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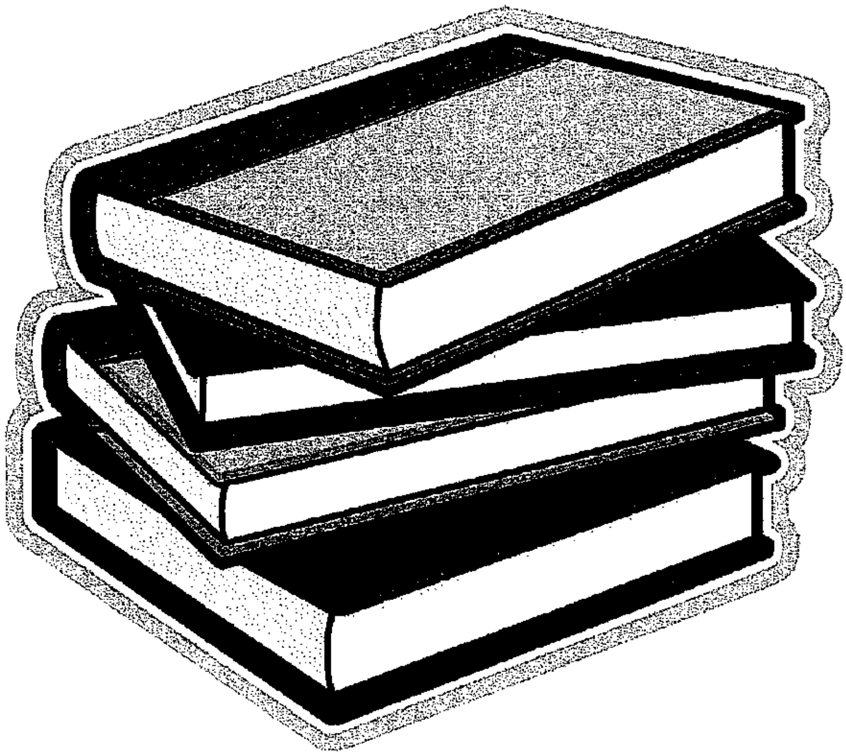
Vernon Parish School Board

Leesville, Louisiana



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

Release Date 1/23/08

Comprehensive Annual Financial Report

for the year ended June 30, 2007

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2007

Ricky Reese **President**	**Cynthia A. Gillespie** **Superintendent**

Tim Ward
Director of Finance

Prepared by the Department of Finance

Vernon Parish School Board
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Vernon Parish School Board
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(Concluded)

INTRODUCTORY SECTION

President
Ricky Reese

Superintendent
Dr. Cynthia A. Gillespie

Vice-President
James K. Armes

Vernon Parish School Board

201 Belview Road
LEESVILLE, LOUISIANA 71446
(337) 239-3401
Fax (337) 238-5777

Transmittal Letter

October 25, 2007

Mr. Ricky Reese, President
and Members of the Board
Vernon Parish School Board
Leesville, Louisiana

Dear President and Members of the Board:

The Comprehensive Annual Financial Report of the Vernon Parish School Board (School Board) for the year ended June 30, 2007, is submitted herewith. Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada have prepared this report.

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

B. Reporting Entity The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose it's will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Vernon Parish School Board (the primary government). Based on the above criteria there are no component units included in the School Board's reporting entity.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels K through 12 for 9,107 students. These include providing instructional personnel, instructional materials, instructional facilities, child nutrition, administrative support, business services, systems operations, and plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

C. Internal Control Management of the School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

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

D. Major Initiatives

- ☆ All schools have developed comprehensive improvement plans to provide direction for future curriculum, staff development, assessment, and technology improvements. To support these comprehensive school plans, our central office staff developed district improvement plans. Our School Board supported all the plans by developing its own strategic goals. Much progress has been made in meeting the objectives addressed in these plans. Staff development in our schools is targeted to help schools meet these goals.

- ☆ All new teachers to our system were given one day of intensive induction. The teachers received training in classroom management, parish and state policies, and special programs appropriate for their grade levels and/or their subject area. Most of our new teachers also go through the Louisiana Teacher Assistance and Assessment Program. New teachers are paired with a mentor and given two years of support.

- ☆ The State of Louisiana has implemented "Reading for Results," a high-stakes testing policy. Teachers are working to prepare students for tests, which are rigorous, standards-driven, and high stakes for students.

- ☆ Vernon Parish cares about education and has a tradition of pride in its schools. That tradition will be continued through a commitment to innovation in learning programs. We must continue to seek out new methods to ensure success for every student.

★ Vernon Parish School Board receives federal Impact Aid funding due to the Fort Polk military installation being located in Vernon Parish. The amount of aid received can fluctuate. This uncertainty provides a challenge in addressing the problems shared by many school systems across America - teachers' salaries and school plant improvement. Effective and decisive leadership will be required to address these problems given the fluctuation in Impact Aid funding.

E. Economic Conditions and Outlook The economy of Vernon Parish is driven primarily by the Fort Polk military installation, the fifth largest such facility in the nation. More than half the work force of Vernon Parish is comprised of active duty military personnel, and the base also employs civilians. Aside from its $970 million annual direct economic impact on Vernon Parish, Fort Polk indirectly influences the surrounding parishes' economy as well. One-third of the population of Vernon Parish is comprised of military personnel or their families living on- or off-base. This influx of career- and family-age population gives the area a relatively low median age, a factor, which appeals to companies seeking to build industrial and manufacturing establishments. The large military population has also drawn specialists to both Bayne-Jones Army Community Hospital and civilian medical practice, giving the Vernon Parish area substantially better medical and health care technology.

F. Budgetary Controls In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget enacted require School Board approval.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

G. Cash Management Cash temporarily idle during the year was invested in demand deposits, a U. S. government security, and the Louisiana Asset Management Pool (LAMP) administered by the State Treasurer. The School Board earned interest revenue of $852,136 on all investments for the year ended June 30, 2007.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, instruments issued by the United States Government or federal government agencies created by an act of congress or insured by the Federal Deposit Insurance Corporation collateralized deposits in financial institutions.

H. Risk Management The School Board maintains a combination of self-insurance and stop-loss coverage for workers' compensation insurance. Third-party coverage is currently maintained for individual workers' compensation claims in excess of $300,000.

I. Independent Audits The report of our independent certified public accountants, Allen, Green & Williamson, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls.

J. Awards The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only. The School Board was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005 and 2006.

The School Board received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the fiscal years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005 and 2006. The awards certified that the Comprehensive Annual Financial Report for these fiscal years substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

K. Acknowledgments The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.

Cynthia A. Gillespie
Superintendent

Tim Ward
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vernon Parish School Board, Louisiana

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

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

President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

INTERNATIONAL

This Certificate of Excellence in Financial Reporting is presented to

VERNON PARISH SCHOOL BOARD

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2006

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

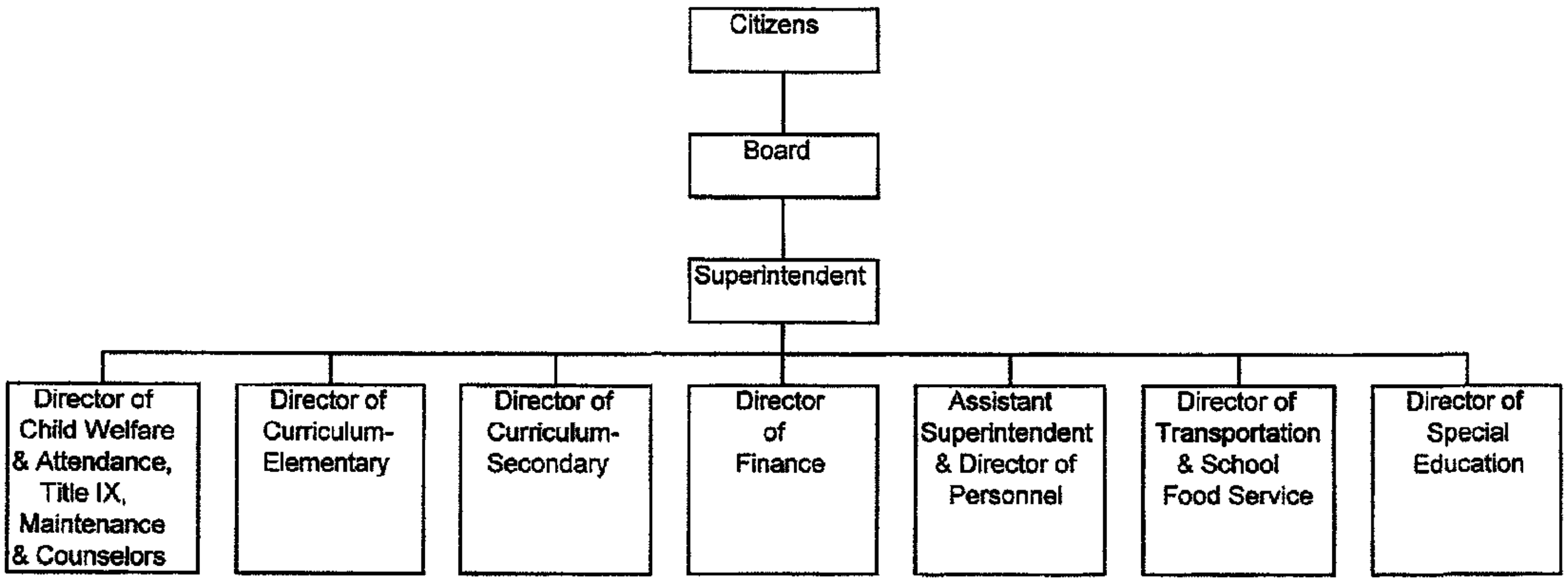
President

Executive Director

Vernon Parish School Board

Organization Chart

June 30, 2007



Vernon Parish School Board

Elected Officials
June 30, 2007

Board Member	District
M. Gene Haymon	1
James Armes, III, Vice President	1
Beryl Ford	3
Vernon Travis	6
Millard "Mel" Harris	1
Mike Perkins	5
Randy Martin	4
Gaye McKee	7
Robert Pynes, Jr.	1
Ricky Reese, President	2
Mark H. Smith	1
Steve Woods	1

Vernon Parish School Board

Selected Administrative Officials
June 30, 2007

Cynthia A. Gillespie	Superintendent
Tim Ward	Director of Finance
Dottie Neugebauer	Director of Special Education
Tom Neubert	Director of Child Welfare and Attendance, Title IX, Maintenance and Counselors
Jackie Self	Assistant Superintendent / Director of Personnel
Jimmie Funderburk	Director of Transportation and School Food Service
Anne Smith	Director of Curriculum - Elementary
John Farris	Director of Curriculum - Secondary

FINANCIAL SECTION

ALLEN, GREEN & WILLIAMSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 6075
Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422
Fax: (318) 388-4664

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Tim Green, CPA
Margie Williamson, CPA

Diane Ferschoff, CPA
Amy Tynes, CPA
Rusty Bryan, CPA
Aimee Buchanan, CPA
Angie Williamson, CPA
Cindy Thomason CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

INDEPENDENT AUDITORS' REPORT

Board Members
Vernon Parish School Board
Leesville, Louisiana

Basic Financial Statements We have audited the accompanying *financial statements* of the governmental activities, each major fund, and the aggregate remaining fund information of Vernon Parish School Board, as of and for the year ended June 30, 2007, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States . Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of June 30, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated October 25, 2007, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Required Supplemental Information The Management's Discussion and Analysis and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the *basic financial statements* but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Supplemental Information Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the *basic financial statements*. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, in our opinion, is fairly stated in all material respects in relation to the *basic financial statements* taken as a whole.

Other Information The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the *basic financial statements* of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 25, 2007

REQUIRED SUPPLEMENTAL INFORMATION:

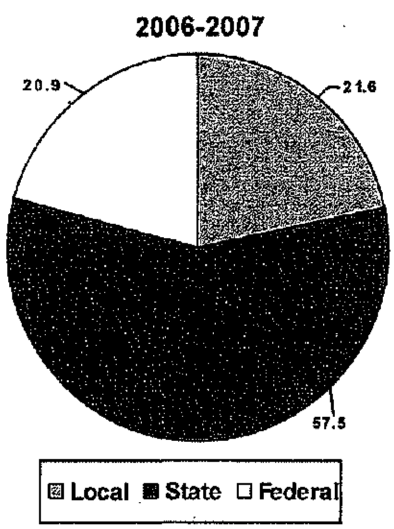
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

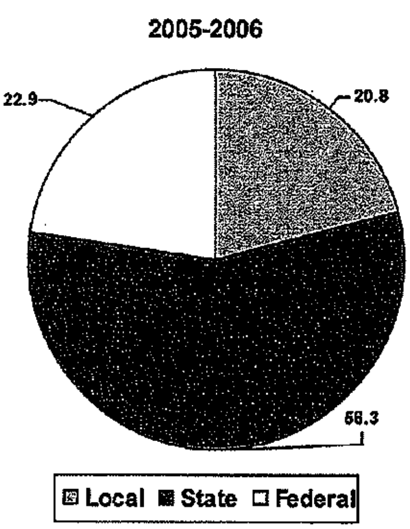
Our discussion and analysis of Vernon Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2007. Please read it in conjunction with the transmittal letter included in the introductory section of this report and the School Board's financial statements, which follows this Management's Discussion and Analysis. Amounts are reported in millions unless otherwise noted.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

This year, the primary resources available to the school system are local revenues, primarily tax receipts, which total $18.4 million or 21.6% of the total; state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling $48.9 million or 57.5% of the total; and federal funds, primarily impact aid and special grants totaling $17.9 million or 20.9%. Last year, local revenues were $17.7 million or 20.8% of the total, while state revenues were $47.8 million or 56.3%, and federal revenues were $19.5 million or 22.9%.

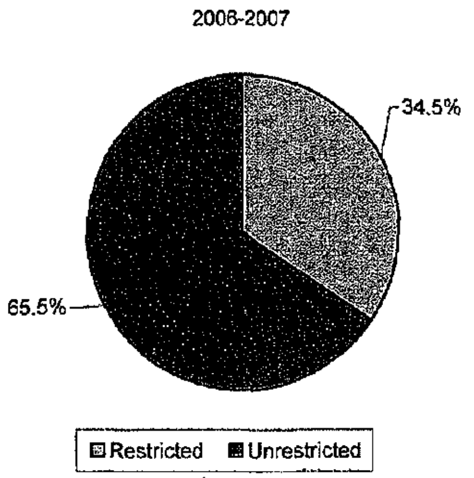
TOTAL REVENUES BY SOURCE

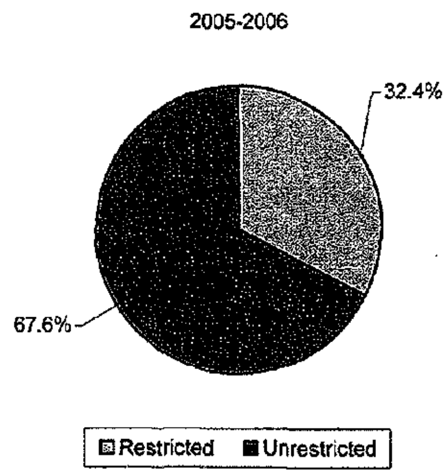




Of the total $85.2 million revenues received by the school system this year, $29.4 million or 34.5% is restricted. Unrestricted revenues were $55.8 million or 65.5%. Last year total revenue was $85 million, of which total $27.6 million or 32.4% was restricted revenue and $57.4 million or 67.6% was unrestricted revenue.

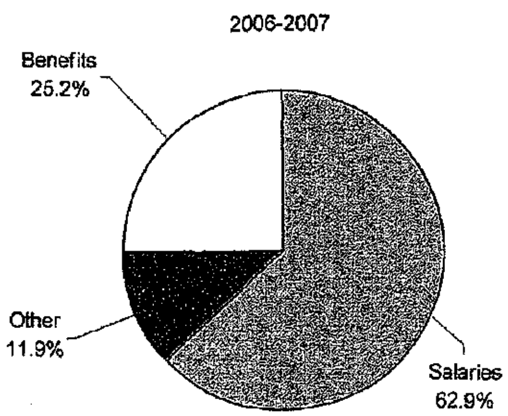
RESTRICTED VS. UNRESTRICTED REVENUES

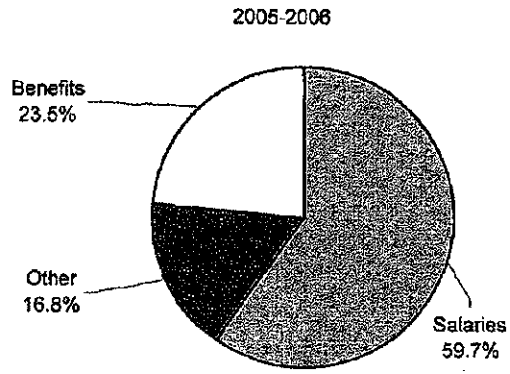




Of the unrestricted amount of $55.8 million in 2006-2007, $35.1 million or 62.9% was spent for salaries; $14.1 million or 25.2% was spent for employee benefits; $6.6 million or 11.9% for other functions of the school system. Of the unrestricted amount of $57.4 million in 2005-2006, $34.3 million or 59.7% was spent for salaries; $13.5 million or 23.5% was spent for employee benefits; and $9.6 million or 16.8% was spent for other functions of the school system.

USES OF UNRESTRICTED REVENUE





FUND FINANCIAL STATEMENTS

The fund balances of all governmental funds showed an increase of $1.2 million. The general fund, a major fund of the School Board, showed an increase of $.3 million due primarily to an increase of $1 million in state equalization funding. Fund balances in maintenance funds and other special revenue funds increased .6 million due primarily to an increase in property taxes. Fund balances in the debt service funds increased .9 million due primarily to an increase in property tax revenue. The capital project funds decreased $.6 million due to the substantial completion of the Hick Construction project.

Total revenue for all governmental funds for the current year was $85.2 million, an increase of $.2 million from the prior year. Total expenditures of $85.4 million for the current year was a decrease of $1.2 million over last year.

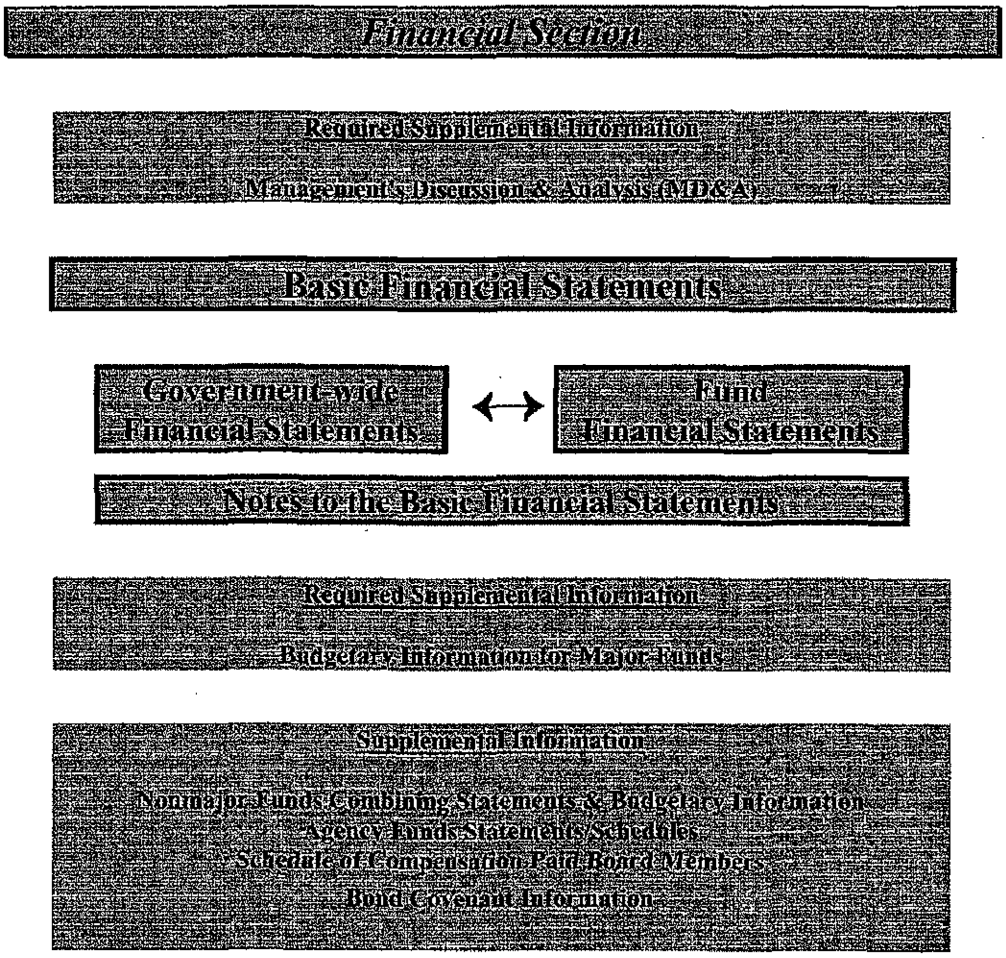
GOVERNMENT-WIDE FINANCIAL STATEMENTS

Most of the School Boards taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: instruction $39.7 million or 57.7%, plant services $7.1 million or 10.3%, transportation $6.1 million or 8.9% and other functions $15.9 million or 23.1%. The changes between these areas and the prior year were: 4.4% decrease in instruction, .1% decrease in the plant services, 2% decrease in transportation and 2.8% increase in all other functions.

Our budgeted revenues for the 2006-2007 year include a 7.2% increase in budgeted revenues and a 5.2% increase in budgeted expenditures. The increase in budgeted revenues and expenditures is primarily due to an increased minimum foundation program and mandated teacher pay raises. The School Board is mandated by state law to adopt its budget by September 15 of each year. This original budget is based on a "bare bones" approach that reflects only guaranteed revenues and necessary expenditures since the major sources of revenues, i.e., minimum foundation program and impact aid, are based on October 1 student enrollment figures. The original budget figures are amended when revenues or expenditures exceed 5% of estimate.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. 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 fund, the general fund. The remaining statement - the Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Comprehensive Annual Financial Report
Introductory Section Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers
Financial Section (Details outlined in the next chart)
Statistical Section Ten Years of Historical Financial Operating Data Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Indicators Operating Information
(Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above)



Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's 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 establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, scholarship fund and the sales tax fund. All of the School Board's fiduciary activities are reported in the Statement of Fiduciary Net Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were $29.1 million at June 30, 2007. Of this amount $7.7 million was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets
(in millions)
June 30,

	Governmental Activities 2007	Governmental Activities 2006	Variance
Current and other assets	$20.9	$21.5	$ (.6)
Capital assets	37.2	36.1	1.1
Total assets	58.1	57.6	.5
Current and other liabilities	(6.8)	(8.7)	(1.9)
Long-term liabilities	(22.2)	(21.4)	.8
Total liabilities	(29.0)	(30.1)	(1.1)
Net assets			
Invested in capital assets, net of related debt	16.6	15.9	.7
Restricted	4.8	3.9	.9
Unrestricted	7.7	7.7	0
Total net assets	$29.1	$27.5	$ 1.6

The $7.7 million in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its non-capital liabilities such as compensated absences, there would be $7.7 million left.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the next page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Table 2
Changes in Net Assets
(in millions)
For the Years Ended June 30,

	2007	2006	Variance
Governmental Activities:			
Net Assets – beginning	$27.5	$25.3	$ 2.2
Prior Period adjustment	(1.1)	0	(1.1)
Net Assets-beginning, restated	26.4	25.3	1.1
Revenues:			
Program revenues			
Charges for services	0.8	0.8	
Federal Grants	10.8	11.2	(.4)
State Grants and Entitlements	2.0	2.1	(.1)
General Revenue			
Ad Valorem	6.0	4.8	1.2
Sales Taxes	9.7	9.7	
State minimum foundation program	46.7	45.7	1.0
Other general revenues	9.2	10.6	(1.4)
Total revenues	85.2	84.9	.3
Functions/Program Expenses:			
Instruction			
Regular programs	29.4	33.0	(3.6)
Special programs	15.7	14.8	.9
Other instructional programs	3.7	3.4	.3
Support services			
Student services	3.3	3.1	.2
Instructional staff support	2.9	2.7	.2
General administration	1.7	1.5	.2
School administration	4.5	4.0	.5
Business services	0.5	0.5	
Plant services	7.2	7.2	
Student transportation services	6.1	5.8	.3
Central service	0.8	0.4	.4
Food services	5.6	5.3	.3
Community service programs	0.1	0.1	
Interest on long term debt	1.0	0.9	.1
Total expenses	82.5	82.7	(.2)
Increase (decrease) in net assets	2.7	2.2	.5
Net Assets – ending	$29.1	$27.5	$1.6

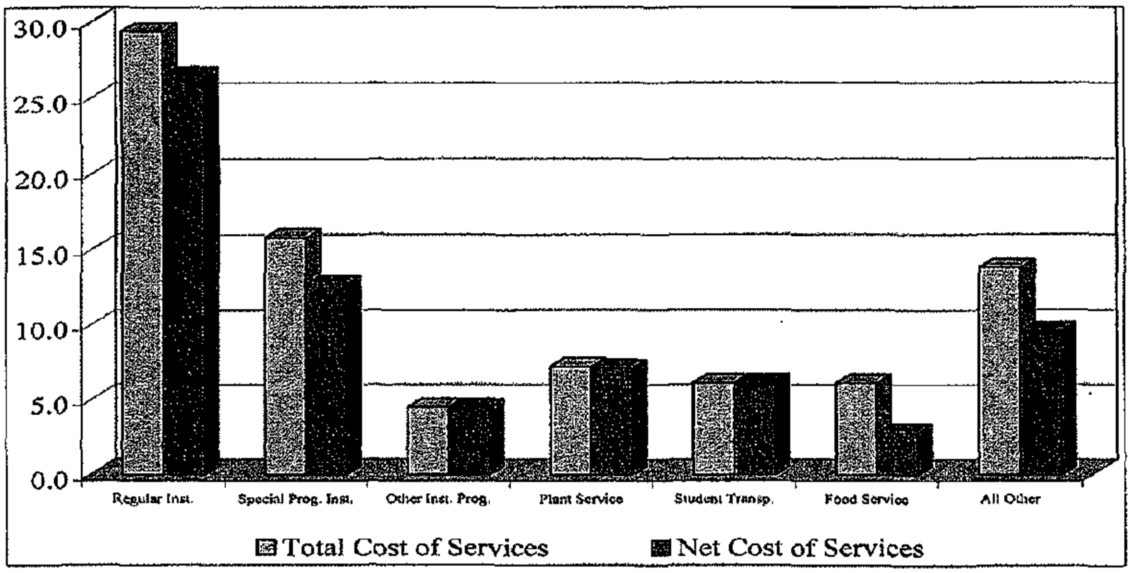
Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was $82.5 million. The amount that taxpayers ultimately financed for these activities through School Board taxes was only $16 million because some of the cost was paid by those who benefited from the programs ($1) million or by other governments and organizations who subsidized certain programs with grants and contributions ($12.8) million. The School Board paid for the remaining public benefit portion of its governmental activities with $15.7 million in taxes, $46.7 million in Minimum Foundation Program funds, and with other revenues such as interest and other local sources.

In the table below, we have presented the cost of each of the School Board's six largest functions - regular programs, special programs, school administration, plant services, student transportation services, and school food services, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

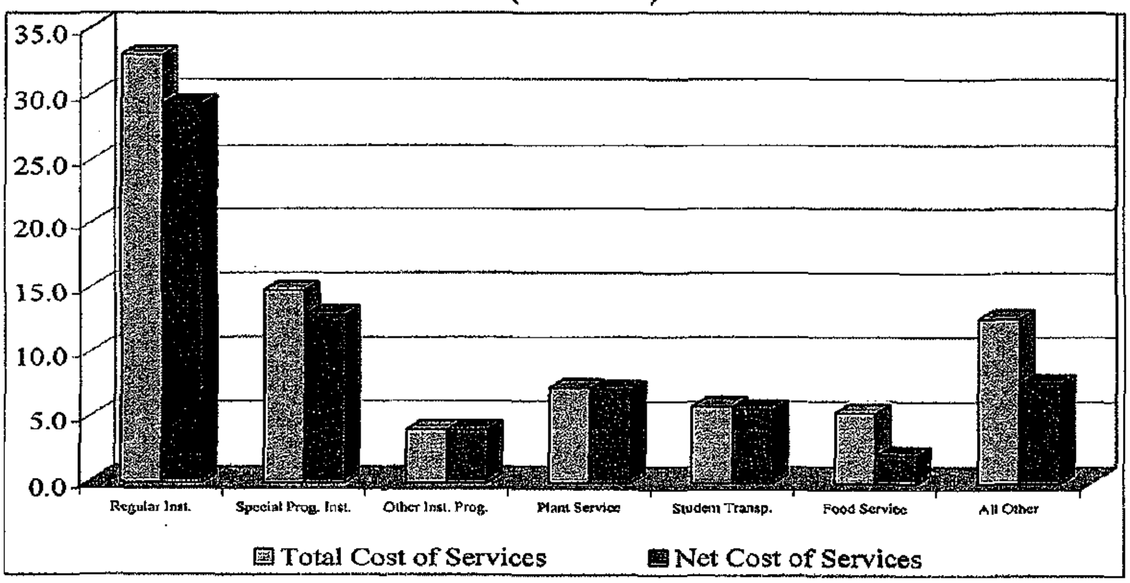
For the Years Ended June 30,
(in millions)
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2007	2006	2007	2006
Regular programs	$29.4	$33.0	$26.5	$29.3
Special programs	15.7	14.8	12.7	12.9
School administration	4.5	4.0	4.5	4.0
Plant services	7.2	7.2	7.1	7.1
Student transportation services	6.1	5.8	6.1	5.6
Food services	5.6	5.3	2.3	2.1
All others	14.0	12.6	9.6	7.6
Totals	$82.5	$82.7	$68.8	$68.6

2006-2007
Total Cost of Services
Versus
Net Cost of Services
(In Millions)



2005-2006
Total Cost of Services
Versus
Net Cost of Services
(In Millions)



Revenues increased $.3 million in the current year as compared to the prior year. This increase was due primarily to an increase in the Minimum Foundation Program (the state's primary support source for school funding) of $1 million; and an increase in property taxes of $1.2 million. There was also a decrease in federal grants of $.4 million.

Except as noted earlier, expenses remained relatively constant this year as compared to last year.

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

As the School Board completed this year, our governmental funds reported a combined fund balance of $14.4 million.

Other significant changes in revenues and expenditures, which affected fund balances, were:

The general fund is our principal operating fund. The fund balance in the general fund increased by $.3 million, with the following events occurring in addition to the $1 million increase in state equalization funding and the decrease in federal grants of $1.7 million:

- an increase in investment income of $.2 million due to higher interest rates;
- an increase of $.2 million in ad valorem tax revenue;
- a decrease of $.5 million in textbook expenses due to new textbook adoptions;
- a decrease of $.4 million in instructional materials and supplies due to drop in number of students;
- an increase of $.5 million in employee benefits due primarily to increased health insurance costs and increased retirement costs;
- an increase of $.6 million in mandated pay raises.

There were significant changes in special revenue funds:

- an increase of $1 million in ad valorem revenue due to increased property taxes, $.8 increase in federal grants, and $.4 decrease in state grants.

The capital projects funds had one significant change:

- substantial completion of Ward 8 (Hicks) renovations.

General Fund Budgetary Highlights As mentioned earlier, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplemental Information.)

There were significant revisions made to the 2006-2007 general fund original budgets. Budgeted amount available for appropriations increased $.6 million primarily due to the following:

- Ad valorem appropriations were higher than expected of $.2 million;
- An increase in interest earning of $.2 million;
- An increase in other state revenue of $.5 million;
- Because of the increases in appropriations the ending fund balance was increased $1.6 million.

Budgeted changes to appropriations decreased by $1.0 million due to the following:

- A decrease in regular instruction of $3 million;
- An increase in student transportation of $.3 million;
- An increase in general administration of $.2 million;
- An increase in central services of $.3 million;
- An increase in food service of $.7 million;
- An additional increase in Plant services of $.2 million;
- A decrease in transfers of $.4 million.

There were no significant differences between final budget to actual data.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2007, the School Board had $37,243,800 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of just over $1.1 million or 3.1 percent, from last year.

Capital Assets at Year-end

	Governmental Activities	
	2007	2006
Land	$ 1,354,547	$ 1,335,047
Construction in progress	1,572,576	2,805,841
Buildings	32,159,819	30,293,593
Furniture and equipment	2,156,858	1,697,564
Totals	$37,243,800	$36,132,045

This year's additions of $2,776,226 included vehicles of $74,433, building improvements of $3,147,929 (transfer from construction in progress), Pickering and Ward 1 and Ward 8 schools construction in progress of $1,895,501, and other equipment of $767,629, such as computers and technology equipment.

We present more detailed information about our capital assets in Note 6 of the notes to the financial statements.

DEBT ADMINISTRATION At June 30, 2007, the School Board had $20,570,682 in general obligation bonds outstanding with maturities from 2008 to 2037 with interest rates ranging from 1.00 to 7.75 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2007, the School Board's net bonded debt of $18,632,847 (total bonded debt of $20,570,682 less assets in debt service funds of $1,937,835) was well below the legal limit of $51,089,980. For more detailed information, please refer to the Notes to the Basic Financial Statement (Note 11).

	Amount	Debt per Capita
June 30, 2007 Net direct general obligation bonded debt	$18,632,847	399

The School Board maintained a Baa bond rating from Moody's Investors Service.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the School Board's 2007-2008 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2007-2008 budget was adopted in September 2007, based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the state. Approximately 54.8% of total revenues are from the MFP. Our Impact Aid federal funding is also tied to the number of federally connected students. Impact Aid fluctuates between $6 to $7 million per year. The October 1, 2007, student count was about the same as the 2006-2007 budget projection amount but due to a change in the formula for state equalization a general 2% increase was budgeted.

We have projected an increase of $690,000 for the 2007-2008 fiscal year with no major uncertainties anticipated for the future.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Tim Ward, Director of Finance, at Vernon Parish School Board, 201 Belview Road, Leesville, Louisiana 71446, telephone number (337) 239-3401.

BASIC FINANCIAL STATEMENTS:

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

VERNON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2007

Statement A

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	$ 1,925,494
Investments	13,621,005
Receivables (net)	5,280,354
Inventory	90,237
Capital assets:	
Land and construction in progress	2,927,123
Depreciable capital assets	34,316,677
TOTAL ASSETS	58,160,890
LIABILITIES	
Accounts, salaries and other payables	6,458,101
Unearned revenue	27,377
Interest payable	379,126
Long-term liabilities	
Due within one year	2,160,950
Due in more than one year	20,022,286
TOTAL LIABILITIES	29,047,840
NET ASSETS	
Invested in capital assets, net of related debt	16,616,551
Restricted for:	
Federal and state funds	163,198
School food service	149,650
Maintenance funds	1,950,978
Debt service	1,937,835
Capital projects	26,091
Workers' Compensation	615,437
Unrestricted	7,653,310
TOTAL NET ASSETS	$ 29,113,050

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

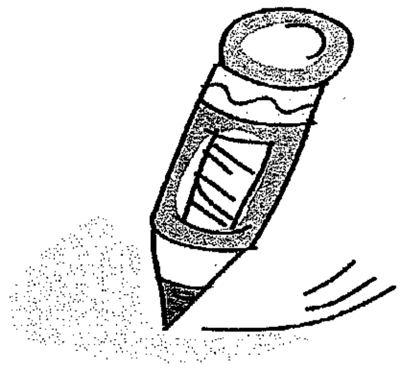
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2007

Statement B

		PROGRAM REVENUES		NET (EXPENSE)
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	REVENUE AND CHANGES IN NET ASSETS
FUNCTIONS/PROGRAMS				
Governmental activities:				
Instruction:				
Regular programs	$ 29,401,351		$ 2,886,028	$ (26,515,323)
Special programs	15,750,032		3,091,608	(12,658,424)
Other instructional programs	3,665,528		3,177,884	(487,644)
Support services:				
Student services	3,250,503		336,251	(2,914,252)
Instructional staff support	2,853,256		623,280	(2,229,976)
General administration	1,729,061		11,576	(1,717,485)
School administration	4,516,103		70,434	(4,445,669)
Business services	551,095		19,815	(531,280)
Plant services	7,189,088		93,247	(7,095,841)
Student transportation services	6,129,112		27,048	(6,102,064)
Central services	775,894			(775,894)
Food services	5,582,776	$ 824,623	2,424,701	(2,333,452)
Community service programs	55,531			(55,531)
Interest on long-term debt	975,949			(975,949)
Total Governmental Activities	82,425,279	824,623	12,761,872	(68,838,784)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				2,898,498
Property taxes, levied for debt services				3,083,579
Sales taxes				9,767,480
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				46,656,010
Federal Forest Lands				279,436
State revenue sharing				278,217
Interest and investment earnings				852,136
Impact Aid, Department of Defense, ROTC				6,752,611
Miscellaneous				1,004,926
Total general revenues				71,572,893
Changes in net assets				2,734,109
Net assets - beginning, as originally stated				27,496,877
Prior Period Adjustment				(1,117,936)
Net assets - beginning, as restated				26,378,941
Net assets - ending				$ 29,113,050

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Vernon Parish School Board



BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2007

Statement C

	GENERAL	OTHER GOVERNMENTAL	TOTAL
ASSETS			
Cash and cash equivalents	$ 1,152,004	$ 773,490	$ 1,925,494
Investments	9,745,050	3,875,955	13,621,005
Receivables	2,322,850	2,957,504	5,280,354
Interfund receivables	1,885,200	66,518	1,951,718
Inventory	0	90,237	90,237
TOTAL ASSETS	15,105,104	7,763,704	22,868,808
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	4,835,304	1,622,797	6,458,101
Interfund payables	65,940	1,885,778	1,951,718
Unearned revenue	0	27,377	27,377
Total Liabilities	4,901,244	3,535,952	8,437,196
Fund Balances:			
Reserved for:			
Debt Service	0	1,937,835	1,937,835
Workers' Compensation	615,437	0	615,437
Protested taxes	54,660	0	54,660
Unreserved, reported in:			
General Fund	9,533,763	0	9,533,763
Special Revenue Funds	0	2,263,826	2,263,826
Capital Projects Fund	0	26,091	26,091
Total Fund Balances	10,203,860	4,227,752	14,431,612
TOTAL LIABILITIES AND FUND BALANCES	$ 15,105,104	$ 7,763,704	$ 22,868,808

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2007

Statement D

Total fund balances - governmental funds		$ 14,431,612
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.		
Costs of capital assets	$ 69,240,051	
Depreciation expense to date	(31,996,251)	
		37,243,800
Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.		
Balances at June 30, 2007 are:		
Long-term liabilities		
Bonds payable	(20,570,682)	
Compensated absences payable	(1,007,591)	
Interest payable	(379,126)	
Workers' compensation payable	(548,396)	
Lease payable	(56,567)	
		(22,562,362)
Net Assets		$ 29,113,050

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

Statement E

	GENERAL	OTHER GOVERNMENTAL	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 1,353,171	$ 4,628,906	$ 5,982,077
Sales and use	9,767,480	0	9,767,480
Interest earnings	704,825	147,311	852,136
Food services	0	824,623	824,623
Other	618,666	401,025	1,019,691
State sources:			
Equalization	46,196,909	459,101	46,656,010
Other	589,237	1,644,174	2,233,411
Federal sources	7,107,880	10,730,848	17,838,728
Total Revenues	66,338,168	18,835,988	85,174,156
EXPENDITURES			
Current:			
Instruction:			
Regular programs	26,204,731	2,239,670	28,444,401
Special programs	10,481,172	5,235,360	15,716,532
Other instructional programs	3,013,574	524,014	3,537,588
Support services:			
Student services	2,908,119	342,384	3,250,503
Instructional staff support	2,229,089	623,428	2,852,517
General administration	1,201,088	572,544	1,773,632
School administration	4,348,636	92,660	4,441,296
Business services	503,037	46,824	549,861
Plant services	6,064,035	1,129,168	7,193,203
Student transportation services	5,971,641	116,806	6,088,447
Central services	758,205	17,689	775,894
Food services	989,679	4,818,691	5,808,370
Community service programs	20,208	35,323	55,531
Capital outlay	156,353	2,619,873	2,776,226
Debt service:			
Principal retirement	11,393	1,228,095	1,239,488
Interest and bank charges	6,005	931,038	937,043
Total Expenditures	64,866,965	20,573,567	85,440,532
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	$ 1,471,203	$ (1,737,579)	$ (266,376)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes In Fund Balances
For the Year Ended June 30, 2007

Statement E

	GENERAL	OTHER GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 230,000	$ 1,466,500	$ 1,696,500
Transfers out	(1,451,000)	(245,500)	(1,696,500)
Proceeds from capital lease	67,960	0	67,960
Proceeds from bond issuance	0	1,447,713	1,447,713
Total Other Financing Sources (Uses)	(1,153,040)	2,668,713	1,515,673
Net Change in Fund Balances	318,163	931,134	1,249,297
FUND BALANCES - BEGINNING	9,885,697	3,296,618	13,182,315
FUND BALANCES - ENDING	$ 10,203,860	$ 4,227,752	$ 14,431,612

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2007

Statement F

Total net change in fund balances - governmental funds		$	1,249,297
Amounts reported for governmental activities in the Statement of Activities are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:			
Depreciation expense	($1,664,471)		
Capital outlays	2,776,226		1,111,755
Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.			1,296,286
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used ($562,649) exceeded the amounts earned ($534,276) by $28,373.			28,373
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds			
Decrease of incurred but not reported workers' compensation claims			616,078
Bond and capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.			
Proceeds for bonds			(1,447,713)
Proceeds for capital lease			(67,960)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.			(52,007)
Change in net assets of governmental activities.		$	2,734,109

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2007

Statement G

	AGENCY FUNDS
ASSETS	
Cash and cash equivalents	$ 1,074,474
Investments	215,791
Accounts receivable	2,501,848
TOTAL ASSETS	3,792,113
LIABILITIES	
Deposits due others	3,792,113
TOTAL LIABILITIES	$ 3,792,113

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Vernon Parish School Board
Notes to the Basic Financial Statements

INDEX

Vernon Parish School Board
Notes to the Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Vernon Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The Vernon Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Vernon Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of thirteen members who are elected from seven districts for terms of four years.

The School Board operates twenty schools within the parish with a total enrollment of 9,107 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units* as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary.

Governmental Funds Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The School Board reports the following major governmental funds:

General fund - the primary operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Fiduciary Funds Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activities fund – accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Scholarship fund – accounts for voluntary employee contributions and is used to provide an annual scholarship for a graduate from the parish schools.

Sales tax fund – accounts for monies collected on behalf of other taxing authorities within the parish.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales Taxes are recognized when underlying exchange transaction occurs and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

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

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

Fiduciary Funds The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Under state law, the School Board may invest in United States bonds treasury notes or certificates. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in certificates of deposits are stated at amortized cost. Investments in U. S. Treasury securities are stated at amortized cost. Investments in the Louisiana Asset Management Pool (LAMP) are valued at fair value.

The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: Lamp is rated AAAm by Standard & Poor's

- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

- Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.

- Foreign currency risk: Not applicable to 2a7-like pools.

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

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided and used are not eliminated in the process of consolidation.

H. INVENTORY Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as unearned revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is $2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful live is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	10 - 40 years
Furniture and equipment	3 - 10 years

J. UNEARNED REVENUES The School Board reports unearned revenues on its Statement of Net Assets and fund balance sheet. Unearned revenues arise 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 occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

K. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Employees cannot accumulate more than 13 days of vacation leave. Upon retirement, unused vacation leave of up to 13 days is paid to employees.

All School Board employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service.

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

The School Board's recognition and measurement criteria for compensated absences follow:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

A. The employees' right to receive compensation is attributable to services already rendered.

B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave which includes salary-related payments.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset 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. All restricted net assets reported in the statement of net assets is restricted by enabling legislation. See additional information in Note 13.

N. FUND BALANCES OF FUND FINANCIAL STATEMENTS Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

O. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

P. SALES TAXES The Vernon Parish School Board has the following two sales tax ordinances:

The School Board collects a one cent parish-wide sales and use tax as authorized in a special election held January 12, 1991. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System" and for benefits of the retirees of the Vernon Parish School System.

The School Board collects a one cent parish-wide sales and use tax authorized in a special election held March 31, 1973. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System."

Q. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 2006-2007 general fund original budget. Budgeted revenues were increased $.6 million. Budgeted expenditures were also decreased $1.0 million

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. 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 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 plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

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

NOTE 2 - STEDWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations in Individual Funds The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2007:

Fund	Budget	Actual	Unfavorable Variance
General Fund	$66,191,140	$66,317,965	$(126,825)
Ward 2 Orange maintenance	55,950	56,039	(89)
LA 4 State	1,122,050	1,123,050	(1,000)
School Food Service	4,889,710	4,917,729	(28,019)
Title III	23,109	24,037	(928)
Education Excellence	0	302	(302)

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision. However, all of the above variances are insignificant.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Vernon Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Vernon Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Vernon Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

	Property Tax Calendar
Assessment date	January 01, 2006
Levy date	January 01, 2006
Tax bills mailed	October 26, 2006
Due date	December 31, 2006
Collection Date	December 2006-February 2007
Lien date	May 09, 2007
Tax sale – 2006	May 09, 2007

Vernon Parish School Board
Notes to the Basic Financial Statements

Assessed values are established by the Vernon Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% industrial improvements
15% machinery	15% commercial improvements
10% residential improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2005. Total assessed value was $145,971,370 in calendar year 2006. Louisiana state law exempts the first $7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was $39,393,293 of the assessed value in calendar year 2006.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue funds and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected with 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 because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2006 property taxes to be collected occurs in December and January and February of the next year.

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

The following is a summary of authorized and levied (tax rate per $1,000 Assessed Value) ad valorem taxes:

	Date of Voter Approval	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:				
Constitutional and Operations	Statutory	3.70	3.70	Statutory
Maintenance and Operations	April 29, 1995	7.17	7.17	2015
District Taxes:				
Ward				
1	April 29, 1995	13.03	13.03	2015
2 Hornbeck	April 29, 1995	23.32	23.32	2015
2 Orange	April 29, 1995	13.24	13.24	2015
3	January 18, 1997	13.14	13.14	2016
4 Pickering	March 26, 1994	13.98	13.98	2013
5	March 26, 1994	14.53	14.53	2013
6	March 26, 1994	12.59	12.59	2013
7	April 20, 1996	13.00	13.00	2016
8	March 26, 1994	13.48	13.48	2013
District Sinking Fund Taxes:				
1		Variable	11.37	2013
2 Hornbeck		Variable	61.71	2013
2 Orange		Variable	34.71	2008
3		Variable	8.88	2022
4 Pickering		Variable	42.48	2015
5		Variable	25.61	2012
6		Variable	45.43	2024
7		Variable	49.70	2015
8		Variable	77.67	2008

NOTE 4 - DEPOSITS AND INVESTMENTS Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2007, the School Board had the following investments:

Investment type	Maturities	Fair Value
U.S. Treasury obligations	Less than 1 year	$ 615,437
Louisiana Asset Management Pool (LAMP)	Less than 1 year	5,872,612
Certificates of Deposit	Less than 1 year	7,132,956
Total		$ 13,621,005

Interest Rate Risk: The School Boards' policy does not address interest rate risk.

Credit Risk: The School Board invests in certificates of deposit and U.S. Treasury obligations which do not have credit ratings. The School Board's investment in LAMP was rated AAAM by Standard & Poor's. The School Board's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits this is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it. As of June 30, 2007 the School Board's bank balance of $16,496,644 including $7,132,956 which is in certificates of deposit, classified as investments) of which $16,096,548 was exposed to custodial credit risk because it was uninsured and collateralized with security held by pledging financial institutions trust department or agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statue 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon request.

NOTE 5 – RECEIVABLES The receivables at June 30, 2007, are as follows:

Class of Receivables	General	Other Governmental	Total
Taxes:			
Sales Tax	$ 1,012,974	$ 15,163	$ 1,028,137
Intergovernmental - grants:			
Federal	581,750	2,531,700	3,113,450
State	50	410,641	410,691
Other	728,076	-	728,076
Total	$ 2,322,850	$ 2,957,504	$ 5,280,354

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2007 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital asset not being depreciated				
Land	$ 1,335,047	$ 19,500	$ -	$ 1,354,547
Construction in progress	2,805,841	1,895,501	3,128,766	1,572,576
Total capital assets not being depreciated	4,140,888	1,915,001	3,128,766	2,927,123
Capital assets being depreciated				
Buildings	54,028,222	3,147,929	-	57,176,151
Furniture and equipment	8,518,035	842,062	223,320	9,136,777
Total capital assets being depreciated	62,546,257	3,989,991	223,320	66,312,928
Less accumulated depreciation				
Buildings	23,734,629	1,281,703		25,016,332
Furniture and equipment	6,820,471	382,768	223,320	6,979,919
Total accumulated depreciation	30,555,100	1,664,471	223,320	31,996,251
Total capital assets being depreciated, net	31,991,157	2,325,520	-	34,316,677
Governmental activities				
Capital assets, net	$ 36,132,045	$ 4,240,521	$ 3,128,766	$ 37,243,800

Depreciation expense was charged to governmental activities as follows:

Regular programs	$ 1,083,895
Special programs	33,500
Other instructional programs	127,940
Instructional staff support	739
General administration	13,894
School administration	74,807
Business services	1,234
Plant services	32,850
Student transportation services	40,665
Food services	254,947
Total depreciation expense	$ 1,664,471

NOTE 7 - RETIREMENT SYSTEMS

Plan Description As required by state statute, substantially all School Board employees participate in either the Teachers' Retirement System of Louisiana or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature. Participation in the Teachers' Retirement System of Louisiana is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRSL); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System of Louisiana Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus $300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System of Louisiana Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus $24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of $2.00 per month times the years of service.

Both TRSL and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System of Louisiana, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2007, are as follows:

	Employee	Employer
Teachers' Retirement System of Louisiana:		
Regular	8.00%	15.80%
Plan A	9.10%	15.80%
Louisiana School Employees' Retirement System	7.50%	19.60%

Total covered payroll of the School Board for TRSL - Regular Plan, TRSL - Plan A, and LSERS for the year ended June 30, 2007, amounted to $40,563,351, $113,305 and $4,495,198 respectively. Employer annual actuarially required contributions for the year ended June 30, 2007 and each of the two preceding years are as follows:

Fiscal Year Ended	TRSL	LSERS
June 30, 2005	$6,132,137	$688,621
June 30, 2006	6,531,997	835,161
June 30, 2007	6,426,900	881,045

The above annual required contributions were made.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was $3,231,957 for 456 retirees.

NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2007, are as follows:

	General	Other Govermental	Total
Salaries	$ 4,473,248	$ 968,037	$ 5,441,285
Accounts	302,900	654,760	957,660
Claims	59,156	-	59,156
Total	$ 4,835,304	$ 1,622,797	$ 6,458,101

NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposit due others follows:

	Balance at Beginning of year	Additions	Deletions	Balance at Ending of year
School activities agency	$ 1,141,599	$ 2,992,584	$ 2,845,837	$ 1,288,346
Scholarship	2,905	1,338	2,324	1,919
Sales tax agency	2,525,862	23,719,138	23,743,152	2,501,848
Total	$ 3,670,366	$26,713,060	$26,591,313	$ 3,792,113

The beginning balance for the sales tax agency fund was restated to report the agency fund on the full accrual basis of accounting.

Vernon Parish School Board
Notes to the Basic Financial Statements

NOTE 11- LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2007:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
Bonds payable:					
General Obligation debt	$ 20,407,862	$ 1,447,713	$ 1,284,893	$ 20,570,682	$ 1,290,121
Other liabilities:					
Worker's Compensation	1,164,474	226,704	842,782	548,396	295,780
Capital Leases	0	67,960	11,393	56,567	12,400
Compensated absences	1,035,964	534,276	562,649	1,007,591	562,649
Governmental activities					
Long-term liabilities	$ 22,608,300	$ 2,276,653	$ 2,701,717	$ 22,183,236	$ 2,160,950

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 88% was paid by the general fund, 2 % by Title I fund, 5% by the school food service fund and the remaining 5 % by other governmental funds. The payments on the capital lease and worker's compensation claims payable are made by the general fund.

	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
WARD I					
October 01, 2002	$ 5,500,000	4.375 - 5.000	2022	$ 1,802,565	$ 4,610,000
WARD II - ORANGE					
July 01, 2004	560,000	1.00-4.00	2008	6,000	150,000
WARD II - HORNBECK					
December 01, 1997	532,000	1.00 - 7.75	2011	37,973	215,000
June 01, 2001	600,000	4.70 - 5.25	2021	212,383	490,000
WARD III					
April 30, 1982	1,438,000	5.00	2022	401,250	900,000
WARD IV					
December 01, 1997	1,230,000	4.10 - 5.00	2010	26,250	300,000
March 01, 2005	3,200,000		2025	1,551,135	3,075,000
WARD V					
December 01, 1997	616,000	1.00 - 7.75	2009	11,701	114,000
August 01, 2003	3,800,000	3.85 - 5.50	2023	1,484,616	3,325,000
WARD VI					
November 16, 1993	1,500,000	5.126	2024	585,241	1,032,763
April 25, 2002	450,000	5.00	2031	322,657	421,206
WARD VII					
July 01, 2004	775,000	3.85	2015	105,683	560,000
September 01, 2003	4,400,000	5.00	2023	1,564,710	3,830,000
WARD VIII					
July 01, 2004	380,000	1.00-4.00	2008	4,000	100,000
July 18, 2006	1,570,000	4.50	2037	1,332,346	1,447,713
Total general obligation bonds				$ 9,448,510	$ 20,570,682

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At year end, the School Board has accumulated $1,937,835 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Bonds Principal Payments	Interest Payments	Total
2008	$ 1,290,121	$ 947,980	$ 2,238,101
2009	1,087,079	884,029	1,971,108
2010	1,016,052	830,411	1,846,463
2011	967,220	781,217	1,748,437
2012	998,593	735,754	1,734,347
2013-2017	5,666,474	3,001,436	8,667,910
2018-2022	6,912,994	1,666,429	8,579,423
2023-2027	1,848,389	381,747	2,230,136
2028-2032	473,738	169,625	643,363
2033 and thereafter	310,022	49,882	359,904
Total	$20,570,682	$9,448,510	$ 30,019,192

In accordance with Louisiana Revised Statue 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At year end, the statutory limit is $51,089,980 and outstanding net bonded debt totals $18,632,847.

The School Board records items under capital leases as an asset and an obligation on the accompanying financial statements. The following is an analysis of capital leases:

Type:
Band Equipment

During the year ended June 30, 2007, the School Board purchased various band equipment under a capital lease. The band equipment totaled $67,960; however only $39,326 was for equipment over the capitalization threshold of $2,000. The depreciation expense for the June 30, 2007 was $1,966, which was also the total accumulated depreciation as of June 30, 2007.

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2007.

Fiscal year:	Band Equipment
2008	$17,398
2009	17,398
2010	17,398
2011	17,399
Less amounts representing executory costs	0
Net minimum lease payments	69,593
Less amounts representing interest	13,026
Present value of net minimum lease payments	$56,567

NOTE 12 - INTERFUND ASSETS / LIABILITIES (FFS LEVEL ONLY)

Receivable Fund	Amount	Payable Fund	Amount
General	$ 1,885,200	Other Governmental	$ 1,885,200
Other Governmental	65,940	General	65,940
Other Governmental	578	Other Governmental	578
Total	$ 1,951,718		$ 1,951,718

The purpose of $1,951,718 of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement requisitions are deposited.

NOTE 13 - RESTRICTED NET ASSETS FOR WORKERS' COMPENSATION The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's $615,437 U.S. Government Security. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit. The following is a summary of transactions relating to the restricted net assets for the year ended June 30, 2007:

Balance, beginning	$ 590,904
Additions	24,533
Deletions	-
Balance, ending	$ 615,437

NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

Fund	Transfer In	Transfers Out
General	$ 230,000	$ 1,451,000
Other Governmental	1,466,500	245,500
Totals	$ 1,696,500	$ 1,696,500

The purpose of interfund transfers was due mainly to the school food service as a result of the food service's expenditures exceeding the current-year revenues.

NOTE 15 - ENCUMBRANCES (FFS LEVEL ONLY) Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2007, the School Board had entered into purchase orders and commitments as follows:

Fund	General	Other Governmental	Total
Totals	$ 1,094,512	$ 217,708	$ 1,312,220

NOTE 16 - RISK MANAGEMENT The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago.

Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2007 such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of $250,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The liability does not include incremental costs, if any.

Changes in the claims amount in previous fiscal years were as follows:

Years Ended June 30	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payment and Claims	Ending of Fiscal Year Liability
2005	$ 35,309	$ 622,915	$ 554,328	$ 103,896
2006	103,896	1,495,709	435,131	1,164,474
2007	1,164,474	226,704	842,782	548,396

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 17 - LITIGATION AND CLAIMS

Litigation At June 30, 2007, the School Board is involved in various litigations. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

Self-Insurance The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of $250,000 per occurrence for each employee.

Construction Projects There is a major construction project in progress at June 30, 2007. The project includes improving building site and playground, construction of sidewalks, and erecting and/or improving school building at Hicks High School. This project is funded by bond proceeds and general fund. The outstanding construction commitment was approximately $122,424 as of June 30, 2007.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Protested Taxes Throughout the year, the School Board receives sales taxes that are paid in protest. The School Board reserved all protested taxes until the issue is resolved.

NOTE 18 - 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 (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of $17,889. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 19 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. Approximately one-half of the student population consists of students from military families at Fort Polk. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided $46,656,010 to the School Board, which represents approximately 54% of the School Board's total revenues for the year. Potentially up to approximately one-half of this Minimum Foundation funding is attributable to the students of military personnel. Additionally, the federal government provided $6,752,611 in direct funding (Impact Aid) to the School Board.

NOTE 20 - CHANGES IN PRESENTATION For the fiscal year end June 30, 2006, the General fund and Emergency Aid for Displaced Students were major funds. The General fund is the major fund for the year ended June 30, 2007.

NOTE 21 – PRIOR PERIOD ADJUSTMENT Worker's compensation claims incurred but not reported in the amount of $1,117,936 were erroneously omitted from the prior year balance sheet. Long term liabilities were understated and net assets overstated at June 30, 2006 by the $1,117,936 in the government wide statement of net assets. The expenses were understated and the changes in net assets were overstated by $1,117,936 in the government wide statement of activities.

REQUIRED SUPPLEMENTAL INFORMATION

Vernon Parish School Board

Budgetary Comparison Schedule

General Fund With a Legally Adopted Annual Budget

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

VERNON PARISH SCHOOL BOARD

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2007

Exhibit 1

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS (Budgetary Basis)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	$ 9,338,977	$ 9,885,697	$ 9,885,697	$ 0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	1,029,836	1,226,000	1,353,171	127,171
Sales and use	9,730,746	9,767,980	9,767,480	(500)
Interest earnings	493,739	683,737	704,825	21,088
Other	145,973	601,898	618,666	16,768
State sources:				
Equalization	46,350,221	46,196,909	46,196,909	0
Other	335,030	597,587	589,237	(8,350)
Federal sources	7,693,012	7,100,339	7,107,880	7,541
Transfers from other funds	550,000	224,337	230,000	5,663
Proceeds from capital leases	0	502	67,960	67,458
Amounts available for appropriations	75,667,534	76,284,986	76,521,825	236,839
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	29,215,121	26,172,844	26,204,731	(31,887)
Special programs	10,021,726	10,331,009	10,481,172	(150,163)
Other instructional programs	3,097,425	3,014,555	3,013,574	981
Support services:				
Student services	2,912,568	2,850,362	2,908,119	(57,757)
Instructional staff support	2,127,681	2,221,097	2,229,089	(7,992)
General administration	1,054,412	1,315,306	1,201,088	114,218
School administration	3,969,509	4,293,418	4,348,636	(55,218)
Business services	471,756	500,176	503,037	(2,861)
Plant services	6,230,911	6,422,097	6,064,035	358,062
Student transportation services	5,473,094	5,802,374	5,971,641	(169,267)
Central services	457,201	742,086	758,205	(16,119)
Food services	330,771	988,772	989,679	(907)
Community service programs	54,717	57,057	20,208	36,849
Capital Outlay	0	40,301	156,353	(116,052)
Debt Service:				
Principal retirement	0	0	11,393	(11,393)
Interest and bank charges	0	0	6,005	(6,005)
Transfers to other funds	1,795,230	1,439,686	1,451,000	(11,314)
Total charges to appropriations	67,212,122	66,191,140	66,317,965	(126,825)
BUDGETARY FUND BALANCES, ENDING	$ 8,455,412	$ 10,093,846	$ 10,203,860	$ 110,014

Vernon Parish School Board
Notes to Budgetary Comparison Schedule

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 2006-2007 general fund original budget. Budgeted revenues were increased $.6 million. Budgeted expenditures were decreased $1 million.

The general fund budget is prepared on the modified accrual basis of accounting. 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 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 plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

VERNON PARISH SCHOOL BOARD

Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2007

Note B - Budget to GAAP Reconciliation
Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

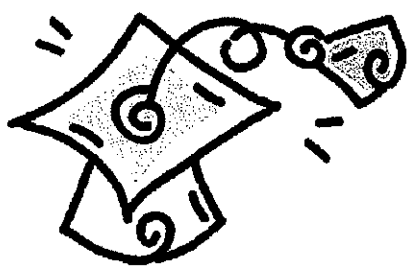
	GENERAL FUND
Sources/inflows of resources:	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	$ 76,521,825
Transfer from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(230,000)
Proceeds from capital lease shown as other financing source for financial reporting purposes	(67,960)
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(9,885,697)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	66,338,168
Uses/outflows of resources:	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	66,317,965
Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(1,451,000)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 64,866,965

SUPPLEMENTAL INFORMATION

COMBINING
NONMAJOR GOVERNMENTAL FUNDS

AGENCY FUNDS

Vernon Parish School Board



VERNON PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2007

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
ASSETS				
Cash and cash equivalents	$ 705,317	$ 42,082	$ 26,091	$ 773,490
Investments	1,980,202	1,895,753	0	3,875,955
Receivables	2,957,504	0	0	2,957,504
Interfund receivables	66,518	0	0	66,518
Inventory	90,237	0	0	90,237
TOTAL ASSETS	5,799,778	1,937,835	26,091	7,763,704
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	1,622,797	0	0	1,622,797
Interfund payables	1,885,778	0	0	1,885,778
Unearned revenue	27,377	0	0	27,377
Total Liabilities	3,535,952	0	0	3,535,952
Fund Balances:				
Reserved for debt service	0	1,937,835	0	1,937,835
Unreserved, reported in				
Special revenue	2,263,826	0	0	2,263,826
Capital projects	0	0	26,091	26,091
Total Fund Balances	2,263,826	1,937,835	26,091	4,227,752
TOTAL LIABILITIES AND FUND BALANCES	$ 5,799,778	$ 1,937,835	$ 26,091	$ 7,763,704

VERNON PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2007

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	$ 1,545,327	$ 3,083,579	$ 0	$ 4,628,906
Interest earnings	83,346	60,991	2,974	147,311
Food services	824,623	0	0	824,623
Other	399,485	0	1,540	401,025
State sources:				
Equalization	459,101	0	0	459,101
Other	1,644,174	0	0	1,644,174
Federal sources	10,730,848	0	0	10,730,848
Total Revenues	15,686,904	3,144,570	4,514	18,835,988
EXPENDITURES				
Current:				
Instruction:				
Regular programs	2,239,670	0	0	2,239,670
Special programs	5,235,360	0	0	5,235,360
Other instructional programs	524,014	0	0	524,014
Support services:				
Student services	342,384	0	0	342,384
Instructional staff support	623,428	0	0	623,428
General administration	477,103	95,441	0	572,544
School administration	92,660	0	0	92,660
Business services	46,474	350	0	46,824
Plant services	1,038,410	0	90,758	1,129,168
Student transportation services	116,806	0	0	116,806
Central services	17,689	0	0	17,689
Food services	4,818,691	0	0	4,818,691
Community service programs	35,323	0	0	35,323
Capital outlay	570,787	0	2,049,086	2,619,873
Debt service:				
Principal retirement	0	1,228,095	0	1,228,095
Interest and bank charges	0	931,038	0	931,038
Total Expenditures	16,178,799	2,254,924	2,139,844	20,573,567
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	$ (491,895)	$ 889,646	$ (2,135,330)	$ (1,737,579)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances- By Fund Type
For the Year Ended June 30, 2007

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 1,341,500	$ 0	$ 125,000	$ 1,466,500
Transfers out	(245,500)	0	0	(245,500)
Bond proceeds	0	0	1,447,713	1,447,713
Total Other Financing Sources (Uses)	1,096,000	0	1,572,713	2,668,713
Net Change in Fund Balances	604,105	889,646	(562,617)	931,134
FUND BALANCES - BEGINNING	1,659,721	1,048,189	588,708	3,296,618
FUND BALANCES - ENDING	$ 2,263,826	$ 1,937,835	$ 26,091	$ 4,227,752

(CONCLUDED)

Vernon Parish School Board

Nonmajor Special Revenue Funds

MAINTENANCE FUNDS
Ward 1
Ward 2 - Orange
Ward 2 - Hornbeck
Ward 3
Ward 4
Ward 5
Ward 6
Ward 7
Ward 8

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district.

OTHER SPECIAL FUNDS This fund represents various small state and federally funded programs for advancement of education in Vernon Parish.

8G STATE FUNDS The 8G State Fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

DRUG FREE SCHOOLS To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

INDIAN EDUCATION GRANT To address the unique education and culturally related academic needs of Indian students.

ADULT EDUCATION To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

VOCATIONAL EDUCATION

BASIC GRANTS TO STATES To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

TECH-PREP EDUCATION To distribute funds to states to enable them to provide planning and demonstration grants to consortia of local educational agencies and post-secondary educational agencies, for the development and operation of four-year programs designed to provide a tech-prep education program leading to a two-year associate

(continued)

degree or a two-year certificate and to provide, in a systematic manner, strong, comprehensive links between secondary schools and post-secondary educational institutions.

SPECIAL EDUCATION To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

LA 4 STATE AND FEDERAL To increase the availability of early childhood development programs.

SCHOOL FOOD SERVICE To assist through grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

FOOD PROCESSING CENTERS The food processing centers receive revenues from sales and services for the purpose of operating the food processing centers.

TITLE I To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

TITLE VI To assist state and local educational agencies to improve elementary and secondary education. Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promising education reform projects; promoting higher order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

TITLE II To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.

TITLE III To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

SALES TAX Vernon Parish School Board is the centralized sales tax collection agency for all taxing authorities in Vernon Parish. As a result, Vernon Parish School Board receives a fee of 1.5 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department.

HEAD START To provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children, including Indian children on federally-recognized reservations, and children of migratory workers and their families; and to involve parents in activities with their children so that the children will attain overall social competence.

PRESCHOOL To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

EDUCATION EXCELLENCE To enhance instructional programs approved by the legislature for students of pre-kindergarten through twelfth grade with proceeds received from tobacco settlement monies.

(Concluded)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2007

	WARD 1	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
ASSETS				
Cash and cash equivalents	$ 12,763	$ 6,705	$ 10,135	$ 1,704
Investments	439,235	51,120	33,736	198,187
Receivables	0	0	0	0
Interfund receivables	578	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	452,576	57,825	43,871	199,891
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	42,036	7,820	2,197	7,907
Interfund payables	177	682	822	2,200
Unearned revenue	0	0	0	0
Total Liabilities	42,212	8,502	3,019	10,107
Fund Balances:				
Unreserved - undesignated	410,364	49,323	40,852	189,784
Total Fund Balances	410,364	49,323	40,852	189,784
TOTAL LIABILITIES AND FUND BALANCES	$ 452,576	$ 57,825	$ 43,871	$ 199,891

Exhibit 4

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
$ 2,567	$ 3,088	$ 3,898	$ 11,478	$ 14,131
100,294	987,291	12,444	156,601	799
0	0	0	0	0
3,400	0	0	0	10,000
0	0	0	0	0
106,261	990,379	16,342	168,079	24,930
7,200	2,711	170	10,379	20,818
1,263	1,826	920	0	49
0	0	0	0	0
8,463	4,537	1,090	10,379	20,867
97,798	985,842	15,252	157,700	4,063
97,798	985,842	15,252	157,700	4,063
$ 106,261	$ 990,379	$ 16,342	$ 168,079	$ 24,930

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2007

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS	INDIAN EDUCATION GRANT
ASSETS				
Cash and cash equivalents	$ 15,835	$ 0	$ 0	$ 0
Investments	0	0	0	0
Receivables	167,758	70,258	22,723	21,073
Interfund receivables	8,620	1,586	39	351
Inventory	0	0	0	0
TOTAL ASSETS	192,213	71,844	22,762	21,424
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	43,069	32,265	5,734	12,530
Interfund payables	97,714	39,579	17,028	8,894
Unearned revenue	0	0	0	0
Total Liabilities	140,783	71,844	22,762	21,424
Fund Balances:				
Unreserved - undesignated	51,430	0	0	0
Total Fund Balances	51,430	0	0	0
TOTAL LIABILITIES AND FUND BALANCES	$ 192,213	$ 71,844	$ 22,762	$ 21,424

Exhibit 4

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	LA 4 STATE AND FEDERAL	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
$ 0	$ 0	$ 0	$ 0	$ 446,928	$ 463
0	0	0	0	495	0
18,903	83,499	586,151	226,350	0	0
29,638	1,275	0	0	0	0
0	0	0	0	90,237	0
48,541	84,774	586,151	226,350	537,660	463
18,139	21,259	129,271	138,265	360,421	284
30,402	63,515	456,880	88,085	212	0
0	0	0	0	27,377	0
48,541	84,774	586,151	226,350	388,010	284
0	0	0	0	149,650	179
0	0	0	0	149,650	179
$ 48,541	$ 84,774	$ 586,151	$ 226,350	$ 537,660	$ 463

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2007

	TITLE I	TITLE VI	TITLE II	TITLE III
ASSETS				
Cash and cash equivalents	$ 0	$ 0	$ 0	$ 0
Investments	0	0	0	0
Receivables	837,155	0	180,834	4,120
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	837,155	0	180,834	4,120
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	422,634	0	74,635	1,242
Interfund payables	414,521	0	106,199	2,878
Unearned revenue	0	0	0	0
Total Liabilities	837,155	0	180,834	4,120
Fund Balances:				
Unreserved - undesignated	0	0	0	0
Total Fund Balances	0	0	0	0
TOTAL LIABILITIES AND FUND BALANCES	$ 837,155	$ 0	$ 180,834	$ 4,120

Exhibit 4

SALES TAX	HEAD START	PRESCHOOL	EDUCATION EXCELLENCE	TOTAL
$ 80,702	$ 0	$ 6,851	$ 88,069	$ 705,317
0	0	0	0	1,980,202
15,163	678,749	44,768	0	2,957,504
10,244	173	614	0	66,518
0	0	0	0	90,237
106,109	678,922	52,233	88,069	5,799,778
65	236,583	25,164	0	1,622,797
82,524	442,339	27,069	0	1,865,778
0	0	0	0	27,377
82,589	678,922	52,233	0	3,535,952
23,520	0	0	88,069	2,263,826
23,520	0	0	88,069	2,263,826
$ 106,109	$ 678,922	$ 52,233	$ 88,069	$ 5,799,778

(CONCLUDED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

	WARD I	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
REVENUES				
Local sources:				
Ad valorem taxes	$ 510,466	$ 58,210	$ 54,799	$ 107,317
Interest earnings	15,671	1,290	725	9,664
Food services	0	0	0	0
Other	200	0	0	0
State sources:				
Equalization	0	0	0	0
Other	54,857	21,270	19,092	9,416
Federal sources	0	0	0	0
Total Revenues	581,194	80,770	74,616	126,397
EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	0	0
Special programs	0	0	0	0
Other instructional programs	72,186	2,227	870	4,534
Support services:				
Student services	972	80	80	60
Instructional staff support	0	0	0	0
General administration	16,942	2,107	7,008	4,433
School administration	11,470	0	1,066	0
Business services	10,048	4,162	1,633	1,198
Plant services	320,208	38,581	22,536	105,592
Student transportation services	23,500	8,882	5,251	5,686
Central services	0	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	34,063	0	0	17,394
Total Expenditures	489,389	56,039	38,444	138,897
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	$ 91,805	$ 24,731	$ 36,172	$ (12,500)

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
$ 153,585	$ 374,987	$ 35,983	$ 218,038	$ 31,942
4,447	42,110	383	4,078	368
0	0	0	0	0
0	0	0	300	0
0	0	0	0	0
10,978	9,085	5,687	21,030	6,885
0	0	0	0	0
169,010	426,182	42,053	243,446	39,195
1,190	3,718	0	0	0
0	0	0	0	0
12,072	2,222	0	16,089	4,965
369	160	120	180	169
0	0	0	0	0
5,091	10,080	1,249	6,185	1,127
9,023	704	0	0	0
0	6,482	21	0	0
117,531	101,602	30,530	122,956	49,760
14,157	5,330	3,195	20,367	10,899
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
17,435	15,507	6,019	7,071	2,798
176,868	145,805	41,134	172,848	69,718
$ (7,858)	$ 280,377	$ 919	$ 70,598	$ (30,523)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2007

	WARD I	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 0	$ 0	$ 0	$ 0
Transfers out	0	0	0	(15,500)
Total Other Financing Sources (Uses)	0	0	0	(15,500)
Net Change in Fund Balances	91,805	24,731	36,172	(28,000)
FUND BALANCES - BEGINNING	318,559	24,592	4,680	217,784
FUND BALANCES - ENDING	$ 410,364	$ 49,323	$ 40,852	$ 189,784

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
$ 0	$ 0	$ 0	$ 0	$ 10,000
0	0	0	0	0
0	0	0	0	10,000
(7,858)	280,377	919	70,598	(20,523)
105,656	705,465	14,333	87,102	24,586
$ 97,798	$ 985,842	$ 15,252	$ 157,700	$ 4,063

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS	INDIAN EDUCATION GRANT
REVENUES				
Local sources:				
Ad valorem taxes	$ 0	$ 0	$ 0	$ 0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	1,000	0	0	0
State sources:				
Equalization	0	0	0	0
Other	441,846	204,596	0	0
Federal sources	404,352	0	60,234	31,032
Total Revenues	847,198	204,596	60,234	31,032
EXPENDITURES				
Current:				
Instruction:				
Regular programs	285,071	184,258	8,349	30,496
Special programs	214,995	20,338	0	0
Other instructional programs	105,073	0	0	0
Support services:				
Student services	30,164	0	50,298	70
Instructional staff support	0	0	0	0
General administration	1,455	0	1,181	466
School administration	2,937	0	406	0
Business services	0	0	0	0
Plant services	10,300	0	0	0
Student transportation services	0	0	0	0
Central services	9,469	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	165,664	0	0	0
Total Expenditures	825,128	204,596	60,234	31,032
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	$ 22,070	$ 0	$ 0	$ 0

Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	LA 4 STATE AND FEDERAL	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	4,610	0
0	0	0	0	824,623	0
0	0	0	11,050	0	28,523
0	0	0	0	459,101	0
38,288	0	0	722,555	0	0
70,214	274,590	1,873,828	389,445	2,424,584	0
108,502	274,590	1,873,828	1,123,050	3,712,918	28,523
0	33,430	5,442	1,007,778	0	0
0	0	1,285,913	26,242	0	0
108,502	183,293	0	0	82	0
0	1,412	258,210	0	0	0
0	44,894	220,556	0	0	0
0	0	91,008	18,964	0	713
0	169	0	66,885	0	0
0	3	11,512	0	219	0
0	2,102	1,187	1,987	25,344	8,233
0	324	0	1,077	1,373	0
0	0	0	0	0	0
0	0	0	117	4,818,574	0
0	0	0	0	87	35,236
0	8,963	0	0	72,050	0
108,502	274,590	1,873,828	1,123,050	4,917,729	44,182
$ 0	$ 0	$ 0	$ 0	$ (1,204,811)	$ (15,659)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2007

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS	INDIAN EDUCATION GRANT
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 0	$ 0	$ 0	$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	22,070	0	0	0
FUND BALANCES - BEGINNING	29,360	0	0	0
FUND BALANCES - ENDING	$ 51,430	$ 0	$ 0	$ 0

Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	LA 4 STATE AND FEDERAL	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
$ 0	$ 0	$ 0	$ 0	$ 1,316,000	$ 15,500
0	0	0	0	0	0
0	0	0	0	1,316,000	15,500
0	0	0	0	111,189	(159)
0	0	0	0	38,461	338
$ 0	$ 0	$ 0	$ 0	$ 149,650	$ 179

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

	TITLE I	TITLE VI	TITLE II	TITLE III
REVENUES				
Local sources:				
Ad valorem taxes	$ 0	$ 0	$ 0	$ 0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources	2,832,600	12,509	565,822	24,037
Total Revenues	2,832,600	12,509	565,822	24,037
EXPENDITURES				
Current:				
Instruction:				
Regular programs	26,173	0	529,070	14,640
Special programs	2,294,588	0	9,175	8,057
Other instructional programs	0	11,899	0	0
Support services:				
Student services	0	0	0	0
Instructional staff support	120,543	0	0	0
General administration	124,360	610	27,577	1,340
School administration	0	0	0	0
Business services	3,055	0	0	0
Plant services	40,058	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	223,823	0	0	0
Total Expenditures	2,832,600	12,509	565,822	24,037
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	$ 0	$ 0	$ 0	$ 0

Exhibit 5

SALES TAX	HEAD START	PRESCHOOL	EDUCATION EXCELLENCE	TOTAL
$ 0	$ 0	$ 0	$ 0	$ 1,545,327
0	0	0	0	83,346
0	0	0	0	824,623
358,412	0	0	0	399,485
0	0	0	0	459,101
0	0	78,589	0	1,644,174
0	1,698,155	69,446	0	10,730,848
358,412	1,698,155	148,035	0	15,686,904
0	31,687	78,066	302	2,239,670
0	1,310,698	65,354	0	5,235,360
0	0	0	0	524,014
0	40	0	0	342,384
0	237,287	148	0	623,428
83,946	67,877	3,384	0	477,103
0	0	0	0	92,660
7,058	0	1,083	0	46,474
6,102	33,801	0	0	1,038,410
0	16,765	0	0	116,806
8,220	0	0	0	17,689
0	0	0	0	4,818,691
0	0	0	0	35,323
0	0	0	0	570,787
105,326	1,698,155	148,035	302	16,178,799
$ 253,086	$ 0	$ 0	$ (302)	$ (491,895)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2007

	TITLE I	TITLE VI	TITLE II	TITLE III
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 0	$ 0	$ 0	$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	$ 0	$ 0	$ 0	$ 0

Exhibit 5

SALES TAX	HEAD START	PRESCHOOL	EDUCATION EXCELLENCE	TOTAL
$ 0	$ 0	$ 0	$ 0	$ 1,341,500
(230,000)	0	0	0	(245,500)
(230,000)	0	0	0	1,096,000
23,086	0	0	(302)	604,105
434	0	0	88,371	1,659,721
$ 23,520	$ 0	$ 0	$ 88,069	$ 2,263,826

(CONCLUDED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-1

	***************WARD 1 MAINTENANCE***************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 510,000	$ 510,466	$ 466
Interest earnings	15,500	15,671	171
Other	200	200	0
State sources: Other	56,283	54,857	(1,426)
Total Revenues	581,983	581,194	(789)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	168	0	168
Other instructional programs	76,750	72,186	4,564
Support services:			
Student services	1,827	972	855
General administration	16,942	16,942	0
School administration	11,768	11,470	298
Business services	9,989	10,048	(59)
Plant services	351,164	354,271	(3,107)
Student transportation services	22,219	23,500	(1,281)
Total Expenditures	490,827	489,389	1,438
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	91,156	91,805	649
FUND BALANCE AT BEGINNING OF YEAR	318,559	318,559	0
FUND BALANCE AT END OF YEAR	$ 409,715	$ 410,364	$ 649

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-2

*********WARD 2 - ORANGE MAINTENANCE*********

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 58,850	$ 58,210	$ (640)
Interest earnings	0	1,290	1,290
State sources: Other	21,503	21,270	(233)
Total Revenues	80,353	80,770	417
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	2,200	2,227	(27)
Support services:			
Student services	100	80	20
General administration	2,107	2,107	0
Business services	4,147	4,162	(15)
Plant services	38,348	38,581	(233)
Student transportation services	9,048	8,882	166
Total Expenditures	55,950	56,039	(89)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	24,403	24,731	328
OTHER FINANCING SOURCES (USES)			
Transfers in	5,000	5,000	0
Transfers out	(5,000)	(5,000)	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	24,403	24,731	328
FUND BALANCE AT BEGINNING OF YEAR	24,592	24,592	0
FUND BALANCE AT END OF YEAR	$ 48,995	$ 49,323	$ 328

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-3

******WARD 2 - HORNBECK MAINTENANCE******

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 55,000	$ 54,799	$ (201)
Interest earnings	500	725	225
State sources: Other	19,092	19,092	0
Total Revenues	74,592	74,616	24
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	900	870	30
Support services:			
Student services	100	80	20
General administration	2,008	2,008	0
School administration	1,317	1,066	251
Business services	22,793	22,536	257
Plant services	1,633	1,633	0
Student transportation services	5,325	5,251	74
Total Expenditures	34,076	33,444	632
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	40,516	41,172	656
OTHER FINANCING SOURCES (USES)			
Transfers in	13,640	13,640	0
Transfers out	(18,640)	(18,640)	0
Total Other Financing Sources (Uses)	(5,000)	(5,000)	0
Net Change in Fund Balances	35,516	36,172	656
FUND BALANCE AT BEGINNING OF YEAR	4,680	4,680	0
FUND BALANCE AT END OF YEAR	$ 40,196	$ 40,852	$ 656

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-4

	****************WARD 3 MAINTENANCE****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 110,000	$ 107,317	$ (2,683)
Interest earnings	8,000	9,664	1,664
State sources: Other	9,604	9,416	(188)
Total Revenues	127,604	126,397	(1,207)
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	4,534	4,534	0
Support services:			
Student services	60	60	0
General administration	4,433	4,433	0
Business services	1,198	1,198	0
Plant services	128,983	122,986	5,997
Student transportation services	5,702	5,686	16
Total Expenditures	144,910	138,897	6,013
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(17,306)	(12,500)	4,806
OTHER FINANCING SOURCES (USES)			
Transfers out	(10,500)	(15,500)	(5,000)
Total Other Financing Sources (Uses)	(10,500)	(15,500)	(5,000)
Net Change in Fund Balances	(27,806)	(28,000)	(194)
FUND BALANCE AT BEGINNING OF YEAR	217,784	217,784	0
FUND BALANCE AT END OF YEAR	$ 189,978	$ 189,784	$ (194)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-5

	******************WARD 4 MAINTENANCE****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 154,000	$ 153,585	$ (415)
Interest earnings	5,108	4,447	(661)
State sources: Other	11,313	10,978	(335)
Total Revenues	170,421	169,010	(1,411)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,220	1,190	30
Other instructional programs	12,072	12,072	0
Support services:			
Student services	409	369	40
General administration	5,091	5,091	0
School administration	9,023	9,023	0
Plant services	136,952	134,966	1,986
Student transportation services	14,177	14,157	20
Total Expenditures	178,944	176,868	2,076
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(8,523)	(7,858)	665
FUND BALANCE AT BEGINNING OF YEAR	105,656	105,656	0
FUND BALANCE AT END OF YEAR	$ 97,133	$ 97,798	$ 665

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-6

	**************WARD 5 MAINTENANCE**************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 376,000	$ 374,987	$ (1,013)
Interest earnings	42,000	42,110	110
State sources: Other	9,501	9,085	(416)
Total Revenues	427,501	426,182	(1,319)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	3,711	3,718	(7)
Other instructional programs	3,306	2,222	1,084
Support services:			
Student services	160	160	0
General administration	10,080	10,080	0
School administration	704	704	0
Business services	6,482	6,482	0
Plant services	116,621	117,109	(488)
Student transportation services	6,379	5,330	1,049
Total Expenditures	147,443	145,805	1,638
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	280,058	280,377	319
FUND BALANCE AT BEGINNING OF YEAR	705,465	705,465	0
FUND BALANCE AT END OF YEAR	$ 985,523	$ 985,842	$ 319

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-7

	***************WARD 6 MAINTENANCE***************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 36,500	$ 35,983	$ (517)
Interest earnings	387	383	(4)
State sources: Other	5,882	5,687	(195)
Total Revenues	42,769	42,053	(716)
EXPENDITURES			
Current:			
Instruction:			
Support services:			
Student services	120	120	0
General administration	1,249	1,249	0
Business services	21	21	0
Plant services	39,044	30,530	8,514
Student transportation services	3,414	3,195	219
Total Expenditures	43,848	35,115	8,733
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,079)	6,938	8,017
OTHER FINANCING SOURCES (USES)			
Transfers in	9,000	9,000	0
Transfers out	(9,000)	(9,000)	0
Total Other Financing Sources (Uses)	0	0	0
Net Change is Fund Balances	(1,079)	6,938	8,017
FUND BALANCE AT BEGINNING OF YEAR	14,333	14,333	0
FUND BALANCE AT END OF YEAR	$ 13,254	$ 21,271	$ 8,017

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-8

	****************WARD 7 MAINTENANCE*************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 218,000	$ 218,038	$ 38
Interest earnings	4,000	4,078	78
Other	300	300	0
State sources: Other	20,735	21,030	295
Total Revenues	243,035	243,446	411
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	16,087	16,089	(2)
Support services:			
Student services	180	180	0
General administration	6,185	6,185	0
Plant services	130,648	130,027	621
Student transportation services	20,110	20,367	(257)
Total Expenditures	173,210	172,848	362
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	69,825	70,598	773
FUND BALANCE AT BEGINNING OF YEAR	87,102	87,102	0
FUND BALANCE AT END OF YEAR	$ 156,927	$ 157,700	$ 773

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-9

	*****************WARD 8 MAINTENANCE*****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	$ 31,900	$ 31,942	$ 42
Interest earnings	350	368	18
State sources: Other	6,800	6,885	85
Total Revenues	39,050	39,195	145
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	5,842	4,965	877
Support services:			
Student services	189	169	20
General administration	1,127	1,127	0
Plant services	52,559	52,558	1
Student transportation services	10,803	10,899	(96)
Total Expenditures	70,520	69,718	802
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(31,470)	(30,523)	947
OTHER FINANCING SOURCES (USES)			
Transfers in	14,000	14,000	0
Transfers out	(4,000)	(4,000)	0
Total Other Financing Sources (Uses)	10,000	10,000	0
Net Change in Fund Balances	(21,470)	(20,523)	947
FUND BALANCE AT BEGINNING OF YEAR	24,586	24,586	0
FUND BALANCE AT END OF YEAR	$ 3,116	$ 4,063	$ 947

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual For the Year Ended June 30, 2007

Exhibit 6-10

	****************OTHER SPECIAL FUNDS******************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	$ 1,000	$ 1,000	$ 0
State sources:			
Other	441,847	441,846	(1)
Federal sources	404,352	404,352	0
Total Revenues	847,199	847,198	(1)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	445,417	450,735	(5,318)
Special programs	223,348	214,995	8,353
Other instructional programs	105,275	105,073	202
Support services:			
Student services	26,928	30,164	(3,236)
General administration	1,455	1,455	0
School administration	2,937	2,937	0
Plant services	10,300	10,300	0
Central services	9,469	9,469	0
Total Expenditures	825,129	825,128	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	22,070	22,070	0
FUND BALANCE AT BEGINNING OF YEAR	29,360	29,360	0
FUND BALANCE AT END OF YEAR	$ 51,430	$ 51,430	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-11

****************8G STATE FUNDS******************

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	$ 204,596	$ 204,596	$ 0
Total Revenues	204,596	204,596	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	184,258	184,258	0
Special programs	20,338	20,338	0
Total Expenditures	204,596	204,596	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-12

	******************DRUG FREE SCHOOLS*****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 60,234	$ 60,234	$ 0
Total Revenues	60,234	60,234	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	8,349	8,349	0
Support services:			
Student services	50,298	50,298	0
General administration	1,181	1,181	0
School administration	406	406	0
Total Expenditures	60,234	60,234	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-13

	***************INDIAN EDUCATION GRANT****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 31,032	$ 31,032	$ 0
Total Revenues	31,032	31,032	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	30,496	30,496	0
Support services:			
Student services	70	70	0
General administration	466	466	0
Total Expenditures	31,032	31,032	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-14

	*******************ADULT EDUCATION******************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	$ 38,288	$ 38,288	$ 0
Federal sources	70,214	70,214	0
Total Revenues	108,502	108,502	0
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	108,502	108,502	0
Total Expenditures	108,502	108,502	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-15

	***************VOCATIONAL EDUCATION***************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 274,590	$ 274,590	$ 0
Total Revenues	274,590	274,590	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	33,828	33,430	398
Other instructional programs	183,293	183,293	0
Support services:			
Student services	1,155	1,412	(257)
Instructional staff support	44,894	44,894	0
School administration	169	169	0
Business services	3	3	0
Plant services	1,961	2,102	(141)
Student transportation	324	324	0
Capital outlay	8,963	8,963	0
Total Expenditures	274,590	274,590	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-16

	SPECIAL EDUCATION		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 1,873,828	$ 1,873,828	$ 0
Total Revenues	1,873,828	1,873,828	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	4,509	5,442	(933)
Special programs	1,289,578	1,285,913	3,665
Support services:			
Student services	255,478	258,210	(2,732)
Instructional staff support	220,556	220,556	0
General administration	91,008	91,008	0
Business services	11,512	11,512	0
Plant services	1,187	1,187	0
Total Expenditures	1,873,828	1,873,828	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-17

	**************LA 4 STATE AND FEDERAL*************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	$ 11,050	$ 11,050	$ 0
State sources: other	721,905	722,555	650
Federal sources	389,095	389,445	350
Total Revenues	1,122,050	1,123,050	1,000
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,008,358	1,007,778	580
Special programs	25,592	26,242	(650)
Support services:			
General administration	18,964	18,964	0
School administration	66,885	66,885	0
Plant services	1,837	1,987	(150)
Student transportation services	297	1,077	(780)
Food services	117	117	0
Total Expenditures	1,122,050	1,123,050	(1,000)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-18

	****************SCHOOL FOOD SERVICE****************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Interest earnings	$ 3,500	$ 4,610	$ 1,110
Food services	824,920	824,623	(297)
State sources:			
Equalization	459,101	459,101	0
Federal sources	2,418,782	2,424,584	5,802
Total Revenues	3,706,303	3,712,918	6,615
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	82	82	0
Support services:			
Business services	7	219	(212)
Plant services	25,882	25,344	538
Student transportation	1,373	1,373	0
Food services	4,862,279	4,818,574	43,705
Community service programs	87	87	0
Capital outlay	0	72,050	(72,050)
Total Expenditures	4,889,710	4,917,729	(28,019)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,183,407)	(1,204,811)	(21,404)
OTHER FINANCING SOURCES (USES)			
Transfers in/out	1,316,018	1,316,000	(18)
Total Other Financing Sources (Uses)	1,316,018	1,316,000	(18)
Net Change in Fund Balances	132,611	111,189	(21,422)
FUND BALANCE AT BEGINNING OF YEAR	38,461	38,461	0
FUND BALANCE AT END OF YEAR	$ 171,072	$ 149,650	$ (21,422)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-19

	************FOOD PROCESSING CENTERS***********		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	$ 28,523	$ 28,523	$ 0
Total Revenues	28,523	28,523	0
EXPENDITURES			
Current:			
Support services:			
General administration	713	713	0
Plant services	8,233	8,233	0
Community service programs	35,236	35,236	0
Total Expenditures	44,182	44,182	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(15,659)	(15,659)	0
OTHER FINANCING SOURCES (USES)			
Transfers in	15,500	15,500	0
Total Other Financing Sources (Uses)	15,500	15,500	0
Net Change in Fund Balances	(159)	(159)	0
FUND BALANCE AT BEGINNING OF YEAR	338	338	0
FUND BALANCE AT END OF YEAR	$ 179	$ 179	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-20

	***************************TITLE I************************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 2,832,600	$ 2,832,600	$ 0
Total Revenues	2,832,600	2,832,600	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	26,150	26,173	(23)
Special programs	2,294,611	2,294,588	23
Support services:			
Instructional staff support	120,543	120,543	0
General administration	124,360	124,360	0
Business services	3,055	3,055	0
Plant services	40,058	40,058	0
Capital outlay	223,823	223,823	0
Total Expenditures	2,832,600	2,832,600	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-21

	TITLE VI		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 12,509	$ 12,509	$ 0
Total Revenues	12,509	12,509	0
EXPENDITURES			
Current			
Instruction:			
Other instructional programs	11,899	11,899	0
Support services:			
General administration	610	610	0
Total Expenditures	12,509	12,509	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-22

	***************************TITLE II***************************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 565,822	$ 565,822	$ 0
Total Revenues	565,822	565,822	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	529,070	529,070	0
Special programs	9,175	9,175	0
Support services:			
General administration	27,577	27,577	0
Total Expenditures	565,822	565,822	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-23

	******TITLE III******		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 22,545	$ 24,037	$ 1,492
Total Revenues	22,545	24,037	1,492
EXPENDITURES			
Current:			
Instruction:			
Regular programs	14,657	14,640	17
Special programs	8,040	8,057	(17)
Support services:			
General administration	412	1,340	(928)
Total Expenditures	23,109	24,037	(928)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(564)	0	564
OTHER FINANCING SOURCES (USES)			
Transfers in	564	0	(564)
Total Other Financing Sources (Uses)	564	0	(564)
Net Change in Fund Balances	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-24

	***********************SALES TAX***********************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	$ 358,412	$ 358,412	$ 0
Total Revenues	358,412	358,412	0
EXPENDITURES			
Current:			
Support services:			
General administration	83,946	83,946	0
Business services	7,058	7,058	0
Plant services	6,102	6,102	0
Central services	8,220	8,220	0
Total Expenditures	105,326	105,326	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	253,086	253,086	0
OTHER FINANCING SOURCES (USES)			
Transfers out	(230,000)	(230,000)	0
Total Other Financing Sources (Uses)	(230,000)	(230,000)	0
Net Change in Fund Balances	23,086	23,086	0
FUND BALANCE AT BEGINNING OF YEAR	434	434	0
FUND BALANCE AT END OF YEAR	$ 23,520	$ 23,520	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-25

	HEAD START		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	$ 1,698,155	$ 1,698,155	$ 0
Total Revenues	1,698,155	1,698,155	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	30,812	31,687	(875)
Special programs	1,312,060	1,310,698	1,362
Support services:			
Student services	40	40	0
Instructional staff support	237,242	237,287	(45)
General administration	67,877	67,877	0
Plant services	33,359	33,801	(442)
Student transportation services	16,765	16,765	0
Total Expenditures	1,698,155	1,698,155	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-26

	********************PRESCHOOL***********************		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	$ 78,589	$ 78,589	$ 0
Federal sources	69,447	69,446	(1)
Total Revenues	148,036	148,035	(1)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	78,066	78,066	0
Special programs	65,354	65,354	0
Support services:			
Instructional staff support	148	148	0
General administration	3,385	3,384	1
Business services	1,083	1,083	0
Total Expenditures	148,036	148,035	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2007

Exhibit 6-27

	****************EDUCATION EXCELLENCE*********		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	$ 0	$ 0	$ 0
Total Revenues	0	0	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	0	302	(302)
Total Expenditures	0	302	(302)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	(302)	(302)
FUND BALANCE AT BEGINNING OF YEAR	0	88,371	88,371
FUND BALANCE AT END OF YEAR	$ 0	$ 88,069	$ 88,069

This fund was budgeted for -0- dollars.

Vernon Parish School Board

Nonmajor Debt Service Funds

Ward No. 1
Ward No. 2 - Orange
Ward No. 2 - Hornbeck
Ward No. 3
Ward No. 4
Ward No. 5
Ward No. 6
Ward No. 7
Ward No. 8

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 2007

	WARD 1	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
ASSETS				
Cash and cash equivalents	$ 7,371	$ 3,684	$ 3,841	$ 3,189
Investments	323,735	19,234	72,687	81,041
TOTAL ASSETS	331,106	22,918	76,528	84,230
Fund Balances:				
Reserved for debt service	331,106	22,918	76,528	84,230
TOTAL FUND BALANCES	$ 331,106	$ 22,918	$ 76,528	$ 84,230

Exhibit 7

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
$ 7,034	$ 3,773	$ 2,862	$ 7,060	$ 3,268	$ 42,082
181,173	445,606	121,612	518,739	131,926	1,895,753
188,207	449,379	124,474	525,799	135,194	1,937,835
188,207	449,379	124,474	525,799	135,194	1,937,835
$ 188,207	$ 449,379	$ 124,474	$ 525,799	$ 135,194	$ 1,937,835

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

	WARD 1	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
REVENUES				
Local sources:				
Taxes:				
Ad valorem	$ 447,101	$ 152,604	$ 145,010	$ 85,378
Interest earnings	12,899	1,411	2,731	5,120
Total Revenues	460,000	154,015	147,741	90,498
EXPENDITURES				
Current:				
Support services:				
General administration	14,784	5,524	5,312	2,837
Business services	0	0	350	0
Debt service:				
Principal retirement	195,000	140,000	75,000	40,000
Interest and bank charges	215,936	9,220	46,890	47,000
Total Expenditures	425,720	154,744	127,552	89,837
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	34,280	(729)	20,189	661
FUND BALANCES - BEGINNING	296,826	23,647	56,339	83,569
FUND BALANCES - ENDING	$ 331,106	$ 22,918	$ 76,528	$ 84,230

Exhibit 8

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
$ 465,829	$ 660,937	$ 129,840	$ 812,836	$ 184,044	$ 3,083,579
6,511	12,251	5,003	10,639	4,426	60,991
472,340	673,188	134,843	823,475	188,470	3,144,570
15,470	17,767	4,507	22,747	6,493	95,441
0	0	0	0	0	350
220,000	199,000	54,095	205,000	100,000	1,228,095
164,247	166,047	74,612	200,736	6,350	931,038
399,717	382,814	133,214	428,483	112,843	2,254,924
72,623	290,374	1,629	394,992	75,627	889,646
115,584	159,005	122,845	130,807	59,567	1,048,189
$ 188,207	$ 449,379	$ 124,474	$ 525,799	$ 135,194	$ 1,937,835

Vernon Parish School Board

Vernon Parish School Board

Nonmajor Capital Project Funds

Ward 1 Construction School District 16 Fund was established to make classroom additions, replace air conditioning units, repair roofs, and make other building improvements.

Rosepine Construction was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

Hicks Construction was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

Pickering Construction was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

VERNON PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
June 30, 2007

	WARD 1 CONSTRUCTION SCHOOL DISTRICT 16	ROSEPINE CONSTRUCTION	HICKS CONSTRUCTION
ASSETS			
Cash and cash equivalents	$ 8,722	$ 12,152	$ 3,159
Total Assets	8,722	12,152	3,159
Fund Balances			
Undesignated	8,722	12,152	3,159
TOTAL FUND BALANCES	$ 8,722	$ 12,152	$ 3,159

Exhibit 9

PICKERING CONSTRUCTION	TOTAL
$ 2,058	$ 26,091
2,058	26,091
2,058	26,091
$ 2,058	$ 26,091

VERNON PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2007

	WARD 1 CONSTRUCTION SCHOOL DISTRICT 16	ROSEPINE CONSTRUCTION	HICKS CONSTRUCTION
REVENUES			
Local sources:			
Interest earnings	$ 1,132	$ 112	$ 623
Other	0	1,540	0
Total Revenues	1,132	1,652	623
EXPENDITURES			
Current:			
Support services:			
Plant services	90,151	0	607
Capital outlay	292,688	0	1,572,576
Total Expenditures	382,839	0	1,573,183
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(381,707)	1,652	(1,572,560)
OTHER FINANCING SOURCES (USES)			
Transfers In	0	0	125,000
Bond proceeds	0	0	1,447,713
Total Other financing sources (uses)	0	0	1,572,713
Net Change in Fund Balances	(381,707)	1,652	153
FUND BALANCES AT BEGINNING OF YEAR	390,429	10,500	3,006
FUND BALANCES AT END YEAR	$ 8,722	$ 12,152	$ 3,159

Exhibit 10

PICKERING CONSTRUCTION	TOTAL
$ 1,107	$ 2,974
0	1,540
1,107	4,514
0	90,758
183,822	2,049,086
183,822	2,139,844
(182,715)	(2,135,330)
0	125,000
0	1,447,713
0	1,572,713
(182,715)	(562,617)
184,773	588,708
$ 2,058	$ 26,091

Vernon Parish School Board

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SCHOLARSHIP FUND This scholarship agency fund is funded by voluntary employee contributions. The proceeds are used to provide an annual scholarship for an outstanding graduate who plans to major in education.

SALES TAX FUND The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Vernon Parish. Upon receipt of sales tax returns and monies, a direct deposit is made into the bank account of the other taxing authorities.

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS
Combining Statement of Fiduciary Assets and Liabilities
June 30, 2007

Exhibit 11

	SALES TAX FUND	SCHOOL ACTIVITIES FUND	SCHOLARSHIP FUND	TOTAL
ASSETS				
Cash and cash equivalents	$ 0	$ 1,072,555	$ 1,919	$ 1,074,474
Investments	0	215,791	0	215,791
Accounts receivable	2,501,848	0	0	2,501,848
Total assets	2,501,848	1,288,346	1,919	3,792,113
LIABILITIES				
Deposits due others	2,501,848	1,288,346	1,919	3,792,113
Total liabilities	$ 2,501,848	$ 1,288,346	$ 1,919	$ 3,792,113

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS
Combining Statement of Changes In Assets and Liabilities
For the Year Ended June 30, 2007

Exhibit 12

	Balance, Beginning	Additions	Deductions	Balance, Ending
	*****SCHOOL ACTIVITIES FUND*****			
ASSETS				
Cash and cash equivalents	$ 964,109	$ 2,954,283	$ 2,845,837	$ 1,072,555
Investments	177,490	38,301	0	215,791
Total Assets	$ 1,141,599	$ 2,992,584	$ 2,845,837	$ 1,288,346
LIABILITIES				
Deposits due others	$ 1,141,599	$ 2,992,584	$ 2,845,837	$ 1,288,346
	*****SCHOLARSHIP FUND*****			
ASSETS				
Cash and cash equivalents	$ 2,905	$ 1,338	$ 2,324	$ 1,919
LIABILITIES				
Deposits due others	$ 2,905	$ 1,338	$ 2,324	$ 1,919
	*****SALES TAX FUND*****			
ASSETS				
Accounts receivable	$ 2,525,862	$ 23,719,138	$ 23,743,152	$ 2,501,848
LIABILITIES				
Deposits due other taxing authorities	$ 2,525,862	$ 23,719,138	$ 23,743,152	$ 2,501,848
	*****ALL AGENCY FUNDS*****			
ASSETS				
Cash and cash equivalents	$ 967,014	$ 2,955,621	$ 2,848,161	$ 1,074,474
Investments	177,490	38,301	0	215,791
Accounts receivable	2,525,862	23,719,138	23,743,152	2,501,848
Total Assets	$ 3,670,366	$ 26,713,060	$ 26,591,313	$ 3,792,113
LIABILITIES				
Deposits due others	$ 1,144,504	$ 2,993,922	$ 2,848,161	$ 1,290,265
Deposits due other taxing authorities	2,525,862	23,719,138	23,743,152	2,501,848
Total Liabilities	$ 3,670,366	$ 26,713,060	$ 26,591,313	$ 3,792,113

VERNON PARISH SCHOOL BOARD

SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2007

Exhibit 13

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
ANACOCO HIGH	$ 58,843	$ 166,468	$ 168,411	$ 56,900
ANACOCO ELEMENTARY	26,859	142,104	150,120	18,843
EAST LEESVILLE ELEMENTARY	22,421	52,374	51,453	23,342
EVANS	22,263	106,053	87,903	40,413
GATES	0	19,060	13,154	5,906
HICKS	46,156	92,988	87,514	51,630
HORNBECK	38,690	176,413	162,594	52,509
LEESVILLE HIGH	216,276	584,575	644,060	156,791
LEESVILLE JUNIOR HIGH	18,394	143,863	133,835	28,422
NORTH POLK ELEMENTARY	58,012	81,612	56,314	83,310
OPTIONAL SCHOOL	587	841	1,177	251
PICKERING HIGH	73,156	229,772	192,478	110,450
PICKERING ELEMENTARY	58,070	104,187	133,835	28,422
PITKIN HIGH	216,386	211,077	102,629	324,834
ROSEPINE HIGH	64,844	349,092	354,537	59,399
ROSEPINE ELEMENTARY	65,784	124,637	142,702	47,719
SIMPSON	50,722	94,457	82,268	62,911
SOUTH POLK ELEMENTARY	36,882	94,039	86,308	44,613
VERNON ELEMENTARY	37,365	157,141	139,148	55,358
WEST LEESVILLE ELEMENTARY	27,056	61,831	55,397	33,490
WEST LEESVILLE PRESCHOOL	2,833	0	0	2,833
TOTAL	$ 1,141,599	$ 2,992,584	$ 2,845,837	$ 1,288,346

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

Vernon Parish School Board

General **Exhibit 14**

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2007

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives $800 per month, and the president receives $900 per month for performing the duties of his office.

Ricky Reese, President	$ 10,200
James K. Armes, Vice President	9,600
John C. Burns	4,800
Beryl Ford	9,600
Maxine Gunn	4,800
Millard L. Harris	9,600
M. Gene Haymon	9,600
William R. Martin	9,600
Gaye W. McKee	9,600
Mike Perkins	9,600
Robert Pynes, Jr.	10,200
Mark H. Smith	9,600
Vernon Travis	4,800
Steve Woods	4,800
TOTAL	$116,400

COMPARATIVE INFORMATION
&
OTHER DATA REQUIRED BY
BOND CONVENANT
WITH THE
U. S. DEPARTMENT OF AGRICULTURE

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND - WARD 6
Comparative Balance Sheets
June 30, 2006 and 2007

Exhibit 15

	2006	2007
ASSETS		
Cash and cash equivalents	$ 17,079	$ 2,862
Investments	105,766	121,612
TOTAL ASSETS	122,845	124,474
FUND BALANCES:		
Reserved for debt service	122,845	124,474
TOTAL FUND BALANCES	$ 122,845	$ 124,474

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND - WARD 6
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended June 30, 2006 and 2007

Exhibit 16

	2006	2007
REVENUES		
Local sources:		
Taxes:		
Ad valorem	$ 129,414	$ 129,840
Interest earnings	3,813	5,003
Total Revenues	133,227	134,843
EXPENDITURES		
Current:		
Support services:		
General administration	4,342	4,507
Debt service:		
Principal retirement	49,875	54,095
Interest and bank charges	78,833	74,612
Total Expenditures	133,050	133,214
EXCESS *(Deficiency)* OF REVENUES OVER EXPENDITURES	177	1,629
FUND BALANCES - BEGINNING	122,668	122,845
FUND BALANCES - ENDING	$ 122,845	$ 124,474

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND - WARD 8
Comparative Balance Sheets
June 30, 2006 and 2007

Exhibit 17

	2006	2007
ASSETS		
Cash and cash equivalents	$ 2,559	$ 3,268
Investments	57,008	131,926
TOTAL ASSETS	59,567	135,194
FUND BALANCES:		
Reserved for debt service	59,567	135,194
TOTAL FUND BALANCES	$ 59,567	$ 135,194

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND - WARD 8
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended June 30, 2006 and 2007

Exhibit 18

	2006	2007
REVENUES		
Local sources:		
Taxes:		
Ad valorem	$ 161,573	$ 184,044
Interest earnings	1,190	4,426
Total Revenues	162,763	188,470
EXPENDITURES		
Current:		
Support services:		
General administration	5,412	6,493
Debt service:		
Principal retirement	95,000	100,000
Interest and bank charges	6,445	6,350
Total Expenditures	106,857	112,843
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	55,906	75,627
FUND BALANCES - BEGINNING	3,661	59,567
FUND BALANCES - ENDING	$ 59,567	$ 135,194

Vernon Parish School Board

Schedule of Insurance
For the Year Ended June 30, 2007 **Exhibit 19**

The School Board has insurance coverage for the following major types of coverage:

Type of Coverage	Policy Effective Date	Policy Expiration Date	Amount of Deductible	Amount of Policy Coverage
Fire & Extended Coverage	7/1/06	7/1/07	$100,000	$140,000,000
General Liability	7/1/06	7/1/07	25,000	1,000,000
			25,000	3,000,000
Workers' Compensation	8/1/06	8/1/08	250,000	1,000,000
Employee Fidelity	81/06	8/1/07	5,000	250,000
Vehicle Collision & Liability	7/1/06	7/1/07	25,000	1,000,000
			2,000	175,000
Board Members' Officers Liability	7/1/06	7/1/07	25,000	1,000,000
Equipment Breakdown Coverage	8/1/06	8/1/07	2,500	50,000,000

Vernon Parish School Board

Reserve Account
For the Year Ended June 30, 2007 **Exhibit 20**

The Vernon Parish School Board maintains a sinking fund bank account for Ward VI Wardwide School District #161 and Ward VIII Hicks School District. These accounts are used to fund annual debt service payments for the two bond issuances in Ward VI and Ward VIII from the United States Department of Agriculture Rural Development.

The following is the detail of the two bond issuances:

Date of Issuance	Original Amount	Amount Drawn to Date	June 30, 2007 Principal Outstanding
Ward VI			
November 16, 1993	$1,500,000	$1,500,000	$1,032,763
April 25, 2002	450,000	450,000	421,206
Ward VIII			
July 18, 2006	1,570,000	1,447,713	1,447,713

STATISTICAL SECTION

Vernon Parish School Board
Statistical Section
Contents

(continued)

Vernon Parish School Board
Statistical Section
Contents

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

Table 1

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Net Assets by Component
Fiscal Years Ended June 30, 1999 through June 30, 2007
(Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental Activities									
Invested in capital assets, net of related debt	$ 15,897,545	$ 16,501,013	$ 15,342,236	$ 14,683,081	$ 15,877,051	$ 14,724,829	$ 14,927,832	$ 15,908,956	$ 16,616,551
Restricted	1,421,481	2,505,536	3,451,553	2,807,623	3,278,808	4,967,803	3,919,624	3,887,522	4,843,189
Unrestricted	1,163,138	171,105	2,081,110	4,307,021	3,865,028	5,743,862	6,450,960	7,700,397	7,653,310
Total governmental activities net assets	$ 18,482,164	$ 19,177,654	$ 20,874,899	$ 21,797,725	$ 23,020,887	$ 25,436,494	$ 25,298,416	$ 27,496,875	$ 29,113,050

Source: Comprehensive Annual Financial Report

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 1999.

Table 2

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Changes in Net Assets
Fiscal Years Ended June 30, 1999 through June 30, 2007
(Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Expenses									
Instruction:									
Regular programs	$ 24,102,950	$ 25,005,721	$ 25,342,208	$ 27,048,089	$ 28,050,994	$ 29,434,612	$ 30,944,989	$ 33,012,955	$ 29,401,351
Special programs	8,552,071	8,814,006	10,748,989	11,219,895	11,859,139	12,434,267	13,868,144	14,780,498	15,750,032
Other instructional programs	4,227,493	4,002,734	2,404,456	2,583,517	3,072,432	2,820,695	3,252,453	3,434,608	3,665,528
Support services:									
Student services	2,287,819	2,432,470	2,362,617	2,609,415	2,708,577	2,919,505	3,065,160	3,078,977	3,250,503
Instructional staff support	2,377,649	2,382,612	2,427,288	2,439,031	2,497,430	2,493,424	2,649,660	2,671,572	2,853,256
General administration	1,255,811	1,400,490	1,355,382	1,403,282	1,529,382	1,467,866	1,582,637	1,539,209	1,729,061
School administration	2,802,128	3,157,004	3,683,155	3,552,513	3,506,421	3,597,609	3,844,721	4,029,261	4,516,103
Business services	462,438	528,529	524,140	466,844	557,772	519,636	505,065	515,413	551,095
Plant services	5,337,504	5,473,467	5,581,469	5,766,648	6,072,446	6,276,572	6,528,526	7,259,883	7,189,088
Student transportation services	4,208,452	4,109,943	4,046,400	4,303,580	4,664,597	5,070,014	5,479,318	5,751,312	6,129,112
Central services	227,943	385,528	519,499	631,498	460,289	443,887	516,118	415,655	775,894
Food services	4,062,996	4,072,033	4,145,461	4,261,555	4,314,613	4,731,816	5,284,644	5,286,207	5,582,776
Community services	1,466	3,067	6,839	10,293	33,344	44,510	67,114	84,272	55,531
Interest on long-term debt	560,741	415,679	589,054	479,947	622,087	965,518	950,440	914,995	975,949
Total expenses	60,467,461	62,185,283	63,736,957	66,776,107	69,949,523	73,219,931	78,538,989	82,774,817	82,425,279
Program Revenues									
Charges for services:									
Food Service Operations	739,704	727,610	748,871	751,751	725,389	732,474	832,657	849,265	824,623
Operating Grants and Contributions	11,849,355	13,449,561	8,444,148	8,481,376	9,548,849	11,417,563	10,743,809	13,320,942	12,761,872
Capital Grants and Contributions	227,385	0	0	0	0	0	0	0	0
Total program revenues	12,816,444	14,177,171	9,193,019	9,233,127	10,274,238	12,150,037	11,576,466	14,170,207	13,586,495
Net (Expense) / Revenue	(47,651,017)	(48,008,112)	(54,543,938)	(57,542,980)	(59,675,285)	(61,069,894)	(66,962,523)	(68,604,610)	(68,838,784)
General Revenues and Other Changes in Net Assets									
Taxes									
Ad valorem taxes levied for general purposes	1,740,652	2,081,588	2,046,360	1,957,804	2,078,839	2,042,171	2,253,405	2,422,564	2,898,498
Ad valorem taxes levied for debt service purposes	1,410,027	1,581,419	1,263,570	1,216,184	1,666,123	2,150,675	2,355,516	2,408,637	3,083,579
Sales taxes	6,931,159	7,081,312	7,957,256	7,260,026	7,470,030	8,353,516	9,283,499	9,730,746	9,767,480
Grants and contributions not restricted to specific programs	36,471,517	36,732,007	38,664,553	40,303,259	41,187,252	42,623,182	43,698,749	46,280,337	47,213,663
Interest and investment earnings	419,978	484,683	472,620	307,077	230,877	178,219	303,404	607,089	852,136
Impact Aid, Department of Defense, ROTC	0	0	5,070,191	6,038,767	6,904,128	7,832,160	8,307,222	8,312,798	6,752,611
Miscellaneous	361,595	742,593	766,633	1,382,689	1,361,197	305,577	622,646	1,040,905	1,004,926
Special items- Gain on sale of assets	2,500	0	0	0	0	0	0	0	0
Total	47,337,428	48,703,602	56,241,183	58,465,806	60,898,446	63,485,500	66,824,441	70,803,076	71,572,893
Change in Net Assets	$ (313,589)	$ 695,490	$ 1,697,245	$ 922,826	$ 1,223,161	$ 2,415,606	$ (138,082)	$ 2,198,466	$ 2,734,109

Source: Comprehensive Annual Financial Report

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 1999.

Table 3

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	$ 276,955	$ 291,266	$ 302,647	$ 318,498	$ 763,332	$ 1,109,165	$ 846,320	$ 648,089	$ 663,900	$ 670,097
Unreserved	1,796,460	1,218,924	1,387,849	3,400,217	4,113,536	5,004,214	7,061,986	8,055,122	9,221,797	9,533,763
Total general fund	2,073,415	1,510,190	1,690,496	3,718,715	4,876,868	6,113,379	7,908,306	8,703,211	9,885,697	10,203,860
All Other Governmental Funds										
Reserved	1,289,670	1,374,349	1,595,803	1,499,163	1,271,903	1,161,530	1,058,868	884,171	1,048,187	1,937,835
Unreserved, reported in:										
Special revenue funds	1,033,072	909,276	767,243	1,265,121	1,293,990	1,521,149	2,479,768	1,488,298	1,659,723	2,263,826
Capital projects funds	567	567	0	533,826	26,410	(196,660)	7,240,620	3,656,562	588,708	26,091
Total all other governmental funds	2,323,309	2,284,192	2,363,046	3,298,110	2,592,303	2,486,019	10,779,256	6,029,031	3,296,618	4,227,752
Grand total of funds	$ 4,396,724	$ 3,794,382	$ 4,053,542	$ 7,016,825	$ 7,469,171	$ 8,599,398	$ 18,687,562	$ 14,732,242	$ 13,182,315	$ 14,431,612

Source: Comprehensive Annual Financial Report

Table 4

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Ad valorem taxes	$ 3,253,684	$ 3,150,679	$ 3,663,007	$ 3,309,930	$ 3,173,988	$ 3,744,962	$ 4,192,846	$ 4,608,921	$ 4,831,201	$ 5,982,077
Sales & use taxes	7,816,490	6,931,159	7,081,312	7,957,256	7,260,026	7,470,030	8,353,516	9,283,499	9,730,746	9,767,480
Investment Earning	464,775	419,978	484,683	472,620	307,977	230,877	178,219	303,404	607,089	852,136
Food services	738,408	739,704	727,610	748,871	751,751	725,389	732,474	832,657	849,265	824,623
Other Revenues	346,793	361,595	816,404	833,696	752,416	675,372	874,928	1,029,531	1,079,091	1,019,691
Total revenues from local sources	12,620,150	11,603,115	12,773,016	13,322,373	12,245,258	12,846,630	14,331,983	16,058,012	17,097,392	18,446,007
Revenue from state sources:										
Equalization	33,683,106	35,914,230	36,134,378	38,164,424	39,662,112	40,446,843	42,172,018	43,052,370	45,664,496	46,656,010
Other	2,450,145	2,229,213	1,822,905	1,887,255	2,009,912	2,534,643	2,602,043	1,709,519	2,406,928	2,233,411
Total revenue from state sources	36,133,251	38,143,443	37,957,283	40,051,679	41,672,024	42,981,486	44,774,061	44,761,889	48,071,424	48,889,421
Revenue from federal sources	10,925,677	10,404,814	12,224,285	12,241,123	13,925,089	15,415,164	17,098,844	17,794,193	19,864,156	17,838,728
Total Revenues	59,679,078	60,151,372	62,954,584	65,615,175	67,842,371	71,243,280	76,204,888	78,614,094	85,032,972	85,174,156
Expenditures:										
Current:										
Instruction services	34,222,934	35,631,257	36,353,739	37,024,713	39,633,862	41,729,832	43,526,493	47,030,215	50,249,402	47,698,521
Student services	1,990,586	2,287,819	2,432,470	2,362,617	2,609,415	2,708,577	2,919,505	3,065,160	3,078,977	3,250,503
Instructional staff support	2,371,153	2,356,556	2,338,776	2,402,753	2,417,277	2,476,692	2,490,086	2,647,934	2,670,497	2,852,517
General administration	1,470,942	1,225,003	1,377,629	1,390,717	1,499,325	1,550,176	1,778,001	1,753,511	1,579,358	1,773,632
School administration	2,832,716	2,734,292	3,089,327	3,616,658	3,490,961	3,445,814	3,545,408	3,780,757	3,958,889	4,441,296
Business services	476,634	434,782	524,833	519,508	461,615	552,250	518,041	503,699	514,653	549,861
Plant services	4,939,685	5,299,717	5,424,293	5,531,014	5,633,988	6,060,940	6,259,112	6,495,144	7,226,582	7,193,203
Student transportation services	4,326,081	4,186,257	4,092,734	4,027,096	4,265,679	4,612,661	5,066,296	5,424,712	5,716,148	6,088,447
Central services	184,251	227,943	385,528	519,499	631,498	460,289	443,887	516,118	415,655	775,894
Food service	3,868,241	3,965,158	3,973,686	4,050,088	4,119,817	4,234,825	4,520,801	5,003,395	5,077,443	5,808,370
Community services	900	1,466	5,067	6,839	10,293	33,344	44,510	67,114	84,272	55,531
Capital Outlay	308,170	803,785	1,442,711	443,281	1,210,221	2,759,105	4,609,624	7,063,493	3,827,917	2,776,226
Debt service:										
Principal	877,331	849,514	870,431	924,239	968,242	1,173,653	1,350,419	1,281,204	1,199,875	1,239,488
Interest	701,504	574,364	542,590	505,773	487,832	562,466	853,472	873,060	983,226	937,043
Advanced escrow funding	139,994	0	0	0	0	0	0	307,402	0	0
Total Expenditures	58,711,122	60,577,913	62,873,724	63,324,795	67,440,025	72,360,624	77,925,655	85,812,918	86,582,894	85,440,532
Excess of revenues over (under) expenditures	967,956	(426,541)	80,860	2,290,380	402,346	(1,117,344)	(1,720,767)	(7,198,824)	(1,549,922)	(266,376)
Other Financing Sources (Uses)										
Proceeds from borrowing	0	0	0	0	50,000	5,856,500	8,200,000	4,958,500	0	1,515,673
Proceeds from refunding	2,378,000	0	0	0	0	0	0	0	0	
Payments to escrow agent	(2,378,000)	0	0	0	0	0	0	(1,715,000)	0	
Transfers in	1,207,130	964,848	775,722	939,420	1,091,285	955,309	0	1,302,243	1,747,442	1,696,500
Transfers out	(1,207,130)	(964,848)	(775,722)	(939,420)	(1,091,285)	(955,309)	0	(1,302,243)	(1,747,442)	(1,696,500)
Other sources- sale of assets	21,650	0	0	0	0	0	0	0	0	
Total other financing sources (uses)	21,650	0	0	0	50,000	5,856,500	8,200,000	3,243,500	0	1,515,673
Special Items										
Proceeds from sale of assets	0	2,500	0	0	0	0	0	0	0	0
Bond and capital lease proceeds	0	0	0	672,903	0	0	0	0	0	0
Total special items	0	2,500	0	672,903	0	0	0	0	0	0
Net change in fund balances	$ 989,606	$ (424,041)	$ 80,860	$ 2,963,283	$ 452,346	$ 4,739,156	$ 6,479,233	$ (3,955,324)	$ (1,549,922)	$ 1,249,297
Debt service as a percentage of noncapital expenditures	2.7%	2.4%	2.3%	2.3%	2.2%	2.5%	3.0%	2.7%	2.6%	2.6%

Source: Comprehensive Annual Financial Report

Table 5

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property: Residential Property	Real Property: Commercial Property	Personal Property	Less: Homestead Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
1998	$ 47,599,405	$ 44,316,498	$ 11,027,867	$ 30,720,370	$ 72,223,400	129.88	$ 787,793,601	13.07%
1999	49,183,313	45,810,067	11,945,431	30,945,470	75,993,341	129.88	828,257,163	12.91%
2000	50,851,209	47,360,998	12,275,593	31,304,880	79,182,920	129.88	857,104,549	12.89%
2001	52,238,378	48,653,675	12,631,327	32,699,910	80,823,470	131.18	897,688,780	12.65%
2002	52,481,560	48,950,040	14,725,430	33,175,350	82,981,680	131.18	916,345,665	12.68%
2003	53,489,930	49,448,210	14,970,980	33,946,550	83,962,570	131.18	934,146,900	12.62%
2004	53,830,130	49,706,760	14,417,220	34,456,620	83,497,490	131.18	934,147,684	12.63%
2005	59,563,020	52,273,800	15,948,490	37,745,930	90,039,380	131.18	1,019,744,139	12.53%
2006	61,236,460	66,752,210	17,356,540	38,386,650	106,958,560	131.18	1,191,318,246	12.20%
2007	71,122,170	29,932,680	44,916,520	39,393,293	106,578,077	141.18	1,106,672,498	13.19%

Source: Vernon Parish Tax Assessor Agency

Notes:

(1) Property in the parish is reassessed every four years.

(2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
- 10% land
- 10% residential improvements
- 15% industrial improvements
- 15% machinery
- 15% commercial improvements
- 25% public service properties, excluding land

(3) Tax rates are per $1,000 of assessed value.

(4) Total direct tax rate includes only operating millages.

(5) For years prior to 2007 oil and gas wells were classified as commercial property. For 2007 this was changed to classify oil and gas wells as personal property.

Table 6

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Vernon Parish Police Jury	City of Leesville	
1998	129.88	357.00	486.88	119.26	24.20	630.34
1999	129.88	301.11	430.99	119.35	24.75	575.09
2000	129.88	301.11	430.99	119.35	25.42	575.76
2001	131.18	270.11	401.29	119.35	23.39	544.03
2002	131.18	297.65	428.83	119.35	23.57	571.75
2003	131.18	297.65	428.83	119.35	22.69	570.87
2004	131.18	385.57	516.75	119.35	23.69	659.79
2005	131.18	356.34	487.52	147.41	22.77	657.70
2006	131.18	353.16	484.34	147.41	21.38	653.13
2007	141.18	357.56	498.74	147.41	20.66	666.81

Source: Vernon Parish Tax Assessor Agency

Notes:
(1) School district debt service millage is for individual school districts.
(2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
(3) Overlapping rates are those of city and parish governments that apply to property owners within Vernon Parish. Not all overlapping rates apply to all property owners.

Table 7

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Principal Property Taxpayers
June 30, 2007 and Nine Years Ago

Taxpayer	Fiscal Year 2007 Taxable Assessed Value	Fiscal Year 2007 Rank	Fiscal Year 2007 Percentage of Total Taxable Assessed Value	Fiscal Year 1998 Taxable Assessed Value	Fiscal Year 1998 Rank	Fiscal Year 1998 Percentage of Total Taxable Assessed Value
Swift Energy Co.	$ 10,044,810	1	9.42 %	$		%
Merit Entergy	8,783,040	2	8.24			
Bell South Telecommunications	4,369,090	3	4.10	3,716,430	1	5.15
Cleco Corporation	4,132,080	4	3.88			
Eagel Rock Energy	3,636,000	5	3.41			
Chesapeake Operating Co.	3,002,470	6	2.82			
Meriwether Louisiana	2,214,520	7	2.08			
Beauregard Electric Co.	1,875,480	8	1.76	1,620,120	5	2.24
Entergy Louisiana, Inc.	1,560,380	9	1.46			
Valley Electric	1,527,520	10	1.43	1,352,440	6	1.87
Sonat Exploration Company				2,444,529	2	3.38
Central LA. Electric Company				2,245,660	3	3.11
Boise Cascade Corporation				1,859,570	4	2.57
Union Pacific Resources Company				1,338,620	7	1.85
Crosby Land & Resources				1,287,910	8	1.78
Temple-Inland Forest Product Corporation				1,259,080	9	1.74
Tenneco, Inc.				1,204,710	10	1.67
Totals	$ 41,145,390		38.61 %	$ 18,329,069		25.38 %

Source: Vernon Parish Tax Assessor Agency

Table 8

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	$ 3,164,317	$ 3,135,680	99.10%	$ 34,165	$ 3,169,845	100.17%
1999	3,305,382	3,114,761	94.23%	59,083	3,173,844	96.02%
2000	3,464,787	3,600,378	103.91%	72,715	3,673,093	106.01%
2001	3,214,006	3,222,795	100.27%	18,398	3,241,193	100.85%
2002	3,249,127	3,153,340	97.05%	18,577	3,171,917	97.62%
2003	3,717,648	3,721,819	100.11%	49,830	3,771,649	101.45%
2004	4,945,138	4,139,223	83.70%	703	4,139,926	83.72%
2005	4,602,691	4,602,910	100.00%	862	4,603,772	100.02%
2006	5,433,774	4,831,201	88.91%	579,254	5,410,455	99.57%
2007	5,451,101	5,402,823	99.11%	N/A	5,402,823	99.11%

Source: Vernon Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

Table 9

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Sales and Use Tax Rates and Collections - All Governments
Last Ten Fiscal Years

	Sales and Use Tax Rates						Tax Collections					
	Parishwide			Municipalities			Parishwide			Municipalities		
Fiscal Year	School Board	Police Jury	Sheriff's Office	Leesville	Other	Total Rate	School Board	Police Jury	Sheriff's Office	Leesville	Other	Total Collections
1998	2.00%	1.50%		1.50%	3.00%	5.00%	$ 7,943,522	$ 5,955,854	$ 0	$ 1,352,000	$ 169,054	$ 15,420,430
1999	2.00%	1.50%		1.50%	3.00%	5.00%	6,870,308	5,679,709	0	1,719,046	196,695	14,465,758
2000	2.00%	1.50%		1.50%	3.00%	5.00%	7,109,036	5,358,496	0	1,714,227	193,295	14,375,054
2001	2.00%	1.50%		1.50%	3.00%	5.00%	7,421,554	5,531,410	0	1,758,621	188,047	14,899,632
2002	2.00%	1.50%		1.50%	3.00%	5.00%	7,220,892	5,409,250	0	1,847,324	171,258	14,648,724
2003	2.00%	1.50%		1.50%	3.00%	5.00%	7,412,940	5,552,438	0	1,965,800	179,265	15,110,443
2004	2.00%	1.50%	0.50%	1.50%	3.00%	5.50%	8,257,329	6,260,936	309,028	2,332,067	194,356	17,353,716
2005	2.00%	1.50%	0.50%	1.50%	3.00%	5.50%	9,184,428	6,974,229	2,241,989	3,494,100	222,644	22,117,390
2006	2.00%	1.50%	0.50%	1.50%	3.00%	5.50%	9,641,500	7,327,996	2,322,994	3,645,023	223,770	23,161,283
2007	2.00%	1.50%	0.50%	1.50%	3.00%	5.50%	9,798,921	7,465,740	2,412,815	3,841,304	224,372	23,743,152

Notes:
(1) Information provided by Vernon Parish Sales and Use Tax Agency.
(2) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate.
(3) The Municipalities - Other column includes 1% each for Hornbeck, New Llano, and Rosepine.
(4) Sales tax collections reported by the Vernon Sales and Use Tax Agency are on the cash basis.
(5) The Sheriff's Office is a new sales and use tax levy of 1/2% effective for 4/1/2004.

Table 10

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Total Bonds Outstanding	Percentage of Personal Income	Per Capita
1998	$ 11,195,139	$ 11,195,139	1.20%	$ 237
1999	10,372,752	10,372,752	1.09%	200
2000	9,518,365	9,518,365	0.96%	185
2001	9,280,182	9,280,182	0.88%	177
2002	8,374,811	8,374,811	0.73%	163
2003	13,071,332	13,071,332	1.09%	256
2004	19,935,440	19,935,440	1.55%	393
2005	21,607,737	21,607,737	1.58%	436
2006	20,407,862	20,407,862	1.41%	419
2007	20,570,682	20,570,682	1.34%	440

Notes:
(1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
(2) General Obligation Bonds column excludes certificates of indebtedness.
(3) See the Schedule of Demographic and Economic Statistics (Table 14) for personal income and population data.

Table 11

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
1998	$ 11,195,139	$ 1,289,670	$ 9,905,469	1.26%	$ 210
1999	10,372,752	1,374,349	8,998,403	1.09%	173
2000	9,518,365	1,595,803	7,922,562	0.92%	153
2001	9,280,182	1,499,163	7,781,019	0.87%	148
2002	8,374,811	1,271,903	7,102,908	0.78%	139
2003	13,071,332	1,161,530	11,909,802	1.27%	233
2004	19,935,440	1,058,868	18,876,572	2.02%	373
2005	21,607,737	884,171	20,723,566	2.03%	418
2006	20,407,862	1,048,187	19,359,675	1.63%	397
2007	20,570,682	1,937,835	18,632,847	1.68%	399

Notes:
(1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
(2) General Obligation Bonds column excludes certificates of indebtedness.
(3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
(4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

Table 12

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2007

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Vernon Parish Police Jury	$ 1,640,000	100.00%	$ 1,640,000
City of Leesville	4,605,000	100.00%	4,605,000
Subtotal, overlapping debt			6,245,000
Vernon Parish School Board Direct Debt			20,570,682
Total direct and overlapping debt			$ 26,815,682

Sources: Debt outstanding data extracted from annual financial report of respective governments.

Notes:
(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
(2) Various tax districts exist within Vernon Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
(3) Debt outstanding includes only general bonded debt.

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit	$ 36,030,320	$ 37,428,584	$ 38,670,730	$ 39,733,183	$ 40,654,961	$ 41,267,142	$ 41,283,939	$ 44,724,859	$ 50,870,824	$ 51,089,980
Total net debt applicable to limit	9,905,469	8,998,403	7,922,562	7,781,019	7,102,908	11,909,802	18,876,572	20,723,566	19,359,675	18,632,847
Legal debt margin	$ 26,124,851	$ 28,430,181	$ 30,748,168	$ 31,952,164	$ 33,552,053	$ 29,357,340	$ 22,407,367	$ 24,001,293	$ 31,511,149	$ 32,457,133
Total net debt applicable to the limit as a percentage of debt limit	27.49%	24.04%	20.49%	19.58%	17.47%	28.86%	45.72%	46.34%	38.06%	36.47%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value	$ 106,578,077
Add back: exempt real property	39,393,293
Total assessed value	145,971,370
Debt limit (35% of total assessed value)	51,089,980
Debt applicable to limit:	
General Obligation bonds	20,570,682
Less: Amount set aside for repayment of general obligation debt	1,937,835
Total net debt applicable to limit	18,632,847
Legal debt margin	$ 32,457,133

Source: Comprehensive Annual Financial Report

Notes:
(1) The debt limit is 35% of total assessed value. This percentage is in accordance with Act 103 or 1980 Regular Session of the Louisiana Legislature R. S. 39:562 (C).

Table 14

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
1998	47,229	$ 936,570,000	$ 19,830	10,637	N/A	6.5 %
1999	51,894	955,222,000	18,407	10,029	N/A	6.2
2000	51,667	994,177,000	19,242	10,247	N/A	7.2
2001	52,531	1,055,188,000	20,087	10,215	N/A	6.1
2002	51,273	1,142,753,000	22,288	9,980	N/A	6.4
2003	51,008	1,203,687,000	23,598	9,677	N/A	6.5
2004	50,669	1,284,139,000	25,344	9,544	N/A	6.5
2005	49,545	1,367,319,000	27,598	9,621	N/A	6.5
2006	48,745	1,448,952,000	29,725	9,232	N/A	4.1
2007	46,748	1,530,585,000	32,741	9,107	47.35 %	4.2

Sources:

(1) Population data obtained from the U. S. Census Bureau.
(2) School enrollment and free and reduced meals data obtained from Louisiana Department of Education.
(3) Unemployment rate obtained from U. S. Department of Labor.
(4) Personal Income data obtained from www.stats.indiana.edu.

Table 15

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Principal Employers
Current Year

	Number of Employees	% of Total Employment
Fort Polk-JRTC (civilian employees)	8,464	39.49%
Vernon Parish School Board	1,447	6.75%
Wal-Mart Supercenter	500	2.33%
Byrd Regional Hospital	260	1.21%
Ameri-Tech Building Systems, LLC	250	1.17%
Vernon Parish Police Jury	210	0.98%
Vernon Parish Sheriff's Office	179	0.84%
The Woodlands	150	0.70%
Leesville State School	125	0.58%
Lowe's	125	0.58%

Source: City of Leesville

Notes:
(1) Principal employers information was not available for nine years ago.
(2) Employment data obtained from U.S. Department of Labor.

Table 16

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

School Personnel
Fiscal Years Ended June 30, 2002 Through June 30, 2007

	2002	2003	2004	2005	2006	2007
Teachers						
Less than a Bachelor's degree	0	0	14	7	16	16
Bachelor	556	555	540	517	530	484
Master	94	104	96	110	116	121
Master +30	49	50	44	40	47	53
Specialist in Education	3	3	4	3	4	3
Ph.D or Ed.D	1	1	2	0	1	1
Total	703	713	700	677	714	678
Principals & Assistants						
Bachelor	0	0	0	0	0	0
Master	15	15	15	15	20	19
Master +30	26	21	24	23	22	20
Specialist in Education	2	3	3	3	3	2
Ph.D or Ed.D	0	0	0	0	0	0
Total	43	39	42	41	45	41

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

Notes:
(1) The agreed upon procedures report on performance and statistical data is available only for the fiscal years ended June 30, 2002 through 2007.

Table 17

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

School Building Information
June 30, 2007

Instructional Sites	Date Constructed	Enrollment	Grades Taught
High Schools:			
Anacoco	1986	396	7-12
Evans	1958	309	Pre K-12
Hicks	1986	334	Pre K-12
Hornbeck	1967	440	Pre K-12
Leesville	1959	923	9-12
Pickering	1981	468	7-12
Pitkin	1970	529	Pre K-12
Rosepine	1986	491	7-12
Simpson	1970	326	Pre K-12
Middle Schools:			
Leesville Junior High	1976	600	7-8
Vernon	1958	548	5-6
Elementary Schools:			
East Leesville	1952	405	Pre K-1
Pickering	1966	634	Pre K-6
South Polk	1975	524	2-4
West Leesville	1958	522	2-4
Rosepine	1932	714	Pre K-6
Anacoco	1967	525	Pre K-6
North Polk	1995	538	Pre K-1
Vernon Optional		18	7-12

Table 18

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Operating Statistics
For the Fiscal Years Ended June 30, 2002 through June 30, 2007

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2002	$ 66,776,107	9,980	$ 6,691	0	703	14.20
2003	69,949,523	9,677	7,228	8.03%	713	13.57
2004	73,219,931	9,544	7,672	6.13%	700	13.63
2005	78,538,989	9,621	8,163	6.41%	677	14.21
2006	82,774,817	9,232	8,966	9.83%	714	12.93
2007	$ 82,425,278	9,107	$ 9,051	0.94%	678	13.43

Notes:

(1) This information is presented for 2002 and thereafter because the teaching staff information is extracted from the agreed upon procedures report on performance and statistical data which is available only for the fiscal years ended June 30, 2002 through 2007.

(2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.

(3) Enrollment is extracted from Table 14, Demographic and Economic Statistics.

(4) Teaching staff is extracted from Table 16, School Personnel.

Vernon Parish School Board
Leesville, Louisiana

Compliance with Single Audit Act Amendment of 1996
And Other Information
For the Year Ended June 30, 2007

Vernon Parish School Board
Table of Contents

ALLEN, GREEN & WILLIAMSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 6075
Monroe, LA 71211-6075
2414 Ferrand Street
Monroe, LA 71201
Phone: (318) 388-4422
Fax: (318) 388-4664
Toll-free: (888) 741-0205
www.allengreencpa.com

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Tim Green, CPA
Margie Williamson, CPA

Diane Ferschoff, CPA
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Angie Williamson, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

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

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish School Board as of and for the year ended June 30, 2007, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated October 25, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School Board's internal control.

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

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

Management Letter Items
We noted a certain matter that we reported to management of the School Board in a separate letter dated October 25, 2007, included later in this report.

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

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 25, 2007

ALLEN, GREEN & WILLIAMSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 6075
Monroe, LA 71211-6075
2414 Ferrand Street
Monroe, LA 71201
Phone: (318) 388-4422
Fax: (318) 388-4664
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(Retired) 1963 - 2000

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board Members
Vernon Parish School Board
Leesville, Louisiana

Compliance

We have audited the compliance of Vernon Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency exists in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the School Board's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the School Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the School Board's internal control.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2007, and have issued our report thereon dated October 25, 2007. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 25, 2007

Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	Number	CFDA Grantor No.	Pass-Through Expenditures
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	$ 531,553
National School Lunch Program	10.555	N/A	1,658,586
Passed Through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	279,436
Total United States Department of Agriculture			2,469,575
United States Department of Education			
Direct Programs:			
Impact Aid - Maintenance and Operation	84.041	N/A	6,752,611
Fund for the Improvement of Education	84.215K	N/A	165,664
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program	84.002	07-AE-58-F	70,214
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.010	07-IASA-58-I	2,832,600
Special Education:			
State Grants - Part B	84.027	07-FT58	2,044,964
Preschool Grants	84.173	07-PF58	69,446
Vocational Education:			
Basic Grants to States	84.048	28-07-58B	126,097
Tech-Prep Education	84.243	TP 28-07-CL-3-PE	148,493
Innovative Education Program Strategies – Title V	84.298	07-IASA-58-VI	12,509
Improving Teacher Quality (Title II)	84.367	07-50-58-I	565,822
English Language Acquisition Grant (Title III)	84.365	N/A	24,037
Technology Literacy Challenge	84.318	07-L1-58	14,087
Title IV (Safe and Drug-Free Schools)	84.186	07-IASA-58-IV	60,234
Indian Education	84.060	N/A	31,032
Total United States Department of Education			12,917,810

(Continued)

Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	Number	CFDA Grantor No.	Pass-Through Expenditures
United States Department of Health and Human Services			
Direct program - Head Start	93.600	07CH5622/30	$1,698,155
Passed Through the Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	392,382
Total United States Department of Health and Human Services			2,090,537
United States Department of Defense			
Direct Programs:			
Department of The Army			
JROTC	12.UKN	N/A	75,833
Passed Through the Louisiana Department of Education:			
Unisys	12.UKN	N/A	50,528
Total United States Department of Defense			126,361
TOTAL CASH FEDERAL AWARDS			17,604,283
NONCASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	234,445
TOTAL NONCASH FEDERAL AWARDS			234,445
TOTAL FEDERAL AWARDS			$17,838,728

(Concluded)

Vernon Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Vernon Parish School Board, Leesville, Louisiana. The Vernon Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

Federal Sources	
General	$ 7,107,880
Non Major Funds:	
Other Special	404,352
Drug Free Schools	60,234
Indian Education Grant	31,032
Adult Education	70,214
Vocational Education	274,590
Special Education	1,873,828
LA 4 State and Federal	389,445
School Food Service	2,424,584
Title I	2,832,600
Title VI	12,509
Title II	565,822
Title III	24,037
Headstart	1,698,155
Preschool	69,446
Total	$17,838,728

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2007

PART I - Summary of the Auditors' Results

Financial Statement Audit

i. The type of audit report issued was unqualified.

ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.

iii. There were no instances of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

Audit of Federal Awards

iv. There were no significant deficiencies required to be disclosed by OMB Circular A-133.

v. The type of report the auditor issued on compliance of major federal awards was unqualified.

vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).

vii. The major federal awards are:

CFDA # 93.600	Headstart
CFDA # 84.010	Title I

Special Education Cluster:

CFDA # 84.027	Grants to States (Part B)
CFDA # 84.173	Preschool Grants

viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was $535,162.

ix. The auditee qualifies as a low-risk auditee under OMB Circular A-133, Section .530.

OTHER INFORMATION

Vernon Parish School Board
Summary Schedule of Prior Audit Findings
June 30, 2007

Reference # and title: **06-F1** **Title I Attendance Area Selection**

Year of Origination: Fiscal year ended June 30, 2006

Condition found: According to Title I, Section 1113, a school may operate a school wide program using Title I funds to improve academic achievement throughout a school so that all students demonstrate proficiency related to academic standards. In order to operate as a school wide program, the school must serve a school attendance area in which not less than 40 percent of the children are from low-income families. The determination of low-income can be based on the number of students enrolled in the free/reduced meal program. These calculations are documented on the Title I attendance area selection.

Title I was unable to provide complete documentation for the numbers used in the Attendance Area Selection. Title I has a letter from the Food Service Director Assistant which agrees with the percentages of low income used on the Attendance Area Selection. The actual numbers of low income students does not agree to the letter provided by Food Services but the percentages agree. Title I could not provide documentation of the enrollment numbers used on the Attendance Area Selection. To test the numbers used for enrollment and low income, the October 1, 2004 Student Information System reports were used. The numbers were not the same as the numbers used on the Attendance Area Selection.

Corrective action taken: The School Board retained pertinent Attendance Area Selection documentation. Attendance Area Selection criteria was reviewed and approved by the Finance Director prior to the completion of the grant application. This item has been cleared.

ALLEN, GREEN & WILLIAMSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 6075
Monroe, LA 71211-6075

The CPA. Never Underestimate The Value.

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422
Fax: (318) 388-4664

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www.allengreencpa.com

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Management Letter

Board Members
Vernon Parish School Board
Leesville, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish School Board, as of and for the year ended June 30, 2007, which collectively comprise the School Board's basic financial statements, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted a certain matter involving other operational matters that are presented for your consideration. This letter does not affect our report dated October 25, 2007, on the basic financial statements of the School Board. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, is intended to result in other operating efficiency. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment is summarized as follows:

07-M1 **Pledged Securities**

Comment: The School Board and the bank monitor bank deposits on a monthly basis to ensure that School Board balances are adequately secured. Two large payroll deposits were made by the School Board on June 20 and on June 27 for the semi annual sales tax check and for the June payroll which is paid on the last day of the month. The sales tax deposit did not clear out before the end of the month payroll deposit was made. Since the 30th was on a Saturday the payroll checks did not clear out by June 30 which left $2,201,337 of School Board deposits unsecured for two days in July 2007.

Recommendation: The School Board management should communicate with the bank when unusually large deposits are made to ensure that deposits are adequately insured always.

Management's response: The School Board will better communicate with the bank when there are large deposits being made and verify that the bank has pledged proper securities for all deposits.

* * * * *

Also included are management's responses to our current-year management letter items. We have performed no audit work to verify the content of the responses.

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Immediately following this letter is the Status of Prior Year Management Letter Items. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior year management items and performed procedures to access the reasonableness of the Status of Prior Year Management Letter Items prepared by the auditee, and we would report, as a current-year management letter item when Allen, Green & Williamson, LLP, concludes the Status of Prior Year Management Letter Items materially misrepresents the status of any prior year management letter item.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2007, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

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

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 25, 2007

Vernon Parish School Board
Status of Prior Year Management Letter Item
June 30, 2007

06-M1 Changes in Capital Assets

Year of Origination: Fiscal year ended June 30, 2006.

Comment: It was noted during the capital asset inspection at the school level that some changes in capital assets are not being reported to the School Board by the schools.

Management's response: The School Board reinforced its policy on fixed assets to ensure the schools report discarded or changes in capital assets promptly.

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CERTIFIED PUBLIC ACCOUNTANTS
P. O. Box 6075
Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422
Fax: (318) 388-4664

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Vernon Parish School Board, Leesville, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). 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 issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. 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.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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Education Levels of Public School Staff (Schedule 2)

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

Comment: The total number of teachers on Schedules 2 and 4 did not agree to the October Profile of Educational Personnel report. The School Board included librarians and certain sabbatical teachers on the schedules.

Management's Response: A revised schedule was submitted excluding librarians and certain sabbatical teachers.

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

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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)

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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

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

Comment: No exceptions were noted as a result of applying agreed upon procedures.

Public Staff Data (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.

Comment: Although the salaries for each teacher agreed in total, the June supplemental pay was improperly classified as extra compensation on the June Profile of Educational Personnel report.

Management's Response: Because of a computer error, June supplemental pay was classified as extra compensation. That error has been corrected and a revised schedule with correct totals has been submitted.

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

Comment: Material differences were noted in recalculating the average salaries because the June supplemental pay was included as extra compensation on Schedule 5.

Management's Response: Because of a computer error, June supplemental pay was classified as extra compensation. That error has been corrected and a revised schedule with correct totals has been submitted.

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 ten classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (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 the School Board.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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

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

Comment: No exceptions were noted as a result of applying agreed upon procedures.

The Iowa 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 the School Board.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

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 the Vernon 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.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 20, 2007

Schedule 1

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2007

General Fund Instructional and Equipment Expenditures		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	$26,643,045	
Other Instructional Staff Activities	3,279,512	
Employee Benefits	9,259,313	
Purchased Professional and Technical Services	464,829	
Instructional Materials and Supplies	949,817	
Instructional Equipment	143,611	
Total Teacher and Student Interaction Activities		$40,740,127
Other Instructional Activities		265,451
Pupil Support Activities	2,938,235	
Less: Equipment for Pupil Support Activities	-3,000	
Net Pupil Support Activities		2,935,235
Instructional Staff Services	2,229,240	
Less: Equipment for Instructional Staff Services	0	
Net Instructional Staff Services		2,229,240
School Administration	$4,348,637	
Less: Equipment for School Administration	0	
Net School Administration		$4,348,637
Total General Fund Instructional Expenditures		$50,518,690
Total General Fund Equipment Expenditures		$199,874
Certain Local Revenue Sources		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		$417,979
Renewable Ad Valorem Tax		2,355,304
Debt Service Ad Valorem Tax		3,083,580
Up to 1% of Collections by the Sheriff on Taxes Other than School Ta		125,217
Sales and Use Taxes		9,767,480
Total Local Taxation Revenue		$15,749,560
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		$0
Earnings from Other Real Property		2,464
Total Local Earnings on Investment in Real Property		$2,464
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		$41,969
Revenue Sharing - Other Taxes		239,631
Revenue Sharing - Excess Portion		0
Other Revenue in Lieu of Taxes		0
Total State Revenue in Lieu of Taxes		$281,600
Nonpublic Textbook Revenue		$0
Nonpublic Transportation Revenue		$0

Schedule 2

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Education Levels of Public School Staff
As of October 1, 2006

	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
Category	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.00%	16	45.71%		0.00%		
Bachelor's Degree	481	75.63%	15	42.86%		0.00%		0.00%
Master's Degree	110	17.30%	4	11.43%	17	41.46%		0.00%
Master's Degree + 30	42	6.60%		0.00%	21	51.22%		0.00%
Specialist in Education	2	0.31%		0.00%	3	7.32%		0.00%
Ph. D. or Ed. D.	1	0.16%		0.00%		0.00%		0.00%
Total	636	100.00%	35	100.00%	41	100.00%		

Schedule 3

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2007

Type	Number
Elementary	8
Middle/Jr. High	1
Secondary	5
Combination	5
Total	19

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

Schedule 4

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2006

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals					7	4	7	18
Principals					2	9	12	23
Classroom Teachers	53	53	207	96	88	67	107	671
Total	53	53	207	96	97	80	126	712

Schedule 5

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Public School Staff Data
For the Year Ended June 30, 2007

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	$44,584.94	$43,851.89
Average Classroom Teachers' Salary Excluding Extra Compensation	$41,406.17	$40,718.36
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	679.72	657.05

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

Schedule 6

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Class Size Characteristics
As of October 2, 2006

	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
School Type	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	35.48	441	57.29	712	6.03	75	1.20	15
Elementary Activity Classes	16.01	45	59.78	168	7.83	22	16.38	46
Middle/Jr. High	51.25	82	23.76	38	18.12	29	6.87	11
Middle/Jr. High Activity Classes	20.83	5	12.50	3	29.17	7	37.50	9
High	64.59	611	24.85	235	10.14	96	0.42	4
High Activity Classes	86.39	146	8.28	14	4.15	7	1.18	2
Combination	80.93	811	13.68	137	5.09	51	0.30	3
Combination Activity Classes	75.00	96	17.97	23	4.69	6	2.34	3

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

Schedule 7

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2007

District Achievement Level Results	English Language Arts						Mathematics					
	2007		2006		2005		2007		2006		2005	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	31	4	33	5	19	3	58	8	54	7	31	4
Mastery	186	26	150	20	192	25	146	20	208	28	180	24
Basic	350	48	376	51	383	51	377	52	312	43	362	48
Approaching Basic	111	15	128	17	126	17	101	14	113	15	127	17
Unsatisfactory	51	7	45	6	33	4	47	6	45	6	53	7
Total	729		732		753		729		732		753	

District Achievement Level Results	Science						Social Studies					
	2007		2006		2005		2007		2006		2005	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	20	3	11	2	5	1	20	3	8	1	1	0
Mastery	159	23	101	15	130	19	145	21	81	12	114	16
Basic	326	47	323	48	294	43	358	51	399	59	393	57
Approaching Basic	147	21	185	28	200	29	116	17	126	19	117	17
Unsatisfactory	48	7	52	8	62	9	60	9	58	9	66	10
Total	700		672		691		699		672		691	

Schedule 8

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

The Graduation Exit Exam (GEE)
For the Year Ended June 30, 2007

District Achievement Level Results	English Language Arts						Mathematics					
	2007		2006		2005		2007		2006		2005	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	2	0	5	1	8	2	25	5	33	6	31	6
Mastery	50	9	63	11	91	17	87	16	102	18	105	20
Basic	277	51	318	55	279	52	282	52	280	48	247	46
Approaching Basic	147	27	122	21	104	20	63	12	96	17	71	13
Unsatisfactory	67	12	71	12	51	10	87	16	69	12	80	15
Total	543		579		533		544		580		534	

District Achievement Level Results	Science						Social Studies					
	2007		2006		2005		2007		2006		2005	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	14	3	18	4	17	4	2	0	2	0	0	0
Mastery	96	19	59	12	98	20	65	13	39	8	47	10
Basic	238	47	233	49	205	42	298	59	284	60	285	59
Approaching Basic	114	22	115	24	110	23	88	17	107	22	103	21
Unsatisfactory	47	9	53	11	55	11	55	11	45	9	52	11
Total	509		478		485		508		477		487	

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

The IOWA and iLEAP Tests
For the Year Ended June 30, 2007

IOWA Test

	Composite	
	2005	2004
Iowa Test of Basic Skills (ITBS)		
Grade 3	70	67
Grade 5	67	70
Grade 6	66	62
Grade 7	62	62
Tests of Educational Development (ITED)		
Grade 9	57	60

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same of better than 72 percent of the students in the norm group.

i LEAP Test

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	46	6%	43	6%	50	7%	17	2%
Mastery	204	28%	176	24%	159	22%	135	18%
Basic	342	46%	335	45%	363	49%	403	55%
Approaching Basic	87	12%	121	16%	130	18%	132	18%
Unsatisfactory	59	8%	63	9%	36	5%	50	7%
Total	738		738		738		737	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	29	4%	54	8%	9	1%	16	2%
Mastery	140	21%	102	15%	123	18%	84	12%
Basic	366	54%	361	53%	345	51%	394	58%
Approaching Basic	111	16%	97	14%	162	24%	133	20%
Unsatisfactory	36	5%	68	10%	43	6%	55	8%
Total	682		682		682		682	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	30	4%	27	4%	11	2%	34	5%
Mastery	184	27%	83	12%	119	17%	93	14%
Basic	347	50%	411	60%	348	51%	365	53%
Approaching Basic	101	15%	105	15%	166	24%	139	20%
Unsatisfactory	26	4%	62	9%	43	6%	55	8%
Total	688		688		687		686	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	77	11%	30	4%	14	2%	27	4%
Mastery	150	20%	72	10%	122	17%	191	26%
Basic	345	47%	394	54%	338	46%	366	50%
Approaching Basic	125	17%	159	22%	191	26%	94	13%
Unsatisfactory	35	5%	77	11%	67	9%	53	7%
Total	732		732		732		731	

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	9	1%	38	6%
Mastery	94	14%	74	11%
Basic	403	59%	360	53%
Approaching Basic	141	21%	116	17%
Unsatisfactory	31	5%	87	13%
Total	678		675	

i LEAP Test

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	51	7%	85	11%	39	5%	19	2%
Mastery	216	28%	178	23%	193	25%	188	24%
Basic	352	46%	331	43%	367	48%	397	52%
Approaching Basic	110	14%	121	16%	147	19%	127	17%
Unsatisfactory	41	5%	54	7%	23	3%	38	5%
Total	770		769		769		769	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	32	5%	40	6%	21	3%	24	4%
Mastery	141	21%	98	14%	130	19%	119	18%
Basic	313	46%	345	51%	320	47%	351	52%
Approaching Basic	124	18%	109	16%	156	23%	130	19%
Unsatisfactory	69	10%	87	13%	52	8%	55	8%
Total	679		679		679		679	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	28	4%	35	5%	16	2%	45	7%
Mastery	155	24%	109	17%	128	20%	92	14%
Basic	378	58%	366	56%	351	54%	367	56%
Approaching Basic	68	10%	89	14%	126	19%	111	17%
Unsatisfactory	27	4%	57	9%	34	5%	40	6%
Total	656		656		655		655	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	37	5%	24	3%	18	3%	29	4%
Mastery	131	19%	67	9%	111	16%	140	20%
Basic	348	49%	380	54%	307	43%	362	51%
Approaching Basic	146	21%	145	20%	200	28%	111	16%
Unsatisfactory	45	6%	93	13%	71	10%	64	9%
Total	707		709		707		706	

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	6	1%	40	6%
Mastery	106	17%	93	15%
Basic	367	58%	320	50%
Approaching Basic	126	20%	108	17%
Unsatisfactory	29	5%	73	12%
Total	634		634	