follows:

Source of Funds:	
Sales Taxes	\$ 7,420,549
Total Funds Available	<u>\$ 7,420,549</u>
Amount Retained by the OPSB (28%)	<u>\$ 2,087,470</u>
Amount Transferred to the RSD (72%)	<u>\$ 5,333,079</u>

Notes to Financial Statements

Note 16. Litigation and Contingencies

Claims

The School Board is a defendant in several workers' compensation, personal injury, personnel action and contractual lawsuits. Provisions for losses for these lawsuits are recorded in the financial statements, principally in long-term debt obligations. Management and legal counsel for the School Board believe that the potential claims against the School Board, not covered by insurance, are covered by the recorded liability. A summary of significant claims are as follows:

John Johnson, et al. vs. Orleans Parish School Board, et al., CDC No. 93-14333 c/w 94-5446, 94-12996, 95-13271 (Toxic Tort)

Plaintiffs filed this environmental class action law suit related to a school built on an allegedly contaminated site. Judgment was rendered in favor of the class and against the School Board (the Housing Authority of New Orleans, and the City of New Orleans were also cast in judgment). The district court approved a procedure for claims of unnamed class-members to be presented to the School Board to determine whether the facts of those claims are consistent with the Board's records. At this time, the Board is engaged in that determination. The School Board's liability estimate is \$12,000,000.

Federal and State Grants

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to 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.

FEMA

On August 29, 2010, President Obama announced the Federal Emergency Management Agency's (FEMA) award of \$1.8 billion to the New Orleans Public Schools. This funding, plus an additional \$206 million not discussed in the announcement, represent FEMA's total funding to settle the School Board and the Recovery School District's (RSD) eligible disaster damage claim for school facilities and contents.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 16. Litigation and Contingencies (Continued)

FEMA (Continued)

In addition to addressing damages to facilities and contents, this award has also supported and will continue to support temporary leased facilities, nine temporary modular school campuses, temporary busing costs, and other expenses that are necessary due to the impact of Hurricane Katrina.

The majority of the FEMA funding awarded to the School Board and RSD has been structured into Alternative Projects under FEMA's Public Assistance program, which allows applicants to designate alternative ways to utilize FEMA funding to support the best interests of the community. This alternate funding vehicle will provide maximum flexibility to facilitate the implementation of the School Facilities Master Plan for Orleans Parish. The School Board has been issued in excess of 200 FEMA Project Worksheets which authorized or obligated \$406.6 million. As of June 30, 2016 the School Board has submissions to FEMA totaling \$252.1 million and has been reimbursed \$276.4 million. The School Board plans on using the majority of the remaining authorized monies to fund Phase One of the Master Plan, and to recover properly procured and executed work in the years immediately following the disaster.

Construction Contracts

At June 30, 2016, the School Board had construction commitments of approximately \$14.5 million. These commitments will be paid out of the Capital Projects Funds.

Note 17. Interfund Operating Transfers

Interfund operating transfers for the year ended June 30, 2016, were as follows:

	Transfers In	Transfers Out
Governmental Funds		
General Fund	\$ 13,072,912	\$ 11,663,729
Pass-Through Fund	-	-
Refunding Bond Fund	-	-
Capital Projects Fund	1,417,906	107,429
QSCB Construction Fund	11,663,729	11,668,222
Master Plan Fund	-	21,613,241
Direct-Run Schools R&M Capital Projects	-	1,417,906
Federal Grant Fund	-	1,294,140
Non-Major Governmental Funds		
Non-Major Special Revenue Funds	-	110,550
Proprietary Funds		
Enterprise Funds	44,600,775	22,880,105
Total	\$ 70,755,322	\$ 70,755,322

Operating transfers between the General Fund and other funds are generally made to provide supplemental funds for program operations.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 18. Risk Management

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

Employee Health Insurance/Retiree Health Insurance

These funds are used to account for the employee, retiree and employer contributions to, and the payment of self-insured claims for the Health Insurance Plan. On February 1, 2006, the School Board offered a self-insured employee medical and Health Insurance Plan financed solely by employees and the School Board. The plan has a \$200,000 stop-loss provision, whereby any claims incurred in excess of the amount for a single insured is covered by reinsurance purchased by the School Board. Prior to February 1, 2006, the School Board offered a fully-insured Health Insurance plan.

Workers' Compensation Insurance

This fund is used to account for claims arising from employment related injuries prior to July 1, 2006. The School Board maintained a self-insurance plan, which included the purchase of insurance for claims in excess of \$500,000 per occurrence. The workers' compensation limit for each accident is the statutory amount. At June 30, 2016, there were 32 active claims.

Self-insured litigated claims are not reported in internal service funds, but the revenues and expenses for non-litigated claims are in the General Fund. The estimate for litigated claim liabilities is reported in the Government-Wide Financial Statements.

A reconciliation of the unpaid claims liability, including the litigated claims reserve, as of June 30th is as follows:

	Employee Health Insurance Fund	Retiree Health Insurance Fund	Workers' Compensation Fund	Litigated Claims	Total
Unpaid Claims, as Previously Reported June 30, 2015	\$ 46,863	\$ 514,137	\$ 1,141,302	\$ 31,610,128	\$ 33,312,430
Current Year Claims Incurred and Changes in Estimates	4,470,989	3,557,527	2,919,108	480,201	11,427,825
Claims Paid	(4,512,029)	(3,588,487)	(1,827,574)	(406,395)	(10,334,485)
Unpaid Claims as of Year Ended June 30, 2016	\$ 5,823	\$ 483,177	\$ 2,232,836	\$ 31,683,934	\$ 34,405,770

The above unpaid claims as of June 30th 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.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 19. Deficits in Fund Equity

The Hurricane Katrina Restoration Fund has a fund deficit of \$16,981,355. This fund deficit is expected to be funded by making a draw down from the funds set aside for the School Board by FEMA as discussed in Note 16.

The Master Plan Fund has a fund deficit of \$36,195,452. This fund deficit is expected to be funded through reimbursement from funding sources for allowable expenditures that have been incurred.

The Federal Grant Fund has a fund deficit of \$156,570. This fund deficit is expected to be funding through reimbursement from funding sources for allowable expenditures that have been incurred.

The CDBG Capital Projects Fund has a fund deficit of \$2,728,981. This fund deficit is expected to be funded through the General Fund.

Note 20. Contingency for Unbilled Federal Revenue

Included in Due from Other Governments are \$5,845,925 of amounts that are unbilled. At this time, it is uncertain whether all of these amounts will be recovered under the federal programs as they are recorded. Once the School Board has billed these amounts and received the reimbursements, adjustments will be recorded as required.

Note 21. Fund Balances

The nature and purpose of the fund balance designations are as follows:

Nonspendable for Prepaid Items – Represents property insurance which will be used in the future fiscal period.

Nonspendable for Inventory – Represents the purchased food inventories in the Child Nutrition Fund which will be used in the future fiscal period.

Restricted for Debt Service – This restriction represents the amounts restricted for payment of principal and interest maturing in future years on bonded debt.

Restricted for Capital Projects – This restriction was established by funding providers or by enabling legislation for capital purchases which will be used in future fiscal periods.

Committed for Capital Projects – This restriction was established by the School Board for capital purchases which will be used in future fiscal periods.

Assigned to Special Programs – This represents an assignment of funds that are designated for construction and renovation projects.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 22. Tax Credit Transactions

The School Board and OSFF have entered into various tax credit transactions to provide financing for the construction and development of charter schools located in New Orleans, Louisiana. OSFF is a public benefit corporation which will serve as leverage lender. OSFF is a blended component unit of the School Board as described in Note 1 to the financial statements. The following is a summary of relevant information pertaining to tax credit transactions effective as of June 30, 2016:

Phyllis S. Wheatley School

In April 2013, the School Board and the RSD signed a cooperative endeavor agreement (CEA) to approve the transfer of the Phyllis S. Wheatley School to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the Phyllis S. Wheatley School from OSFF to the Wheatley School Facility Foundation, Inc. (Wheatley QALICB) through the execution of a 65 year ground lease, with Wheatley QALICB obtaining debt and equity financing to complete construction of the Wheatley School. Rent under this lease is \$1 per year of the term. The CEA further required the School Board to provide sufficient funds to the OSFF, by either loan or grant, as necessary to complete construction of the Wheatley School. Pursuant to this requirement, the School Board advanced \$23,911,217 to OSFF, \$6,948,587 of which was loaned to Wheatley NMTC Investment Fund LLC, with OSFF as the leveraged lender. The remaining \$16,962,630 was provided to Wheatley QALICB as a grant to be used solely and exclusively to pay for the construction costs of the Wheatley School. See Note 5 for terms of the loan from OSFF to Wheatley NMTC Investment Fund LLC.

McDonogh 42 Elementary School

In October 2013, the School Board and the RSD entered into a CEA which provides for the transfer of McDonogh 42 Elementary School (McDonogh 42 School) to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the McDonogh 42 Elementary School from OSFF to the McDonogh 42 School Facility, LLC (McDonogh 42 QALICB) through the execution of a 65 year ground lease, with McDonogh 42 QALICB obtaining debt and equity financing to complete construction of the McDonogh 42 School. Rent under this lease is \$1 per year of the term. The CEA further required the School Board to provide sufficient funds to the OSFF, by either loan or grant, as necessary to complete construction of the McDonogh 42 School. Pursuant to this requirement, the School Board advanced \$15,499,000 to OSFF, \$6,849,000 of which was loaned to McDonogh Elementary Investment Fund, LLC, with OSFF as the leveraged lender. Of the remaining \$8,650,000, \$1,307,050 was provided to McDonogh 42 QALICB as a grant to be used solely and exclusively to pay for the construction costs of the McDonogh 42 School. See Note 5 for terms of the loan from OSFF to McDonogh Elementary Investment Fund LLC.

Avery Alexander School

In May 2015, the School Board and the RSD entered into a CEA which provides for the transfer of land to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the land from OSFF to Alexander School Facility, LLC through the execution of a 65 year ground lease, with Alexander School Facility, LLC obtaining debt and equity financing to complete the construction of the Alexander School. The CEA further required the School Board to provide funding to finance the construction of the Alexander School. Pursuant to this requirement, the School Board granted \$6,296,500 to OSFF which was then loaned to COCRF Investor 41, LLC, with OSFF as the leveraged lender. See Note 5 for terms of the loan from OSFF to COCRF Investor 41, LLC.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 22. Tax Credit Transactions (Continued)

Drew Elementary School

In February 2015, the School Board and the RSD entered into a CEA which provides for the sale of building improvements, and the transfer of land to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the land from OSFF to the Drew Elementary School Facility (DESF), LLC through the execution of a 65 year ground lease, and the sale of the building improvements to DESF, with DESF obtaining debt and equity financing to complete the construction of the Drew Elementary School. The CEA further required the School Board to provide funding to finance the purchase of the building improvements, costs for historic rehabilitation and renovation of the Drew Elementary School, and fees and expenses in connection with the project. Pursuant to this requirement, the School Board granted \$18,997,332 to OSFF which was then loaned to DESF, with OSFF as the leveraged lender. See Note 5 for terms of the loan from OSFF to DESF. In addition, under the charter lease subsidy agreement entered into as of June 1, 2015, OSFF is to provide a subsidy to the charter school operator, Arise Academy, to enable the operator to fulfill its lease payment obligation to DESF. As of June 30, 2016, a total of \$898,357 was paid as a subsidy.

During 2016, \$3,081,121 of historic tax credits were donated to OSFF from DESF. Those tax credits were subsequently sold, and the proceeds were transferred to the Master Plan fund.

Sophie B. Wright High School

In April 2016, the School Board and the RSD entered into a CEA which provides for the sale of building improvements, and the transfer of land to the OSFF through a 99 year ground lease. Rent under this lease is \$1 per year of the term. The CEA then required the transfer of the land from OSFF to the SBW School Facility, L.L.C. (SBWSF) through the execution of a 65 year ground lease, and the sale of the building improvements to SBWSF, with SBWSF obtaining debt and equity financing to complete the construction of the Sophie B. Wright High School. The CEA further required the School Board to provide funding to finance the purchase of the building improvements, costs for historic rehabilitation and renovation of the Sophie B. Wright High School, and fees and expenses in connection with the project. Pursuant to this requirement, the School Board granted \$28,952,908 to OSFF which was then loaned to SBWSF, with OSFF as the leveraged lender. See Note 5 for terms of the loan from OSFF to SBWSF. In addition, under the charter lease subsidy agreement entered into as of April 28, 2016, OSFF is to provide a subsidy to the charter school operator, Institute for Academic Excellence, to enable the operator to fulfill its lease payment obligation to SBWSF. Payments are set to commence July 1, 2016.

Notes to Financial Statements

Note 23. Recent Reporting and Disclosure Developments

As of June 30, 2016, the Government Accounting Standards Board has issued several statements not yet implemented by the School Board. The Statements, which might impact the School Board, are as follows:

Governmental Accounting Standards Board Statement No. 74 (GASB 74)

The objective of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, is to improve the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental benefit plans for making decisions and assessing accountability. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016.

Governmental Accounting Standards Board Statement No. 75 (GASB 75)

The objective of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is to improve the usefulness of information for decisions made by the various users of the general purpose external financial reports of governments whose employees, both active and inactive, are provided with postemployment benefits other than pensions. This Statement is effective for fiscal years beginning after June 15, 2017.

Governmental Accounting Standards Board Statement No. 77 (GASB 77)

The objective of GASB Statement No. 77, *Tax Abatement Disclosures*, is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The requirements of this Statement are effective for reporting periods beginning after December 31, 2015.

Note 24. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 20, 2016, and determined that there were no events, except as noted above, which occurred which require disclosure. No subsequent events occurring after the date above have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION - (PART II)

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local Sources				
Ad Valorem Taxes	\$ 15,104,485	\$ 13,688,146	\$ 11,913,137	\$ (1,775,009)
Sales and Use Tax (Including Vehicle)	7,123,483	6,455,518	8,122,929	1,667,411
Earnings on Investments	100,000	100,000	39,307	(60,693)
Donations	-	-	1,500	1,500
Other	4,732,777	4,381,575	3,943,697	(437,878)
State and Federal Sources				
Minimum Foundation Program	18,131,706	17,507,387	17,716,158	208,771
State Revenue Sharing	2,455,088	2,455,088	2,690,500	235,412
Other	-	701,575	769,129	67,554
Federal Sources	492,000	492,000	41,399	(450,601)
Total Revenues	48,139,539	45,781,289	45,237,756	(543,533)
Expenditures				
Current				
Instruction				
Regular Programs	14,600,062	13,827,641	13,554,994	272,647
Special Programs	3,880,503	3,980,503	3,958,191	22,312
Other Programs	1,878,278	1,622,109	1,571,703	50,406
Support				
Student Services	3,264,548	3,264,038	3,520,828	(256,790)
Instructional Staff Support	2,216,168	2,162,095	2,087,964	74,131
General Administration	4,130,123	3,934,618	3,836,725	97,893
School Administration	2,912,152	2,808,691	2,750,339	58,352
Business Services	2,055,629	2,024,934	2,023,742	1,192
Student Transportation Services	3,727,752	4,327,752	4,171,244	156,508
Central Services	3,338,405	2,882,303	2,349,547	532,756
Plant Services	8,417,956	8,010,058	7,765,991	244,067
Food Services	-	-	-	-
Capital Outlay	477,862	460,596	28,002	432,594
Other	1,510,000	1,489,836	1,300,000	189,836
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	189,835	-	-	-
Total Expenditures	52,599,273	50,795,174	48,919,270	1,875,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,459,734)	(5,013,885)	(3,681,514)	1,332,371

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule (Continued)
 General Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses)				
Judgments	-	19,278,971	19,278,971	-
Other	3,100,000	3,413,885	4,293,442	879,557
Transfers In	-	-	13,072,912	13,072,912
Transfers Out	-	-	(11,663,729)	(11,663,729)
Appropriations from Prior Year Budgetary Fund Balance	1,600,000	1,600,000	1,600,000	-
Total Other Financing Sources (Uses)	4,700,000	5,013,885	26,581,596	2,288,740
Net Change in Fund Balance - Budgetary Basis	<u>\$ 240,266</u>	<u>\$ -</u>	22,900,082	<u>\$ 22,900,082</u>
Fund Balance, June 30, 2015			<u>47,733,823</u>	
Less: Appropriations from Beginning of Year Fund Balance			<u>(1,600,000)</u>	
Fund Balance - Budgetary Basis, June 30, 2016			<u>\$ 69,033,905</u>	

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule
 Pass-Through Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local Sources				
Ad Valorem Taxes	\$ 129,185,840	\$ 129,185,840	\$ 129,185,840	\$ -
Sales and Use Tax (Including Vehicle)	99,742,330	99,742,330	99,742,330	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
State and Federal Sources				
Minimum Foundation Program	46,556,720	46,556,720	46,556,720	-
State Revenue Sharing	-	-	-	-
Other	663,056	663,056	663,056	-
Federal Sources	-	-	-	-
Total Revenues	276,147,946	276,147,946	276,147,946	-
Expenditures				
Current				
Instruction				
Regular Programs	-	-	-	-
Special Programs	-	-	-	-
Other Programs	-	-	-	-
Support				
Student Services	-	-	-	-
Instructional Staff Support	-	-	-	-
General Administration	9,121,985	9,121,985	9,121,985	-
School Administration	-	-	-	-
Business Services	-	-	-	-
Student Transportation Services	-	-	-	-
Central Services	-	-	-	-
Plant Services	-	-	-	-
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
Total Expenditures	9,121,985	9,121,985	9,121,985	-
Excess of Revenues Over Expenditures	267,025,961	267,025,961	267,025,961	-

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule (Continued)
 Pass-Through Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Transfers Out - Charters and RSD	(257,619,144)	(257,619,144)	(257,619,144)	-
Other	(9,406,817)	(9,406,817)	(9,406,817)	-
Total Other Financing Sources (Uses)	(267,025,961)	(267,025,961)	(267,025,961)	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, June 30, 2015	-	-	-	-
Fund Balance, June 30, 2016	\$ -	\$ -	\$ -	\$ -

Budget amounts for the Pass Through Fund were set equal to actual revenues and expenditures incurred since the fund has no formal budget, all revenues recognized are fully expended or transferred out to other funds and to the Recovery School District and to charter schools.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule
 Federal Grant Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local Sources				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Sales and Use Tax (Including Vehicle)	-	-	-	-
Earnings on Investments	-	-	-	-
Other	-	-	-	-
State and Federal Sources				
Minimum Foundation Program	-	-	-	-
State Revenue Sharing	-	-	-	-
Other	-	-	-	-
Federal Sources	24,492,005	24,492,005	24,492,005	-
Total Revenues	24,492,005	24,492,005	24,492,005	-
Expenditures				
Current				
Instruction				
Regular Programs	503,488	503,488	503,488	-
Special Programs	1,914,006	1,914,006	1,914,006	-
Other Programs	13,137,604	13,137,604	13,137,604	-
Support				
Student Services	3,719,452	3,719,452	3,719,452	-
Instructional Staff Support	3,875,110	3,875,110	3,875,110	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Business Services	7,185	7,185	7,185	-
Student Transportation Services	150,820	150,820	150,820	-
Central Services	30,153	30,153	30,153	-
Plant Services	1,588	1,588	1,588	-
Other	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Other	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Bank Charges	-	-	-	-
Total Expenditures	23,339,406	23,339,406	23,339,406	-
Excess of Revenues Over Expenditures	1,152,599	1,152,599	1,152,599	-

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Budgetary Comparison Schedule (Continued)
 Federal Grant Fund
 Fiscal Year Ended June 30, 2016

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources				
Transfers In	-	-	-	-
Transfers Out	(1,294,142)	(1,294,142)	(1,294,142)	-
Transfers Out - Charters and RSD	-	-	-	-
Other	-	-	-	-
Total Other Financing Sources (Uses)	(1,294,142)	(1,294,142)	(1,294,142)	-
Net Change in Fund Balance	(141,543)	(141,543)	(141,543)	-
Fund Balance, June 30, 2015	(15,031)	(15,031)	(15,031)	-
Fund Balance, June 30, 2016	\$ (156,574)	\$ (156,574)	\$ (156,574)	\$ -

The budgeted amounts of revenues and expenditures for the Federal Grant Fund were set equal to actual due to differences in grant periods compared to the fiscal period as well as extensions of grant periods.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Other Post-Employment Benefits Information
Fiscal Year Ended June 30, 2016

Fiscal Year	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2016	7/1/2015	\$ -	\$ 20,136,000	\$ 20,136,000	0%	\$ 31,824,242	63%
2015	7/1/2014	-	17,439,000	17,439,000	0%	33,109,777	53%
2014	7/1/2013	-	17,508,000	17,508,000	0%	31,380,631	56%

Actuarial Assumptions 2016

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.0%
Projected Salary Increases	3.5%

Actuarial Assumptions 2015

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.5%
Projected Salary Increases	3.5%

Actuarial Assumptions 2014

Actuarial Cost Method	Projected Unit Credit Cost
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years - Open Basis
Asset Valuation Method	Not Funded
Investment Rate of Return	4.5%
Projected Salary Increases	3.5%

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Schedule of the School Board's Proportionate Share of Net Pension Liability
 For the Year Ended June 30, 2016

	<u>2016</u>	<u>2015</u>
School Board's Proportion of the Net Pension Liability	0.60963%	0.58780%
School Board's Proportionate Share of the Net Pension Liability	\$ 65,549,001	\$ 60,078,661
School Board's Covered-Employee Payroll	\$ 28,572,101	\$ 27,040,210
School Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	229.4%	222.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.5%	63.7%

*The amounts presented have a measurement date of the previous fiscal year end.

**GASB 68 requires this schedule to show information for 10 years. The School Board implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Schedule of School Board Pension Contributions
 For the Year Ended June 30, 2016

	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 7,560,172	\$ 7,607,985
Contributions in Relation to Contractually Required Contribution	<u>\$ 7,169,650</u>	<u>\$ 7,100,084</u>
Contribution Deficiency (Excess)	\$ 390,522	\$ 507,901
School Board's Covered-Employee Payroll	\$ 28,572,101	\$ 27,040,210
Contributions as a Percentage of Covered-Employee Payroll		
K-12 Regular Plan	25%	28%

*The amounts presented have a measurement date of the previous fiscal year end.

**GASB 68 requires this schedule to show information for 10 years. The School Board implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

Note 1. Budget and Budgetary Accounting

The School Board 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.

Annually, the Superintendent submits to the School Board a proposed annual appropriated budget for the General Fund and Special Revenues Funds. Public hearings are advertised and conducted to obtain taxpayer comments and the proposed budgets are published. The budget is adopted by the School Board and, as required, is submitted no later than September 30th to the State Department of Education for approval. The Superintendent is authorized to move budgeted items within the functional categories, the legal level of control, but may not increase the total amount authorized.

Expenditures for Special Revenue Fund budgets, except for the Child Nutrition Program, may not exceed budgeted amounts by more than five percent unless a budget revision is approved by the State Department of Education. For the Child Nutrition Program, budget amendments follow the same requirements as the General Fund.

The Capital Projects Funds' budgets are 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. Capital Projects Funds are allocated by project using architectural and engineering estimates. All projects remain programmed and funded until completed or until the School Board decides to eliminate the project. Accordingly, budget and actual comparisons are not reported in the basic financial statements for those funds.

Budgets are prepared on the modified accrual basis of accounting, consistent with GAAP. Unencumbered appropriations 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 Board 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.

Note 2. Pension Plan Schedules

Changes of Benefit Terms

Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age.

Changes of Assumptions

There were no changes of benefit assumptions for the year ended June 30, 2016.

OTHER SUPPLEMENTARY INFORMATION

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Balance Sheet - By Fund Type
 Non-Major Governmental Funds
 June 30, 2016

	Special Revenue	Capital Projects	Total
Assets			
Cash	\$ -	\$ -	\$ -
Due from Other Funds	-	-	-
Due from Other Governments	519,141	-	519,141
Equity in Pooled Cash	5,639,693	10,036,862	15,676,555
Other Receivables	640,418	-	640,418
Inventory	51,637	-	51,637
Total Assets	\$ 6,850,889	\$ 10,036,862	\$ 16,887,751
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 434,932	\$ 1,315,334	\$ 1,750,266
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Equity in Pooled Cash	519,141	2,728,981	3,248,122
Unearned Revenues	70,971	-	70,971
Total Liabilities	1,025,044	4,044,315	5,069,359
Fund Balances			
Nonspendable:			
Inventory	51,637	-	51,637
Restricted for:			
Capital Projects	-	8,721,528	8,721,528
Debt Service	-	-	-
Committed for:			
Capital Projects	-	-	-
Assigned to:			
Special Programs	5,774,208	-	5,774,208
Unassigned	-	(2,728,981)	(2,728,981)
Total Fund Balances	5,825,845	5,992,547	11,818,392
Total Liabilities and Fund Balances	\$ 6,850,889	\$ 10,036,862	\$ 16,887,751

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - By Fund Type
Non-Major Governmental Funds
Fiscal Year Ended June 30, 2016

	Special Revenue	Capital Projects	Total
Revenues			
Local Sources			
Sales and Use Taxes	\$ -	\$ -	\$ -
Food Services	422,884	-	422,884
Donations	291,582	4,000,000	4,291,582
State and Federal			
Minimum Foundation Program	104,803	-	104,803
Federal Sources	6,508,667	-	6,508,667
Other	802,689	-	802,689
Total Revenues	8,130,625	4,000,000	12,130,625
Expenditures			
Instruction			
Regular Education Programs	401,636	-	401,636
Special Education Programs	44,137	-	44,137
Other Education Programs	509,984	-	509,984
Support			
Student Services	101,976	-	101,976
Instructional Staff Support	134,962	-	134,962
General Administration	-	-	-
School Administration	-	-	-
Business Services	112,219	-	112,219
Plant Services	30,567	47,508	78,075
Food Services	6,050,027	-	6,050,027
Capital Outlay	-	2,058,268	2,058,268
Debt Service			
Interest and Bank Charges	-	-	-
Total Expenditures	7,385,508	2,105,776	9,491,284
Excess (Deficiency) of Revenues Over (Under) Expenditures	745,117	1,894,224	2,639,341
Other Financing Sources and Uses			
Proceeds from Debt Service	-	-	-
Transfers In	-	-	-
Transfers Out	(110,550)	-	(110,550)
Transfers Out - Charter Schools	-	(4,649,425)	(4,649,425)
Transfers Out - Recovery School District	-	-	-
Total Other Financing Sources (Uses)	(110,550)	(4,649,425)	(4,759,975)
Net Change in Fund Balance	634,567	(2,755,201)	(2,120,634)
Fund Balance, June 30, 2015	5,191,278	8,747,748	13,939,026
Fund Balance, June 30, 2016	\$ 5,825,845	\$ 5,992,547	\$ 11,818,392

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Balance Sheet
 Non-Major Special Revenue Funds
 June 30, 2016

	State and Local	Child Nutrition	Non-Recurring Operational	Total
Assets				
Cash	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	640,418	-	640,418
Due from Other Funds	-	-	-	-
Due from Other Governments	519,141	-	-	519,141
Equity in Pooled Cash	249,963	4,800,403	589,327	5,639,693
Inventory	-	51,637	-	51,637
Total Assets	\$ 769,104	\$ 5,492,458	\$ 589,327	\$ 6,850,889
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 1,646	\$ 428,032	\$ 5,254	\$ 434,932
Due to Other Funds	-	-	-	-
Equity in Pooled Cash	519,141	-	-	519,141
Unearned Revenues	70,971	-	-	70,971
Total Liabilities	591,758	428,032	5,254.00	1,025,044
Fund Balances				
Nonspendable:				
Inventory	-	51,637	-	51,637
Assigned to:				
Special Programs	177,346	5,012,789	584,073	5,774,208
Total Fund Balances	177,346	5,064,426	584,073	5,825,845
Total Liabilities and Fund Balances	\$ 769,104	\$ 5,492,458	\$ 589,327	\$ 6,850,889

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Non-Major Special Revenue Funds
 Fiscal Year Ended June 30, 2016

	State and Local	Child Nutrition	Non-Recurring Operational	Total
Revenues				
Local Sources				
Food Services	\$ -	\$ 422,884	\$ -	\$ 422,884
Donations	291,582	-	-	291,582
Other	-	-	-	-
State and Federal				
Minimum Foundation Program	-	104,803	-	104,803
Federal Funds	-	6,508,667	-	6,508,667
Other	770,373	32,316	-	802,689
Total Revenues	1,061,955	7,068,670	-	8,130,625
Expenditures				
Instruction				
Regular Education Programs	320,584	-	81,052	401,636
Special Education Programs	44,137	-	-	44,137
Other Education Programs	509,984	-	-	509,984
Support				
Student Services	101,976	-	-	101,976
Instructional Staff Support	94,311	-	40,651	134,962
School Administration	-	-	-	-
Business Services	-	-	112,219	112,219
Central Services	-	-	-	-
Plant Services	-	-	30,567	30,567
Food Services	-	6,050,027	-	6,050,027
Total Expenditures	1,070,992	6,050,027	264,489	7,385,508
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,037)	1,018,643	(264,489)	745,117
Other Financing Sources and Uses				
Transfers In	-	-	-	-
Transfers Out	-	(110,550)	-	(110,550)
Total Other Financing Sources (Uses)	-	(110,550)	-	(110,550)
Net Change in Fund Balance	(9,037)	908,093	(264,489)	634,567
Fund Balance, June 30, 2015	186,383	4,156,333	848,562	5,191,278
Fund Balance, June 30, 2016	\$ 177,346	\$ 5,064,426	\$ 584,073	\$ 5,825,845

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Balance Sheet
 Non-Major Capital Projects Funds
 June 30, 2016

	G.O. Bond Capital Project Fund	Harrah's Casino Capital Projects	CDBG Capital Projects	Total
Assets				
Due from Other Funds	\$ -	\$ -	\$ -	\$ -
Due from Other Governments	-	-	-	-
Equity in Pooled Cash	4,171,508	5,865,354	-	10,036,862
Total Assets	\$ 4,171,508	\$ 5,865,354	\$ -	\$ 10,036,862
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 179,784	\$ 1,135,550	\$ -	\$ 1,315,334
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Equity in Pooled Cash	-	-	2,728,981	2,728,981
Total Liabilities	179,784	1,135,550	2,728,981	4,044,315
Fund Balances				
Restricted for Capital Projects	3,991,724	4,729,804	-	8,721,528
Committed for Capital Projects	-	-	-	-
Unassigned	-	-	(2,728,981)	(2,728,981)
Total Fund Balances	3,991,724	4,729,804	(2,728,981)	5,992,547
Total Liabilities and Fund Balances	\$ 4,171,508	\$ 5,865,354	\$ -	\$ 10,036,862

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Capital Projects Funds
Fiscal Year Ended June 30, 2016

	G.O. Bond Capital Project Fund	Harrah's Casino Capital Projects	CDBG Capital Projects	Total
Revenues				
Local Sources				
Sales and Use Tax	\$ -	\$ -	\$ -	\$ -
Donations	-	4,000,000	-	4,000,000
State and Federal				
Federal Funds	-	-	-	-
Other	-	-	-	-
Total Revenues	-	4,000,000	-	4,000,000
Expenditures				
Support				
General Administration	-	-	-	-
Plant Services	47,508	-	-	47,508
Capital Outlay	475,447	1,582,821	-	2,058,268
Total Expenditures	522,955	1,582,821	-	2,105,776
Excess (Deficiency) of Revenues Over (Under) Expenditures	(522,955)	2,417,179	-	1,894,224
Other Financing Sources and Uses				
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
Transfers Out - Charter Schools	-	(4,649,425)	-	(4,649,425)
Transfers Out - Recovery School District	-	-	-	-
Total Other Financing Sources (Uses)	-	(4,649,425)	-	(4,649,425)
Net Change in Fund Balance	(522,955)	(2,232,246)	-	(2,755,201)
Fund Balance, June 30, 2015	4,514,679	6,962,050	(2,728,981)	8,747,748
Fund Balance, June 30, 2016	\$ 3,991,724	\$ 4,729,804	\$ (2,728,981)	\$ 5,992,547

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Net Position
Proprietary Fund Type - Internal Service Funds
June 30, 2016

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
Assets					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Other Receivables	-	126,494	-	385,055	511,549
Due from Other Funds	-	-	-	-	-
Equity in Pooled Cash	123,103	1,435,916	4,085,953	-	5,644,972
Prepaid Items and Other Assets	463,572	-	187,725	-	651,297
Total Assets	586,675	1,562,410	4,273,678	385,055	6,807,818
Liabilities and Net Position					
Liabilities					
Accounts Payable	580,852	578,690	33,331	115,610	1,308,483
Due to Other Funds	-	-	-	-	-
Equity in Pooled Cash	-	-	-	269,445	269,445
Claims Payable	5,823	483,177	2,232,836	-	2,721,836
Unearned Revenue	-	500,543	2,007,511	-	2,508,054
Total Liabilities	586,675	1,562,410	4,273,678	385,055	6,807,818
Net Position					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Fund Type - Internal Service Funds
Fiscal Year Ended June 30, 2016

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
Operating Revenues					
Employer Contributions	\$ 4,492,176	\$ 2,126,537	\$ 1,002,442	\$ -	\$ 7,621,155
Retiree Contributions	-	1,461,950	-	-	1,461,950
Employee Contributions	19,853	-	-	-	19,853
Workers Compensation Reimbursement	-	-	1,287,104	-	1,287,104
Total Operating Revenues	4,512,029	3,588,487	2,289,546	-	10,390,062
Operating Expenses					
General Administrative	-	-	83,683	-	83,683
Central Services	4,512,029	3,588,487	2,205,863	-	10,306,379
Total Operating Expenses	4,512,029	3,588,487	2,289,546	-	10,390,062
Operating Income	-	-	-	-	-
Nonoperating Revenues					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Change in Net Position	-	-	-	-	-
Net Position at June 30, 2015	-	-	-	-	-
Net Position at June 30, 2016	\$ -	\$ -	\$ -	\$ -	\$ -

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Cash Flows
Proprietary Fund Type - Internal Service Funds
Fiscal Year Ended June 30, 2016

	Employee Health Insurance	Retiree Health Insurance	Workers' Compensation Insurance	E-Rate	Total Internal Service Funds
Cash Flows from Operating Activities					
Cash Premiums Received	\$ 4,569,655	\$ 3,141,960	\$ 1,781,755	\$ (385,055)	\$ 9,108,315
Payments for Claims and Benefits	(4,569,655)	(4,260,874)	(1,827,574)	385,055	(10,273,048)
Net Cash (Used in) Provided by Operating Activities	-	(1,118,914)	(45,819)	-	(1,164,733)
Cash Flows from Non-Capital Financing Activities					
Interfund Transfers	-	-	-	-	-
Net Cash Provided by Non-Capital Financing Activities	-	-	-	-	-
Net (Decrease) Increase in Cash	-	(1,118,914)	(45,819)	-	(1,164,733)
Cash, Beginning of Year	-	1,118,914	45,819	-	1,164,733
Cash, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of Operating Income to Net Cash (Used in) Provided by Operating Activities					
Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to Reconcile Operating Income to Net Cash (Used in) Provided by Operating Activities:					
Changes in:					
Other Receivables	566,844	(4,013)	-	(77,859)	484,972
Due from Other Funds	20,462,679	1,027,409	10,316,557	-	31,806,645
Equity in Pooled Cash	(123,103)	(1,435,917)	(4,085,953)	269,445	(5,375,528)
Prepaid Items and Other Assets	(170,055)	-	(187,725)	-	(357,780)
Accounts Payable	133,617	240,646	9,959	76,831	461,053
Unearned Revenue	-	(882,073)	(639,521)	-	(1,521,594)
Due to Other Funds	(20,828,942)	(34,006)	(6,550,670)	(268,417)	(27,682,035)
Claims Payable/Self-Insured	(41,040)	(30,960)	1,091,534	-	1,019,534
Net Cash (Used in) Provided by Operating Activities	\$ -	\$ (1,118,914)	\$ (45,819)	\$ -	\$ (1,164,733)

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Statement of Assets and Liabilities
 Fiduciary Fund Type - Trust Funds
 June 30, 2016

	Expendable Trust	City-Wide Exceptional Needs	Trust Total
Assets			
Investments	\$ 312,670	\$ -	\$ 312,670
Due from Other Funds	373,650	-	373,650
Equity in Pooled Cash	-	479,499	479,499
	<hr/>		
Total Assets	\$ 686,320	\$ 479,499	\$ 1,165,819
	<hr/>		
Liabilities			
Accounts Payable	\$ 1,500	\$ 351,305	\$ 352,805
	<hr/>		
Total Liabilities	\$ 1,500	\$ 351,305	\$ 352,805
	<hr/>		
Net Position			
Held in Trust for Various Purposes	\$ 684,820	\$ 128,194	\$ 813,014
	<hr/>		

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Combining Statement of Changes in Assets and Liabilities
Fiduciary Fund Type - Trust Funds
June 30, 2016

	Expendable Trust	City-Wide Exceptional Needs	Trust Total
Additions			
Other Miscellaneous	\$ -	\$ 1,300,000	\$ 1,300,000
Interest and Investment Gain	42,532	-	42,532
Total Additions	42,532	1,300,000	1,342,532
Deductions			
Instruction			
Special Programs	-	1,249,851	1,249,851
Support			
Student Services	-	-	-
Business Services	-	9,750	9,750
Student Transportation Services	-	-	-
Total Deductions	-	1,259,601	1,259,601
Changes in Net Position	42,532	40,399	82,931
Net Position - Beginning	642,288	87,795	730,083
Net Position - Ending	\$ 684,820	\$ 128,194	\$ 813,014

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Statement of Assets and Liabilities
 Fiduciary Fund Type - Agency Funds
 June 30, 2016

	Student Activity	Agency Total
Assets		
Cash	\$ 279,271	\$ 279,271
Due from Other Funds	913	913
Equity in Pooled Cash	-	-
	<hr/>	<hr/>
Total Assets	\$ 280,184	\$ 280,184
	<hr/> <hr/>	<hr/> <hr/>
Liabilities		
Due to Student Groups	\$ 280,184	\$ 280,184
	<hr/>	<hr/>
Total Liabilities	\$ 280,184	\$ 280,184
	<hr/> <hr/>	<hr/> <hr/>

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Combining Statement of Changes in Assets and Liabilities
 Fiduciary Fund Type - Agency Funds
 Fiscal Year Ended June 30, 2016

	Balance June 30, 2015	Additions/ Transfers to OPSB	Deductions	Balance June 30, 2016
Student Activity				
Assets				
Cash	\$ 304,243	\$ 1,003,370	\$ 1,028,342	\$ 279,271
Due from Other Funds	913	-	-	913
Equity in Pooled Cash	-	-	-	-
Total Assets	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Liabilities				
Due to Student Groups	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Total Liabilities	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Total Agency Funds				
Assets				
Cash	\$ 304,243	\$ 1,003,370	\$ 1,028,342	\$ 279,271
Due from Other Funds	913	-	-	913
Equity in Pooled Cash	-	-	-	-
Total Assets	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Liabilities				
Due to Student Groups	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184
Total Liabilities	\$ 305,156	\$ 1,003,370	\$ 1,028,342	\$ 280,184

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Schedule of Compensation, Benefits and Other Payments
To Agency Head

Agency Head
Dr. Henderson Lewis, Jr.
Superintendent

Purpose	Amount
Salary	\$ 190,500
Benefits-Insurance	\$ 18,565
Benefits-Retirement	\$ 31,894
Benefits-Other	\$ 4,838
Car Allowance	\$ 12,000
Per Diem	\$ 639
Reimbursements	\$ 126
Conference Travel	\$ 93
Total	\$ 258,655

STATISTICAL SCHEDULES

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Government-Wide Expenses by Function
 For the Three Years Ended June 30, 2016

(Unaudited)

Governmental Activities	2016	2015	2014
Instruction			
Regular Education Programs	\$ 21,518,727	\$17,578,428	\$15,196,874
Special Education Programs	7,264,584	7,419,801	7,721,568
Other Education Programs	18,789,952	22,087,652	20,961,766
Support Services			
Student Services	8,683,924	8,467,577	6,946,863
Instructional Staff Support	7,487,693	8,664,341	8,982,741
General Administration	17,641,687	15,567,842	14,269,942
School Administration Services	3,377,102	3,024,129	3,121,943
Business Services	2,638,366	2,694,690	2,763,926
Student Transportation Services	5,307,002	4,387,320	4,096,178
Central Services	3,010,617	4,133,550	4,986,110
Plant Services	11,033,319	10,028,975	11,808,290
Other	10,706,816	11,518,514	10,241,702
Food Services	6,050,027	6,382,602	6,051,146
Transfer to Charter Schools and RSD	267,601,648	242,472,608	242,596,291
Interest on Long-Term Debt	1,962,020	2,576,631	2,621,318
Total Governmental Activities	\$ 393,073,485	\$367,004,661	\$ 362,366,658

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Government-Wide Revenues
 For the Three Years Ended June 30, 2016

(Unaudited)

Governmental Activities	2016	2015	2014
Program Revenues			
Charges for Services	\$ 685,107	\$ 842,089	\$ 917,812
Operating Grants and Contributions	33,570,030	37,037,918	36,979,554
Capital Grants and Contributions	75,235,923	63,514,308	100,729,786
General Revenues			
Ad Valorem Taxes	158,311,016	148,298,545	136,834,464
Sales and Use Taxes	127,844,470	123,557,264	113,721,226
State Revenue Sharing	2,690,500	2,759,731	2,719,832
Minimum Foundation Program (MFP)	64,377,681	56,596,779	51,497,324
Interest and Investment Earnings	75,553	65,351	135,717
Donation of Capital Assets	43,359,340	70,628,578	-
Judgements	20,499,056	-	-
Insurance Proceeds	-	-	12,830,745
CDL Debt Forgiveness	-	-	8,636,118
CDL Refund	-	-	4,892,601
Miscellaneous	14,755,785	8,319,615	9,030,517
Total Governmental Activities	\$ 541,404,461	\$ 511,620,178	\$ 478,925,696

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 General Fund Expenditures by Function (Continued)
 Last Ten Fiscal Years
 June 30, 2016

(Unaudited)

Governmental Activities	2015 - 2016	2014 - 2015	2013 - 2014	2012 - 2013	2011 - 2012
Instructional					
Regular Programs	\$ 13,554,994	\$12,410,465	\$11,266,628	\$13,027,746	\$10,783,639
Special Programs	3,958,191	3,656,783	3,239,265	3,183,692	3,029,204
Other Programs	1,571,703	1,820,091	1,950,512	1,967,446	2,051,161
Support Services					
Student Services	3,250,828	2,958,673	2,092,943	2,097,799	2,181,313
Instructional Staff Support	2,087,964	1,850,248	1,817,001	1,689,262	1,564,722
General Administration	3,836,725	3,482,791	2,705,463	2,389,186	4,076,291
School Administration	2,750,339	2,433,712	2,423,014	2,401,313	2,378,693
Business Administration					
Business Services	2,023,742	1,904,154	1,960,726	1,763,709	1,639,885
Plant Services	7,765,991	6,036,785	6,373,241	5,570,994	5,699,167
Student Transportation Services	4,171,244	3,393,135	3,165,738	3,206,358	3,468,801
Central Services	2,349,547	3,138,057	3,809,623	2,769,916	2,496,616
Food Services	-	-	-	-	-
Capital Outlay	28,002	-	-	-	-
Other	1,300,000	1,300,000	-	-	5,783
Debt Service	-	-	-	-	-
Total	\$ 48,649,270	\$ 44,384,894	\$ 40,804,154	\$ 40,067,421	\$ 39,375,275

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 General Fund Expenditures by Function (Continued)
 Last Ten Fiscal Years
 June 30, 2016

(Unaudited)

Governmental Activities	2010 - 2011	2009 - 2010	2008 - 2009	2007 - 2008	2006 - 2007
Instructional					
Regular Programs	\$ 9,708,233	\$ 11,741,153	\$ 12,293,081	\$ 13,135,211	\$ 14,704,750
Special Programs	2,881,996	2,224,169	2,297,469	2,248,217	1,644,518
Other Programs	2,411,786	1,485,948	1,682,444	1,896,083	953,387
Support Services					
Student Services	2,026,753	1,060,801	1,937,578	2,441,699	1,701,780
Instructional Staff Support	1,417,888	1,127,846	1,929,356	2,230,574	1,057,502
General Administration	4,262,910	3,000,371	3,249,389	12,816,283	7,130,149
School Administration	2,017,519	1,457,434	1,593,290	1,794,791	1,434,032
Business Administration					
Business Services	1,886,694	2,041,587	2,181,043	2,706,386	8,120,944
Plant Services	5,928,194	5,361,358	5,869,546	8,917,945	13,317,687
Student Transportation Services	3,159,234	2,551,994	2,837,647	2,567,773	4,908,926
Central Services	2,745,644	3,475,355	1,718,313	10,136,366	8,265,779
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	61	41,782
Other	5,412	370,000	5,911,773	-	7,619
Debt Service	-	-	-	-	-
Total	\$ 38,452,263	\$ 35,898,016	\$ 43,500,929	\$ 60,891,389	\$ 63,288,855

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards***

Independent Auditor's Report

To the Orleans Parish School Board
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Orleans Parish School Board (the School Board), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 20, 2016. Our report includes a reference to other auditors who audited the financial statements of the following aggregate discretely presented component units: Bricolage Academy, Cypress Academy, Encore Learning, Foundation Preparatory, Homer A. Plessy Community School, Hynes Charter School, InspireNOLA Charter Schools - Alice M. Harte Elementary, Edna Karr High School and Wilson Charter School, Lusher Charter School, New Orleans Charter Science and Math High School, Robert Russa Moton Charter School, and Warren Easton Senior High School, as described in our report on the School Board's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

This report is intended solely for the information and use of the School Board, the State of Louisiana, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Metairie, LA
December 20, 2016

Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Orleans Parish School Board
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Orleans Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2016. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the School Board as of and for the year ended June 30, 2016, and have issued our report thereon dated December 20, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the School Board, the State of Louisiana, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Metairie, LA
December 20, 2016

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Pass-Through Grantor No.	School Board Expenditures	Charter Pass-Through Expenditures
United States Department of Agriculture				
Passed Through Louisiana Department of Agriculture				
Noncash Assistance (Commodities):				
National School Lunch Program	10.555	-	\$ 365,050	
Noncash Assistance Subtotal			365,050	-
Cash Assistance:				
School Breakfast Program	10.553	-	1,658,586	-
National School Lunch Program	10.555	-	4,209,969	-
Summer Food Service Program for Children	10.559	-	275,062	-
Cash Assistance Subtotal			6,143,617	-
Total United States Department of Agriculture			6,508,667	-
United States Department of Defense				
ROTC	12.998	-	41,399	-
Total United States Department of Defense			41,399	-
United States Department of Education				
Passed through the Louisiana Department of Education				
No Child Left Behind Act (NCLB)				
Title I	84.010A	28-16-T1-36	10,084,965	3,161,321
Title I - Striving Readers Comprehensive Literacy Program	84.371C	28-16-SO-36	737,362	-
Title II, Part A - Elementary and Secondary Education Act	84.367A	28-16-50-36	1,082,827	201,558
Title III	84.365A	28-16-60-36	73,791	52,053
Title IV - Twenty-First Century Community Learning Centers	84.287	28-16-C8-36	214,760	249,645
Individuals with Disabilities and Exceptionalities Act (IDEA)				
IDEA Part B	84.027A	28-16-B1-36	4,161,996	697,507
IDEA High Cost Services Grant-Round 1	84.027A	28-16-RK-36	147,457	317,391
IDEA High Cost Services Grant-Round 2	84.027A	28-16-RK-36	4,237	-
IDEA Preschool	84.173A	28-16-P1-36	10,966	-
Vocational Education				
Carl Perkins	84.048	28-16-02-36	233,501	-
Direct Funding				
PBIS Improvement Initiative	84.184G		157,228	418,362
Literacy for Life Project	84.215G		167,379	401,674
McKinney-Vento Homeless	84.196A	28-15-H1-36	71,354	-
Total United States Department of Education			17,147,823	5,499,511

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Pass-Through Grantor No.	School Board Expenditures	Charter Pass-Through Expenditures
United States Department of Health and Human Services Passed through the Louisiana Department of Education Temporary Assistance for Needy Families (TANF) After School For All	93.558B	28-15-36-36	558,612	1,286,057
Total United States Department of Health and Human Services			<u>558,612</u>	<u>1,286,057</u>
United States Department of Homeland Security Passed through the Louisiana Department of Education Disaster Grants - Public Assistance	97.036	-	71,235,925	-
Total United States Department of Homeland Security			<u>71,235,925</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>95,492,426</u>	<u>6,785,568</u>
				<u>\$ 102,277,994</u>

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Orleans Parish School Board and is presented on the modified accrual basis of accounting. Commodities received, which are non-cash revenue are valued at prices provided by the U.S. Department of Agriculture. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2. Reconciliation to the Basic Financial Statements

The expenditures listed in the accompanying schedule are reported in the following funds in either the governmental funds statement of revenues, expenditures and changes in fund balances (basic statement) or the non-major special revenue funds combining statement of revenues, expenditures and changes in fund balance, (supplementary information) of the Orleans Parish School Board's June 30, 2016, financial statements.

General Fund	\$ 41,399
Hurricane Katrina Restoration Fund	71,235,923
Federal Grant Fund	24,492,005
Child Nutrition Fund	<u>6,508,667</u>
Financial Statement Total	<u>\$ 102,277,994</u>
Schedule of Expenditures of Federal Awards Total	<u>\$ 102,277,994</u>

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2016

Section 1. Summary of Auditor's Results

Financial Statements

1.	Type of auditors' report issued	Unmodified
2.	Internal control over financial reporting	
	a. Material weaknesses identified	No
	b. Significant deficiencies identified	None reported
	c. Noncompliance material to the financial statements noted	No

Federal Awards

1.	Internal control over major programs	
	a. Material weaknesses identified	No
	b. Significant deficiencies identified	None reported
2.	Type of auditors' report issued on compliance for major programs	Unmodified
3.	Audit findings disclosed that are required in accordance with Section 2 CFR 200.516(a)	No
4.	Identification of major programs	
	Title I	84.010A
	Disaster Grants – Public Assistance	97.036
5.	Dollar threshold used to distinguish between Type A and B programs	\$3,068,340
6.	Auditee qualified as a low-risk auditee?	Yes

Section 2. Findings – Financial Statement Audit

None

Section 3. Findings and Questioned Costs – Major Federal Award Programs Audit

None

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Schedule of Prior Audit Findings
For the Year Ended June 30, 2016

None

ORLEANS PARISH SCHOOL BOARD

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SUMMARY OF CHARTER SCHOOL FINDINGS

**FRENCH AND MONTESSORI EDUCATION, INC.
D/B/A AUDUBON CHARTER SCHOOL**

Section I. Summary of Audit Results

Financial Statement Section

1. Type of auditor's report	Unmodified
2. Internal control over financial reporting and compliance and other matters	
a. Material weaknesses identified	None
b. Significant deficiencies identified not considered to be material weaknesses	None
c. Noncompliance noted	None

Section II. Internal Control Over Financial Reporting

None.

Section III. Compliance and Other Matters

None.

**ADVOCATES FOR ACADEMIC EXCELLENCE IN EDUCATION, INC.
D/B/A BEN FRANKLIN HIGH SCHOOL**

Section I. Summary of Audit Results

Financial Statement Section

1. Type of auditor's report	Unmodified
2. Internal control over financial reporting and compliance and other matters	
a. Material weaknesses identified	None
b. Significant deficiencies identified not considered to be material weaknesses	None
c. Noncompliance noted	None

Section II. Internal Control Over Financial Reporting

None.

Section III. Compliance and Other Matters

None.

BRICOLAGE ACADEMY

No summary of findings included in stand-alone financial statements. Independent Auditors Report on Internal Control and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* did not report findings.

CYPRESS ACADEMY

A. Summary of Auditors' Results

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of Cypress Charter School Association.
2. No control deficiencies were disclosed during the audit of the financial statements and are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. A management letter was not issued for the year ended June 30, 2016.

B. Findings Related to the Financial Statements

There were no findings related to the financial statements for the year ended June 30, 2016.

C. Findings Related to Compliance and Other Matters

There were no findings related to compliance and other matters for the year ended June 30, 2016.

THE EINSTEIN GROUP, INC.

Section I. Summary of Audit Results

Financial Statements

1) Type of auditor's report	Unmodified
2) Internal control over financial reporting and compliance and other matters	
a) Material weaknesses identified	None
b) Significant deficiencies identified not considered to be material weaknesses	None
c) Noncompliance noted	None
3) Management letter comment provided	None

Federal Awards

4) Internal control over major program	
a) Material weaknesses identified	None
b) Significant deficiencies identified not considered to be material weaknesses	None
5) Type of auditor's report issued on compliance for major programs	Unmodified
6) Audit findings disclosed that are required in accordance with Uniform Guidance	None
7) Identification of major programs	
10.553 and 10.555 – Child Nutrition Cluster	
8) Dollar threshold used to distinguish between Type A and B programs	\$750,000
9) Auditee qualified as a low-risk auditee under Uniform Guidance	Yes
10) De minimis indirect cost rate of 10% used	No, School receive no indirect costs.

Section II. Internal Control Over Financial Reporting

None.

Section III. Findings and Questioned Costs Related to Major Federal Award Programs

None.

ENCORE LEARNING

Summary of Auditor's Results

Financial Statements

- | | |
|--|-------------|
| • Type of auditor's report issued: | Unqualified |
| • Material weaknesses identified | No |
| • Significant deficiencies identified not considered to be material weaknesses | No |
| • Noncompliance material to the financial statements noted | No |

Finding – Financial Statement Audit

There are no findings for the year ended June 30, 2016.

Questioned Costs

There are no questioned costs for the year ended June 30, 2016.

FOUNDATION PREPARATORY, INC.

Summary of Auditor's Results

Financial Statements

- | | |
|---|-------------|
| • Type of auditor's report issued: | Unqualified |
| • Material weaknesses identified? | No |
| • Significant deficiencies identified not considered to be material weaknesses? | No |
| • Noncompliance material to the financial statements noted? | No |

Findings – Financial Statement Audit

There are no findings for the year ended June 30, 2016.

Questioned Costs

There are no questioned costs for the year ended June 30, 2016.

CITIZEN'S COMMITTEE FOR EDUCATION
D/B/A HOMER A. PLESSY COMMUNITY SCHOOL

Summary of Auditor's Results

Financial Statements

- | | |
|--|-------------|
| • Type of auditor's report issued: | Unqualified |
| • Material weaknesses identified | No |
| • Significant deficiencies identified not considered to be material weaknesses | No |
| • Noncompliance material to the financial statements noted | No |

Finding – Financial Statement Audit

There are no findings for the year ended June 30, 2016.

Questioned Costs

There are no questioned costs for the year ended June 30, 2016.

HYNES CHARTER SCHOOL CORPORATION

SECTION I – SUMMARY OF AUDITORS' REPORTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Hynes Charter School Corporation (a nonprofit organization).
2. No instances of noncompliance material to the financial statements of Hynes Charter School Corporation were disclosed and identified during the audit.
3. There was on (1) instance of noncompliance with laws, rules, and regulations that was disclosed and identified during the audit but was not considered material to the financial statements.

SECTION II – FINDINGS RELATED TO FINANCIAL STATEMENTS

No findings noted.

SECTION III – FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

Finding 2016-001 Background Check Compliance

Condition: The School's current internal control structure or operation does not allow management or staff to identify if background checks have been completed or reviewed for adequacy.

Criteria: In accordance with Louisiana regulations R.S. 17:15 "Criminal History Review" and R.S. 15:1587.1 "The Louisiana Child Protection Act", the School is required to request and review criminal history reports from the State Bureau of Criminal Identification and Information. Any employees who do not meet the criteria to obtain a position of authority over children may not be employed by the School.

Effect: Teachers or other employees with authority over children may not be eligible to maintain their position.

Cause: The School has not implemented controls over the performance and review of background checks for new and existing employees.

Recommendation: We recommend that management implement internal control procedures for the performance and review of background checks for all employees in a timely manner.

Management's Response and Corrective Action Plan: During the course of our audit, it came to light that the proof for one background check could not be located. The fingerprinting was done and we recall that the Louisiana State Police (LSP) returned this employee's fingerprints due to the lack of quality of the imprint. The employee then repeated the process. However to date, we cannot locate the LSP response. In the meantime, we have since resubmitted fingerprints of this employee to LSP and await those results. Furthermore, we have modified the procedure for submitting fingerprints to the agency so there is no repeat occurrence.

InspireNOLA CHARTER SCHOOLS

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the InspireNOLA Charter Schools.
2. No control deficiencies relating to the audit of the financial statements are reported in the *Report on Internal Control Over Financial Reporting and on compliance and Other Matters based on an audit of Financial Statements Performed in Accordance With Government Auditing Standards*.
3. No instances of noncompliance material to the financial were disclosed during the audit.
4. No control deficiencies relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditors' report on compliance with requirements applicable to major federal award programs for InspireNOLA Charter Schools expresses an unmodified opinion.
6. The auditors' report disclosed no findings that were required to be reported in accordance with the Uniform Guidance.
7. A management letter was not issued for the year ended June 30, 2016.
8. The programs tested as major programs were:

Title I, Part A	<u>CFDA No.</u> 84.010
-----------------	---------------------------
9. The threshold for distinguishing between type A and type B programs was \$750,000.
10. InspireNOLA Charter Schools was determined to be a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings required to be reported in this section.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings required to be reported in this section.

LAKE FOREST ELEMENTARY CHARTER SCHOOL

Part I. Summary of Auditor's Results

Financial Statements

1) Type of auditor's report	Unmodified
2) Internal control over financial reporting and compliance and other matters:	
a) Material weaknesses identified?	No
b) Significant deficiencies identified?	No
c) Noncompliance material to the financial statements?	Yes
d) Other Matters identified?	No

Federal Awards

Not applicable.

Part II. Findings Related to the Financial Statements

2016-001 Possible Violation of Louisiana Code of Ethics

<i>Criteria:</i>	Louisiana Revised Statutes 42:1101 to 42:1266
<i>Condition:</i>	The School hired an engineering firm that handles public bids. The bid process was executed to clear and fill a portion of the School's new campus. The company that received the contract purchased fill material from a company in which a board member had partial ownership. Once the School became aware of this situation, it reported this possible violation of the code of ethics to the Louisiana Ethics Board as well as Orleans Parish School Board, the School's local education authority. Also, in the approval of a change order, the board member may have circumvented the School's established management and administrative procurement practices and code of ethics.
<i>Cause:</i>	The conflict of interest was unknown at the time of procurement and the board member may have circumvented the management of the School in the approval of a change order.
<i>Effect:</i>	Possible noncompliance with the Louisiana Code of Ethics.
<i>Recommendation:</i>	None.
<i>Management's Response:</i>	The School has reported the possible violation to the Louisiana Board of Ethics and is awaiting its response.

**ADVOCATES FOR ARTS-BASED EDUCATION CORPORATION
D/B/A LUSHER CHARTER SCHOOL**

Section I – Summary of Auditor’s Results

a) Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

b) Federal Awards

The School did not expend more than \$750,000 in federal awards during the year ended June 30, 2016, and therefore, is exempt from the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings were reported during the audit for the year ended June 30, 2016.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2016.

Section III – Federal Award Findings and Questioned Costs

Internal Control / Compliance

The School did not expend more than \$750,000 in federal awards during the year ended June 30, 2016, and therefore, is exempt from the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**ADVOCATES FOR SCIENCE AND MATHEMATICS EDUCATION, INC.
(NEW ORLEANS CHARTER SCIENCE AND MATH HIGH SCHOOL)**

A. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of Advocates for Science and Mathematics Education, Inc. ("Advocates") (a nonprofit organization).
2. There were no instances of noncompliance material to the financial statements of the Foundation reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No significant deficiencies were noted relating to the audit in the *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Auditing Standards*.
4. The *Independent Auditor's Report on Compliance for each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133* expresses an unmodified opinion on all major federal programs.
5. There were no deficiencies relating to the audit of the major federal programs reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
6. There were no instances of noncompliance relating to the audit of major federal programs reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
7. A management letter was not issued for the year ended June 30, 2016.
8. The program tested as a major program for the year ended June 30, 2016 was:

<u>Program Title</u>	<u>CFDA No.</u>
National School Lunch Program	10.555
School Breakfast Program	10.553
9. The threshold for distinguishing between Type A and Type B programs was \$750,000.
10. Advocates qualifies as a low-risk auditee.

B. Findings and Questioned Costs – Major Federal Award Programs

There were no findings related to major federal award programs for the year ended June 30, 2016.

C. Findings Related to the Financial Statements

There were no findings related to the financial statements for the year ended June 30, 2016.

D. Findings Related to Compliance and Other Matters

There were no findings related to compliance and other matters for the year ended June 30, 2016.

**ADVOCATES FOR INNOVATIVE SCHOOLS, INC.
(D/B/A ROBERT RUSSA MOTON CHARTER SCHOOL)**

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	No
• Noncompliance material to financial statements noted?	No

Section II – Financial Statement Findings

No findings or questioned costs for the year ended June 30, 2016.

Section III – Federal Awards Findings

No findings or questioned costs for the year ended June 30, 2016.

WARREN EASTON SENIOR HIGH SCHOOL FOUNDATION, INC.

Section I – Summary of Auditors' Results

1. The auditors' report expresses an unmodified opinion on the financial statements of Warren Easton Senior High School Foundation, Inc. (a nonprofit organization) (the School).
2. No instances of noncompliance material to the financial statements of the School, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
3. No deficiencies in internal control over financial reporting considered to be material weaknesses or significant deficiencies were disclosed during the audit.
4. The *Independent Auditor's Report on Compliance for the Major Program and on Internal Control Over compliance Required by the Uniform Guidance* expresses an unmodified opinion on the major federal program.
5. No findings required to be reported in accordance with the Uniform Guidance were disclosed during the audit.
6. No deficiencies in internal control over the major program considered to be material weaknesses or significant deficiencies were disclosed during the audit.
7. The program tested as a major program for the year ended June 30, 2016 was:

<u>Program Title</u>	<u>CFDA No.</u>
Title I Grants to Local Educational Agencies (LEAs)	84.010A

8. The threshold for distinguishing between Type A and Type B programs was \$750,000.
9. The School qualifies as a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

None Noted.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAM

None Noted.

D. MANAGEMENT LETTER

Not applicable – no letter was issued.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Orleans Parish School Board
New Orleans, Louisiana

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

No differences were noted.

Education Levels of Public School Staff (Schedule 2)

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

We were unable to reconcile the total number of full-time classroom teachers between State Schedule 2 and State Schedule 4. State Schedule 2 details 249 teachers. State Schedule 4 details 250 teachers. The difference is 1 teacher.

Additionally, based on the discrepancies noted in Procedure 6 below (State Schedule 4 testing), the total number of full-time classroom teachers in State Schedule 2 may not be accurate.

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

No differences were noted.

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

No differences were noted.

Number and Type of Public Schools (Schedule 3)

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

No differences were noted.

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

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

For 5 out of the 25 teachers, principals, and assistants sampled, discrepancies were noted. We discussed with management who further analyzed the discrepancies. It was determined that the information for the schedule was obtained from the School Board's MUNIS data system. For the 5 discrepancies, the data for each employee was added to the Employee Years of Service program after the Pep Data for the 2015-2016 October 1st reporting period had been generated. All 5 employees were employed by the School Board prior to the Pep Data generation, and therefore, should have been included in the Pep Data report.

Public School Staff Data: Average Salaries (Schedule 5)

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

No differences were noted.

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

While our recalculation of managements' calculation of average salaries and full-time equivalents did not result in a difference on State Schedule 5, based on the discrepancies noted in Procedure 2 above, the average salaries and full-time equivalents calculated by management may not be accurate.

Class Size Characteristics (Schedule 6)

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

No differences were noted.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

No differences were noted.

Graduation Exit Examination (GEE) (Schedule 8)

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

iLEAP Tests (Schedule 9)

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

No differences were noted.

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

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

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Metairie, LA
December 20, 2016

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

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 General Fund Instructional and Support Expenditures
 And Certain Local Revenue Sources
 For the Year Ended June 30, 2016

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures

Teacher and Student Interaction Activities

Classroom Teacher Salaries	\$ 7,878,390
Other Instructional Staff Activities	239,759
Employee Benefits	4,487,817
Purchased Professional and Technical Services	353,844
Instructional Materials and Supplies	592,820
Instructional Equipment	

Total Teacher and Student Interaction Activities \$ 13,552,630

Other Instructional Activities 2,364

Pupil Support Activities 3,250,828
 Less: Equipment for Pupil Support Activities (32,880)
 Net Pupil Support Activities 3,217,948

Instructional Staff Services 2,087,964
 Less: Equipment for Instructional Staff Services (26,954)
 Net Instructional Staff Services 2,061,010

School Administration 2,750,339
 Less: Equipment for School Administration (8,861)
 Net School Administration 2,741,478

Total General Fund Instructional Expenditures \$ 21,575,430

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Local Taxation Revenue

Constitutional Ad Valorem Taxes	\$ 96,712,611
Renewable Ad Valorem Tax	44,386,367
Debt Service Ad Valorem Tax	12,363,577
Facilities Preservation Ad Valorem Tax	4,848,461
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	(10,158,083)
Sales and Use Taxes	127,844,470

Total Local Taxation Revenue \$ 275,997,403

Local Earnings on Investment in Real Property \$ 7,588

State Revenue Sharing \$ 2,690,500

Nonpublic Textbook Revenue \$ 498,140

Nonpublic Transportation Revenue \$ -

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Education Levels of Public School Staff
 As of October 1, 2015

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	0%	1	10%	0	0%	0	0%
Bachelor's Degree	122	51%	7	70%	0	0%	0	0%
Master's Degree	87	37%	2	20%	7	64%	0	0%
Master's Degree + 30	28	12%	0	0%	3	27%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	1	0%	0	0%	1	9%	0	0%
Total	239	100%	10	100%	11	100%	0	0%

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Number and Type of Public Schools
For the Year Ended June 30, 2016

Schedule 3

Type	Number
Elementary	3
Middle/Jr. High	0
Secondary	0
Combination	3
Total	6

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Experience of Public Principals, Assistant
 Principals and Full Time Classroom Teachers
 As of October 1, 2015

Schedule 4

	0 -1 Yr.	2 -3 Yrs.	4 -10 Yrs.	11-14 Yrs.	15 -19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	2	1	0	0	4
Principals	0	0	0	1	1	1	4	7
Classroom Teachers	42	9	34	30	32	31	72	250
Total	42	9	35	33	34	32	76	261

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Public School Staff Data: Average Salaries
 For the Year Ended June 30, 2016

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers Salary Including Extra Compensation	\$48,679	\$48,654
Average Classroom Teachers Salary Excluding Extra Compensation	\$48,583	\$48,557
Number of Teacher Full-Time Equivalents (FTEs) Used in Computation of Average Salaries	241	240

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Class Size Characteristics
 As of October 1, 2015

Schedule 6

CLASS SIZE RANGE										
SCHOOL TYPE	TYPE TOTAL	%	1 THRU 20	%	21 THRU 26	%	27 THRU 33	%	34+	%
ELEMENTARY	329	23.98%	47	8.56%	149	46.86%	133	41.82%	0	0.00%
ELEMENTARY ACTIVITY CLASSES	78	5.69%	37	6.74%	30	9.43%	6	1.89%	5	2.69%
MIDDLE	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
MIDDLE/JR. HIGH ACTIVITY CLASSES	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
HIGH	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
HIGH ACTIVITY CLASSES	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
COMBINATION	650	47.38%	237	43.17%	117	36.79%	147	46.23%	148	79.57%
COMBINATION ACTIVITY CLASSES	315	22.95%	228	41.53%	22	6.92%	32	10.06%	33	17.74%
TOTAL	1,372	100.00%	549	100.00%	318	100.00%	318	100.00%	186	100.00%

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 Louisiana Educational Assessment Program (LEAP)
 For the Year Ended June 30, 2016

Schedule 7

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 4	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	14%	2%	9%	6%	2%	21%	3%	0%	5%	N/A	0%	0%
Mastery	40%	46%	45%	33%	30%	32%	10%	13%	14%	N/A	9%	14%
Basic	25%	36%	33%	34%	31%	34%	52%	56%	58%	N/A	62%	67%
Approaching Basic	12%	13%	6%	21%	28%	6%	27%	25%	18%	N/A	20%	12%
Unsatisfactory	9%	3%	7%	6%	9%	7%	8%	6%	5%	N/A	9%	7%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 8	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	5%	2%	1%	0%	1%	1%	0%	0%	1%	N/A	0%	0%
Mastery	42%	28%	12%	17%	22%	3%	7%	8%	10%	N/A	5%	3%
Basic	30%	40%	45%	28%	24%	47%	45%	43%	42%	N/A	45%	49%
Approaching Basic	18%	21%	37%	34%	34%	31%	31%	33%	37%	N/A	31%	38%
Unsatisfactory	5%	9%	5%	21%	19%	18%	17%	16%	10%	N/A	19%	10%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

NOTE: Spring 2014, 2015, and 2016 LEAP test data was used to prepare this schedule. Social Studies assessments were not administered during Spring 2016.

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
NEW ORLEANS, LOUISIANA
Graduation Exit Exam (GEE)
For the Year Ended June 30, 2016

Schedule 8

The Graduation Exit Exam is no longer administered. This schedule is no longer applicable.

See independent accountant's report on applying agreed-upon procedures.

ORLEANS PARISH SCHOOL BOARD
 NEW ORLEANS, LOUISIANA
 iLEAP Test Results
 For the Year Ended June 30, 2016

iLEAP Tests

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 3	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1%	2%	3%	6%	4%	6%	1%	1%	1%	N/A	1%	2%
Mastery	36%	45%	25%	37%	25%	15%	13%	15%	11%	N/A	18%	12%
Basic	36%	26%	45%	35%	33%	51%	52%	48%	51%	N/A	51%	55%
Approaching Basic	20%	17%	14%	17%	24%	13%	29%	24%	24%	N/A	20%	18%
Unsatisfactory	7%	10%	13%	5%	14%	15%	5%	12%	13%	N/A	10%	13%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 5	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2%	1%	11%	4%	2%	7%	2%	2%	2%	N/A	3%	8%
Mastery	48%	39%	31%	15%	21%	10%	13%	12%	10%	N/A	18%	16%
Basic	31%	28%	36%	40%	37%	47%	52%	54%	61%	N/A	53%	42%
Approaching Basic	18%	25%	14%	29%	31%	21%	23%	22%	23%	N/A	17%	25%
Unsatisfactory	1%	7%	8%	12%	9%	15%	10%	10%	4%	N/A	9%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 6	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	12%	7%	9%	2%	3%	9%	1%	1%	0%	N/A	6%	8%
Mastery	46%	56%	37%	23%	35%	25%	9%	20%	8%	N/A	17%	19%
Basic	30%	28%	43%	50%	38%	53%	51%	52%	65%	N/A	48%	49%
Approaching Basic	10%	8%	5%	19%	23%	7%	30%	22%	17%	N/A	26%	15%
Unsatisfactory	2%	1%	6%	6%	1%	6%	9%	5%	10%	N/A	3%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

District Achievement Level Results	English Language Arts			Mathematics			Science			Social Studies		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Grade 7	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	10%	2%	5%	1%	0%	3%	4%	1%	3%	N/A	0%	1%
Mastery	33%	33%	14%	15%	12%	5%	16%	10%	14%	N/A	4%	3%
Basic	30%	32%	40%	35%	42%	47%	40%	43%	40%	N/A	46%	41%
Approaching Basic	19%	20%	29%	38%	34%	23%	27%	28%	26%	N/A	31%	39%
Unsatisfactory	8%	13%	12%	11%	12%	22%	13%	18%	17%	N/A	19%	16%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%

NOTE: Spring 2014, 2015, and 2016 LEAP test data was used to prepare this schedule. Social Studies assessments were not administered during Spring 2016.

See independent accountant's report on applying agreed-upon procedures.