

## REPORT

Washington Parish School Board  
Franklinton Elementary School  
Franklinton, Louisiana

ADDED UPON PROCEEDINGS REPORT  
As of and for the period  
July 1, 2000-December 31, 2000

# WILLIAM R. DURDEN

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## WASHINGTON PARISH SCHOOL BOARD INDEPENDENT ACCOUNTANTS REPORT ON APPLYING AGREED-UPON PROCEDURES

Washington Parish School Board  
Franklinton, LA

I 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 Franklinton Elementary for the period July 1, 2003 to December 31, 2003. 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, I 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.

I examined the following records for the School's activity accounts. Two months of bank reconciliation forms were tested for completeness and mathematical accuracy. Cash disbursements were tested for proper use of requisitions, purchase orders and supporting documentation in relation to the School Board policies and procedures. I 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. I calculated gross profit percentages on concession operations and performed reasonableness test on other receipt categories where applicable. I 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. I also inspected property items to determine if they were identified

as property of the School and numbered in accordance with the property inventory list.

### **Frankinton Elementary 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 I tested. The beginning bank balance was \$28,301.28 and the balance at December 31, 2003, was \$43,389.01, resulting in a net increase of \$2,088.33.

**Cash disbursements** - Most items tested were supported by an invoice, 11% were not. A few items, 32%, had an invoice date before the purchase order date. Items examined were properly approved, documented and recorded in the accounts of the School in compliance with School Board policy, except that requisition forms were not used in 83% of the items tested. I examined eight additional items on the use of requisition forms and five items were found to have a requisition form. Invoices and purchase orders were signed by the principal in all of the items tested. Disbursement records were neat and orderly allowing the verification process to be accomplished in an efficient manner.

**Cash receipts** - My examination indicates that deposits are made timely and intact. Procedures for safeguarding and accounting for cash receipts are excellent. Receipts are balanced with the daily recap and properly recorded in the activity account ledger. Deposit tickets were complete and agreed with the daily report.

**Concessions and other receipts** - Concessions operations include candy sales during school hours. Gross profit from concessions netted the School \$3,815.43, a 43.81% gross profit. These funds appear to be properly accounted for and deposited in a timely manner. A drink machine is operated under a contract with Coca Cola Bottling and the School received commission checks totaling \$1,946.90. A drink machine located in the faculty lounge is also under a contract with Coca Cola Bottling and the School received \$144.50.

**School pictures** - The School netted a profit of \$433.00 for fall pictures administered by Lifetouch Pictures.

**Fixed asset inventory** - To verify physical existence of items on the School inventory list, I randomly selected items from the inventory list and checked for their physical presence in the listed room. As I roamed throughout the School, I also picked items from each room and then verified that the item was on the inventory list. Three hundred thirty-three items were chosen. I found 91.9% of

The items selected from the inventory list and of the items found 88.1% were tagged. I found 78.3% of the items selected from the School premises and 86.3% of the items selected were tagged. The inventory list for Frankinton Elementary School was in excellent shape. We were able to locate, with relative ease, almost all of the items listed on the property inventory report and almost all of the items found were tagged. I was unable to find on the inventory list forty-four items selected from the School premises. Of those forty-four items, twenty-seven were Title I property and I did locate them on the Title I inventory list. Teachers take an inventory of their respective rooms at the beginning and end of each school year. The teachers seem to take an active roll in maintaining proper inventory records. Ms Speers worked diligently during the summer to update her inventory records, and the inventory list reflects that work. I found no fixed assets purchased from the School activity accounts I tested. However, there is no system in place to insure that any fixed assets purchased from activity accounts will be added to the School's inventory list. A system needs to be established so that any equipment purchased from activity accounts can be identified from an invoice to an inventory addition sheet with an appropriate number assigned. The control of the fixed asset inventory at Frankinton Elementary is a model for all other schools to follow. Cooperation of the principal, teachers, and other staff results in an excellent inventory listing.

Prior examination report findings - My prior examination of Frankinton Elementary School was for the period July 1, 2000 through June 30, 2001. There were no adverse findings as a result of that examination.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my 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,



William R. Darden, CPA

February 25, 2002