

# **REPORT**

**Washington Parish School Board  
Pine High School  
Franklinton, Louisiana**

**AGREED UPON PROCEDURES REPORT  
As of and for the period  
Ended January 16, 2002**

# *Durden and Alonzo*

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## WASHINGTON PARISH SCHOOL BOARD INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Washington Parish School Board  
Franklinton, LA

We have performed the procedures listed below, which were agreed upon by the Washington Parish School Board and Superintendent. These procedures were performed solely to assist the school board management with respect to compliance with policy and procedures concerning individual school activity accounts and school property inventory at Pine High School for the period January 1, 2001 through January 16, 2002. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We examined the following records for the school's activity accounts. Three months of bank reconciliations were tested for completeness and mathematical accuracy. Cash disbursements were tested for proper use of requisitions, purchase orders and supporting documentation in relation to school board policies and procedures. We tested bank deposits against receipts for propriety, traced deposits to the bank statement for timeliness of deposit and traced them to the activity account ledger to verify proper recording. We calculated gross profit percentages on concession operations, verified ticket reconciliation forms were utilized for gate receipts and performed reasonableness test on other receipt categories where applicable. We tested inventory records to determine the physical existence of property as listed on the school's property inventory report and to determine that property at the school was included on the inventory list. We also inspected property items to determine if they were identified as property of the school and numbered in accordance with the property inventory list.

## PINE HIGH SCHOOL

Bank Reconciliation - Each month tested was mathematically correct, all reconciling items proper and the reconciled balances equaled the activity account ledger. Beginning and ending balances were traced to prior and subsequent period balances to verify proper cutoffs, transactions were recorded in the proper period and balances were carried forward properly. There were no exceptions to school board policy concerning bank reconciliation procedures in the months we tested. The beginning bank balance was \$67,252. and the balance at January 16, 2002, was \$89,251., resulting in a net increase of \$21,999.

Cash disbursements - The majority of items examined were properly documented and recorded in the accounts of the school in compliance with school board policy. Requisitions, purchase orders and invoices were issued in compliance with school board policy for 80% of the items tested. 20% of the items tested were issued with the invoice dated prior to the requisition and purchase order, which indicates a lack of proper approval for the disbursement of funds. For 31.7% of the items tested, the principal did not sign the invoice, however, the requisition and purchase order were signed by the principal. Disbursement records were neat and orderly allowing the verification process to be accomplished in an efficient manner.

Cash receipts - Our examination indicates that deposits were made timely and intact, with excellent documentation of receipts and safeguarding of funds. Funds from nighttime sporting events are dropped in the bank's night deposit by the deputy working the game. "Count Sheets" are used to document gate receipts and concession operations, requiring the signature of three counters.

Concessions and other receipts - Concession operations include snack sales during school hours, which netted the school a gross profit from operations of \$5,511., 22.49%. These funds appear to be properly accounted for and deposited in a timely manner. All drink machines are operated on a full service contract basis and netted the school \$8,783. in commissions for the period covered by this examination.

Athletic gate receipts - Ticket reconciliation forms were utilized for athletic events. Our examination of these forms indicates a proper accounting for gate receipts and ticket inventory for the events supported by prenumbered ticket sales and ticket reconciliation forms.

Inventory - Fixed assets were randomly selected from the inventory list, and from the school's premises. Of the 846 items contained on the school's property inventory, we compiled a sample of 262 (31%). We found 99.9% (143) of the items selected from the inventory list and 97% (114) of the items selected from the school's premises. Of the five items we could not locate, one was purchased

with school activity funds, one was on a school bus, one was not on a sign-out sheet, and two we could not find on the inventory list. Inventory items were listed by room; except for desk (student and teacher), chairs, and filing cabinets. Assets were easy to locate. The items found had the identification numbers placed for easy recognition, and all items were clearly marked. Ronald Knight maintains the inventory list and teachers are required to complete an inventory list of their room at the beginning and end of the school year. The teachers' lists show a complete inventory of the room. All teachers were very cooperative, and seem willing to help Mr. Knight with the inventory process. The inventory list at Pine was greatly improved and was one of the most complete we have worked with.

Prior examination report findings – Our prior examination of Pine High School was for the period July 1, 1999 through November 30, 1999, there were no adverse findings as a result of that examination.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 the specified users listed above 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.

Yours truly,

  
DURDEN AND ALONZO, CPAs

January 30, 2002