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LEGISLATIVE AUDITOR

LIVINGSTON PARISH SCHOOL BOARD

REPORT ON AUDIT OF GENERAL
PURPOSE FINANCIAL STATEMENTS

JUNE 30, 1996

LIVINGSTON, LOUISIANA

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 FEB 19 1997

Livingston Parish School Board

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Livingston Parish School Board

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December 2, 1996

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INDEPENDENT AUDITOR'S REPORT

Livingston Parish School Board
Livingston, Louisiana

We have audited the accompanying general purpose financial statements of the Livingston Parish School Board as of June 30, 1996, and for the year ended June 30, 1996, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Livingston Parish School Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128 "Audits of State and Local Governments". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Livingston Parish School Board as of June 30, 1996, and the results of operations for the year ended June 30, 1996, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements. The accompanying supplemental information schedules listed in the table of contents are presented

for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Livingston Parish School Board. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated December 2, 1996, on our consideration of the Livingston Parish School Board's internal control structure and a report dated December 2, 1996, on its compliance with laws and regulations.

Respectfully submitted,

Harris A. Bourgeois & Co., L.L.P.

Livingston Parish School Board

COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1996

| ASSETS AND OTHER DEBITS | GOVERNMENTAL FUND TYPES | | | |
|--|-------------------------|------------------------|---------------------|-------------------------|
| | <u>GENERAL</u> | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> | <u>CAPITAL PROJECTS</u> |
| Assets: | | | | |
| Cash and Cash Equivalents - Notes 2 and 15 | \$ 7,986,685 | \$ 414,980 | \$1,398,319 | \$ 531,780 |
| Investments (Certificates of Deposit Maturities Greater Than 90 Days) - Notes 2 and 15 | 14,750,000 | - | - | 7,400,000 |
| Receivables - Note 4 | 460,585 | 1,066,646 | 224,036 | 158,719 |
| Due from Other Funds - Note 5 | 660,621 | - | - | 717,437 |
| Inventory - Note 1-I | 410,709 | 75,893 | - | - |
| Other Assets | - | - | - | - |
| General Fixed Assets - Note 6 | - | - | - | - |
| Other Debits: | | | | |
| Amount Available in Debt Service Funds | - | - | - | - |
| Amount to be Provided for Retirement of General Long-Term Obligations | - | - | - | - |
| Total Assets and Other Debits | <u>\$24,268,600</u> | <u>\$1,557,519</u> | <u>\$1,622,355</u> | <u>\$ 8,807,936</u> |

(CONTINUED)

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Statement A

| <u>FIDUCIARY FUND TYPE</u> | <u>ACCOUNT GROUPS</u> | | <u>TOTALS</u> | |
|--------------------------------|---------------------------------|--|--------------------------|----------------------|
| | <u>GENERAL FIXED ASSETS</u> | <u>GENERAL LONG-TERM OBLIGATIONS</u> | <u>(MEMORANDUM ONLY)</u> | |
| <u>AGENCY</u> | | | <u>1996</u> | <u>1995</u> |
| \$1,983,570 | \$ - | \$ - | \$12,315,334 | \$ 23,440,027 |
| - | - | - | 22,150,000 | 10,900,000 |
| - | - | - | 1,909,986 | 2,709,216 |
| - | - | - | 1,378,058 | 1,834,062 |
| - | - | - | 486,602 | 469,982 |
| - | - | - | - | 3,225 |
| - | 108,330,047 | - | 108,330,047 | 103,369,456 |
| - | - | 1,616,453 | 1,616,453 | 1,027,976 |
| - | - | <u>33,581,075</u> | <u>33,581,075</u> | <u>34,258,629</u> |
| <u>\$1,983,570</u> | <u>\$108,330,047</u> | <u>\$35,197,528</u> | <u>\$181,767,555</u> | <u>\$178,012,573</u> |

Livingston Parish School Board
COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS
(CONTINUED)

June 30, 1996

| LIABILITIES, EQUITY AND OTHER CREDITS | GOVERNMENTAL FUND TYPES | | | |
|---|-------------------------|--------------------|-----------------|---------------------|
| | GENERAL | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS |
| Liabilities: | | | | |
| Accounts, Salaries and Other Payables - Note 7 | \$ 9,036,465 | \$ 739,293 | \$ 5,902 | \$ 308,219 |
| Due to Other Funds - Note 5 | - | 660,621 | - | 717,437 |
| Deposits Due Others - Note 10 | - | - | - | - |
| Claims and Judgements - Notes 11 and 13 | - | - | - | - |
| Compensated Absences Payable - Note 11 | - | - | - | - |
| Bonds Payable - Note 11 | - | - | - | - |
| Total Liabilities | 9,036,465 | 1,399,914 | 5,902 | 1,025,656 |
| FUND EQUITY | | | | |
| Investment in General Fixed Assets | - | - | - | - |
| Fund Balances: | | | | |
| Reserved for: | | | | |
| Debt Service - Note 11 | - | - | 1,616,453 | - |
| Capital Outlay - Note 15 | - | - | - | 8,313,208 |
| Inventory | 410,709 | 75,410 | - | - |
| Salaries - Note 16 | 3,722,435 | - | - | - |
| Utilities and Maintenance - Note 16 | 5,030,522 | - | - | - |
| Other | 60,910 | - | - | - |
| Unreserved: | | | | |
| Designated for: | | | | |
| Property Damage In- surance - Note 13 | 863,759 | - | - | - |
| General Liability In- surance - Note 13 | 1,166,780 | - | - | - |
| Worker's Compensation - Note 13 | 440,404 | - | - | - |
| Computer Equipment - Note 14 | - | - | - | - |
| Undesignated (Deficit) | 3,536,616 | 82,195 | - | (530,928) |
| Total Fund Equity | 15,232,135 | 157,605 | 1,616,453 | 7,782,280 |
| Total Liabilities and Fund Equity | \$24,268,600 | \$1,557,519 | \$1,622,355 | \$ 8,807,936 |

The accompanying notes constitute an integral part of this statement.

Statement A
(Continued)

| FIDUCIARY FUND TYPE | ACCOUNT GROUPS | | TOTALS | |
|------------------------|-------------------------|-------------------------------------|---------------------------|----------------------|
| | GENERAL FIXED ASSETS | GENERAL LONG-TERM OBLIGATIONS | (MEMORANDUM ONLY) 1996 | 1995 |
| AGENCY | | | | |
| \$ 34,695 | \$ - | \$ - | \$ 10,124,574 | \$ 10,829,503 |
| - | - | - | 1,378,058 | 1,834,062 |
| 1,948,875 | - | - | 1,948,875 | 1,464,974 |
| - | - | 630,316 | 630,316 | 576,161 |
| - | - | 4,348,501 | 4,348,501 | 4,080,207 |
| - | - | 30,218,711 | 30,218,711 | 30,630,237 |
| <u>1,983,570</u> | - | 35,197,528 | 48,649,035 | 49,415,144 |
| - | 108,330,047 | - | 108,330,047 | 103,369,456 |
| - | - | - | 1,616,453 | 1,027,976 |
| - | - | - | 8,313,208 | 9,651,333 |
| - | - | - | 486,119 | 469,982 |
| - | - | - | 3,722,435 | 3,028,081 |
| - | - | - | 5,030,522 | 4,367,697 |
| - | - | - | 60,910 | 59,163 |
| - | - | - | 863,759 | 962,998 |
| - | - | - | 1,166,780 | 1,136,134 |
| - | - | - | 440,404 | 543,866 |
| - | - | - | - | 587,541 |
| - | - | - | 3,087,883 | 3,393,202 |
| <u>-</u> | <u>108,330,047</u> | <u>-</u> | <u>133,118,520</u> | <u>128,597,429</u> |
| <u>\$1,983,570</u> | <u>\$108,330,047</u> | <u>\$35,197,528</u> | <u>\$181,767,555</u> | <u>\$178,012,573</u> |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Year Ended June 30, 1996

| | GOVERNMENTAL FUND TYPES | | |
|---|-------------------------|----------------------------|-------------------------|
| | <u>GENERAL</u> | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> |
| Revenues: | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Ad Valorem | \$ 735,621 | \$ 505,128 | \$ 4,152,316 |
| Sales and Use | 12,398,538 | - | - |
| Other | 122,099 | - | - |
| Rentals, Leases, and Royalties | 100,222 | - | - |
| Tuition | 182,697 | - | - |
| Interest Earnings | 1,124,360 | 1,287 | 27,491 |
| Food Services | - | 1,750,883 | - |
| Other | 344,067 | 10 | - |
| State Sources: | | | |
| Unrestricted Grants- in-Aid | 47,287,022 | 210,882 | - |
| Restricted Grants- in-Aid | 1,100,480 | - | - |
| Federal Sources: | | | |
| Unrestricted - Indirect Cost Recoveries | - | 42,433 | - |
| Restricted Grants- in-Aid - Subgrants | - | 5,915,042 | - |
| Other - Commodities | - | 385,442 | - |
| Total Revenues | <u>63,395,106</u> | <u>8,811,107</u> | <u>4,179,807</u> |
| Expenditures: | | | |
| Instruction: | | | |
| Regular Programs | 31,490,286 | 39,384 | - |
| Special Programs | 6,326,653 | 1,473,456 | - |
| Vocational Programs | 1,426,545 | 59,939 | - |
| Other Programs | 360,288 | 64,659 | - |
| Adult and Continuing Education Programs | 49,298 | 67,181 | - |
| Support Services: | | | |
| Pupil Support | 1,969,604 | 148,002 | - |
| Instructional Staff Support | 1,550,990 | 523,214 | - |
| General Administration | 1,083,746 | 17,952 | 151,424 |
| School Administration | 3,358,333 | - | - |

(CONTINUED)

Statement B

| <u>CAPITAL PROJECTS</u> | <u>TOTALS</u> | |
|-----------------------------|--------------------------|--------------|
| | <u>(MEMORANDUM ONLY)</u> | |
| | <u>1996</u> | <u>1995</u> |
| \$ 351,196 | \$ 5,744,261 | \$ 3,552,829 |
| - | 12,398,538 | 10,640,301 |
| - | 122,099 | 99,277 |
| - | 100,222 | 180,912 |
| - | 182,697 | 150,513 |
| 512,811 | 1,665,949 | 1,636,058 |
| - | 1,750,883 | 1,695,553 |
| 5,337 | 349,414 | 285,253 |
| 138,254 | 47,636,158 | 43,861,433 |
| - | 1,100,480 | 2,239,417 |
| - | 42,433 | 44,074 |
| - | 5,915,042 | 5,571,885 |
| - | 385,442 | 376,983 |
| 1,007,598 | 77,393,618 | 70,334,488 |
| - | 31,529,670 | 29,914,267 |
| - | 7,800,109 | 7,764,467 |
| - | 1,486,484 | 1,551,435 |
| - | 424,947 | 442,730 |
| - | 116,479 | 61,943 |
| - | 2,117,606 | 1,827,658 |
| - | 2,074,204 | 1,566,118 |
| 12,483 | 1,265,605 | 1,193,251 |
| - | 3,358,333 | 3,085,734 |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
(CONTINUED)

For the Year Ended June 30, 1996

| | <u>GOVERNMENTAL FUND TYPES</u> | | |
|---|--------------------------------|----------------------------|-------------------------|
| | <u>GENERAL</u> | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> |
| Support Services (Continued): | | | |
| Business Services | 754,065 | 19,155 | - |
| Plant Services | 4,641,237 | 1,204,560 | - |
| Transportation Services | 4,291,929 | 3,019 | - |
| Central Services | 307,094 | - | - |
| Food Services | 86,677 | 6,053,086 | - |
| Community Service Programs | 1,000 | 17,672 | - |
| Capital Outlay | 1,765,187 | 896,778 | - |
| Bond Issuance Costs | - | - | - |
| Debt Service: | | | |
| Principal Retirement | - | - | 1,915,000 |
| Interest and Bank Charges | - | - | <u>1,763,660</u> |
| Total Expenditures | <u>59,462,932</u> | <u>10,588,057</u> | <u>3,830,084</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 3,932,174 | (1,776,950) | 349,723 |
| Other Financing Sources (Uses): | | | |
| Sales of Fixed Assets | 12,992 | - | - |
| Operating Transfers In | 42,433 | 1,524,792 | 423,502 |
| Net Proceeds from the Issuance of Bonds | - | - | - |
| Payment to Refunded Bond Escrow Agent | - | - | (184,748) |
| Operating Transfers Out | <u>(3,613,294)</u> | <u>(42,433)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(3,557,869)</u> | <u>1,482,359</u> | <u>238,754</u> |

(CONTINUED)

Statement B
(Continued)

| <u>CAPITAL PROJECTS</u> | <u>TOTALS</u> <u>(MEMORANDUM ONLY)</u> | |
|-----------------------------|---|--------------------|
| | <u>1996</u> | <u>1995</u> |
| - | 773,220 | 711,740 |
| 24,323 | 5,870,120 | 5,076,449 |
| - | 4,294,948 | 4,032,515 |
| - | 307,094 | 278,727 |
| - | 6,139,763 | 5,812,952 |
| - | 18,672 | 3,438 |
| 5,174,045 | 7,836,010 | 8,705,267 |
| 16,595 | 16,595 | 117,170 |
| - | 1,915,000 | 1,345,000 |
| - | <u>1,763,660</u> | <u>1,313,570</u> |
| <u>5,227,446</u> | <u>79,108,519</u> | <u>74,804,431</u> |
| (4,219,848) | (1,714,901) | (4,469,943) |
| - | 12,992 | 5,750 |
| 1,665,000 | 3,655,727 | 2,613,738 |
| 2,515,000 | 2,515,000 | 13,800,000 |
| (1,067,843) | (1,252,591) | - |
| - | <u>(3,655,727)</u> | <u>(2,613,738)</u> |
| <u>3,112,157</u> | <u>1,275,401</u> | <u>13,805,750</u> |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
(CONTINUED)

For the Year Ended June 30, 1996

| | <u>GOVERNMENTAL FUND TYPES</u> | | |
|---|--------------------------------|----------------------------|-------------------------|
| | <u>GENERAL</u> | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> |
| Excess (Deficiency) of Revenues and Other Sources Over Expendi- tures and Other Uses | 374,305 | (294,591) | 588,477 |
| Fund Balances at Beginning of Year | <u>14,857,830</u> | <u>452,196</u> | <u>1,027,976</u> |
| Fund Balances at End of Year | <u>\$15,232,135</u> | <u>\$ 157,605</u> | <u>\$ 1,616,453</u> |

The accompanying notes constitute an integral part of this statement.

| <u>CAPITAL PROJECTS</u> | <u>TOTALS</u> <u>(MEMORANDUM ONLY)</u> | |
|-----------------------------|---|---------------------|
| | <u>1996</u> | <u>1995</u> |
| (1,107,691) | (439,500) | 9,335,807 |
| <u>8,889,971</u> | <u>25,227,973</u> | <u>15,892,166</u> |
| \$ <u>7,782,280</u> | <u>\$24,788,473</u> | <u>\$25,227,973</u> |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1996

| | GENERAL FUND | | VARIANCE - |
|--|--------------|------------|----------------------------|
| | BUDGET | ACTUAL | FAVORABLE (UNFAVORABLE) |
| Revenues: | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Ad Valorem | \$ 665,000 | \$ 735,621 | \$ 70,621 |
| Sales and Use | 11,876,000 | 12,398,538 | 522,538 |
| Other | 95,000 | 122,099 | 27,099 |
| Rentals, Leases and Royalties | 98,700 | 100,222 | 1,522 |
| Tuition | 142,500 | 182,697 | 40,197 |
| Interest Earnings | 862,700 | 1,124,360 | 261,660 |
| Food Services | - | - | - |
| Other | 319,200 | 344,067 | (24,867) |
| State Sources: | | | |
| Unrestricted Grants-in-Aid | 47,287,022 | 47,287,022 | - |
| Restricted Grants-in-Aid | 1,078,456 | 1,100,480 | 22,024 |
| Federal Sources: | | | |
| Federal Grants | - | - | - |
| Other - Commodities | - | - | - |
| Total Revenues | 62,424,578 | 63,395,106 | 970,528 |
| Expenditures: | | | |
| Instruction: | | | |
| Regular Programs | 31,960,438 | 31,490,286 | 470,152 |
| Special Programs | 6,573,451 | 6,326,653 | 246,798 |
| Vocational Programs | 1,495,108 | 1,426,545 | 68,563 |
| Other Programs | 359,900 | 360,288 | (388) |
| Adult and Continuing Education Programs | 51,414 | 49,298 | 2,116 |
| Support Services: | | | |
| Pupil Support | 2,116,596 | 1,969,604 | 146,992 |
| Instructional Staff Support | 1,522,108 | 1,550,990 | (28,882) |
| General Administration | 1,275,107 | 1,083,746 | 191,361 |
| School Administration | 3,270,280 | 3,358,333 | (88,053) |
| Business Services | 754,240 | 754,065 | 175 |
| Plant Services | 4,679,395 | 4,641,237 | 38,158 |

(CONTINUED)

| <u>SPECIAL REVENUE FUNDS</u> | | |
|------------------------------|----------------|---|
| <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE - FAVORABLE (UNFAVORABLE)</u> |
| \$ 485,000 | \$ 505,128 | \$ 20,128 |
| - | - | - |
| - | - | - |
| - | - | - |
| 5,320 | 1,287 | (4,033) |
| 1,646,000 | 1,750,883 | 104,883 |
| 49,500 | 10 | (49,490) |
| 210,813 | 210,882 | 69 |
| - | - | - |
| 5,956,607 | 5,957,475 | 868 |
| <u>370,000</u> | <u>385,442</u> | <u>15,442</u> |
| 8,723,240 | 8,811,107 | 87,867 |
| 39,211 | 39,384 | (173) |
| 1,436,985 | 1,473,456 | (36,471) |
| 69,300 | 59,939 | 9,361 |
| 68,479 | 64,659 | 3,820 |
| 87,300 | 67,181 | 20,119 |
| 182,544 | 148,002 | 34,542 |
| 567,379 | 523,214 | 44,165 |
| 17,000 | 17,952 | (952) |
| - | - | - |
| 25,525 | 19,155 | 6,370 |
| 991,420 | 1,204,560 | (213,140) |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUNDS - (CONTINUED)

For the Year Ended June 30, 1996

| | GENERAL FUND | | VARIANCE - FAVORABLE (UNFAVORABLE) |
|---|--------------|--------------|--|
| | BUDGET | ACTUAL | |
| Support Services (Continued): | | | |
| Transportation Services | 4,367,152 | 4,291,929 | 75,223 |
| Central Services | 360,185 | 307,094 | 53,091 |
| Food Services | 65,000 | 86,677 | (21,677) |
| Community Service Programs | 4,100 | 1,000 | 3,100 |
| Capital Outlay | 2,002,926 | 1,765,187 | 237,739 |
| Total Expenditures | 60,857,400 | 59,462,932 | 1,394,468 |
| Excess (Deficiency) of Revenues Over Expenditures | 1,567,178 | 3,932,174 | 2,364,996 |
| Other Financing Sources (Uses): | | | |
| Sale of Fixed Assets | 15,000 | 12,992 | (2,008) |
| Operating Transfers In | 50,000 | 42,433 | (7,567) |
| Operating Transfers Out | (2,989,792) | (3,613,294) | (623,502) |
| Total Other Financ- ing Sources (Uses) | (2,924,792) | (3,557,869) | (633,077) |
| Excess (Deficiency) of Revenues and Other Sources Over Expendi- tures and Other Uses | (1,357,614) | 374,305 | 1,731,919 |
| Fund Balance at Beginning of Year | 14,857,830 | 14,857,830 | - |
| Fund Balance at End of Year | \$13,500,216 | \$15,232,135 | \$ 1,731,919 |

The accompanying notes constitute an integral part of this statement.

| <u>SPECIAL REVENUE FUNDS</u> | | |
|------------------------------|-------------------|---|
| <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE - FAVORABLE (UNFAVORABLE)</u> |
| 3,000 | 3,019 | (19) |
| - | - | - |
| 5,589,705 | 6,053,086 | (463,381) |
| 17,020 | 17,672 | (652) |
| <u>885,267</u> | <u>896,778</u> | <u>(11,511)</u> |
| <u>9,980,135</u> | <u>10,588,057</u> | <u>(607,922)</u> |
| (1,256,895) | (1,776,950) | (520,055) |
| - | - | - |
| 1,389,792 | 1,524,792 | 135,000 |
| <u>(43,087)</u> | <u>(42,433)</u> | <u>654</u> |
| <u>1,346,705</u> | <u>1,482,359</u> | <u>135,654</u> |
| 89,810 | (294,591) | (384,401) |
| <u>452,196</u> | <u>452,196</u> | <u>-</u> |
| <u>\$ 542,006</u> | <u>\$ 157,605</u> | <u>\$ (384,401)</u> |

Livingston Parish School Board

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
DEBT SERVICE AND CAPITAL PROJECTS FUNDS

For the Year Ended June 30, 1996

| | <u>DEBT SERVICE FUNDS</u> | | |
|---|---------------------------|---------------------|---|
| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE - FAVORABLE (UNFAVORABLE)</u> |
| Revenues: | | | |
| Local Sources: | | | |
| Ad Valorem Taxes | \$ 3,933,000 | \$ 4,152,316 | \$ 219,316 |
| Interest Earnings | 30,000 | 27,491 | (2,509) |
| Other | - | - | - |
| State Sources - Unrestricted Grants-in-Aid | - | - | - |
| Total Revenues | <u>3,963,000</u> | <u>4,179,807</u> | <u>216,807</u> |
| Expenditures: | | | |
| Support Services: | | | |
| General Administration | 152,300 | 151,424 | 876 |
| Plant Services | - | - | - |
| Capital Outlay | - | - | - |
| Bond Issuance Costs | 6,700 | - | 6,700 |
| Debt Service: | | | |
| Principal Retirement | 2,100,200 | 1,915,000 | 185,200 |
| Interest and Bank Charges | <u>1,780,900</u> | <u>1,763,660</u> | <u>17,240</u> |
| Total Expenditures | <u>4,040,100</u> | <u>3,830,084</u> | <u>210,016</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (77,100) | 349,723 | 426,823 |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | 430,000 | 423,502 | (6,498) |
| Proceeds from the Issuance of Bonds | - | - | - |
| Payment to Refunded Bond Escrow Agent | - | <u>(184,748)</u> | <u>(184,748)</u> |
| Total Other Financing Sources (Uses) | <u>430,000</u> | <u>238,754</u> | <u>(191,246)</u> |
| Excess (Deficiency) of Reve- nues and Other Sources Over Expenditures and Other Uses | 352,900 | 588,477 | 235,577 |
| Fund Balances at Beginning of Year | <u>1,027,976</u> | <u>1,027,976</u> | - |
| Fund Balances at End of Year | <u>\$ 1,380,876</u> | <u>\$ 1,616,453</u> | <u>\$ 235,577</u> |

The accompanying notes constitute an integral part of this statement.

| <u>CAPITAL PROJECTS FUND</u> | | |
|------------------------------|---------------------|---|
| <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE - FAVORABLE (UNFAVORABLE)</u> |
| \$ 336,800 | \$ 351,196 | \$ 14,396 |
| 537,590 | 512,811 | (24,779) |
| 3,300 | 5,337 | 2,037 |
| <u>137,900</u> | <u>138,254</u> | <u>354</u> |
| 1,015,590 | 1,007,598 | (7,992) |
| 11,370 | 12,483 | (1,113) |
| - | 24,323 | (24,323) |
| 4,572,005 | 5,174,045 | (602,040) |
| 100,951 | 16,595 | 84,356 |
| - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> |
| <u>4,684,326</u> | <u>5,227,446</u> | <u>(543,120)</u> |
| (3,668,736) | (4,219,848) | (551,112) |
| 1,170,000 | 1,665,000 | 495,000 |
| 2,515,000 | 2,515,000 | - |
| <u>(960,251)</u> | <u>(1,067,843)</u> | <u>(107,592)</u> |
| <u>2,724,749</u> | <u>3,112,157</u> | <u>387,408</u> |
| (943,987) | (1,107,691) | (163,704) |
| <u>8,889,971</u> | <u>8,889,971</u> | <u>-</u> |
| <u>\$ 7,945,984</u> | <u>\$ 7,782,280</u> | <u>\$ (163,704)</u> |

Livingston Parish School Board
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 1996

INTRODUCTION

The Livingston Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Livingston 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 nine members who are elected from nine districts for terms of four years.

The School Board operates thirty-three schools and a special education center within the parish with a total enrollment of approximately 18,300 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.

(1) Summary of Significant Accounting Policies -

A. Basis of Presentation

The accompanying financial statements of the Livingston Parish School Board have been prepared in conformity with generally accepted accounting principles (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.

B. Reporting Entity

For financial reporting purposes, the School Board includes all funds, account groups, schools, and agencies that are within the oversight responsibility of the School Board. The oversight responsibility derived by the School Board is related to its scope of public service and gives it the authority to establish public schools as it deems necessary. This oversight responsibility also allows the School Board to determine the number of teachers and employees to be employed, to establish the financial interdependency of the funds and account groups, to appoint management, and to significantly influence operations and accountability for fiscal matters.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish council (formerly the parish police jury), other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Livingston Parish School Board.

C. Fund Accounting

The accounts of the School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Each account group represents a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not affect net expendable available financial resources.

The various funds and account groups are reported by type in the combined financial statements. The amounts shown in the "Total (Memorandum Only)" columns in the accompanying general purpose financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different basis of accounting, both restricted and unrestricted amounts, interfund transactions that have not been eliminated and the caption "amounts to be provided" which is not an asset in the usual sense. Consequently, amounts shown in the "Total (Memorandum Only)" columns are not comparable to consolidated financial statements and do not represent the total resources available or total revenues and expenditures of the School Board.

The School Board uses the following fund categories, fund types and account groups.

Governmental Fund Types:

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

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and for the major repairs thereto.

Fiduciary Fund Type:

Agency Funds - Agency funds account for assets held by the School Board as an agent for schools and school organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for all fixed assets of the School Board.

General Long-Term Debt Account Group - The Long-Term Debt Account Group is established to account for all long-term debt of the School Board and for those long-term liabilities to be liquidated with resources to be provided in future periods.

D. Basis of Accounting

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

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

The governmental and agency funds are maintained on 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 governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Federal and State entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and State grants are recorded when the reimbursable expenditures have been incurred.

Sales and use tax revenues are recorded in the month collected by the School Board.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the accrual basis of accounting with the following exceptions which are in conformity with generally accepted accounting principles: (1) costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees; (2) general long-term obligations principal and interest payments are recognized when due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of fixed assets, long-term debt proceeds, bank loan proceeds, etc., are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Certificates of deposit with maturities greater than 90 days are classified as investments and are stated at cost, which also approximates market value.

H. Due to/from Other Funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the Balance Sheet.

I. Inventory

Inventory of the General Fund is valued at cost and consists of expendable materials and supplies, which are recorded as an expenditure when consumed, using the first-in, first-out method.

Inventory of the School Lunch 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. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out basis) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

J. Fixed Assets

Fixed assets of the Governmental Funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. Approximately ninety-three percent of fixed assets are valued at actual historical cost, while the remaining seven percent are valued at estimated historical cost.

K. Compensated Absences

All 12-month employees earn from 5 to 20 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated without limitation, but must be used prior to retirement or termination.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

All school board employees earn from 10 to 18 days of sick leave each year, depending upon the number of months employed. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit 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. Sabbatical leave benefits are recorded as expenditures in the period paid.

The cost of current leave privileges, computed in accordance with the GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken or when employees or their heirs are paid for accrued leave upon retirement or death. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

L. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

M. Fund Equity

Reserves

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

N. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transfers are reported as operating transfers.

O. Sales and Use Taxes

The School Board receives a two and one-half percent sales and use tax. The sales and use tax is collected by the sales tax department of the School Board and is included in the revenues of the General Fund. The proceeds of the tax are dedicated to the payment of salaries of school teachers and other school employees; the payment of utilities; and constructing, maintaining or operating school buildings and other school related facilities, including the acquisition of sites.

The School Board is also authorized to collect sales and use taxes levied by the following governmental entities:

Law Enforcement Subdistrict A
Gravity Drainage District No. 1
Gravity Drainage District No. 5
City of Denham Springs
Town of Walker
Town of Livingston
Village of Albany
Village of Springfield

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

The School Board receives a collection fee from each of these entities at a rate of 2% on the first \$1,000,000 collected and then 1.5% on the amounts collected in excess of \$1,000,000. The collection and distribution of the sales taxes are accounted for in the Sales Tax Agency Fund.

(2) Cash and Cash Equivalents -

The School Board maintains various deposit accounts for the current operations of certain individual funds of the School Board. In addition, it maintains a cash investment pool with the Board's paying agent for all remaining funds. Each fund's portion of the cash and investment pool is included in that fund's Cash and Cash Equivalent account.

The School Board also maintains certificates of deposits with maturities greater than 90 days. These certificates are classified as Investments.

Interest earned on pooled cash and investments is allocated to the participating funds based upon their combined participating balances.

There are three categories of credit risk that apply to the School Board's cash and investments.

1. Insured or registered or for which the securities are held by the School Board or the Board's agent in the Board's name.
2. Uninsured and unregistered for which the securities are held by the bank's trust department or the School Board's agent in the Board's name.
3. Uninsured and unregistered for which the securities are held by the broker or by the bank.

At June 30, 1996, the carrying amount of the School Board's Cash and Cash Equivalents and Investments (checking accounts, savings accounts, and certificates of deposits) was \$34,465,334 and the confirmed bank balances were \$35,281,142. Cash and Cash Equivalents and Investments are stated at cost, which approximates market.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

The following is a summary of Cash and Cash Equivalents and Investments at June 30, 1996, classified by credit risk:

| | <u>CARRYING AMOUNT</u> | <u>CONFIRMED BALANCE</u> |
|------------|----------------------------|------------------------------|
| Category 1 | \$ 647,312 | \$ 647,312 |
| Category 2 | 33,817,772 | 34,633,830 |
| Category 3 | <u>250</u> | <u>-</u> |
| Total | <u>\$34,465,334</u> | <u>\$35,281,142</u> |

(3) Ad Valorem Taxes -

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land are to be assessed at 15% and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from Ad Valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Assessor bills and collects the property taxes using the assessed value determined by his office.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

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

| | <u>AUTHORIZED MILLAGE</u> | <u>LEVIED MILLAGE</u> | | |
|--------------------|-------------------------------|---------------------------|------------|-------------|
| Parishwide Taxes: | | | | |
| Constitutional | 3.29 | 3.29 | | |
| Additional Support | 7.18 | 7.18 | | |
| Maintenance | 7.19 | 7.19 | | |
| Construction | 5.00 | 5.00 | | |
| | <u>LOW</u> | <u>HIGH</u> | <u>LOW</u> | <u>HIGH</u> |
| District Taxes - | | | | |
| Bond and Interest | -0- | 87.09 | -0- | 87.09 |

The differences between authorized and levied millages are the result of reassessment of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

| | |
|------------------------------------|--------------------|
| Total Ad Valorem Taxes | \$6,091,396 |
| Less: Amounts Deemed Uncollectible | <u>(347,135)</u> |
| Net Ad Valorem Taxes Collectible | <u>\$5,744,261</u> |

Ad Valorem taxes receivable at June 30, 1996, totaled \$296,851 and is included under the caption Receivables in these financial statements.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

(4) Receivables -

The receivables at June 30, 1996, are as follows:

| <u>CLASS OF RECEIVABLE</u> | <u>GENERAL FUND</u> | <u>SPECIAL REVENUE FUNDS</u> | <u>DEBT SERVICE FUND</u> | <u>CAPITAL PROJECTS FUND</u> | <u>TOTAL</u> |
|----------------------------|---------------------|------------------------------|--------------------------|------------------------------|---------------------|
| Federal Grants | \$ - | \$ 946,958 | \$ - | \$ - | \$ 946,958 |
| State Grants | 236,828 | 91,979 | - | 92,169 | 420,976 |
| Other: | | | | | |
| Advalorem | | | | | |
| Taxes | 33,644 | 23,104 | 224,036 | 16,067 | 296,851 |
| Band Fees | 3,220 | - | - | - | 3,220 |
| Interest | 186,546 | - | - | 50,483 | 237,029 |
| Other | <u>347</u> | <u>4,605</u> | <u>-</u> | <u>-</u> | <u>4,952</u> |
| Totals | \$ <u>460,585</u> | \$ <u>1,066,646</u> | \$ <u>224,036</u> | \$ <u>158,719</u> | \$ <u>1,909,986</u> |

(5) Interfund Receivables, Payables - Transfers In, Transfers Out -

| | <u>DUE FROM OTHER FUNDS</u> | <u>DUE TO OTHER FUNDS</u> |
|---|-----------------------------|---------------------------|
| General Fund | \$ 660,621 | \$ - |
| Special Revenue Funds: | | |
| Elementary and Secondary Education Act Title I: | | |
| Chapter 1 | - | 484,059 |
| Chapter 2 | - | 45,029 |
| Special Education | - | 33,678 |
| Special Federal Fund | - | 59,353 |
| Other Federal ESEA Fund | - | 38,502 |

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

| | <u>DUE FROM OTHER FUNDS</u> | <u>DUE TO OTHER FUNDS</u> |
|-------------------------|-------------------------------------|-----------------------------------|
| Capital Projects Funds: | | |
| District No. 1 | 717,437 | - |
| District No. 4 | - | 122,647 |
| District No. 24 | - | 252,462 |
| District No. 27 | - | 202,520 |
| District No. 32 | - | 7,460 |
| District No. 33 | - | 132,348 |
| | <u> </u> | <u> </u> |
| Total | <u>\$1,378,058</u> | <u>\$1,378,058</u> |
| | | |
| | <u>TRANSFERS IN</u> | <u>TRANSFERS OUT</u> |
| General Fund | \$ 42,433 | \$3,613,294 |
| Special Revenue Funds: | | |
| Elementary and | | |
| Secondary Education Act | | |
| Title I: | | |
| Chapter 1 | - | 23,210 |
| Chapter 2 | - | 1,450 |
| Special Education | - | 7,758 |
| Maintenance of | | |
| Schools | 560,000 | - |
| School Lunch | 964,792 | - |
| Special Federal Fund | - | 7,629 |
| Other Federal ESEA Fund | - | 2,386 |
| Debt Service Funds: | | |
| District No. 4 | 154,148 | - |
| District No. 22 | 122,280 | - |
| District No. 24 | 59,288 | - |
| District No. 27 | 17,786 | - |
| District No. 31 | 5,000 | - |
| District No. 32A | 65,000 | - |
| Capital Projects Funds: | | |
| District No. 4 | 1,000,000 | - |
| District No. 22 | 250,000 | - |
| District No. 24 | 130,000 | - |
| District No. 26 | 200,000 | - |
| District No. 27 | 25,000 | - |
| District No. 33 | 60,000 | - |
| | <u> </u> | <u> </u> |
| Total | <u>\$3,655,727</u> | <u>\$3,655,727</u> |

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

(6) Changes in General Fixed Assets -

A summary of changes in general fixed assets for the year ended June 30, 1996, are as follows:

| | BALANCE AT <u>JULY 1, 1995</u> | <u>ADDITIONS</u> | <u>REDUCTIONS</u> | BALANCE AT <u>JUNE 30, 1996</u> |
|--------------------------------|--------------------------------------|---------------------|---------------------|---------------------------------------|
| Land | \$ 2,239,206 | \$ 548,835 | \$ - | \$ 2,788,041 |
| Building and Improvements | 78,409,184 | 7,825,332 | 851,000 | 85,383,516 |
| Furniture and Equipment | 9,592,021 | 2,256,925 | 1,966,645 | 9,882,301 |
| Library Books and Textbooks | 7,638,095 | 1,085,114 | 303,000 | 8,420,209 |
| Vehicles | 595,836 | 33,995 | 91,600 | 538,231 |
| Incomplete Construction | <u>4,895,114</u> | <u>4,081,180</u> | <u>7,658,545</u> | <u>1,317,749</u> |
| Totals | <u>\$103,369,456</u> | <u>\$15,831,381</u> | <u>\$10,870,790</u> | <u>\$108,330,047</u> |

(7) Accounts, Salaries, and Other Payables -

The payables of \$10,124,574 at June 30, 1996, are as follows:

| | <u>GENERAL FUND</u> | <u>SPECIAL REVENUE FUNDS</u> | <u>DEBT SERVICE FUND</u> | <u>CAPITAL PROJECTS FUND</u> | <u>AGENCY FUND</u> | <u>TOTAL</u> |
|--------------|-------------------------|--------------------------------------|----------------------------------|--------------------------------------|------------------------|---------------------|
| Accounts | \$1,009,639 | \$326,186 | \$5,902 | \$308,219 | \$34,695 | \$ 1,684,641 |
| Salaries | 3,962,684 | 413,107 | - | - | - | 4,375,791 |
| Withholdings | 2,637,973 | - | - | - | - | 2,637,973 |
| Retirement | <u>1,426,169</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,426,169</u> |
| Total | <u>\$9,036,465</u> | <u>\$739,293</u> | <u>\$5,902</u> | <u>\$308,219</u> | <u>\$34,695</u> | <u>\$10,124,574</u> |

(8) Defined Benefit Pension Plans -

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees Retirement Systems (LSERS).

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after ten years of service. Benefits of the systems are funded by employee and employer contributions. The contribution rates (as a percent of covered salaries) are established by state law as follows:

| | <u>EMPLOYEE</u> | <u>EMPLOYER</u> |
|--|-----------------|-----------------|
| Louisiana Teachers Retirement System: | | |
| Plan A | 9.10% | 16.50% |
| Regular | 8.00% | 16.50% |
| Louisiana School Employees Retirement System | 6.35% | 6.00% |

The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from ad valorem taxes, and by remittances from the School Board. For the LSERS, all of the School Board's employer contributions are funded by the State of Louisiana through annual appropriations. Benefits granted by the retirement systems are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. For the year ended June 30, 1996, the payroll of the School Board totaled \$47,135,953. The employer contributions and total payroll of covered employees for the fiscal year ended June 30, 1996, follow:

| | <u>TRS</u> | | <u>LSERS</u> |
|------------------------------------|---------------|----------------|--------------|
| | <u>PLAN A</u> | <u>REGULAR</u> | |
| For the Year Ended June 30, 1996: | | | |
| Employer Contribution | \$ 107,718 | \$ 6,285,982 | \$ 252,034 |
| Total Covered Current-Year Payroll | \$ 652,838 | \$38,096,860 | \$4,200,560 |

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to-date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the Systems' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among Public Employee Retirement Systems and employers. The Systems do not make separate measurements of assets and pension benefit obligations for

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

individual employers. As of this report date, the audited financial statements for the Teachers' Retirement System and the School Employees Retirement System were not available. The pension benefit obligations at June 30, 1995 for the Systems, each as a whole, the Systems' net assets available for benefits on that date, and the resulting unfunded (overfunded) pension benefit obligations were as follows:

| | <u>TEACHERS' RETIREMENT SYSTEM</u> | <u>SCHOOL EMPLOYEES' RETIREMENT SYSTEM</u> |
|---|--|--|
| Pension Benefit Obligation | \$10,570,306,773 | \$ 834,345,876 |
| Net Assets Available for Benefits | <u>6,081,673,223</u> | <u>962,833,541</u> |
| Unfunded (Overfunded) Pension Benefit Obligation | <u>\$ 4,488,633,550</u> | <u>\$(128,487,665)</u> |

Ten-year historical trend information showing each System's progress in accumulating sufficient assets to pay benefits when due is presented in each System's respective June 30, 1995 annual financial report.

In addition to the above mentioned retirement plans, on May 5, 1994, the School Board adopted a resolution establishing a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code. All part-time, seasonal and temporary employees of the School Board are eligible to participate in this plan. Participation in this plan is at a rate of 7.5% of compensation with contributions to the plan funded 1.3% by the employer and 6.2% by the employee. This plan became effective for fiscal years ending after June 30, 1994. During the current fiscal year, total contributions to the plan amounted to \$89,687 which consisted of \$15,640 from the School Board and \$74,047 from the employees.

(9) Post-Retirement Health Care and Life Insurance Benefits -

In addition to the pension benefits described in Note (8), the Livingston Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. 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

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee, the State Employees Group Benefits Program (the state), and the School Board (the parish). The School Board recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. For the fiscal year ended June 30, 1996, the cost of providing these benefits for 1,263 active employees is \$2,014,599 and for 316 retirees is \$948,052.

(10) Changes in Agency Fund Deposits Due Others -

A summary of changes in agency fund deposits due others follows:

| | <u>SCHOOL ACTIVITY FUND</u> | <u>SALES TAX FUND</u> | <u>MINIMUM FOUNDATION COMMISSION FUND</u> | <u>TOTAL</u> |
|----------------------------|-------------------------------------|---------------------------|---|---------------------|
| Balance - July 1, 1995 | \$ 1,384,910 | \$ - | \$ 80,064 | \$ 1,464,974 |
| Additions | 5,231,914 | 19,318,139 | 4,153 | 24,554,206 |
| Deductions | <u>(5,144,002)</u> | <u>(18,885,623)</u> | <u>(40,680)</u> | <u>(24,070,305)</u> |
| Balance - June 30, 1996 | <u>\$ 1,472,822</u> | <u>\$ 432,516</u> | <u>\$ 43,537</u> | <u>\$ 1,948,875</u> |

(11) Changes in General Long-Term Obligations -

The following is a summary of the long-term obligation transactions for the year ended June 30, 1996:

| | <u>BONDED DEBT</u> | <u>COMPENSATED ABSENCES</u> | <u>CLAIMS AND JUDGEMENTS</u> | <u>TOTAL</u> |
|---|------------------------|---------------------------------|----------------------------------|---------------------|
| Long-Term Obligations - July 1, 1996 | \$30,630,237 | \$ 4,080,207 | \$ 576,161 | \$35,286,605 |
| Additions | 2,515,000 | 345,671 | 54,155 | 2,914,826 |
| Accretions of Deep Discount | 168,474 | - | - | 168,474 |
| Deductions | <u>(3,095,000)</u> | <u>(77,377)</u> | <u>-</u> | <u>(3,172,377)</u> |
| Long-Term Obligations June 30, 1996 | <u>\$30,218,711</u> | <u>\$ 4,348,501</u> | <u>\$ 630,316</u> | <u>\$35,197,528</u> |

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Bonded Debt

All school board bonds outstanding at June 30, 1996, in the amount of \$30,218,711 consist of \$29,043,711 of general obligation bonds and \$1,175,000 of special revenue bonds, with final maturities from 1997 to 2017 and interest rates from 5.25 percent to 12.00 percent. Bond principal and interest payable in the next fiscal year is \$1,985,000 and \$1,666,248, respectively. Bonded debt is comprised of the following individual issues which are payable from the debt service funds:

| | <u>ORIGINAL ISSUE</u> | <u>INTEREST RATES</u> | <u>FINAL PAYMENT DUE</u> | <u>INTEREST TO MATURITY</u> | <u>PRINCIPAL OUTSTANDING</u> |
|--|---------------------------|---------------------------|----------------------------------|-------------------------------------|----------------------------------|
| General Obligation Bonds - Secured by Ad Valorem Taxes: | | | | | |
| School District No. 1: | | | | | |
| 08/01/77 | \$1,400,000 | 5.25-6.00% | 1997 | \$ 13,475 | \$ 240,000 |
| 10/01/89 | \$2,631,608 | 6.50-7.55% | 2004 | 1,357,045 | 1,741,608 |
| 11/01/94 | \$9,600,000 | 6.10-9.00% | 2014 | 6,651,567 | 9,285,000 |
| School District No. 4: | | | | | |
| 06/01/80 | \$1,268,000 | 7.25-8.00% | 2000 | 101,142 | 520,000 |
| 11/01/94 | \$4,200,000 | 6.10-8.00% | 2014 | 2,908,800 | 4,060,000 |
| School District No. 22: | | | | | |
| 04/01/92 | \$3,100,000 | 6.50-12.00% | 2017 | 2,461,175 | 2,890,000 |
| School District No. 24: | | | | | |
| 03/01/89 | \$1,284,478 | 6.50-7.30% | 2000 | 341,350 | 904,478 |
| 11/01/93 | \$2,035,000 | 6.40-6.60% | 2013 | 1,083,298 | 2,025,000 |
| Less: | | | | | |
| Capital Appreciation Bond Deep Discount | | | | | (470,544) |
| School District No. 25: | | | | | |
| 04/01/79 | \$ 650,000 | 5.75-6.00% | 1999 | 20,400 | 165,000 |
| 12/15/90 | \$ 685,000 | 6.60-9.00% | 2010 | 268,688 | 580,000 |

(CONTINUED)

Livingston Parish School Board
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 1996

| | <u>ORIGINAL ISSUE</u> | <u>INTEREST RATES</u> | <u>FINAL PAYMENT DUE</u> | <u>INTEREST TO MATURITY</u> | <u>PRINCIPAL OUTSTANDING</u> |
|--------------------|---------------------------|---------------------------|----------------------------------|-------------------------------------|----------------------------------|
| General Obligation | | | | | |
| Bonds - Secured | | | | | |
| by Ad Valorem | | | | | |
| Taxes (Continued): | | | | | |
| School District | | | | | |
| No. 26: | | | | | |
| 03/01/89 | \$ 605,000 | 7.10-7.85% | 1998 | 24,153 | 270,000 |
| 07/15/90 | \$ 850,000 | 6.60-12.00% | 2010 | 314,795 | 720,000 |
| School District | | | | | |
| No. 27-A: | | | | | |
| 03/01/89 | \$1,308,369 | 6.50-7.55% | 2005 | 707,916 | 878,369 |
| 11/01/93 | \$1,000,000 | 5.80-6.00% | 2013 | 790,188 | 990,000 |
| 11/01/93 | \$1,140,000 | 6.70% | 2013 | 329,640 | 1,100,000 |
| Less: | | | | | |
| Capital | | | | | |
| Appreciation | | | | | |
| Bond Deep- | | | | | |
| Discount | | | | | |
| | | | | - | (388,058) |
| School District | | | | | |
| No. 31: | | | | | |
| 04/01/96 | \$ 725,000 | 5.30-12.00% | 2016 | 494,930 | 725,000 |
| School District | | | | | |
| No. 32-A: | | | | | |
| 04/01/96 | \$1,790,000 | 5.25-12.00% | 2016 | 1,230,883 | 1,790,000 |
| School District | | | | | |
| No. 33: | | | | | |
| 03/01/79 | \$ 250,000 | 5.80-7.25% | 1999 | 7,200 | 60,000 |
| 03/01/89 | \$ 444,464 | 6.80-7.55% | 2004 | 237,810 | 299,464 |
| 11/01/93 | \$1,045,000 | 6.70-6.80% | 2013 | 253,315 | 1,010,000 |
| Less: | | | | | |
| Capital | | | | | |
| Appreciation | | | | | |
| Bond Deep | | | | | |
| Discount | | | | | |
| | | | | - | (351,606) |
| Total General | | | | | |
| Obligation | | | | | |
| Bonds | | | | | |
| | | | | <u>19,597,770</u> | <u>29,043,711</u> |

(CONTINUED)

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

| | <u>ORIGINAL ISSUE</u> | <u>INTEREST RATES</u> | <u>FINAL PAYMENT DUE</u> | <u>INTEREST TO MATURITY</u> | <u>PRINCIPAL OUTSTANDING</u> |
|-------------------|---------------------------|---------------------------|----------------------------------|-------------------------------------|----------------------------------|
| Special Revenue | | | | | |
| Bonds - Secured | | | | | |
| by Sales and Use | | | | | |
| Taxes: | | | | | |
| School District | | | | | |
| No. 4: | | | | | |
| 08/01/85 | \$1,300,000 | 6.00-12.00% | 2000 | 133,435 | 630,000 |
| School District | | | | | |
| No. 22: | | | | | |
| 03/01/89 | \$ 570,000 | 7.30-7.80% | 1997 | 18,275 | 230,000 |
| School District | | | | | |
| No. 24: | | | | | |
| 08/01/85 | \$ 500,000 | 6.00-12.00% | 2000 | 51,322 | 242,309 |
| School District | | | | | |
| No. 27: | | | | | |
| 08/01/85 | \$ 150,000 | 6.00-12.00% | 2000 | <u>15,397</u> | <u>72,691</u> |
| Total Special | | | | | |
| Revenue Bonds | | | | <u>218,429</u> | <u>1,175,000</u> |
| Total Bonded Debt | | | | <u>\$19,816,199</u> | <u>\$30,218,711</u> |

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 or by the parishwide 1978 sales and use tax. At June 30, 1996, the School Board has accumulated \$1,616,453 in the Debt Service Funds for future debt requirements. The bonds are due, by years, as follows:

| <u>YEAR ENDING JUNE 30,</u> | <u>PRINCIPAL PAYMENTS</u> | <u>INTEREST PAYMENTS</u> | <u>TOTAL</u> |
|---------------------------------|-------------------------------|------------------------------|---------------------|
| 1997 | \$ 1,985,000 | \$ 1,666,248 | \$ 3,651,248 |
| 1998 | 2,185,000 | 1,516,555 | 3,701,555 |
| 1999 | 1,970,000 | 1,359,793 | 3,329,793 |
| 2000 | 1,562,284 | 1,661,997 | 3,224,281 |
| 2001 | 1,693,123 | 1,675,445 | 3,368,568 |
| Thereafter | <u>22,033,512</u> | <u>11,936,161</u> | <u>33,969,673</u> |
| | 31,428,919 | 19,816,199 | 51,245,118 |
| Less: Capital | | | |
| Appreciation | | | |
| Bond Deep | | | |
| Discount | <u>(1,210,208)</u> | <u>-</u> | <u>(1,210,208)</u> |
| | <u>\$30,218,711</u> | <u>\$19,816,199</u> | <u>\$50,034,910</u> |

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

During the fiscal year ended June 30, 1994, voters of Livingston Parish approved the issuance of \$5,220,000 (par value) of 1993 A, B, C and D General Obligation School Improvement Bonds dated November 1, 1993. Each series of Bonds constitute general obligations of the respective School District for which the full faith and credit of the issuing District's are pledged. Each series of Bonds is payable from unlimited ad valorem taxation on all taxable property in the respective issuing District. The Series A, B and C Bonds were issued at a deep discount totaling \$1,618,011. Accretion of this deep discount for the fiscal year ended June 30, 1996 amounted to \$168,474 leaving an amortized deep discount of \$1,210,208 at June 30, 1996.

On April 1, 1996, the School Board issued \$2,515,000 in General Obligation Bonds with an average interest rate of 5.3% to advance refund \$1,180,000 of outstanding General Obligation Bonds with an average interest rate of 8.0%. The net proceeds of \$1,430,562 (after payment of \$16,595 in underwriting fees, insurance and other issuance costs) plus an additional \$184,748 of the advance refunded bonds sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on these bonds. As a result, these bonds are considered to be defeased and the liability for these bonds has been removed from the general long-term debt account group.

The School Board advance refunded these bonds which increased its total debt service payments over the next 20 years by approximately \$2,700,000. The School Board experienced an economic loss (difference between the present values of the debt service payments on the old and new debt) of approximately \$1,300,000. This loss was caused by the additional debt issued for the construction of new facilities in Districts #31 and #32.

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded by ad valorem taxes, in excess of thirty-five percent of the assessed value of taxable property. At June 30, 1996, the statutory limit is approximately \$54,500,000, and outstanding general obligation bonded debt funded by ad valorem taxes totals \$29,043,711.

In addition, the School Board is legally restricted from incurring long-term bonded debt secured by sales and use tax in excess of seventy-five percent of the avails of the tax, as prescribed by Louisiana Revised Statute 33:2738.25(A). The School Board was within this seventy-five percent limitation in 1982 and 1985 when the sales tax bonds were issued.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

Compensated Absences

At June 30, 1996, employees of the School Board have accumulated and vested \$4,348,501 of employee leave benefits, which was computed in accordance with GASB Codification Section C60 and is recorded in the general long-term obligations account group.

(12) Prior Defeasance of Debt -

On April 1, 1992, the Livingston Parish School Board issued \$3,100,000 in General Obligation Refunding Bonds, Series 1992, with interest rates of 6.5 to 12.0 percent, to defease and to advance refund \$835,000 of outstanding bonds. The School Board placed sufficient proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in these financial statements. At June 30, 1996, there remains \$345,000 of debt outstanding from the 1992 defeasance.

(13) Risk Management/Fund Balances Designated for Insurance -

Property Damage Insurance

The School Board has established a limited risk management program for damage to and destruction of assets. The School Board made disbursements for repairs and construction due to property damage of \$-0- in the fiscal year ended June 30, 1996. The General Fund reports the claims expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. There were no liabilities for damage to or destruction of assets at June 30, 1996. The School Board has an excess coverage insurance policy to cover annual losses in excess of \$50,000 and has designated \$863,759 of fund balance of the General Fund at June 30, 1996, to cover the cost of future property damage not covered by insurance.

General Liability Insurance

The School Board is exposed to losses relating to any potential general liability claim it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for liability claims. The School Board has an excess coverage insurance policy to cover annual losses in excess of \$350,000.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

The School Board made disbursements for liability claims of \$78,185 in the fiscal year ended June 30, 1996. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 1996, amounted to \$321,759 which has been included under the caption Claims and Judgements in the General Long-Term Debt Account Group.

Each year the School Board compares the claims paid and the designated fund balance for general liability insurance to determine the amount of funds to be set aside that year. The School Board has designated \$1,166,780 of the fund balance of the General Fund to cover future general liability damage claims.

Worker's Compensation Insurance

The School Board is exposed to losses relating to any potential worker's compensation claim it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for worker's compensation claims. The School Board has purchased an excess coverage insurance policy to cover worker's compensation claims in excess of \$250,000.

All worker's compensation claims are paid out of the General Fund resources. The School Board made disbursements for worker's compensation claims of \$236,205 in the fiscal year ended June 30, 1996. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 1996, amounted to \$308,557 which has been included under the caption Claims and Judgements in the General Long-Term Debt Account Group.

Each year the School Board compares the claims paid and the designated fund balance for worker's compensation insurance to determine the amount of funds to be set aside that year. The School Board has designated \$440,404 of the fund balance of the General Fund to cover future worker's compensation damage claims. Included in this amount is a certificate of deposit in the amount of \$150,000 purchased by the School Board in the name of the Office of Workers' Compensation through the Department of Employment and Training and held in trust for the School Board.

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

(14) Fund Balance Designated for Computer Equipment - General Fund -

The School Board established in prior years a designation of fund balance in the General Fund to accumulate the projected cost of buying new computer equipment. At June 30, 1995, the School Board had accumulated \$587,541 to help defray the future cost of computer equipment. During the fiscal year ended June 30, 1996, the School Board utilized the entire computer equipment designation and at June 30, 1996, fund balance designated for computer equipment is \$-0-.

(15) Fund Equity - Capital Projects Fund -

The Capital Projects Fund shows a total fund equity of \$7,782,280 on Statement A. A summary of commitments under construction contracts for each individual school district at June 30, 1996, follows:

| | <u>PROJECT AUTHORIZATION</u> | <u>EXPENDED TO JUNE 30, 1996</u> | <u>UNEXPENDED COMMITMENT</u> |
|-------------|----------------------------------|--------------------------------------|----------------------------------|
| District 1 | \$4,891,145 | \$1,095,390 | \$3,795,755 |
| District 4 | 125,352 | 21,670 | 103,682 |
| District 26 | 95,158 | 23,624 | 71,534 |
| District 31 | 423,625 | 37,167 | 386,458 |
| District 32 | <u>969,150</u> | <u>73,528</u> | <u>895,622</u> |
| Total | <u>\$6,504,430</u> | <u>\$1,251,379</u> | <u>\$5,253,051</u> |

| | <u>ACTUAL DISTRICT FUND BALANCE AT JUNE 30, 1996</u> | <u>UNEXPENDED COMMITMENT JUNE 30, 1996</u> | <u>UNCOMMITTED BOND FUNDS JUNE 30, 1996</u> | <u>FUND BALANCES LESS COMMIT- MENTS AND BOND FUNDS JUNE 30, 1996</u> |
|-------------------|--|--|---|--|
| District #1 | \$6,989,123 | \$3,795,755 | \$3,542,290 | \$ (348,922) |
| District #4 | (122,705) | 103,682 | - | (226,387) |
| District #22 | 17,647 | - | - | 17,647 |
| District #24 | (242,296) | - | - | (242,296) |
| District #25 | 15,697 | - | - | 15,697 |
| District #26 | 122,449 | 71,534 | - | 50,915 |
| District #27 | (195,999) | - | - | (195,999) |
| District #31 | 423,787 | 386,458 | 3,233 | 34,096 |
| District #32 | 866,093 | 895,622 | - | (29,529) |
| District #33 | (130,180) | - | - | (130,180) |
| Special Education | 30,359 | - | - | 30,359 |
| Parishwide | <u>8,305</u> | <u>-</u> | <u>-</u> | <u>8,305</u> |
| | <u>\$7,782,280</u> | <u>\$5,253,051</u> | <u>\$3,545,523</u> | <u>\$ (1,016,294)</u> |

Livingston Parish School Board

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended June 30, 1996

At June 30, 1996, the unexpended commitments are recorded in the Capital Projects Fund as fund balance reserved for incomplete contracts to the extent of available fund balances (\$5,119,840). In addition, the uncommitted bond proceeds of District #1 was recorded as fund balance reserved for future contracts to the extent of available fund balance (\$3,193,368). The unavailable amounts of \$133,211 and \$352,155, respectively, as well as the deficits in Districts #4, #24, #27, and #33, will have to be resolved in future years by anticipated Sales Tax revenues.

(16) Reservation of Fund Balance for Salaries and for Utilities and Maintenance -

Reservation for Salaries - In May 1967, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of paying salaries of the employees of the School Board. In addition, in October 1987 the voters of Livingston Parish approved the levy of an additional $\frac{1}{2}$ of 1% sales tax, 80% of which is dedicated for the purpose of paying salaries of the employees of the School Board. At June 30, 1996, a balance of \$3,722,435 is reserved for salaries as a result of these sales tax levies.

Reservation for Utilities and Maintenance - In May 1978, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of construction, renovation, operation and maintenance of the public schools of Livingston Parish. Also, the remaining 20% of the $\frac{1}{2}$ of 1% sales tax approved in 1987, is dedicated to pay the cost of utility services of the public schools of Livingston Parish. At June 30, 1996, a balance of \$5,030,522 is reserved for utilities and maintenance as a result of these sales tax levies.

(17) Litigation and Claims -

At June 30, 1996, the School Board is involved in several lawsuits. It is the opinion of the legal adviser for the School Board that the ultimate resolution of these lawsuits will not involve any material liability to the School Board in excess of insurance coverage.

(18) Subsequent Event -

On July 20, 1996, the voters of Livingston Parish School Board District No. 22 approved the issuance of \$1.5 million of General Obligation School Bonds. The proceeds of these bonds will be used to pay the cost of construction and acquiring certain school building improvements to be located in School District No. 22. These bonds will be payable from unlimited ad valorem taxation on taxable property in District No. 22. As of the date of our report, these bonds have yet to be issued, but management anticipates their issuance prior to December 31, 1996.

SUPPLEMENTAL INFORMATION SCHEDULES

SPECIAL REVENUE FUNDS

Elementary and Secondary Education Act (ESEA) Title I Funds - Chapter 1 of the ESEA Title I Program is a program for educationally deprived school children residing in areas having high concentrations of children from low-income families. The Chapter 1 services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and local mandated activities.

Chapter 2 of the ESEA Title I Program is a program by which the federal government provides block grant funds to the school system based on a per pupil allocation for audio-visual material, equipment, and library resources.

Special Education Fund - The Special Education Fund accounts for a federally financed program of free education in the least restrictive environment for children with exceptionalities, as provided for under Public Law 94-142.

Maintenance of Schools Fund - The Maintenance of Schools Fund is funded by ad valorem taxes levied on all assessed property in the parish. The net proceeds of the taxes are dedicated to providing maintenance on all of the equipment and facilities owned by the School Board.

School Lunch Fund - The School Lunch Fund is a program that provides the students with balanced and nutritious meals. This program is federally financed, state-administered, and locally operated by the School Board.

Special Federal Fund - The Special Federal Fund is used to account for the Federal Funds and Grants previously reported in the General Fund. Some of the programs include vocational education, preschool program, job training partnership act, and the goals 2000 program.

Other Federal ESEA Fund - The Other Federal ESEA Fund is used to account for all other ESEA programs except for the Chapter I and Chapter II programs. Those programs include the Drug-Free Schools program and the Eisenhower Grant program.

Livingston Parish School Board
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEETS

June 30, 1996

| ASSETS | <u>ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I</u> | | <u>SPECIAL EDUCATION</u> |
|---------------------------------------|---|------------------|------------------------------|
| | <u>CHAPTER 1</u> | <u>CHAPTER 2</u> | |
| Cash and Cash Equivalents | \$ - | \$ - | \$ - |
| Receivables | 611,623 | 78,970 | 108,007 |
| Inventory | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$611,623</u> | <u>\$ 78,970</u> | <u>\$108,007</u> |
| LIABILITIES AND FUND EQUITY | | | |
| Liabilities: | | | |
| Accounts, Salaries and Other Payables | \$127,564 | \$ 33,941 | \$ 74,329 |
| Due to Other Funds | <u>484,059</u> | <u>45,029</u> | <u>33,678</u> |
| Total Liabilities | 611,623 | 78,970 | 108,007 |
| Fund Equity: | | | |
| Fund Balances - | | | |
| Reserved for Inventory | - | - | - |
| Unreserved - Undesignated | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities and Fund Equity | <u>\$611,623</u> | <u>\$ 78,970</u> | <u>\$108,007</u> |

See auditor's report.

Schedule 1

| <u>MAINTENANCE OF SCHOOLS</u> | <u>SCHOOL LUNCH</u> | <u>SPECIAL FEDERAL FUND</u> | <u>OTHER FEDERAL ESEA FUND</u> | <u>TOTALS</u> | |
|-----------------------------------|-------------------------|---------------------------------|--|--------------------|--------------------|
| | | | | <u>1996</u> | <u>1995</u> |
| \$ 69,678 | \$345,302 | \$ - | \$ - | \$ 414,980 | \$ 385,807 |
| 115,083 | 4,605 | 94,425 | 53,933 | 1,066,646 | 945,257 |
| <u>-</u> | <u>75,893</u> | <u>-</u> | <u>-</u> | <u>75,893</u> | <u>83,064</u> |
| <u>\$184,761</u> | <u>\$425,800</u> | <u>\$ 94,425</u> | <u>\$ 53,933</u> | <u>\$1,557,519</u> | <u>\$1,414,128</u> |
| | | | | | |
| \$102,566 | \$350,390 | \$ 35,072 | \$ 15,431 | \$ 739,293 | \$ 234,637 |
| <u>-</u> | <u>-</u> | <u>59,353</u> | <u>38,502</u> | <u>660,621</u> | <u>727,295</u> |
| 102,566 | 350,390 | 94,425 | 53,933 | 1,399,914 | 961,932 |
| | | | | | |
| - | 75,410 | - | - | 75,410 | 83,064 |
| <u>82,195</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>82,195</u> | <u>369,132</u> |
| <u>82,195</u> | <u>75,410</u> | <u>-</u> | <u>-</u> | <u>157,605</u> | <u>452,196</u> |
| | | | | | |
| <u>\$184,761</u> | <u>\$425,800</u> | <u>\$ 94,425</u> | <u>\$ 53,933</u> | <u>\$1,557,519</u> | <u>\$1,414,128</u> |

Livingston Parish School Board
SPECIAL REVENUE FUNDS

COMBINING SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1996

| | ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I | | SPECIAL EDUCATION |
|------------------------------|---|-----------|----------------------|
| | CHAPTER 1 | CHAPTER 2 | |
| Revenues: | | | |
| Local Sources: | | | |
| Ad Valorem Taxes | \$ - | \$ - | \$ - |
| Interest Earnings | - | - | - |
| Food Services | - | - | - |
| Other | - | - | - |
| State Sources - Unrestricted | | | |
| Grants-in-Aid | - | - | - |
| Federal Sources: | | | |
| Unrestricted - Indirect | | | |
| Cost Recoveries | 23,210 | 1,450 | 7,758 |
| Restricted Grants-in-Aid - | | | |
| Subgrants | 1,734,154 | 114,704 | 549,901 |
| Other - Commodities | - | - | - |
| Total Revenues | 1,757,364 | 116,154 | 557,659 |
| Expenditures: | | | |
| Instruction: | | | |
| Regular Programs | - | - | - |
| Special Programs | 1,116,730 | - | 248,171 |
| Vocational Programs | - | - | - |
| Other Programs | - | - | - |
| Adult and Continuing | | | |
| Education Program | - | - | - |
| Support Services: | | | |
| Pupil Support | - | - | 49,835 |
| Instructional Staff Support | 78,622 | 114,704 | 138,558 |
| General Administration | - | - | - |
| Business Services | - | - | 15,958 |
| Plant Services | 30,322 | - | 217 |
| Transportation Services | - | - | 3,019 |
| Food Services | - | - | - |
| Community Service Programs | 17,672 | - | - |
| Capital Outlay | 490,808 | - | 94,143 |
| Total Expenditures | 1,734,154 | 114,704 | 549,901 |
| Excess (Deficiency) | | | |
| of Revenues Over | | | |
| Expenditures | 23,210 | 1,450 | 7,758 |

(CONTINUED)

Schedule 2

| <u>MAINTENANCE OF SCHOOLS</u> | <u>SCHOOL LUNCH</u> | <u>SPECIAL FEDERAL FUND</u> | <u>OTHER FEDERAL ESEA FUND</u> | <u>TOTALS</u> | |
|-----------------------------------|-------------------------|---------------------------------|--|-------------------|------------------|
| | | | | <u>1996</u> | <u>1995</u> |
| \$ 505,128 | \$ - | \$ - | \$ - | \$ 505,128 | \$ 433,568 |
| 1,287 | - | - | - | 1,287 | 7,425 |
| - | 1,750,883 | - | - | 1,750,883 | 1,695,553 |
| 10 | - | - | - | 10 | 36,220 |
| 137,969 | 72,913 | - | - | 210,882 | 204,946 |
| - | - | 7,629 | 2,386 | 42,433 | 44,074 |
| - | 2,650,666 | 739,383 | 126,234 | 5,915,042 | 5,571,885 |
| - | 385,442 | - | - | 385,442 | 376,983 |
| <u>644,394</u> | <u>4,859,904</u> | <u>747,012</u> | <u>128,620</u> | <u>8,811,107</u> | <u>8,370,654</u> |
| 11,657 | - | 27,727 | - | 39,384 | - |
| - | - | 108,555 | - | 1,473,456 | 1,929,776 |
| - | - | 59,939 | - | 59,939 | - |
| - | - | 48,983 | 15,676 | 64,659 | - |
| - | - | 67,181 | - | 67,181 | - |
| - | - | 24,901 | 73,266 | 148,002 | - |
| - | - | 156,351 | 34,979 | 523,214 | 210,359 |
| 17,952 | - | - | - | 17,952 | 230,735 |
| - | - | 884 | 2,313 | 19,155 | - |
| 1,172,993 | - | 1,028 | - | 1,204,560 | 996,831 |
| - | - | - | - | 3,019 | - |
| - | 6,053,086 | - | - | 6,053,086 | 5,752,232 |
| - | - | - | - | 17,672 | - |
| - | 67,993 | 243,834 | - | 896,778 | 618,227 |
| <u>1,202,602</u> | <u>6,121,079</u> | <u>739,383</u> | <u>126,234</u> | <u>10,588,057</u> | <u>9,738,160</u> |
| (558,208) | (1,261,175) | 7,629 | 2,386 | (1,776,950) | (1,367,506) |

Livingston Parish School Board
SPECIAL REVENUE FUNDS

COMBINING SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)

For the Year Ended June 30, 1996

| | <u>ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I CHAPTER 1</u> | <u>CHAPTER 2</u> | <u>SPECIAL EDUCATION</u> |
|--|---|------------------|------------------------------|
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | <u>(23,210)</u> | <u>(1,450)</u> | <u>(7,758)</u> |
| Total Other Financing Sources (Uses) | <u>(23,210)</u> | <u>(1,450)</u> | <u>(7,758)</u> |
| Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| Fund Balances at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances at End of Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See auditor's report.

Schedule 2
(Continued)

| <u>MAINTENANCE OF SCHOOLS</u> | <u>SCHOOL LUNCH</u> | <u>SPECIAL FEDERAL FUND</u> | <u>OTHER FEDERAL ESEA FUND</u> | <u>TOTALS</u> | |
|-----------------------------------|-------------------------|---------------------------------|--|-------------------|-------------------|
| | | | | <u>1996</u> | <u>1995</u> |
| 560,000 | 964,792 | - | - | 1,524,792 | 1,240,090 |
| <u>-</u> | <u>-</u> | <u>(7,629)</u> | <u>(2,386)</u> | <u>(42,433)</u> | <u>(44,074)</u> |
| <u>560,000</u> | <u>964,792</u> | <u>(7,629)</u> | <u>(2,386)</u> | <u>1,482,359</u> | <u>1,196,016</u> |
| 1,792 | (296,383) | - | - | (294,591) | (171,490) |
| <u>80,403</u> | <u>371,793</u> | <u>-</u> | <u>-</u> | <u>452,196</u> | <u>623,686</u> |
| <u>\$ 82,195</u> | <u>\$ 75,410</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 157,605</u> | <u>\$ 452,196</u> |

Livingston Parish School Board
SPECIAL REVENUE FUND - ELEMENTARY AND SECONDARY
EDUCATION ACT TITLE I - CHAPTER 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|---|------------------|------------------|--|
| Revenues: | | | |
| Federal Sources: | | | |
| Federal Grants | \$1,814,341 | \$1,757,364 | \$ (56,977) |
| Total Revenues | 1,814,341 | 1,757,364 | (56,977) |
| | | | |
| Expenditures: | | | |
| Instruction - Special Programs | 1,121,755 | 1,116,730 | 5,025 |
| Support Services: | | | |
| Instructional Staff Support | 78,602 | 78,622 | (20) |
| Plant Services | 31,110 | 30,322 | 788 |
| Community Services Programs | 17,020 | 17,672 | (652) |
| Capital Outlay | <u>542,267</u> | <u>490,808</u> | <u>51,459</u> |
| Total Expenditures | <u>1,790,754</u> | <u>1,734,154</u> | <u>56,600</u> |
| | | | |
| Excess of Revenues Over Expenditures | 23,587 | 23,210 | (377) |
| | | | |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | <u>(23,587)</u> | <u>(23,210)</u> | <u>377</u> |
| Total Other Financing Sources (Uses) | <u>(23,587)</u> | <u>(23,210)</u> | <u>377</u> |
| | | | |
| Excess of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| | | | |
| Fund Balance at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance at End of Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - ELEMENTARY AND SECONDARY
EDUCATION ACT TITLE I- CHAPTER 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|---|-------------------|-------------------|--|
| Revenues: | | | |
| Federal Sources: | | | |
| Federal Grants | \$ <u>115,080</u> | \$ <u>116,154</u> | \$ <u>1,074</u> |
| Total Revenues | 115,080 | 116,154 | 1,074 |
| Expenditures: | | | |
| Support Services: | | | |
| Instructional Staff Support | <u>113,880</u> | <u>114,704</u> | <u>(824)</u> |
| Total Expenditures | <u>113,880</u> | <u>114,704</u> | <u>(824)</u> |
| Excess of Revenues Over Expenditures | 1,200 | 1,450 | 250 |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | <u>(1,200)</u> | <u>(1,450)</u> | <u>(250)</u> |
| Total Other Financing Sources (Uses) | <u>(1,200)</u> | <u>(1,450)</u> | <u>(250)</u> |
| Excess of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| Fund Balance at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance at End of Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - PUBLIC LAW 94-142 -
SPECIAL EDUCATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|---|---------------|---------------|--|
| Revenues: | | | |
| Federal Sources: | | | |
| Federal Grants | \$ 510,700 | \$ 557,659 | \$ 46,959 |
| Total Revenues | 510,700 | 557,659 | 46,959 |
| Expenditures: | | | |
| Instruction - Special Programs | 197,000 | 248,171 | (51,171) |
| Support Services: | | | |
| Pupil Support | 54,600 | 49,835 | 4,765 |
| Instructional Staff Support | 145,400 | 138,558 | 6,842 |
| Business Services | 21,700 | 15,958 | 5,742 |
| Plant Services | 300 | 217 | 83 |
| Transportation Services | 3,000 | 3,019 | (19) |
| Capital Outlay | 80,000 | 94,143 | (14,143) |
| Total Expenditures | 502,000 | 549,901 | (47,901) |
| Excess of Revenues Over Expenditures | 8,700 | 7,758 | (942) |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | (8,700) | (7,758) | 942 |
| Total Other Financing Sources (Uses) | (8,700) | (7,758) | 942 |
| Excess of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| Fund Balance at Beginning of Year | - | - | - |
| Fund Balance at End of Year | \$ - | \$ - | \$ - |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - MAINTENANCE OF SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | BUDGET | ACTUAL | VARIANCE- FAVORABLE (UNFAVORABLE) |
|--|------------|------------|---|
| Revenues: | | | |
| Local Sources: | | | |
| Ad Valorem Taxes | \$ 485,000 | \$ 505,128 | \$ 20,128 |
| Interest Earnings | 320 | 1,287 | 967 |
| Other | 28,500 | 10 | (28,490) |
| State Sources - | | | |
| Unrestricted | | | |
| Grants-in-Aid | 137,900 | 137,969 | 69 |
| Total Revenues | 651,720 | 644,394 | (7,326) |
| Expenditures: | | | |
| Instruction: | | | |
| Regular Programs | 10,900 | 11,657 | (757) |
| Support Services: | | | |
| General Administration | 17,000 | 17,952 | (952) |
| Plant Services | 959,010 | 1,172,993 | (213,983) |
| Total Expenditures | 986,910 | 1,202,602 | (215,692) |
| Excess (Deficiency) of Revenues Over Expenditures | (335,190) | (558,208) | (223,018) |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | 425,000 | 560,000 | 135,000 |
| Operating Transfers Out | - | - | - |
| Total Other Financ- ing Sources (Uses) | 425,000 | 560,000 | 135,000 |
| Excess of Revenues and Other Sources Over Expenditures and Other Uses | 89,810 | 1,792 | (88,018) |
| Fund Balance at Beginning of Year | 80,403 | 80,403 | - |
| Fund Balance at End of Year | \$ 170,213 | \$ 82,195 | \$ (88,018) |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - SCHOOL LUNCH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|---------------------------------|-------------------|------------------|--|
| Revenues: | | | |
| Local Sources: | | | |
| Interest Earnings | \$ 5,000 | \$ - | \$ (5,000) |
| Food Services | 1,646,000 | 1,750,883 | 104,883 |
| Other | 21,000 | - | (21,000) |
| State Sources - | | | |
| Unrestricted | | | |
| Grants-in-Aid | 72,913 | 72,913 | - |
| Federal Sources: | | | |
| Restricted Grants- | | | |
| in-Aid-Subgrants | 2,565,000 | 2,650,666 | 85,666 |
| Other - Commodities | <u>370,000</u> | <u>385,442</u> | <u>15,442</u> |
| Total Revenues | 4,679,913 | 4,859,904 | 179,991 |
| Expenditures: | | | |
| Support Services: | | | |
| Food Services | 5,589,705 | 6,053,086 | (463,381) |
| Capital Outlay | <u>55,000</u> | <u>67,993</u> | <u>(12,993)</u> |
| Total Expenditures | <u>5,644,705</u> | <u>6,121,079</u> | <u>(476,374)</u> |
| Deficiency of Revenues | | | |
| Over Expenditures | (964,792) | (1,261,175) | (296,383) |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | <u>964,792</u> | <u>964,792</u> | <u>-</u> |
| Excess (Deficiency) | | | |
| of Expenditures and | | | |
| Other Uses Over | | | |
| Revenues and Other | | | |
| Sources | - | (296,383) | (296,383) |
| Fund Balance at Begin- | | | |
| ning of Year | <u>371,793</u> | <u>371,793</u> | <u>-</u> |
| Fund Balance at End | | | |
| of Year | <u>\$ 371,793</u> | <u>\$ 75,410</u> | <u>\$ (296,383)</u> |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - SPECIAL FEDERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|--|---------------|---------------|--|
| Revenues: | | | |
| Federal Sources: | | | |
| Federal Grants | \$ 787,452 | \$ 747,012 | \$ (40,440) |
| Total Revenues | 787,452 | 747,012 | (40,440) |
| Expenditures: | | | |
| Instruction: | | | |
| Regular Programs | 28,311 | 27,727 | 584 |
| Special Programs | 118,230 | 108,555 | 9,675 |
| Vocational Programs | 69,300 | 59,939 | 9,361 |
| Other Programs | 41,489 | 48,983 | (7,494) |
| Adult and Continuing Education Program | 87,300 | 67,181 | 20,119 |
| Support Services: | | | |
| Pupil Support | 34,850 | 24,901 | 9,949 |
| Instructional Staff Support | 191,972 | 156,351 | 35,621 |
| Business Services | 500 | 884 | (384) |
| Plant Services | 1,000 | 1,028 | (28) |
| Capital Outlay | 208,000 | 243,834 | (35,834) |
| Total Expenditures | 780,952 | 739,383 | 41,569 |
| Excess of Revenues Over Expenditures | 6,500 | 7,629 | 1,129 |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | (6,500) | (7,629) | (1,129) |
| Total Other Financing Sources (Uses) | (6,500) | (7,629) | (1,129) |
| Excess of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| Fund Balance at Beginning of Year | - | - | - |
| Fund Balance at End of Year | \$ - | \$ - | \$ - |

See auditor's report.

Livingston Parish School Board
SPECIAL REVENUE FUND - OTHER FEDERAL ESEA FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|--|----------------|----------------|--|
| Revenues: | | | |
| Federal Sources: | | | |
| Federal Grants | \$ 164,034 | \$ 128,620 | \$ (35,414) |
| Total Revenues | 164,034 | 128,620 | (35,414) |
| Expenditures: | | | |
| Instruction: | | | |
| Other Programs | 26,990 | 15,676 | 11,314 |
| Support Services: | | | |
| Pupil Support | 93,094 | 73,266 | 19,828 |
| Instructional Staff Support | 37,525 | 34,979 | 2,546 |
| Business Services | <u>3,325</u> | <u>2,313</u> | <u>1,012</u> |
| Total Expenditures | <u>160,934</u> | <u>126,234</u> | <u>34,700</u> |
| Excess of Revenues Over Expenditures | 3,100 | 2,386 | (714) |
| Other Financing Sources (Uses): | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers Out | <u>(3,100)</u> | <u>(2,386)</u> | <u>714</u> |
| Total Other Financing Sources (Uses) | <u>(3,100)</u> | <u>(2,386)</u> | <u>714</u> |
| Excess of Expenditures and Other Uses Over Revenues and Other Sources | - | - | - |
| Fund Balance at Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance at End of Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See auditor's report.

DEBT SERVICE FUNDS

The debt service funds are used to accumulate monies for the payment of bond issues. The bonds were issued by the respective school districts to acquire and improve sites, erect and/or improve school buildings, and acquire the necessary equipment and furnishings. The bond issues are financed by a special property tax levy on property within the territorial limits of the respective school districts and by one percent of the two and one-half percent parish sales and use tax collected by the School Board.

Livingston Parish School Board
DEBT SERVICE FUNDS

COMBINING BALANCE SHEETS

June 30, 1996

| ASSETS | <u>NO. 1</u> | <u>NO. 4</u> | <u>NO. 22</u> | <u>NO. 24</u> | <u>NO. 25</u> | <u>NO. 26</u> | <u>SCHOOL NO. 27</u> |
|---|-------------------|-------------------|-------------------|-------------------|------------------|------------------|--------------------------|
| Cash and Cash Equivalents | \$ 423,692 | \$ 171,537 | \$ 183,981 | \$ 122,289 | \$ 81,080 | \$111,898 | \$ 11,777 |
| Due From Other Funds | - | - | - | - | - | - | - |
| Receivables | <u>102,482</u> | <u>48,229</u> | <u>13,821</u> | <u>6,352</u> | <u>3,937</u> | <u>19,764</u> | <u>-</u> |
| Total Assets | <u>\$ 526,174</u> | <u>\$ 219,766</u> | <u>\$ 197,802</u> | <u>\$ 128,641</u> | <u>\$ 85,017</u> | <u>\$131,662</u> | <u>\$ 11,777</u> |
| | | | | | | | |
| LIABILITIES AND FUND EQUITY | | | | | | | |
| Accounts, Salaries and Other Payables | \$ - | \$ 480 | \$ - | \$ - | \$ - | \$ 5,094 | \$ - |
| Due to Other Funds | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabil- ities | - | 480 | - | - | - | 5,094 | - |
| Fund Equity - Fund Balances: Reserved for Debt Service | <u>526,174</u> | <u>219,286</u> | <u>197,802</u> | <u>128,641</u> | <u>85,017</u> | <u>126,568</u> | <u>11,777</u> |
| Total Fund Equity | <u>526,174</u> | <u>219,286</u> | <u>197,802</u> | <u>128,641</u> | <u>85,017</u> | <u>126,568</u> | <u>11,777</u> |
| Total Liabilities and Fund Equity | <u>\$ 526,174</u> | <u>\$ 219,766</u> | <u>\$ 197,802</u> | <u>\$ 128,641</u> | <u>\$ 85,017</u> | <u>\$131,662</u> | <u>\$ 11,777</u> |

See auditor's report.

Livingston Parish School Board
DEBT SERVICE FUNDS

COMBINING SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1996

| | <u>NO. 1</u> | <u>NO. 4</u> | <u>NO. 22</u> | <u>NO. 24</u> | <u>NO. 25</u> | <u>NO. 26</u> | <u>SCHOOL NO. 27</u> |
|--|-------------------|-------------------|-------------------|-------------------|------------------|------------------|--------------------------|
| Revenues: | | | | | | | |
| Local Sources: | | | | | | | |
| Ad Valorem Taxes | \$1,719,942 | \$ 735,168 | \$ 320,827 | \$ 308,680 | \$ 149,657 | \$263,056 | \$ 379 |
| Interest Earnings | <u>3,922</u> | <u>1,048</u> | <u>1,355</u> | <u>950</u> | <u>11,140</u> | <u>687</u> | <u>115</u> |
| Total Revenues | 1,723,864 | 736,216 | 322,182 | 309,630 | 160,797 | 263,743 | 494 |
| Expenditures: | | | | | | | |
| Support Services - | | | | | | | |
| General Administration | 64,391 | 26,949 | 11,905 | 10,920 | 5,250 | 8,520 | - |
| Debt Service: | | | | | | | |
| Principal Retirement | 655,000 | 301,667 | 160,000 | 237,179 | 75,000 | 145,000 | 11,154 |
| Interest and Bank Charges | <u>730,289</u> | <u>377,979</u> | <u>223,779</u> | <u>79,065</u> | <u>55,209</u> | <u>77,121</u> | <u>6,597</u> |
| Total Expenditures | 1,449,680 | 706,595 | 395,684 | 327,164 | 135,459 | 230,641 | 17,751 |
| Excess (Deficiency) of Revenues over Expenditures | 274,184 | 29,621 | (73,502) | (17,534) | 25,338 | 33,102 | (17,257) |
| Other Financing Sources (Uses): | | | | | | | |
| Operating Transfers In | - | 154,148 | 122,280 | 59,288 | - | - | 17,786 |
| Payment to Refunded Bond Escrow Agent | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>154,148</u> | <u>122,280</u> | <u>59,288</u> | <u>-</u> | <u>-</u> | <u>17,786</u> |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses | 274,184 | 183,769 | 48,778 | 41,754 | 25,338 | 33,102 | 529 |
| Fund Balances at Beginning of Year | <u>251,990</u> | <u>35,517</u> | <u>149,024</u> | <u>86,887</u> | <u>59,679</u> | <u>93,466</u> | <u>11,248</u> |
| Fund Balances at End of Year | <u>\$ 526,174</u> | <u>\$ 219,286</u> | <u>\$ 197,802</u> | <u>\$ 128,641</u> | <u>\$ 85,017</u> | <u>\$126,568</u> | <u>\$ 11,777</u> |

See auditor's report.

Schedule 4

| <u>DISTRICTS</u> | | | | | <u>TOTALS</u> | |
|------------------|-----------------|------------------|------------------|------------------|--------------------|--------------------|
| <u>NO. 27A</u> | <u>NO. 31</u> | <u>NO. 32</u> | <u>NO. 32A</u> | <u>NO. 33</u> | <u>1996</u> | <u>1995</u> |
| \$300,016 | \$ 76,069 | \$ 18,393 | \$ 153,701 | \$106,428 | \$4,152,316 | \$2,186,473 |
| <u>4,631</u> | <u>1,347</u> | <u>962</u> | <u>529</u> | <u>805</u> | <u>27,491</u> | <u>42,143</u> |
| 304,647 | 77,416 | 19,355 | 154,230 | 107,233 | 4,179,807 | 2,228,616 |
| 11,384 | 2,712 | 634 | 5,314 | 3,445 | 151,424 | 84,464 |
| 140,000 | 35,000 | 15,000 | 70,000 | 70,000 | 1,915,000 | 1,345,000 |
| <u>98,484</u> | <u>27,302</u> | <u>2,785</u> | <u>66,525</u> | <u>18,525</u> | <u>1,763,660</u> | <u>1,313,570</u> |
| 249,868 | 65,014 | 18,419 | 141,839 | 91,970 | 3,830,084 | 2,743,034 |
| 54,779 | 12,402 | 936 | 12,391 | 15,263 | 349,723 | (514,418) |
| - | 5,000 | - | 65,000 | - | 423,502 | 369,574 |
| <u>-</u> | <u>(59,006)</u> | <u>-</u> | <u>(125,742)</u> | <u>-</u> | <u>(184,748)</u> | <u>-</u> |
| <u>-</u> | <u>(54,006)</u> | <u>-</u> | <u>(60,742)</u> | <u>-</u> | <u>238,754</u> | <u>369,574</u> |
| 54,779 | (41,604) | 936 | (48,351) | 15,263 | 588,477 | (144,844) |
| <u>163,916</u> | <u>45,722</u> | <u>20,272</u> | <u>60,341</u> | <u>49,914</u> | <u>1,027,976</u> | <u>1,172,820</u> |
| <u>\$218,695</u> | <u>\$ 4,118</u> | <u>\$ 21,208</u> | <u>\$ 11,990</u> | <u>\$ 65,177</u> | <u>\$1,616,453</u> | <u>\$1,027,976</u> |

CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and for the major repairs thereto. The capital projects funds are made up of the following school districts.

| <u>District #</u> | <u>Schools</u> |
|-------------------|-------------------|
| 1 | Denham Springs |
| 4 | Walker |
| 22 | Live Oak |
| 24 | Albany |
| 25 | Holden |
| 26 | Doyle |
| 27 | Springfield |
| 31 | Frost |
| 32 | French Settlement |
| 33 | Maurepas |
| 90 | Special Education |
| 99 | Central Office |

Livingston Parish School Board
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEETS

June 30, 1996

| ASSETS | <u>NO. 1</u> | <u>NO. 4</u> | <u>NO. 22</u> | <u>NO. 24</u> | <u>NO. 25</u> | <u>NO. 26</u> | <u>SCHOOL NO. 27</u> |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------------|
| Cash and Cash Equivalents | \$ 308,255 | \$ - | \$ 5,521 | \$ - | \$ 12,230 | \$130,763 | \$ - |
| Investments (Certificates of Deposit Maturities Greater Than 90 Days) | 6,100,000 | - | - | - | - | - | - |
| Due From Other Funds | 717,437 | - | - | - | - | - | - |
| Receivables | 73,165 | 21,394 | 13,834 | 10,166 | 3,457 | 5,346 | 6,521 |
| Other Assets | - | - | - | - | - | - | - |
| Total Assets | \$7,198,857 | \$ 21,394 | \$ 19,355 | \$ 10,166 | \$ 15,697 | \$136,109 | \$ 6,521 |
| LIABILITIES AND FUND EQUITY | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts and Other Payables | \$ 209,734 | \$ 21,452 | \$ 1,708 | \$ - | \$ - | \$ 13,660 | \$ - |
| Due to Other Funds | - | 122,647 | - | 252,462 | - | - | 202,520 |
| Total Liabilities | 209,734 | 144,099 | 1,708 | 252,462 | - | 13,660 | 202,520 |
| Fund Equity: | | | | | | | |
| Fund Balances: | | | | | | | |
| Reserved for Incomplete Contracts | 3,795,755 | - | - | - | - | 71,534 | - |
| Reserved for Future Contracts | 3,193,368 | - | - | - | - | - | - |
| Unreserved - Undesignated (Deficit) | - | (122,705) | 17,647 | (242,296) | 15,697 | 50,915 | (195,999) |
| Total Fund Equity (Deficit) | 6,989,123 | (122,705) | 17,647 | (242,296) | 15,697 | 122,449 | (195,999) |
| Total Liabilities and Fund Equity | \$7,198,857 | \$ 21,394 | \$ 19,355 | \$ 10,166 | \$ 15,697 | \$136,109 | \$ 6,521 |

See auditor's report.

Schedule 5

| <u>DISTRICTS</u> | | | | | <u>TOTALS</u> | |
|------------------|------------------|------------------|------------------|-----------------|---------------------|---------------------|
| <u>NO. 31</u> | <u>NO. 32</u> | <u>NO. 33</u> | <u>NO. 90</u> | <u>NO. 99</u> | <u>1996</u> | <u>1995</u> |
| \$ 34,982 | \$ 2,062 | \$ - | \$ 29,662 | \$ 8,305 | \$ 531,780 | \$10,572,898 |
| 400,000 | 900,000 | - | - | - | 7,400,000 | - |
| - | - | - | - | - | 717,437 | 894,919 |
| 6,192 | 15,769 | 2,168 | 697 | - | 158,719 | 72,944 |
| - | - | - | - | - | - | 3,225 |
| <u>\$441,174</u> | <u>\$917,831</u> | <u>\$ 2,168</u> | <u>\$ 30,359</u> | <u>\$ 8,305</u> | <u>\$ 8,807,936</u> | <u>\$11,543,986</u> |
| \$ 17,387 | \$ 44,278 | \$ - | \$ - | \$ - | \$ 308,219 | \$ 1,652,083 |
| - | 7,460 | 132,348 | - | - | 717,437 | 1,001,932 |
| 17,387 | 51,738 | 132,348 | - | - | 1,025,656 | 2,654,015 |
| 386,458 | 866,093 | - | - | - | 5,119,840 | 1,947,513 |
| - | - | - | - | - | 3,193,368 | 7,703,820 |
| <u>37,329</u> | <u>-</u> | <u>(130,180)</u> | <u>30,359</u> | <u>8,305</u> | <u>(530,928)</u> | <u>(761,362)</u> |
| <u>423,787</u> | <u>866,093</u> | <u>(130,180)</u> | <u>30,359</u> | <u>8,305</u> | <u>7,782,280</u> | <u>8,889,971</u> |
| <u>\$441,174</u> | <u>\$917,831</u> | <u>\$ 2,168</u> | <u>\$ 30,359</u> | <u>\$ 8,305</u> | <u>\$ 8,807,936</u> | <u>\$11,543,986</u> |

Livingston Parish School Board
CAPITAL PROJECTS FUNDS

COMBINING SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1996

| | <u>NO. 1</u> | <u>NO. 4</u> | <u>NO. 22</u> | <u>NO. 24</u> | <u>NO. 25</u> | <u>NO. 26</u> | <u>SCHOOL NO. 27</u> |
|--|-------------------------|-------------------------|-----------------------|---------------------|-------------------|-----------------------|--------------------------|
| Revenues: | | | | | | | |
| Local Sources: | | | | | | | |
| Ad Valorem Taxes | \$ 124,649 | \$ 69,431 | \$ 44,872 | \$ 32,979 | \$ 11,238 | \$ 17,348 | \$ 21,146 |
| Interest Earnings | 477,515 | 19,513 | 28 | - | 3 | 5 | - |
| Other | 231 | 106 | - | - | - | - | - |
| State Sources: | | | | | | | |
| Unrestricted | | | | | | | |
| Grants-in-Aid | <u>49,070</u> | <u>27,330</u> | <u>17,670</u> | <u>12,984</u> | <u>4,427</u> | <u>6,829</u> | <u>8,327</u> |
| Total Revenues | 651,465 | 116,380 | 62,570 | 45,963 | 15,668 | 24,182 | 29,473 |
| Expenditures: | | | | | | | |
| Support Services: | | | | | | | |
| General Administration | 4,431 | 2,468 | 1,594 | 1,172 | 400 | 617 | 752 |
| Plant Services | 6,255 | 4,953 | 442 | 645 | - | - | 144 |
| Capital Outlay | 2,195,951 | 2,155,914 | 466,325 | - | - | 130,646 | 889 |
| Bond Issuance Cost | - | - | - | - | - | - | - |
| Total Expenditures | <u>2,206,637</u> | <u>2,163,335</u> | <u>468,361</u> | <u>1,817</u> | <u>400</u> | <u>131,263</u> | <u>1,785</u> |
| Excess (Deficiency) of Revenues over Expenditures | (1,555,172) | (2,046,955) | (405,791) | 44,146 | 15,268 | (107,081) | 27,688 |

See auditor's report.

(CONTINUED)

Schedule 6

| <u>DISTRICTS</u> | | | | | <u>TOTALS</u> | |
|------------------|----------------|---------------|---------------|---------------|------------------|------------------|
| <u>NO. 31</u> | <u>NO. 32</u> | <u>NO. 33</u> | <u>NO. 90</u> | <u>NO. 99</u> | <u>1996</u> | <u>1995</u> |
| \$ 5,515 | \$ 14,712 | \$ 7,025 | \$ 2,281 | \$ - | \$ 351,196 | \$ 301,423 |
| 4,501 | 11,242 | - | 4 | - | 512,811 | 531,599 |
| - | - | 5,000 | - | - | 5,337 | 6,819 |
| <u>2,167</u> | <u>5,789</u> | <u>2,768</u> | <u>893</u> | <u>-</u> | <u>138,254</u> | <u>132,303</u> |
| 12,183 | 31,743 | 14,793 | 3,178 | - | 1,007,598 | 972,144 |
| 196 | 523 | 250 | 80 | - | 12,483 | 11,801 |
| - | - | 11,884 | - | - | 24,323 | 167,560 |
| 43,089 | 181,231 | - | - | - | 5,174,045 | 7,093,711 |
| <u>6,186</u> | <u>10,409</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,595</u> | <u>117,170</u> |
| <u>49,471</u> | <u>192,163</u> | <u>12,134</u> | <u>80</u> | <u>-</u> | <u>5,227,446</u> | <u>7,390,242</u> |
| (37,288) | (160,420) | 2,659 | 3,098 | - | (4,219,848) | (6,418,098) |

Livingston Parish School Board
CAPITAL PROJECTS FUNDS

COMBINING SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
(CONTINUED)

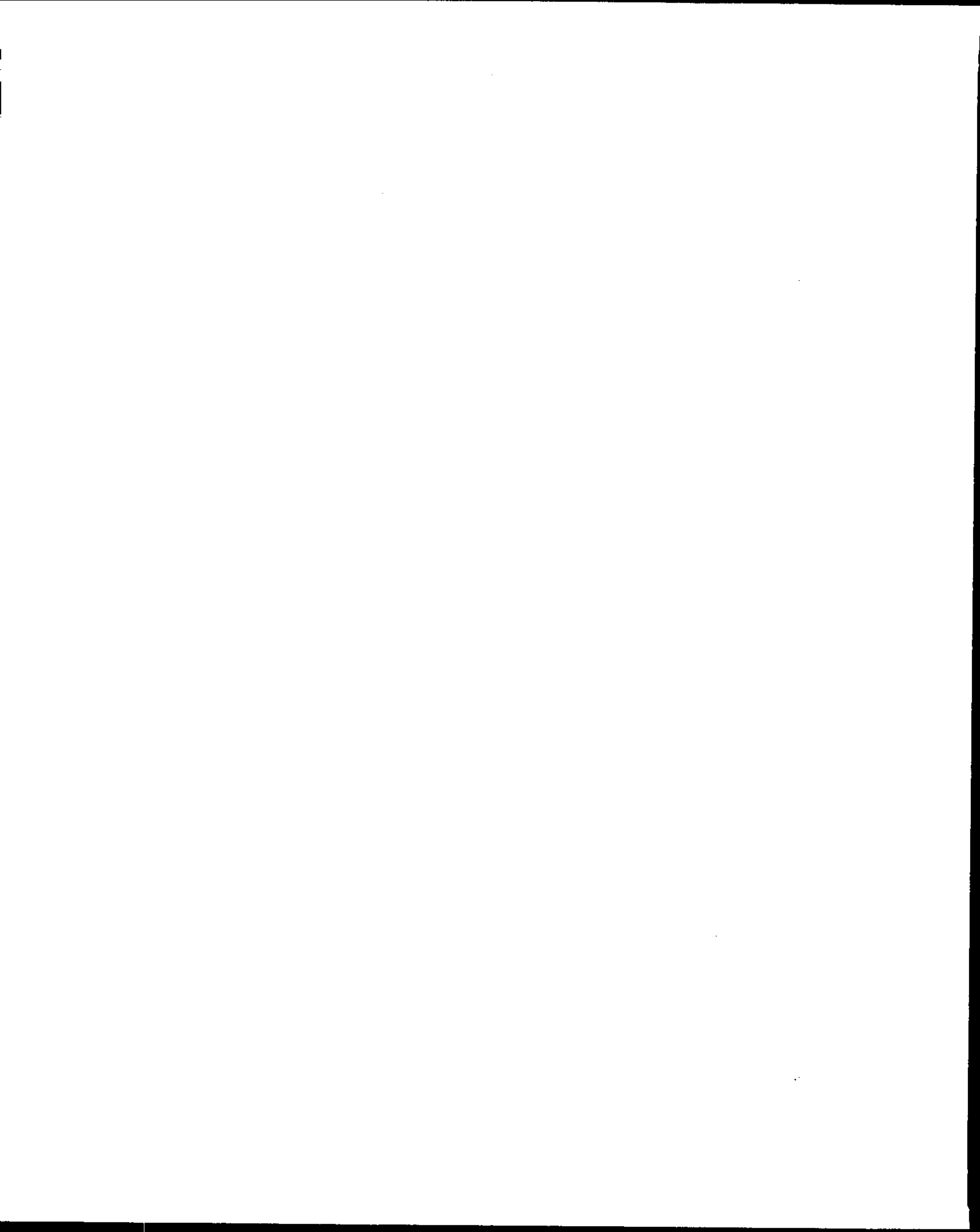
For the Year Ended June 30, 1996

| | <u>NO. 1</u> | <u>NO. 4</u> | <u>NO. 22</u> | <u>NO. 24</u> | <u>NO. 25</u> | <u>NO. 26</u> | <u>SCHOOL NO. 27</u> |
|--------------------------|---------------------|---------------------|------------------|---------------------|------------------|-------------------|--------------------------|
| Other Financing Sources: | | | | | | | |
| Operating Transfers | | | | | | | |
| In | - | 1,000,000 | 250,000 | 130,000 | - | 200,000 | 25,000 |
| Proceeds from Issuance | | | | | | | |
| of Bonds | - | - | - | - | - | - | - |
| Payments to Refunded | | | | | | | |
| Bonds Escrow Agent | - | - | - | - | - | - | - |
| Total Other Fi- | - | 1,000,000 | 250,000 | 130,000 | - | 200,000 | 25,000 |
| nancing Sources | - | 1,000,000 | 250,000 | 130,000 | - | 200,000 | 25,000 |
| Excess (Deficiency) of | | | | | | | |
| Revenues and Other | | | | | | | |
| Sources Over Expendi- | | | | | | | |
| tures and Other Uses | (1,555,172) | (1,046,955) | (155,791) | 174,146 | 15,268 | 92,919 | 52,688 |
| Fund Balances (Deficit) | | | | | | | |
| at Beginning of Year | <u>8,544,295</u> | <u>924,250</u> | <u>173,438</u> | <u>(416,442)</u> | <u>429</u> | <u>29,530</u> | <u>(248,687)</u> |
| Fund Balances (Deficit) | | | | | | | |
| at End of Year | <u>\$ 6,989,123</u> | <u>\$ (122,705)</u> | <u>\$ 17,647</u> | <u>\$ (242,296)</u> | <u>\$ 15,697</u> | <u>\$ 122,449</u> | <u>\$ (195,999)</u> |

See auditor's report.

Schedule 6
(Continued)

| DISTRICTS | | | | | TOTALS | |
|-------------------|-------------------|---------------------|------------------|-----------------|---------------------|---------------------|
| NO. 31 | NO. 32 | NO. 33 | NO. 90 | NO. 99 | 1996 | 1995 |
| - | - | 60,000 | - | - | 1,665,000 | 960,000 |
| 725,000 | 1,790,000 | - | - | - | 2,515,000 | 13,800,000 |
| (286,036) | (781,807) | - | - | - | (1,067,843) | - |
| <u>438,964</u> | <u>1,008,193</u> | <u>60,000</u> | <u>-</u> | <u>-</u> | <u>3,112,157</u> | <u>14,760,000</u> |
| 401,676 | 847,773 | 62,659 | 3,098 | - | (1,107,691) | 8,341,902 |
| <u>22,111</u> | <u>18,320</u> | <u>(192,839)</u> | <u>27,261</u> | <u>8,305</u> | <u>8,889,971</u> | <u>548,069</u> |
| <u>\$ 423,787</u> | <u>\$ 866,093</u> | <u>\$ (130,180)</u> | <u>\$ 30,359</u> | <u>\$ 8,305</u> | <u>\$ 7,782,280</u> | <u>\$ 8,889,971</u> |



Livingston Parish School Board
AGENCY FUNDS

COMBINING BALANCE SHEETS

June 30, 1996

| ASSETS | <u>SCHOOL ACTIVITY</u> | <u>SALES TAX</u> | <u>MINIMUM FOUNDATION COMMISSION</u> |
|---------------------------------------|----------------------------|----------------------|--|
| Cash and Cash Equivalents | \$ <u>1,472,822</u> | \$ <u>432,516</u> | \$ <u>78,232</u> |
| Total Assets | \$ <u>1,472,822</u> | \$ <u>432,516</u> | \$ <u>78,232</u> |
| | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ - | \$ - | \$ 34,695 |
| Amounts Held for School Activities | 1,472,822 | - | - |
| Deposits Due to Others | <u>-</u> | <u>432,516</u> | <u>43,537</u> |
| Total Liabilities | \$ <u>1,472,822</u> | \$ <u>432,516</u> | \$ <u>78,232</u> |

See auditor's report.

| <u>TOTALS</u> | |
|-----------------------------|-----------------------------|
| <u>1996</u> | <u>1995</u> |
| \$1,983,570 | \$1,494,966 |
| \$1,983,570 | \$1,494,966 |
| <u> </u> | <u> </u> |

| | |
|-----------------------------|-----------------------------|
| \$ 34,695 | \$ 29,992 |
| 1,472,822 | 1,384,910 |
| <u>476,053</u> | <u>80,064</u> |
| \$1,983,570 | \$1,494,966 |
| <u> </u> | <u> </u> |

Livingston Parish School Board
SCHOOL ACTIVITY AGENCY FUND

SCHEDULE OF CHANGES IN AMOUNTS HELD FOR SCHOOL ACTIVITIES

For the Year Ended June 30, 1996

| <u>SCHOOL</u> | <u>BALANCE JULY 1, 1995</u> | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>BALANCE JUNE 30, 1996</u> |
|---------------------------------|-------------------------------------|------------------|-------------------|--------------------------------------|
| Albany High | \$ 42,033 | \$ 279,115 | \$ 293,681 | \$ 27,467 |
| Albany Middle School | 32,686 | 124,508 | 127,059 | 30,135 |
| Albany Upper Elementary | - | 111,964 | 88,404 | 23,560 |
| Albany Lower Elementary | 37,893 | 95,550 | 106,358 | 27,085 |
| Denham Springs High | 221,244 | 617,192 | 622,087 | 216,349 |
| Denham Springs Junior High | 10,914 | 256,558 | 250,005 | 17,467 |
| Denham Springs Elementary | 6,811 | 77,612 | 80,530 | 3,893 |
| Doyle High | 33,335 | 124,213 | 122,217 | 35,331 |
| Doyle Elementary | 12,726 | 94,701 | 87,762 | 19,665 |
| French Settlement High | 17,920 | 140,265 | 136,427 | 21,758 |
| French Settlement Elementary | 25,387 | 60,646 | 59,653 | 26,380 |
| Freshwater Elementary | 15,287 | 102,682 | 96,246 | 21,723 |
| Frost Elementary | 14,555 | 87,930 | 89,734 | 12,751 |
| Holden High | 50,924 | 186,472 | 182,326 | 55,070 |
| Levi Milton Elementary | 46,598 | 97,370 | 103,339 | 40,629 |
| Lewis Vincent Elementary | 18,453 | 102,493 | 96,695 | 24,251 |
| Live Oak High | 68,190 | 259,094 | 254,342 | 72,942 |
| Live Oak Middle School | 30,731 | 141,560 | 138,896 | 33,395 |
| Live Oak Upper Elementary | 55,177 | 151,004 | 146,094 | 60,087 |
| Live Oak Lower Elementary | 78,756 | 162,580 | 141,324 | 100,012 |
| Maurepas High | 24,094 | 241,030 | 245,713 | 19,411 |
| Northside Elementary | 78,163 | 103,705 | 89,191 | 92,677 |
| Pine Ridge School | 9,783 | 50,070 | 49,007 | 10,846 |
| Seventh Ward Elementary | 10,254 | 89,166 | 93,479 | 5,941 |
| South Walker Elementary | 66,818 | 110,417 | 113,188 | 64,047 |
| Southside Junior High | 114,921 | 214,370 | 225,021 | 104,270 |
| Southside Elementary | 17,486 | 90,759 | 90,879 | 17,366 |
| Springfield High | 35,302 | 122,899 | 125,682 | 32,519 |
| Springfield Middle School | 19,775 | 88,490 | 80,566 | 27,699 |
| Springfield Elementary | 27,577 | 81,615 | 87,121 | 22,071 |
| Walker High | 109,168 | 438,688 | 415,400 | 132,456 |
| Walker Junior High | 25,953 | 133,425 | 134,044 | 25,334 |
| Walker Elementary School | 25,996 | 69,478 | 74,676 | 20,798 |
| Westside Junior High School | - | 124,293 | 96,856 | 27,437 |
| Total | \$1,384,910 | \$5,231,914 | \$5,144,002 | \$1,472,822 |

See auditor's report.

Livingston Parish School Board
SALES TAX AGENCY FUND

SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS

For the Years Ended June 30, 1996 and 1995

| | <u>1996</u> | <u>1995</u> |
|--|-------------------|-------------------|
| Deposits Due Others at Beginning of Year | \$ - | \$ - |
| Additions: | | |
| Sales Tax Collections | 19,318,139 | 16,689,983 |
| Deductions: | | |
| Transfers to: | | |
| General Fund: | | |
| Sales Tax | 12,398,538 | 10,640,301 |
| Sales Tax Collection Fee | 120,490 | 96,413 |
| Livingston Parish Sheriff | 2,274,530 | 2,134,316 |
| Livingston Parish Drainage Districts: | | |
| No. 1 | 209,736 | 201,137 |
| No. 5 | 270,155 | 228,739 |
| City of Denham Springs | 2,878,980 | 2,708,472 |
| Town of Walker | 393,700 | 335,128 |
| Town of Livingston | 124,778 | 119,283 |
| Town of Springfield | 114,505 | 121,917 |
| Village of Albany | 81,785 | 89,031 |
| Refunds to Vendors | <u>18,426</u> | <u>15,246</u> |
| Total Reductions | <u>18,885,623</u> | <u>16,689,983</u> |
| Deposits Due Others at End of Year | <u>\$ 432,516</u> | <u>\$ -</u> |

See auditor's report.

Livingston Parish School Board
MINIMUM FOUNDATION COMMISSION FUND

SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS

For the Years Ended June 30, 1996 and 1995

| | <u>1996</u> | <u>1995</u> |
|---|------------------|------------------|
| Deposits Due Others at Beginning of Year | \$ 80,064 | \$166,515 |
| Additions: | | |
| Fees Collected from School Boards | - | 4,177 |
| Interest Income | <u>4,153</u> | <u>7,962</u> |
| Total Additions | 4,153 | 12,139 |
| Deductions: | | |
| Legal Expenses | 40,118 | 98,350 |
| Administrative Expenses | <u>562</u> | <u>240</u> |
| Total Deductions | <u>40,680</u> | <u>98,590</u> |
| Deposits Due Others at End of Year | <u>\$ 43,537</u> | <u>\$ 80,064</u> |

See auditor's report.

GENERAL

Compensation Paid Board Members - 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. The 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 can receive up to \$800 per month, and the President up to \$900 per month for performing the duties of his office.

Livingston Parish School Board

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

For the Years Ended June 30, 1996 and 1995

| | <u>1996</u> | <u>1995</u> |
|---|------------------|------------------|
| Louis Carlisle | \$ 9,600 | \$ 7,800 |
| Earnest Carrier, Jr. | 9,600 | 7,800 |
| Milton Hughes | 9,600 | 7,800 |
| Cheryl Lovett | 9,600 | 7,800 |
| Keith Martin | 10,200 | 7,800 |
| Wayne Sibley (Term expired 12/31/94) | - | 3,600 |
| Hubert S. Stilley (Term expired 12/31/94) | - | 3,600 |
| James V. Watson | 10,200 | 8,250 |
| Douglas Watts (Term expired 12/31/94) | - | 4,050 |
| Malcolm Sibley (Elected 1/1/95) | 9,600 | 4,200 |
| Lennie S. Wales (Elected 1/1/95) | 9,600 | 4,200 |
| Ralph L. Willie (Elected 1/1/95) | <u>9,600</u> | <u>4,200</u> |
| Total | <u>\$ 87,600</u> | <u>\$ 71,100</u> |

Term of Current Board Expires December 31, 1998.

See auditor's report.

OTHER SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE
OF FEDERAL FINANCIAL ASSISTANCE

HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.*
JOSEPH D. FICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
FERNAND P. GENRE, C.P.A.*
STEPHEN M. HUGGINS, C.P.A.*
MONICA L. ZUMO, C.P.A.*
RONALD L. GAGNET, C.P.A.*
DOUGLAS J. NELSON, C.P.A.*

CELESTE D. VIATOR, C.P.A.
LAURA E. MONROE, C.P.A.

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Certified Public Accountants

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

1111 S. RANGE, SUITE 101
DENHAM SPRINGS, LA 70726

December 2, 1996

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,

Hannis T. Bourgeois & Co., L.L.P.

Livingston Parish School Board

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

For the Year Ended June 30, 1996

| <u>FEDERAL GRANTOR/ PASS - THROUGH GRANTOR/ PROGRAM NAME</u> | <u>CFDA NUMBER</u> | <u>EXPENDITURES</u> |
|---|------------------------|---------------------|
| <u>United States Department of Agriculture</u> Passed Through Louisiana Department of Agriculture and Forestry - Food Distribution Program | 10.550 | \$ 385,442* |
| Passed Through Louisiana Department of Education: | | |
| National Breakfast Program | 10.553 | 599,184* |
| National School Lunch Program | 10.555 | <u>2,051,482*</u> |
| Total United States Department of Agriculture | | 3,036,108 |
| <u>United States Department of Labor</u> Passed Through Tangipahoa Parish School Board - Job Training Partnership Act | 17.250 | 42,992 |
| <u>United States Department of Education</u> Passed Through Louisiana Department of Education: | | |
| Adult Education - State Administered Program | 84.002 | 52,905 |
| Educationally Deprived Children - Local Educational Agencies | 84.010 | 1,757,364* |
| Handicapped State Grants | 84.027 | 557,659* |
| Vocational Education - Basic Grants to States | 84.048 | 107,836 |
| Improving School Programs - State Block Grants | 84.151 | 116,154 |
| State Grants for Strengthening the Skills of Teachers and Instruction in Mathematics, Science, Foreign Languages, and Computer Learning | 84.164 | 45,239 |
| Handicapped - Preschool Grant | 84.173 | 197,626 |
| Infants and Toddlers with Disabilities | 84.181 | 111,456 |
| Drug-Free Schools and Communities - State Grants | 84.186 | 83,381 |

(CONTINUED)

Livingston Parish School Board

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
(CONTINUED)

For the Year Ended June 30, 1996

| <u>FEDERAL GRANTOR/ PASS - THROUGH GRANTOR/ PROGRAM NAME</u> | <u>CFDA NUMBER</u> | <u>EXPENDITURES</u> |
|--|------------------------|---------------------|
| <u>United States Department of Education (Continued)</u> | | |
| Passed Through Iberville Parish School Board: | | |
| Goals 2000 Professional Development | 84.276 | <u>188,232</u> |
| Total United States Department of Education | | 3,217,852 |
| <u>United States Department of Health and Human Services</u> | | |
| Passed Through Louisiana Department of Education: | | |
| Starting Points | 93.575 | <u>45,965</u> |
| Total Program/Expenditures | | <u>\$6,342,917</u> |

*Denotes major federal financial assistance program.

See auditor's report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit A

HANDY J. BONNECAZE, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
FERNAND P. GENRE, C.P.A.*
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CELESTE D. VIATOR, C.P.A.
LAURA E. MONROE, C.P.A.

December 2, 1996

*A Professional Accounting Corporation

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Livingston Parish School Board, Livingston, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements or to administer federal financial assistance programs in accordance with applicable laws and regulations.

BUDGETING

FINDING:

In the prior year, the School Board did not generate a budget to actual comparison report on revenues and expenditures that could be reviewed by the Board periodically so that the necessary corrective action could be taken and planned for in advance of a formal budget amendment request.

RECOMMENDATION:

We recommended that a budget to actual comparison report be generated periodically and reviewed by the Board.

CORRECTIVE ACTION TAKEN:

Installation and implementation of new computer hardware and software capable of generating budget to actual comparison reports has now been completed. A budget versus actual report on every fund is currently generated monthly by the computer and then disseminated to the various departments/personnel as needed.

SCHOOL FOOD SERVICE FUND REVENUES

FINDING:

In the current year, as in the past, charges to students for meals are insufficient to cover the cost of maintaining the lunchrooms. This deficiency has resulted in large transfers of funds from the General Fund to supplement the School Food Service Program.

RECOMMENDATION:

We recommended the School Board consider the possibility of increasing the prices of meals in an amount to help reduce the General Fund required supplements. During the fiscal year ended June 30, 1996, the General Fund had to supplement the School Food Service Fund in the amount of \$965,000 and the School Food Service Fund still had expenditures in excess of revenues and other sources in the amount of \$296,383.

CORRECTIVE ACTION TAKEN:

Management states that research has shown that meal prices are in line with surrounding parishes and that a price increase would not be in the best interest of the system. Management also states efforts continue to keep costs to a minimum level.

ADDITIONAL RECOMMENDATION:

Based on the continued significant supplement to the School Food Service Fund, we continue to recommend the School Board consider increasing the price of meals.

CHAPTER II FUND REVENUES

FINDING:

During our current year audit, it was noted that requests for reimbursements filed for the Chapter II program were not being adequately reconciled to the general ledger.

RECOMMENDATION:

We recommend that a reconciliation process be developed whereby amounts requested for reimbursement are agreed to the general ledger on a regular basis.

CORRECTIVE ACTION TAKEN:

Per discussions with the Data Processing Manager, the School Board researched installing a security card access system but it was determined to be cost prohibitive.

ADDITIONAL RECOMMENDATION:

Since management has deemed the security card access system cost prohibitive, management should reconsider our prior recommendations.

FINDING:

As noted in the prior year and during the current year, one of the benefits of having in-house programmers is that the School Board retained full control over the program source code and can implement modifications that are unique to the School Board. However, we noted that there is no documentation showing that software updates implemented to the production programs are authorized prior to using the updates in a production environment. As a result, management cannot determine whether the software updates are authorized, tested or approved.

RECOMMENDATION:

We recommended that the Data Processing Manager implement a Program Change Authorization form that details:

- Functional changes that are authorized.
- Detail listing of the changes to the source code.
- Approval for the completed changes (including the requestor of the changes and the manager who authorized the changes).

The two programmers work on all production programs independently without any review of modified programs. In addition, all data processing staff have unlimited access to implement unauthorized changes without detection.

We have discussed alternative procedures with the Data Processing Manager to implement detective controls to identify unauthorized program modifications. Specifically, we recommended:

1. Management should contact Unisys to obtain a list of software tools to help control and report all the changes to the production environment.

2. The programmers should implement a series of peer review steps such that the programmer who modifies a software program is not the final reviewer of the authorized changes. Typically this is accomplished by segmenting the programs into two groups (e.g., General Ledger, Accounts Payable, and Report Writer in one group, and Payroll, Personnel and Student Records in the second group). The programmer assigned to update Group One would review changes made to Group Two programs. Conversely, the programmer assigned to Group Two would review changes to Group One programs. The Data Processing Manager would review changes made to all programs on a random basis.
3. Someone independent of transaction processing periodically should compare the current software programs to a control copy of authorized programs. Any unauthorized changes should be investigated and resolved immediately. The independent review would be accomplished by comparing the program signature (i.e., file name, creation date and size) to a control list of programs.

Any exceptions should be supported by authorized Program Change Control forms.

CORRECTIVE ACTION TAKEN:

Per discussions with the Data Processing Manager, programmers are now required to present any new program changes to the Data Processing Manager. Also, the School Board is in the process of searching for software to help control and report all changes to the production environment. The Data Processing Department is also in the process of implementing a Program Change Authorization form. The Program Change Authorization form was not in place during the current year. Also, per the Data Processing Manager, they have not implemented any type of peer review system.

FINDING:

In the prior year, each of the data processing employees were granted "CONTROL" level access to the production programs. This access level allows unrestricted access to all programs. With this access, data processing staff (programmers and technicians) are able to modify production programs in an unauthorized manner without detection.

RECOMMENDATION:

We recommended that "CONTROL" access be granted to only one Master Security Officer. At that time, the designated Master Security Officer was the Data Processing Manager.

CORRECTIVE ACTION TAKEN:

In the current year, the only employee granted "CONTROL" level access to the production programs is the Data Processing Manager who is the designated Master Security Officer.

FINDING:

According to the Data Processing Manager, the system was purchased with minimal documentation. The Data Processing staff has been attempting to update the documentation over the past 30 months. Also, we noted that new programs developed include only minimal documentation.

RECOMMENDATION:

We recommended that the Data Processing Staff continue to document the Board's complete system. In addition, we recommended that the Data Processing Manager develop and implement documentation standards as part of new system development to ensure that new programs include adequate documentation prior to assigning the in-house software to production status.

CORRECTIVE ACTION TAKEN:

The Data Processing Department continues to document the system. According to the Data Processing Manager, this documentation process will take some additional time to complete.

ADDITIONAL RECOMMENDATION:

We recommend continued efforts in the area of systems documentation.

FINDING:

As noted in the prior year and during the current year, the Data Processing Manager has developed an outline for a resource recovery strategy to provide computer services to user departments after a disaster has rendered the current facilities inoperable. This plan relies on a reciprocal agreement with other school board systems to use their facilities at night and on weekends. While a resource recovery strategy is a positive effort toward developing a comprehensive Disaster Recovery Plan, we believe that the current outline still fails to meet the full objectives of a disaster recovery plan.

The objective of developing and maintaining a formal Disaster Recovery Plan is to minimize the disruption of the school board's operation in the event that a disaster or other emergency renders the current facilities inoperable. A subset of a formal Disaster Recovery Plan is a resource recovery

strategy which is developed to provide a substitute computer processing system for users to process data when the primary computer system is not available. The limitations of a resource recovery strategy center on the lack of user procedures for collecting and recording transactions.

For example, a resource recovery strategy provides an alternate computer sight to print payroll checks, but no procedures are developed for collecting time sheets, validating deduction changes, and entering the data into the computer.

Disaster recovery planning should include:

- Identification of the School Board's critical processing systems and associated priority ranking for recovery. For example, restore payroll within three days, student records within one day, general ledger within two weeks.
- Strategies to resume critical processing assuming the data center was destroyed. For example, maybe use a payroll service bureau for three months, or purchase a PC-based general ledger package as a temporary measure until the primary system is recovered, etc.
- Preparation of a written plan containing information and strategies to carry out a recovery.
- Assumptions of the plan. For example, disaster plan will be implemented only when facilities are expected to be unavailable for more than three days.
- Off-site storage of backup, systems and data documentation and forms.
- Inventory of hardware, software, and forms along with names of respective vendors to use when rebuilding the data center.
- Location of offsite storage and access procedures.
- Location of backup processing site and access and initiation procedures.
- Application processing priorities and hardware requirements for each application and their approximate run times.
- Objectives of the plan.
- The individual to be responsible for the overall implementation of the plan.

- The assignment of responsibilities to appropriate personnel and the specific procedures to be performed by the individuals and their subordinates.
- Procedures for testing and updating the contingency plan.

RECOMMENDATION:

As noted in the prior year, some of the points listed above have been incorporated into the current resource recovery strategy. We recommended that a comprehensive disaster recovery plan be developed, documented, and tested annually to ensure continued data processing services as needed in the event of a disaster.

CORRECTIVE ACTION TAKEN:

According to the Data Processing Manager, the School Board has been negotiating with a local vendor to develop and test a complete disaster recovery plan. The plan would incorporate the points noted above for disaster recovery planning. Although the School Board has been checking into a comprehensive disaster recovery plan, a formal comprehensive disaster plan has not been fully developed.

ADDITIONAL RECOMMENDATION:

We recommend the School Board continue its efforts in the development of the comprehensive disaster plan.

FINDING:

As noted in the prior year, in the event of an electrical fire, the dry chemical extinguisher that was stored in the hall outside of the computer room would result in excessive equipment damage and would not be suitable to extinguish an electrical fire, which is the most probable type of fire for the environment.

RECOMMENDATION:

We recommended that hand-held HALON fire extinguishers be installed in the computer room. Specifically, we recommended that one HALON fire extinguisher be installed along the wall where the programmers' offices are located and one extinguisher be installed near the computer room exit door.

CORRECTIVE ACTION TAKEN:

Hand-held HALON fire extinguishers were installed in the current year.

FINDING:

Due to the location of the computer equipment between the programmers' offices and the exit door, staff may be unable to cross the room and move to safety in the event that an electrical fire occurs within the computer equipment. In addition, we noted that the current computer area failed to contain a single "Panic Switch" which is used to shut off all electricity to the computer room in the event of a fire or other emergency. This switch is used to help mitigate damage from an electrical fire and can help provide additional time for staff to exit an area in a timely manner during an emergency.

RECOMMENDATION:

While hand-held HALON fire extinguishers can help to mitigate damage, we recommended management to consider installing an emergency exit along the outside wall of the computer room as part of future renovation plans. In addition, we recommended management consider installing a "Panic Switch" as part of future renovations to the computer area.

CORRECTIVE ACTION TAKEN:

According to the Data Processing Manager, the emergency exit recommendation was deemed to be cost prohibitive at the present time.

ADDITIONAL RECOMMENDATION:

As recommended in the prior year, at a minimum management should consider installing a "Panic Switch" in the computer area.

FINDING:

In the prior year, all employees in the Sales Tax Department could issue credit vouchers to valid sales taxpayers. Since the computer program does not provide adequate security restrictions, unauthorized credit vouchers could be issued without detection. As a result, a vendor who submits sales taxes in a timely manner could have the taxes "rebated" through credit vouchers in an unauthorized manner without detection.

RECOMMENDATION:

We recommended that the Sales Tax Director implement a mitigating control in the form of an annual analytical review whereby all significant credit memos can be investigated at year-end. Specifically, the data processing department should develop a report that shows the total sales tax submitted in each of the prior two years by account holders who meet the following criteria:

- Cumulative Credit Memos issued that exceed \$100 in the past 12 months, and
- Account holders who have submitted cumulative net sales tax in an amount less than \$500 within the past 12 months.

This report may help detect an account where taxes were paid and rebated in an unauthorized manner so that follow-up collection efforts can be implemented.

CORRECTIVE ACTION TAKEN:

Procedures have been implemented whereby the issuing of credit vouchers requires the approval of the Sales Tax Supervisor.

ADDITIONAL RECOMMENDATION:

Although the corrective action taken is a good procedure, we continue to recommend that a report be developed that shows the total sales tax submitted each month and the credit memos issued. In this manner the Sales Tax Director can monitor credit memos in a timely manner.

FINDING:

In the prior year, it was noted that the employee assigned to collect delinquent sales tax payments does not submit a reconciliation between the amounts listed on account holder receipts and the amount of funds received. As a result, the person who collects delinquent taxes may be able to divert funds collected for personal use. While such activity would result in future delinquent notices being submitted to the taxpayer, we noted little effort to solicit accounts after the collections employee has attempted collection.

RECOMMENDATION:

We recommended that the Sales Tax Department implement a detective control whereby the amount of cash received by the collections employee is compared to the amount documented on the cash receipts book.

CORRECTIVE ACTION TAKEN:

All collections on delinquencies are evidenced by a written receipt to the vendor by the collections employee. The sales tax supervisor edits and validates such receipts to the vendor's file monthly to insure proper application of money received.

FINDING:

The School Board serves as the sales tax collecting agent for Livingston Parish. Within this function, the department generates self-reporting forms, prints collection notices, records postings, and attempts manual collection procedures for delinquent accounts. In the prior year, we noted during our review that there was no reconciliation between the amounts collected and the amounts deposited in the bank account. As a result, there was an opportunity for the employee who physically deposits the checks to divert (embezzle) one or more items without detection.

RECOMMENDATION:

We recommended that the employee who physically deposits the checks obtain a stamped bank deposit receipt from the bank and submit a copy of the receipt to the Sales Tax Department.

In addition, the Sales Tax Department should compare the amount that was deposited into the bank (as documented on the stamped receipt) to the amount that was anticipated to be deposited. Any exceptions should be investigated and resolved immediately.

CORRECTIVE ACTION TAKEN:

Deposit tickets are made by the Sales Tax Department personnel and the actual deposit is made by Accounting Department Personnel. After the deposit is made, the validated deposit book is sent back to the Sales Tax Department for comparison of the amount deposited into the bank to the amount that was anticipated to be deposited.

PAYROLL WITHHOLDINGS AND GROUP INSURANCES

During our current audit we noted that there was no reconciliations of payroll withholdings and group insurances to the general ledger. Because of the lack of a reconciliation, our audit procedures uncovered the overpayment of \$168,066.80 paid to the Louisiana State Employees Group Benefits for August 1995, as well as the failure to collect approximately \$22,000.00 from employees for their portion of the insurances. In addition, the School Board failed to record a liability for \$252,413.99 for the employers' portion of the June 1996 Group Insurance payable.

RECOMMENDATION:

We recommend that at a minimum a reconciliation be prepared reconciling payroll withholdings, payables and the associated expenses to the general ledger on a quarterly basis.

A material weakness is a reportable condition in which the design of operation of one of more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the General Purpose Financial Statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the General Purpose Financial Statements of the Livingston Parish School Board, Livingston Louisiana, for the year ended June 30, 1996.

GENERAL FIXED ASSETS

FINDING:

Although in the current year a complete listing of General Fixed Assets is now available and is materially accurate, it was not without substantial effort and reconciliation adjustments made after year-end closing and even after final audit field work. Accumulation of General Fixed Assets should be a continuous effort throughout the year and a periodic reconciliation should be made at least quarterly.

RECOMMENDATION:

We recommended that a detailed fixed asset policies, procedures, and controls manual be written and distributed to all personnel involved with purchasing, construction, donation, sale or other means of asset additions and/or reductions. We also recommended an in-house training session for all personnel involved and the reconciliation of the general fixed asset records at least quarterly for a period of time to ascertain that personnel understand the policies and procedures and that controls are working as detailed.

CORRECTIVE ACTION TAKEN:

Management has written and updated its policies and procedures and controls over fixed assets. The manual has been distributed to appropriate personnel. In addition, extra personnel has been assigned to implement prior recommendations in this area.

ADDITIONAL RECOMMENDATION:

Although management has shown considerable efforts in this area, several individuals are still responsible for certain areas of the General Fixed Asset Account Group. We recommend that one person be responsible for the supervision of the entire Account Group.

FINDING:

All capital outlay items, whether items to be capitalized or small individual items below management's capitalization dollar threshold, are included within the same expenditure accounts. This makes it very difficult and time-consuming for personnel to verify that only the proper items are being capitalized.

RECOMMENDATION:

We recommend that management establish two expenditure accounts for each classification of capital outlay. One account will include capital expenditures within management's capitalization policy and one account will include all the small capital expenditures below management's capitalization policy.

PAYROLL

FINDING:

The payroll employee has sole responsibility for all phases of payroll processing (i.e., entering time sheets, updating deductions, assigning pay rates, generating paychecks, and signing paychecks). As a result, there is no segregation of duties between the authorization, recordation, and reconciliation functions of this process. Without adequate segregation of duties, there is a risk that unauthorized payroll checks can be generated without detection or that payroll checks are printed with unauthorized amounts without detection. Remember total payroll runs approximately \$45,000,000 or approximately 70% of the combined General Fund and Special Revenue Funds expenditures.

RECOMMENDATION:

We recommended that a payroll check reconciliation procedure be implemented before the checks are released to employees. Specifically, someone outside of the payroll department (e.g., Personnel Department) should review the results of payroll to ensure that only authorized checks are generated and distributed. This person should verify that:

1. All checks printed are reflected on the approved check register. That is, a population control should be established to ensure that multiple check runs are not generated in an unauthorized manner. This can be accomplished by maintaining a running list of checks used and comparing the check registers to the numbers used.

2. Exception checks are supported by authorization/change forms. The payroll program prints an exception item when a check is printed for an amount that is different from the prior check printed for each employee.
3. No unauthorized employees are added to the system.
4. Terminated employees are not included in the printed checks.
5. All checks listed as VOID on the check register are marked VOID and submitted to the employee responsible for bank reconciliation functions.
6. The employee responsible for bank reconciliation procedures should use the approved check register. Currently, a new check register is printed during the bank reconciliation process without comparing the newly generated check register to the authorized check register.

In addition, we recommend that the check signature plate and the check stock be held under locked storage that requires dual access control. Under this procedure, two sets of keys held by two employees would be required to access the check stock and signature plates. As part of the dual control procedures, a signature log should be maintained showing:

- The signatures of the two employees who accessed the storage area.
- The date on which the items were accessed.
- The check numbers removed from storage.
- The check numbers returned to storage.

Any indication of items returned out of sequence should be reported to and investigated and resolved by management immediately.

CORRECTIVE ACTION TAKEN:

The School Board has assigned an accountant to review all payroll records and reports for errors and omissions.

ACCOUNTS PAYABLE

FINDING:

We noted during our previous audits that the accounts payable clerk receives a completed voucher packet as authorization to generate vendor checks. As part of the accounts payable function, this employee is responsible to generate, sign electronically, and distribute vendor checks. While this procedure allows for an efficient operation, we noted that there are no procedures to prevent or detect the generation of unauthorized vendor checks.

RECOMMENDATION:

We recommended that someone outside of the Accounts Payable function be assigned responsibility to reconcile the accounts payable checks to the authorized vouchers prior to releasing the checks to vendors. Specifically, someone outside of the accounts payable department should:

1. Obtain all authorized and approved voucher packets that relate to the current check cycle.
2. Verify that all checks printed are reflected on the approved check register. That is, a population control should be established to ensure that multiple check runs are not generated in an unauthorized manner. This can be accomplished by maintaining a running list of checks used and comparing the check registers to the numbers used.
3. No unauthorized vendors are added to the system.
4. All checks are supported by authorized and approved voucher packets.
5. All checks listed as VOID on the check register are marked VOID and submitted to the employee responsible for bank reconciliation functions.
6. The employee responsible for bank reconciliation procedures should use the approved check register. Currently, a new check register is printed during the bank reconciliation process without comparing the newly generated check register to the authorized check register.

In addition, we recommended that the check signature plate and the check stock be held under locked storage that required dual access control. Under this procedure, two sets of keys held by two employees would be required to access the check stock and signature plates.

As part of the dual control procedures, a signature log should be maintained showing:

- The signatures of the two employees who accessed the storage area.
- The date on which the items were accessed.
- The check numbers removed from storage.
- The check numbers returned to storage.

Any indication of items returned out of sequence should be reported to and investigated and resolved by management immediately.

CORRECTIVE ACTION TAKEN:

Management believes that because of limited departmental personnel, segregation of certain duties would be prohibitive. Management believes errors are detected by several controls. Expenditure reports are now being generated and disseminated monthly to each program supervisor and/or department head for review and validation. In addition, the accounts payable person cannot authorize a check to be written, but can only write a pre-authorized voucher.

This report is intended for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Livingston Parish School Board, Livingston, Louisiana becomes a matter of public record.

Respectfully submitted,

Harold J. Bourgeois & Co., L.L.P.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF THE GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit B

HANDY J. BONNICAZE, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
FERNAND E. GENRE, C.P.A.*
STEPHEN M. HUGGINS, C.P.A.*
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JEFFREY D. VIATOR, C.P.A.
LAURA L. MONROE, C.P.A.

December 2, 1996

*A Professional Accounting Corporation

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Livingston Parish School Board, Livingston, Louisiana, is the responsibility of the School Board's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the School Board's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

However, we noted certain immaterial instances of noncompliance as described below:

BID LAWS

FINDING:

Although we are aware of the School Board's efforts to abide by the State's bid laws, we did note one instance where the School Board failed to properly advertise for bids. The School Board only obtained quotes for the purchase of an

exhaust hood for Albany Elementary Cafeteria with a cost of \$11,800.00. In addition, the School Board purchased a confection oven for \$7,479.00, a dishwasher for \$9,730.00 and a milk cooler for \$1,135.00 for a total cost of \$18,344.00. All items were purchased at approximately the same time from the same vendor.

RECOMMENDATION:

Although we feel the above compliance violation was merely an oversight based on the numerous other items bid by the School Board, we recommend continued efforts in this area to comply with the public bid laws.

LOANS TO EMPLOYEES

FINDING:

During the current fiscal year, the Louisiana State Employees Group Benefits changed its billing procedures requiring the School Board to pay monthly premiums in advance of the month rather than as in the past after the month has ended. The School Board, in an effort to avoid creating a hardship on any of its employees, paid the employees' premium when due (\$186,184.68) and collected the premium paid for the employees over nine months. At June 30, 1996, the School Board still was owed approximately \$22,000 from the employees.

RECOMMENDATION:

Although we understand the circumstances, because of State Statute the School Board may not make loans to employees. The payment of the premium prior to collection from employees and the allowing of repayment over nine months indirectly constitutes a loan to employees. We recommend the School Board discontinue this practice if a similar situation were to arise in the future.

This report is intended for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Livingston Parish School Board, Livingston, Louisiana becomes a matter of public record.

Respectfully submitted,

Thomas J. Bourgeois & Co., L.L.P.

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit C

RANDY J. BONNECAZE, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
FERNAND P. GENHE, C.P.A.*
STEPHEN M. HUGGINS, C.P.A.*
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December 2, 1996

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128, require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the Livingston Parish School Board, Livingston, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the internal control structure of the School Board in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the School Board and on its compliance with requirements applicable to its major federal programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 2, 1996.

The management of the Livingston Parish School Board, Livingston, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide

management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

ACCOUNTING CONTROLS

- Revenue, Receivables and Cash Receipts
- Expenditures for Goods and Services and Accounts Payable
- Payroll and Related Liabilities
- Property and Equipment
- Electronic Data Processing
- Budgeting

GENERAL REQUIREMENTS

- Political Activity
- Civil Rights
- Cash Management
- Federal Financial Reports
- Allowable Costs/Cost Principles
- Drug-Free Workplace
- Administration Requirements

SPECIFIC REQUIREMENTS

- Types of Services
- Eligibility
- Matching, Level of Effort or Earmarking Reporting
- Cost Allocation

For all of the internal control categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Livingston Parish School Board, Livingston, Louisiana expended 84.7% in 1996 of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the School Board's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the School Board's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

As the School Board uses the same internal control structure for its Federal Financial Assistance Programs as it does for its regular operations, the findings and recommendations found in Exhibit A of this report would therefore also apply to this report.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted certain matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the compliance of the Livingston Parish School Board, with requirements applicable to its major federal financial assistance programs for the year ended June 30, 1996 and this report does not affect our report thereon dated December 2, 1996.

The material weaknesses noted are included as such in our Independent Auditor's Report on the Internal Control Structure Based on an Audit of the General Purpose Financial Statements performed in Accordance with Government Auditing Standards (Exhibit A).

This report is intended solely for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the School Board, becomes a matter of public record.

Respectfully submitted,

Hannis J. Bourgeois & Co., L.L.P.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit D

RANDY J. BONNEGAZE, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
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CELESTE D. VIAOHL, C.P.A.
LAURA E. MONROE, C.P.A.

December 2, 1996

*A Professional Accounting Corporation

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

We have applied procedures to test the Livingston Parish School Board, Livingston, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996:

Political Activity
Civil Rights
Federal Financial Reports
Cash Management
Drug Free Workplace Act

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the School Board's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the School Board had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with these requirements.

This report is intended solely for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the School Board, becomes a matter of public record.

Respectfully submitted,

82 *Hannis T. Bourgeois & Co., L.L.P.*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit E

HANDY J. BONNEGAZE, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPER, C.P.A.*
FERNAND P. GENIE, C.P.A.*
STEPHEN M. HUGGINS, C.P.A.*
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RONALD L. GAGNE, C.P.A.*
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December 2, 1996

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

We have also audited the Livingston Parish School Board, Livingston, Louisiana's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of the Livingston Parish School Board is responsible for the School Board's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, "Government Auditing Standards", issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128, require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs (Exhibit G). We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, Livingston Parish School Board, Livingston, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended solely for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the School Board becomes a matter of public record.

Respectfully submitted,

Harris A. Bourgeois & Co., L.L.P.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

HANNIS T. BOURGEOIS & CO., L.L.P.

Exhibit F

HANDY J. BONNEGAZI, C.P.A.*
JOSEPH D. RICHARD, JR., C.P.A.*
RONNIE E. STAMPEH, C.P.A.*
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LAURIE E. MONROE, C.P.A.

December 2, 1996

*A Professional Accounting Corporation

Livingston Parish School Board
Livingston, Louisiana

We have audited the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 2, 1996.

In connection with our audit of the general purpose financial statements of the Livingston Parish School Board, Livingston, Louisiana, and with our consideration of the School Board's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments" we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the School Board's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the School Board had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of management, the Office of Legislative Auditor, State of Louisiana, Louisiana Department of Education, and various cognizant agencies. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the School Board becomes a matter of public record.

Respectfully submitted,

Hannis T. Bourgeois & Co., L.L.P.

Livingston Parish School Board
SCHEDULE OF FINDINGS AND QUESTIONED COST
 For the Year Ended June 30, 1996

| <u>PROGRAM</u> | <u>FINDING/NONCOMPLIANCE</u> | <u>QUESTIONED COSTS</u> | | | | | | | | | | | | | | | |
|--------------------------------------|--|-------------------------|---|--|--------------------------------------|-----|---|-----------------|-----|--|--------------------------------------|--------|---|------------------------------|--------|----|---|
| 1. National School Lunch Program | <p>The School Board is required to verify the lesser of 3% or 3,000 free/reduced price approved meal applications. The School Board is in compliance with the required testing procedures; however, in our random selection and testing of 33 approved applications we determined that 1 applicant was receiving free meals when they should have been considered ineligible for the free or reduced price meals.</p> <p>Computation:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Number of Exceptions</td> <td style="text-align: right;">1</td> <td></td> </tr> <tr> <td style="padding-right: 20px;">Number of School Days in School Year</td> <td style="text-align: right;">180</td> <td style="text-align: right;">X</td> </tr> <tr> <td style="padding-right: 20px;">Number of Meals</td> <td style="text-align: right;">180</td> <td></td> </tr> <tr> <td style="padding-right: 20px;">Federal Reimbursement for Free Meals</td> <td style="text-align: right;">1.6225</td> <td style="text-align: right;">X</td> </tr> <tr> <td style="padding-right: 20px;">Total Reimbursement Received</td> <td style="text-align: right;">292.05</td> <td style="text-align: right;">\$</td> </tr> </table> <p>Less: Amount Which Should have been Reimbursed (Ineligible) -</p> | Number of Exceptions | 1 | | Number of School Days in School Year | 180 | X | Number of Meals | 180 | | Federal Reimbursement for Free Meals | 1.6225 | X | Total Reimbursement Received | 292.05 | \$ | <p>\$ 292.05</p> <hr style="width: 100%;"/> |
| Number of Exceptions | 1 | | | | | | | | | | | | | | | | |
| Number of School Days in School Year | 180 | X | | | | | | | | | | | | | | | |
| Number of Meals | 180 | | | | | | | | | | | | | | | | |
| Federal Reimbursement for Free Meals | 1.6225 | X | | | | | | | | | | | | | | | |
| Total Reimbursement Received | 292.05 | \$ | | | | | | | | | | | | | | | |
| | Amount of Questioned Cost | \$ 292.05 | | | | | | | | | | | | | | | |