

2645

OFFICIAL  
FILE COPY  
DO NOT SEND OUT  
(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

LIVINGSTON PARISH SCHOOL BOARD

REPORT ON AUDIT OF GENERAL  
PURPOSE FINANCIAL STATEMENTS

JUNE 30, 1997

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 25 1998

Livingston Parish School Board

TABLE OF CONTENTS

For the Year Ended June 30, 1997

	<u>SCHEDULE</u>	<u>STATEMENT</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	-	-	1 - 2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)			
Combined Balance Sheets - All Fund Types and Account Groups	-	A	3 - 4
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types	-	B	5 - 7
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual:			
General and Special Revenue Funds	-	C	8 - 9
Debt Service and Capital Projects Funds	-	D	10
Notes to Financial Statements	-	-	11 - 36
SUPPLEMENTAL INFORMATION SCHEDULES:			
Special Revenue Funds:			
Combining Balance Sheets	1	-	37
Combining Schedules of Revenues, Expenditures, and Changes in Fund Balances	2	-	38 - 39
Statement of Revenues, Expendi- tures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual:			
Elementary and Secondary Education Act Title I - Chapter 1	2-1	-	40

(Continued)

Livingston Parish School Board

TABLE OF CONTENTS (CONTINUED)

For the Year Ended June 30, 1997

	<u>SCHEDULE</u>	<u>STATEMENT</u>	<u>PAGE</u>
Elementary and Secondary Education Act Title I - Chapter 2	2-2	-	41
Public Law 94-142 - Special Education	2-3	-	42
Maintenance of Schools	2-4	-	43
School Lunch	2-5	-	44
Special Federal Fund	2-6	-	45
Other Federal ESEA Fund	2-7	-	46
 Debt Service Funds:			
Combining Balance Sheets	3	-	47
Combining Schedules of Revenues, Expenditures, and Changes in Fund Balances	4	-	48
 Capital Projects Funds:			
Combining Balance Sheets	5	-	49
Combining Schedules of Revenues, Expenditures, and Changes in Fund Balances	6	-	50 , 51
 Agency Funds:			
Combining Balance Sheets	7	-	52
 Schedules of Changes in Deposits Due Others:			
School Activity Agency Fund	8	-	53
Sales Tax Agency Fund	9	-	54
Minimum Foundation Commission Fund	10	-	55

(Continued)

Livingston Parish School Board

TABLE OF CONTENTS (CONTINUED)

For the Year Ended June 30, 1997

	<u>SCHEDULE</u>	<u>EXHIBIT</u>	<u>PAGE</u>
General:			
Schedule of Compensation Paid Board Members	11	-	56
OTHER SUPPLEMENTARY INFORMATION:			
Schedule of Expenditures of Federal Awards	12	-	57 - 58
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of the General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	-	A	59 - 60
Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	-	B	61 - 62
Schedule of Findings and Questioned Costs	-	C	63



**Hannis T. Bourgeois, L.L.P.**

**Certified Public Accountants**

Randy J. Bonneau, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stamper, CPA\*  
Fernand P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumbo, CPA\*  
Ronald L. Gagnier, CPA\*  
Douglas J. Nelson, CPA\*

Celeste D. Viator, CPA  
Laura E. Monroe, CPA

1111 S. Range Avenue, Suite 101  
Denham Springs, LA 70726  
Phone: (504) 665-8297  
Fax: (504) 667-3813

*Members American Institute of  
Certified Public Accountants*

2322 Tremont Drive, Suite 200  
Baton Rouge, LA 70801

November 17, 1997

\*A Professional Accounting Corporation

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 and for the year ended June 30, 1997, 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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether 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, 1997, and the results of operations for the year ended June 30, 1997, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated November 17, 1997, on our consideration of the Livingston Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed 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 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. In addition, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing 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.

Respectfully submitted,

*Arnis J. Bourgeois, I.L.P.*

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

Livingston Parish School Board

COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1997

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	\$ 2,504,881	\$ 500,119	\$1,120,956	\$ 544,590
Investments (Certificates of Deposit Maturities Greater Than 90 Days) - Notes 2 and 15	25,750,000	-	1,400,000	2,500,000
Receivables - Note 4	690,665	778,603	170,871	295,861
Due from Other Funds - Note 5	515,206	-	-	1,244,241
Inventory - Note 1-I	434,276	63,586	-	-
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>\$29,895,028</u>	<u>\$1,342,308</u>	<u>\$2,691,827</u>	<u>\$ 4,584,692</u>

(CONTINUED)



FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS	
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY) 1997	1996
AGENCY				
\$1,692,807	\$ -	\$ -	\$ 6,363,353	\$ 12,315,334
-	-	-	29,650,000	22,150,000
-	-	-	1,936,000	1,909,986
-	-	-	1,759,447	1,378,058
-	-	-	497,862	486,602
-	119,830,226	-	119,830,226	108,330,047
-	-	2,686,253	2,686,253	1,616,453
-	-	<u>32,896,802</u>	<u>32,896,802</u>	<u>33,581,075</u>
<u>\$1,692,807</u>	<u>\$119,830,226</u>	<u>\$35,583,055</u>	<u>\$195,619,943</u>	<u>\$181,767,555</u>

Livingston Parish School Board

COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS  
(CONTINUED)

June 30, 1997

LIABILITIES, EQUITY AND OTHER CREDITS	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>Liabilities:</b>				
Accounts, Salaries and Other Payables - Note 7	\$10,622,375	\$ 672,337	\$ 5,574	\$ 1,133,888
Due to Other Funds - Note 5	-	515,206	-	1,244,241
Deposits Due Others - Note 10	-	-	-	-
Claims and Judgements - Notes 11 and 13	-	-	-	-
Compensated Absences Payable - Note 11	-	-	-	-
Bonds Payable - Note 11	-	-	-	-
<b>Total Liabilities</b>	<b>10,622,375</b>	<b>1,187,543</b>	<b>5,574</b>	<b>2,378,129</b>
<b>FUND EQUITY</b>				
Investment in General Fixed Assets	-	-	-	-
Fund Balances:				
Reserved for:				
Debt Service - Note 11	-	-	2,686,253	-
Capital Outlay - Note 15	-	-	-	2,356,745
Inventory	434,276	42,173	-	-
Salaries - Note 16	4,412,359	-	-	-
Utilities and Maintenance - Note 16	8,146,084	-	-	-
Other	64,614	-	-	-
Unreserved:				
Designated for:				
Property Damage In- surance - Note 13	948,261	-	-	-
General Liability In- surance - Note 13	1,254,146	-	-	-
Worker's Compensation - Note 13	433,031	-	-	-
Computer Equipment - Note 14	228,711	-	-	-
Undesignated (Deficit)	<u>3,351,171</u>	<u>112,592</u>	<u>-</u>	<u>(150,182)</u>
<b>Total Fund Equity</b>	<b>19,272,653</b>	<b>154,765</b>	<b>2,686,253</b>	<b>2,206,563</b>
<b>Total Liabilities     and Fund Equity</b>	<b>\$29,895,028</b>	<b>\$1,342,308</b>	<b>\$2,691,827</b>	<b>\$ 4,584,692</b>

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) 1997	1996
\$ 27,956	\$ -	\$ -	\$ 12,462,130	\$ 10,124,574
-	-	-	1,759,447	1,378,058
1,664,851	-	-	1,664,851	1,948,875
-	-	630,316	630,316	630,316
-	-	5,042,707	5,042,707	4,348,501
-	-	29,910,032	29,910,032	30,218,711
1,692,807	-	35,583,055	51,469,483	48,649,035
-	119,830,226	-	119,830,226	108,330,047
-	-	-	2,686,253	1,616,453
-	-	-	2,356,745	8,313,208
-	-	-	476,449	486,119
-	-	-	4,412,359	3,722,435
-	-	-	8,146,084	5,030,522
-	-	-	64,614	60,910
-	-	-	948,261	863,759
-	-	-	1,254,146	1,166,780
-	-	-	433,031	440,404
-	-	-	228,711	-
-	-	-	3,313,581	3,087,883
-	119,830,226	-	144,150,460	133,118,520
<u>\$1,692,807</u>	<u>\$119,830,226</u>	<u>\$35,583,055</u>	<u>\$195,619,943</u>	<u>\$181,767,555</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, 1997

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>
Revenues:			
Local Sources:			
Taxes:			
Ad Valorem	\$ 859,267	\$ 590,001	\$ 4,425,580
Sales and Use	13,183,012	-	-
Other	150,961	-	-
Rentals, Leases, and Royalties	83,561	-	-
Tuition	192,618	-	-
Interest Earnings	1,346,826	12,653	135,536
Food Services	-	1,808,553	-
Other	376,420	1,854	-
State Sources:			
Unrestricted Grants- in-Aid	54,041,709	240,743	-
Restricted Grants- in-Aid	1,120,870	-	-
Federal Sources:			
Unrestricted - Indirect Cost Recoveries	-	58,032	-
Restricted Grants- in-Aid - Subgrants	-	6,369,034	-
Other - Commodities	-	384,854	-
Total Revenues	<u>71,355,244</u>	<u>9,465,724</u>	<u>4,561,116</u>
Expenditures:			
Instruction:			
Regular Programs	34,657,151	58,034	-
Special Programs	7,055,451	1,525,946	-
Vocational Programs	1,463,674	72,775	-
Other Programs	340,095	125,838	-
Adult and Continuing Education Programs	95,219	53,202	-
Support Services:			
Pupil Support	2,208,855	122,660	-
Instructional Staff Support	1,762,027	567,532	-
General Administration	1,033,018	19,748	152,399
School Administration	3,936,883	-	-

(CONTINUED)

<u>CAPITAL PROJECTS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
	<u>1997</u>	<u>1996</u>
\$ 410,281	\$ 6,285,129	\$ 5,744,261
-	13,183,012	12,398,538
-	150,961	122,099
-	83,561	100,222
-	192,618	182,697
462,742	1,957,757	1,665,949
-	1,808,553	1,750,883
17,951	396,225	349,414
143,122	54,425,574	47,636,158
-	1,120,870	1,100,480
-	58,032	42,433
-	6,369,034	5,915,042
-	<u>384,854</u>	<u>385,442</u>
1,034,096	86,416,180	77,393,618
-	34,715,185	31,529,670
-	8,581,397	7,800,109
-	1,536,449	1,486,484
-	465,933	424,947
-	148,421	116,479
-	2,331,515	2,117,606
-	2,329,559	2,074,204
13,780	1,218,945	1,265,605
-	3,936,883	3,358,333

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, 1997

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>
Support Services (Continued):			
Business Services	720,091	28,262	-
Plant Services	4,702,310	1,237,709	-
Transportation Services	4,426,454	1,400	-
Central Services	317,136	-	-
Food Services	107,577	6,489,693	-
Community Service Programs	1,000	18,954	-
Capital Outlay	1,263,127	1,056,306	-
Bond Issuance Costs	-	-	-
Debt Service:			
Principal Retirement	-	-	1,985,000
Interest and Bank Charges	-	-	1,711,069
Total Expenditures	<u>64,090,068</u>	<u>11,378,059</u>	<u>3,848,468</u>
Excess (Deficiency) of Revenues Over Expenditures	7,265,176	(1,912,335)	712,648
Other Financing Sources (Uses):			
Sales of Fixed Assets	16,989	-	-
Operating Transfers In	58,032	1,967,527	357,152
Net Proceeds from the Issuance of Bonds	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
Operating Transfers Out	<u>(3,299,679)</u>	<u>(58,032)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,224,658)</u>	<u>1,909,495</u>	<u>357,152</u>

(CONTINUED)

<u>CAPITAL PROJECTS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
	<u>1997</u>	<u>1996</u>
-	748,353	773,220
67,080	6,007,099	5,870,120
-	4,427,854	4,294,948
-	317,136	307,094
-	6,597,270	6,139,763
-	19,954	18,672
8,936,410	11,255,843	7,836,010
67,543	67,543	16,595
-	1,985,000	1,915,000
-	<u>1,711,069</u>	<u>1,763,660</u>
<u>9,084,813</u>	<u>88,401,408</u>	<u>79,108,519</u>
(8,050,717)	(1,985,228)	(1,714,901)
-	16,989	12,992
975,000	3,357,711	3,655,727
1,500,000	1,500,000	2,515,000
-	-	(1,252,591)
-	<u>(3,357,711)</u>	<u>(3,655,727)</u>
<u>2,475,000</u>	<u>1,516,989</u>	<u>1,275,401</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, 1997

	<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	4,040,518	(2,840)	1,069,800
Fund Balances at Beginning of Year	<u>15,232,135</u>	<u>157,605</u>	<u>1,616,453</u>
Fund Balances at End of Year	<u>\$19,272,653</u>	<u>\$ 154,765</u>	<u>\$ 2,686,253</u>

The accompanying notes constitute an integral part of this statement.



<u>CAPITAL PROJECTS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
	<u>1997</u>	<u>1996</u>
(5,575,717)	(468,239)	(439,500)
<u>7,782,280</u>	<u>24,788,473</u>	<u>25,227,973</u>
<u>\$ 2,206,563</u>	<u>\$24,320,234</u>	<u>\$24,788,473</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, 1997

	GENERAL FUND		VARIANCE - FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
Revenues:			
Local Sources:			
Taxes:			
Ad Valorem	\$ 820,000	\$ 859,267	\$ 39,267
Sales and Use	12,958,500	13,183,012	224,512
Other	125,000	150,961	25,961
Rentals, Leases and Royalties	83,000	83,561	561
Tuition	228,000	192,618	(35,382)
Interest Earnings	1,100,000	1,346,826	246,826
Food Services	-	-	-
Other	342,150	376,420	34,270
State Sources:			
Unrestricted Grants-in-Aid	54,056,709	54,041,709	(15,000)
Restricted Grants-in-Aid	955,895	1,120,870	164,975
Federal Sources:			
Federal Grants	-	-	-
Other - Commodities	-	-	-
Total Revenues	70,669,254	71,355,244	685,990
Expenditures:			
Instruction:			
Regular Programs	36,227,382	34,657,151	1,570,231
Special Programs	7,128,619	7,055,451	73,168
Vocational Programs	1,482,954	1,463,674	19,280
Other Programs	467,700	340,095	127,605
Adult and Continuing Education Programs	62,055	95,219	(33,164)
Support Services:			
Pupil Support	2,242,658	2,208,855	33,803
Instructional Staff Support	1,715,089	1,762,027	(46,938)
General Administration	1,249,627	1,033,018	216,609
School Administration	3,851,589	3,936,883	(85,294)
Business Services	822,066	720,091	101,975
Plant Services	5,007,995	4,702,310	305,685

(CONTINUED)

<u>SPECIAL REVENUE FUNDS</u>		
<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
\$ 559,000	\$ 590,001	\$ 31,001
-	-	-
-	-	-
-	-	-
5,470	12,653	7,183
1,673,500	1,808,553	135,053
850	1,854	1,004
210,613	240,743	30,130
-	-	-
6,028,041	6,427,066	399,025
<u>385,000</u>	<u>384,854</u>	<u>(146)</u>
8,862,474	9,465,724	603,250
60,419	58,034	2,385
1,537,052	1,525,946	11,106
65,491	72,775	(7,284)
114,680	125,838	(11,158)
53,205	53,202	3
130,881	122,660	8,221
618,673	567,532	51,141
19,900	19,748	152
-	-	-
22,090	28,262	(6,172)
1,180,395	1,237,709	(57,314)

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, 1997

	<u>GENERAL FUND</u>		VARIANCE - FAVORABLE (UNFAVORABLE)
	<u>BUDGET</u>	<u>ACTUAL</u>	
Support Services (Continued):			
Transportation Services	4,523,653	4,426,454	97,199
Central Services	347,990	317,136	30,854
Food Services	100,000	107,577	(7,577)
Community Service Programs	4,100	1,000	3,100
Capital Outlay	<u>1,660,500</u>	<u>1,263,127</u>	<u>397,373</u>
Total Expenditures	<u>66,893,977</u>	<u>64,090,068</u>	<u>2,803,909</u>
Excess (Deficiency) of Revenues Over Expenditures	3,775,277	7,265,176	3,489,899
Other Financing Sources (Uses):			
Sale of Fixed Assets	15,000	16,989	1,989
Operating Transfers In	166,400	58,032	(108,368)
Operating Transfers Out	<u>(5,934,527)</u>	<u>(3,299,679)</u>	<u>2,634,848</u>
Total Other Financ- ing Sources (Uses)	<u>(5,753,127)</u>	<u>(3,224,658)</u>	<u>2,528,469</u>
Excess (Deficiency) of Revenues and Other Sources Over Expendi- tures and Other Uses	(1,977,850)	4,040,518	6,018,368
Fund Balance at Beginning of Year	<u>15,232,135</u>	<u>15,232,135</u>	-
Fund Balance at End of Year	<u>\$13,254,285</u>	<u>\$19,272,653</u>	<u>\$ 6,018,368</u>

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>
1,000	1,400	(400)
-	-	-
5,773,940	6,489,693	(715,753)
20,650	18,954	1,696
<u>799,192</u>	<u>1,056,306</u>	<u>(257,114)</u>
<u>10,397,568</u>	<u>11,378,059</u>	<u>(980,491)</u>
(1,535,094)	(1,912,335)	(377,241)
-	-	-
1,727,527	1,967,527	240,000
<u>(59,873)</u>	<u>(58,032)</u>	<u>1,841</u>
<u>1,667,654</u>	<u>1,909,495</u>	<u>241,841</u>
132,560	(2,840)	135,400
<u>157,605</u>	<u>157,605</u>	<u>-</u>
<u>\$ 290,165</u>	<u>\$ 154,765</u>	<u>\$ 135,400</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, 1997

	<u>DEBT SERVICE FUNDS</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Local Sources:			
Ad Valorem Taxes	\$ 4,293,000	\$ 4,425,580	\$ 132,580
Interest Earnings	25,000	135,536	110,536
Other	-	-	-
State Sources - Unrestricted Grants-in-Aid	-	-	-
Total Revenues	<u>4,318,000</u>	<u>4,561,116</u>	<u>243,116</u>
Expenditures:			
Support Services:			
General Administration	152,300	152,399	(99)
Plant Services	-	-	-
Capital Outlay	-	-	-
Bond Issuance Costs	-	-	-
Debt Service:			
Principal Retirement	1,985,000	1,985,000	-
Interest and Bank Charges	<u>1,709,333</u>	<u>1,711,069</u>	<u>(1,736)</u>
Total Expenditures	<u>3,846,633</u>	<u>3,848,468</u>	<u>(1,835)</u>
Excess (Deficiency) of Revenues Over Expenditures	471,367	712,648	241,281
Other Financing Sources (Uses):			
Operating Transfers In	357,000	357,152	152
Proceeds from the Issuance of Bonds	-	-	-
Total Other Financing Sources (Uses)	<u>357,000</u>	<u>357,152</u>	<u>152</u>
Excess (Deficiency) of Reve- nues and Other Sources Over Expenditures and Other Uses	828,367	1,069,800	241,433
Fund Balances at Beginning of Year	<u>1,616,453</u>	<u>1,616,453</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 2,444,820</u>	<u>\$ 2,686,253</u>	<u>\$ 241,433</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>
\$ 395,000	\$ 410,281	\$ 15,281
390,900	462,742	71,842
211	17,951	17,740
<u>142,600</u>	<u>143,122</u>	<u>522</u>
928,711	1,034,096	105,385
14,103	13,780	323
-	67,080	(67,080)
7,861,004	8,936,410	(1,075,406)
44,110	67,543	(23,433)
-	-	-
<u>7,919,217</u>	<u>9,084,813</u>	<u>(1,165,596)</u>
(6,990,506)	(8,050,717)	(1,060,211)
3,850,000	975,000	(2,875,000)
<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
<u>5,350,000</u>	<u>2,475,000</u>	<u>(2,875,000)</u>
(1,640,506)	(5,575,717)	(3,935,211)
<u>7,782,280</u>	<u>7,782,280</u>	<u>-</u>
<u>\$ 6,141,774</u>	<u>\$ 2,206,563</u>	<u>\$ (3,935,211)</u>

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

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 18,500 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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

*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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

E. Budget Practices

The School Board adopts budgets for the General Fund, each Special Revenue Fund, and the Capital Projects Fund. In addition, the School Board adopts a single combined budget for all Debt Service Funds.

The proposed budgets for the fiscal year ended June 30, 1997, were made available for public inspection and comments from taxpayers, at the School Board office on July 18, 1996. The budgets, which included proposed expenditures and the means of financing them, were published in the official journal fifteen days prior to the public hearing on the budgets for the year ended June 30, 1997. At this meeting, the proposed budgets were legally adopted by the School Board.

The budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are not recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent of parish schools is authorized to transfer between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. Cash and Cash Equivalents

Cash and cash equivalents include interest bearing demand deposits and amounts in time deposits with maturities less than 90 days. Under state law, the School Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash and cash equivalents are stated at cost, which approximates market value.

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

Subsequent to June 30, 1997, the School Board also began collecting sales and use taxes levied by the Livingston Parish Council and Gravity Drainage District No. 2.

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, 1997, the carrying amount of the School Board's Cash and Cash Equivalents and Investments (checking accounts, savings accounts, and certificates of deposits) was \$36,013,353 and the confirmed bank balances were \$37,947,916. Cash and Cash Equivalents and Investments are stated at cost, which approximates market.



Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

The following is a summary of Cash and Cash Equivalents and Investments at June 30, 1997, classified by credit risk:

	<u>CARRYING AMOUNT</u>	<u>CONFIRMED BALANCE</u>
Category 1	\$36,002,075	\$37,936,888
Category 2	-	-
Category 3	<u>11,278</u>	<u>11,028</u>
Total	<u>\$36,013,353</u>	<u>\$37,947,916</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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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

	<u>AUTHORIZED MILLAGE</u>	<u>LEVIED MILLAGE</u>		
Parishwide Taxes:				
Constitutional	3.09	3.29		
Additional Support	6.75	7.18		
Maintenance	7.00	7.00		
Construction	4.70	5.00		
	<u>LOW</u>	<u>HIGH</u>	<u>LOW</u>	<u>HIGH</u>
District Taxes -				
Bond and Interest	-0-	86.25	-0-	86.25

Any 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	\$6,692,531
Less: Amounts Deemed Uncollectible	<u>(407,402)</u>
Net Ad Valorem Taxes Collectible	<u>\$6,285,129</u>

Ad Valorem taxes receivable at June 30, 1997, totaled \$238,044 and is included under the caption Receivables in these financial statements.

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

(4) Receivables -

The receivables at June 30, 1997, 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	\$ -	\$ 755,009	\$ -	\$ -	\$ 755,009
State Grants	256,184	-	-	-	256,184
Other:					
Advalorem					
Taxes	33,573	22,980	165,424	16,067	238,044
Band Fees	1,729	-	-	-	1,729
Interest	319,857	-	5,447	279,794	605,098
Other	<u>79,322</u>	<u>614</u>	<u>-</u>	<u>-</u>	<u>79,936</u>
Totals	\$ <u>690,665</u>	\$ <u>778,603</u>	\$ <u>170,871</u>	\$ <u>295,861</u>	\$ <u>1,936,000</u>

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

	<u>DUE FROM OTHER FUNDS</u>	<u>DUE TO OTHER FUNDS</u>
General Fund	\$ 515,206	\$ -
Special Revenue Funds:		
Elementary and Secondary Education Act Title I:		
Chapter 1	-	326,858
Chapter 2	-	859
Special Education	-	44,294
Special Federal Fund	-	98,136
Other Federal ESEA Fund	-	45,059

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

	<u>DUE FROM OTHER FUNDS</u>	<u>DUE TO OTHER FUNDS</u>
Capital Projects Funds:		
District No. 1	1,244,241	-
District No. 22	-	1,016,546
District No. 27	-	72,434
District No. 33	-	<u>155,261</u>
Total	<u>\$1,759,447</u>	<u>\$1,759,447</u>
	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
General Fund	\$ 58,032	\$3,299,679
Special Revenue Funds:		
Elementary and Secondary Education Act Title I:		
Chapter 1	-	30,232
Chapter 2	-	1,604
Special Education	-	10,775
Maintenance of Schools	515,000	-
School Lunch	1,452,527	-
Special Federal Fund	-	11,426
Other Federal ESEA Fund	-	3,995
Debt Service Funds:		
District No. 4	155,138	-
District No. 22	124,445	-
District No. 24	59,668	-
District No. 27	17,901	-
Capital Projects Funds:		
District No. 4	500,000	-
District No. 24	250,000	-
District No. 27	100,000	-
District No. 31	80,000	-
District No. 32	25,000	-
District No. 33	<u>20,000</u>	<u>-</u>
Total	<u>\$3,357,711</u>	<u>\$3,357,711</u>

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

(6) Changes in General Fixed Assets -

A summary of changes in general fixed assets for the year ended June 30, 1997, are as follows:

	BALANCE AT <u>JULY 1, 1996</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	BALANCE AT <u>JUNE 30, 1997</u>
Land	\$ 2,788,041	\$ -	\$ -	\$ 2,788,041
Building and Improvements	85,383,516	3,005,191	-	88,388,707
Furniture and Equipment	9,882,301	2,280,642	(506,743)	11,656,200
Library Books and Textbooks	8,420,209	1,098,928	(253,000)	9,266,137
Vehicles	538,231	118,710	(94,850)	562,091
Incomplete Construction	<u>1,317,749</u>	<u>8,856,492</u>	<u>(3,005,191)</u>	<u>7,169,050</u>
Totals	<u>\$108,330,047</u>	<u>\$15,359,963</u>	<u>\$ (3,859,784)</u>	<u>\$119,830,226</u>

(7) Accounts, Salaries, and Other Payables -

The payables of \$12,658,736 at June 30, 1997, 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	\$ 1,771,822	\$ 85,828	\$ 5,574	\$ 1,133,888	\$ 27,956	\$ 3,025,068
Salaries	4,326,491	586,509	-	-	-	4,913,000
Withholdings	2,188,831	-	-	-	-	2,188,831
Retirement	<u>2,335,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,335,231</u>
Total	<u>\$10,622,375</u>	<u>\$672,337</u>	<u>\$5,574</u>	<u>\$1,133,888</u>	<u>\$27,956</u>	<u>\$12,462,130</u>

(8) Defined Benefit Pension Plans -

A. Plan Descriptions, Contribution Information and Funding Policies -

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 FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

The following is a summary of eligibility factors, contribution methods, and benefit provisions.

	<u>TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - REGULAR PLAN</u>	<u>TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - PLAN A</u>	<u>STATE OF LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM</u>
Eligibility to Participate	Employees that meet the legal definition of a "teacher" in accordance with Louisiana Revised Statutes 11:701(23)(a).	Employees paid with school food service funds in which the parish has withdrawn from Social Security coverage.	Membership is mandatory for all employees under age 60 employed by a Louisiana Parish or City School Board who work more than 20 hours as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide.
Authority Establishing Contribution Obligations and Benefits	State Statute	State Statute	State Statute
Plan Members' Contribution Rate (Percent of Covered Payroll)	8.00%	9.10%	6.35%
School Board's Contribution Rate (Percent of Covered Payroll)	16.50%	16.50%	6.00%
Period Required to Vest	10 years	10 years	10 years
Benefits and Eligibility for Distribution (Full-time)	Benefit based on a percentage of the member's average salary for the 36 highest successive months using the following requirements:	Benefit based on a percentage of the member's average salary for the 36 highest successive months using the following requirements:	At least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, or 10 years of creditable service and is at least age 60, 2 1/2% of average compensation for the three highest consecutive years of

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

<u>TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - REGULAR PLAN</u>			<u>TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - PLAN A</u>			<u>STATE OF LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM</u>
<u>YEARS SERVICE</u>	<u>MIN. AGE</u>	<u>FORMULA PERCENTAGE</u>	<u>YEARS SERVICE</u>	<u>MIN. AGE</u>	<u>FORMULA PERCENTAGE</u>	
10	60	2.0%	10*	60	3.0%	service times the number of years of service, plus an additional 1/2% of average final compensation times the years of creditable service in excess of 20 years, plus a supplementary allowance of \$24 per annum or \$2 per month for each year of service, not to exceed average final compensation.
	Any		25	55	3.0%	
20	Age	2.0%		Any		
25	55	2.5%	30	Age	3.0%	
	Any					
30	Age	2.5%				
20	65	2.5%				

\*Less than 10 years at age 70 if member entered School Lunch Employees' Retirement System when Parish withdrew from Social Security.

Deferred Retirement Option	Yes, same eligibility requirements as above regular retirement.	Yes, same eligibility requirements as above regular retirement.	Yes, 10 years at age 60, 25 years at 55, or any age with 30 years of creditable service.
Provisions for: Cost of Living Adjustments (Normal Retirement)	Yes	Yes	Yes
Death (Duty, Non-Duty, Post Retirement)	Yes	Yes	Yes
Disability (Duty, Non-Duty)	Yes	Yes	Yes
Cost of Living Allowances	Yes	Yes	Yes

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

B. Trend Information -

Contributions required by State statute:

FISCAL YEAR	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - REGULAR PLAN		TEACHERS' RETIREMENT SYSTEM OF LOUISIANA - PLAN A		STATE OF LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	
	REQUIRED CONTRIBUTION	PERCENTAGE CONTRIBUTED	REQUIRED CONTRIBUTION	PERCENTAGE CONTRIBUTED	REQUIRED CONTRIBUTION	PERCENTAGE CONTRIBUTED
1995	\$5,524,209	100%	\$116,721	100%	\$233,479	100%
1996	\$6,285,982	100%	\$107,718	100%	\$252,034	100%
1997	\$6,859,610	100%	\$ 86,835	100%	\$258,771	100%

Trend information showing the progress of the Systems in accumulating sufficient assets to pay benefits when due is presented in their annual financial reports. Copies of these reports may be obtained from the respective State retirement systems.

C. Deferred Compensation Plan -

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 \$97,992 which consisted of \$18,988 from the School Board and \$79,004 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



Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

benefits for retirees and 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, 1997, the cost of providing these benefits for 1,290 active employees is \$2,234,507 and for 342 retirees is \$1,012,219.

(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, 1996	\$ 1,472,822	\$ 432,516	\$ 43,537	\$ 1,948,875
Additions	5,841,706	20,460,049	209,671	26,511,426
Deductions	<u>(5,702,412)</u>	<u>(20,892,565)</u>	<u>(200,473)</u>	<u>(26,795,450)</u>
Balance - June 30, 1997	<u>\$ 1,612,116</u>	<u>\$ -</u>	<u>\$ 52,735</u>	<u>\$ 1,664,851</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, 1997:

	<u>BONDED DEBT</u>	<u>COMPENSATED ABSENCES</u>	<u>CLAIMS AND JUDGEMENTS</u>	<u>TOTAL</u>
Long-Term Obligations - July 1, 1997	\$30,218,711	\$ 4,348,501	\$ 630,316	\$35,197,528
Additions	1,500,000	811,099	258,749	2,569,848
Accretions of Deep Discount	176,321	-	-	176,321
Deductions	<u>(1,985,000)</u>	<u>(116,893)</u>	<u>(258,749)</u>	<u>(2,360,642)</u>
Long-Term Obligations June 30, 1997	<u>\$29,910,032</u>	<u>\$ 5,042,707</u>	<u>\$ 630,316</u>	<u>\$35,583,055</u>

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

Bonded Debt

All school board bonds outstanding at June 30, 1997, in the amount of \$29,910,032 consist of \$29,005,032 of general obligation bonds and \$905,000 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 \$2,230,000 and \$1,985,000, respectively. Bonded debt is comprised of the following individual issues which are payable from the debt service funds:

	<u>ORIGINAL</u> <u>ISSUE</u>	<u>INTEREST</u> <u>RATES</u>	<u>FINAL</u> <u>PAYMENT</u> <u>DUE</u>	<u>INTEREST</u> <u>TO</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>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	\$ 3,437	\$ 125,000
10/01/89	\$2,631,608	6.50-7.55%	2004	1,300,583	1,456,608
11/01/94	\$9,600,000	6.10-9.00%	2014	6,038,700	8,985,000
School District					
No. 4:					
06/01/80	\$1,268,000	7.25-8.00%	2000	65,937	430,000
11/01/94	\$4,200,000	6.10-8.00%	2014	2,640,815	3,930,000
School District					
No. 22:					
04/01/92	\$3,100,000	6.50-12.00%	2017	2,268,337	2,825,000
12/01/96	\$1,500,000	5.00-10.00%	2016	930,355	1,500,000
School District					
No. 24:					
03/01/89	\$1,284,478	6.50-7.30%	2000	299,958	694,478
11/01/93	\$2,035,000	6.40-6.60%	2013	1,083,298	2,020,000
Less:					
Capital					
Appreciation					
Bond Deep					
Discount					
				-	(376,028)
School District					
No. 25:					
04/01/79	\$ 650,000	5.75-6.00%	1999	10,500	115,000
12/15/90	\$ 685,000	6.60-9.00%	2010	228,746	545,000

(CONTINUED)

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

	<u>ORIGINAL</u> <u>ISSUE</u>	<u>INTEREST</u> <u>RATES</u>	<u>FINAL</u> <u>PAYMENT</u> <u>DUE</u>	<u>INTEREST</u> <u>TO</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>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	7,820	150,000
07/15/90	\$ 850,000	6.60-12.00%	2010	266,770	675,000
School District					
No. 27-A:					
03/01/89	\$1,308,369	6.50-7.55%	2005	680,136	743,369
11/01/93	\$1,000,000	5.80-6.00%	2013	731,108	985,000
11/01/93	\$1,140,000	6.70%	2013	329,640	1,065,000
Less:					
Capital Appreciation Bond Deep- Discount					
				-	(345,750)
School District					
No. 31:					
04/01/96	\$ 725,000	5.30-12.00%	2016	451,720	725,000
School District					
No. 32-A:					
04/01/96	\$1,790,000	5.25-12.00%	2016	1,124,661	1,790,000
School District					
No. 33:					
03/01/79	\$ 250,000	5.80-7.25%	1999	3,600	40,000
03/01/89	\$ 444,464	6.80-7.55%	2004	228,370	249,464
11/01/93	\$1,045,000	6.70-6.80%	2013	253,315	990,000
Less:					
Capital Appreciation Bond Deep Discount					
				-	(312,109)
Total General Obligation Bonds				<u>18,947,806</u>	<u>29,005,032</u>

(CONTINUED)

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

	<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	85,212	523,333
School District					
No. 22:					
03/01/89	\$ 570,000	7.30-7.80%	1997	4,680	120,000
School District					
No. 24:					
08/01/85	\$ 500,000	6.00-12.00%	2000	32,775	201,284
School District					
No. 27:					
08/01/85	\$ 150,000	6.00-12.00%	2000	<u>9,833</u>	<u>60,383</u>
Total Special Revenue Bonds				132,500	905,000
Total Bonded Debt				<u>\$19,080,306</u>	<u>\$29,910,032</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, 1997, the School Board has accumulated \$2,686,253 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>
1998	\$ 2,230,000	\$ 1,604,795	\$ 3,834,795
1999	2,015,000	1,443,533	3,458,533
2000	1,612,284	1,741,237	3,353,521
2001	1,743,123	1,749,685	3,492,808
Thereafter	<u>23,343,512</u>	<u>12,541,056</u>	<u>35,884,568</u>
	30,943,919	19,080,306	50,024,225
Less: Capital Appreciation Bond Deep Discount	<u>(1,033,887)</u>	<u>-</u>	<u>(1,033,887)</u>
	<u>\$29,910,032</u>	<u>\$19,080,306</u>	<u>\$48,990,338</u>

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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, 1997 amounted to \$176,321 leaving an amortized deep discount of \$1,033,887 at June 30, 1997.

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, 1997, the statutory limit is approximately \$64,000,000, and outstanding general obligation bonded debt funded by ad valorem taxes totals \$29,005,032.

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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.

Compensated Absences

At June 30, 1997, employees of the School Board have accumulated and vested \$5,042,707 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, 1997, there remains \$200,000 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, 1997. 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, 1997. The School Board has an excess coverage insurance policy to cover annual losses in excess of \$50,000 and has designated \$948,261 of fund balance of the General Fund at June 30, 1997, to cover the cost of future property damage not covered by insurance.

Livingston Parish School Board

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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.

The School Board made disbursements for liability claims of \$30,380 in the fiscal year ended June 30, 1997. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 1997, amounted to \$382,582 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 \$1,254,146 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 \$228,369 in the fiscal year ended June 30, 1997. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 1997, amounted to \$247,734 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 \$433,031 of the fund balance of the General Fund to cover future worker's compensation damage claims.

Livingston Parish School Board  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

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.

(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, 1997, the School Board had accumulated \$228,711 to help defray the future cost of computer equipment.

(15) Fund Equity - Capital Projects Fund -

The Capital Projects Fund shows a total fund equity of \$2,206,563 on Statement A. A summary of commitments under construction contracts for each individual school district at June 30, 1997, follows:

	PROJECT AUTHORIZATION	EXPENDED TO JUNE 30, 1997	UNEXPENDED COMMITMENT
District 1	\$ 9,703,493	\$5,666,144	\$4,037,349
District 4	553,481	280,172	273,309
District 22	1,834,660	1,138,060	696,600
District 24	198,516	9,692	188,824
District 26	139,104	8,243	130,861
District 33	<u>174,457</u>	<u>69,913</u>	<u>104,544</u>
Total	<u>\$12,603,711</u>	<u>\$7,172,224</u>	<u>\$5,431,487</u>

	ACTUAL DISTRICT FUND BALANCE AT JUNE 30, 1997	UNEXPENDED COMMITMENT JUNE 30, 1997	UNCOMMITTED BOND FUNDS JUNE 30, 1997	FUND BALANCES LESS COMMIT- MENTS AND BOND FUNDS JUNE 30, 1997
District #1	\$1,665,382	\$4,037,349	\$ -	\$(2,371,967)
District #4	128,626	273,309	-	(144,683)
District #22	462,457	696,600	-	(234,143)
District #24	48,425	188,824	-	(140,399)
District #25	34,172	-	-	34,172
District #26	51,855	130,861	-	(79,006)
District #27	(71,805)	-	-	(71,805)
District #31	3,690	-	-	3,690
District #32	18,637	-	-	18,637
District #33	(169,241)	104,544	-	(273,785)
Special Education	34,365	-	-	34,365
Parishwide	-	-	-	-
	<u>\$2,206,563</u>	<u>\$5,431,487</u>	<u>\$ -</u>	<u>\$(3,224,924)</u>



Livingston Parish School Board  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997

At June 30, 1997, the unexpended commitments are recorded in the Capital Projects Fund as fund balance reserved for incomplete contracts to the extent of available fund balances \$(2,356,745). The unavailable amount of \$3,074,742 as well as the deficits in Districts #27 and #33, will have to be resolved in future years by anticipated Sales Tax revenues and General Fund Transfers.

(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 ½ 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, 1997, a balance of \$4,412,359 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 ½ 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, 1997, a balance of \$8,146,084 is reserved for utilities and maintenance as a result of these sales tax levies.

(17) Litigation and Claims -

At June 30, 1997, 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 September 24, 1997, and then again on October 1, 1997, a portion of Denham Springs High School was set on fire by an arsonist. The fires destroyed the school's administration building along with nine classrooms. Estimated damage caused by the fires amounts to \$2,000,000 of which approximately \$1,900,000 is covered by insurance. The School Board's portion (\$100,000) represents the insurance deductible for the two fires.

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, 1997

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	486,764	32,367	63,774
Inventory	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$486,764</u>	<u>\$ 32,367</u>	<u>\$ 63,774</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts, Salaries and Other Payables	\$159,906	\$ 31,508	\$ 19,480
Due to Other Funds	<u>326,858</u>	<u>859</u>	<u>44,294</u>
Total Liabilities	486,764	32,367	63,774
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>\$486,764</u>	<u>\$ 32,367</u>	<u>\$ 63,774</u>

See auditor's report.

MAINTENANCE OF SCHOOLS	SCHOOL LUNCH	SPECIAL FEDERAL FUND	OTHER FEDERAL ESEA FUND	TOTALS	
				1997	1996
\$124,980	\$374,112	\$ -	\$ 1,027	\$ 500,119	\$ 414,980
22,980	1,588	121,695	49,435	778,603	1,066,646
-	63,586	-	-	63,586	75,893
<u>\$147,960</u>	<u>\$439,286</u>	<u>\$121,695</u>	<u>\$ 50,462</u>	<u>\$1,342,308</u>	<u>\$1,557,519</u>
\$ 35,368	\$397,113	\$ 23,559	\$ 5,403	\$ 672,337	\$ 739,293
-	-	98,136	45,059	515,206	660,621
<u>35,368</u>	<u>397,113</u>	<u>121,695</u>	<u>50,462</u>	<u>1,187,543</u>	<u>1,399,914</u>
-	42,173	-	-	42,173	75,410
<u>112,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,592</u>	<u>82,195</u>
<u>112,592</u>	<u>42,173</u>	<u>-</u>	<u>-</u>	<u>154,765</u>	<u>157,605</u>
<u>\$147,960</u>	<u>\$439,286</u>	<u>\$121,695</u>	<u>\$ 50,462</u>	<u>\$1,342,308</u>	<u>\$1,557,519</u>

Livingston Parish School Board  
SPECIAL REVENUE FUNDS

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

For the Year Ended June 30, 1997

	<u>ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I</u>		<u>SPECIAL EDUCATION</u>
	<u>CHAPTER 1</u>	<u>CHAPTER 2</u>	
<b>Revenues:</b>			
Local Sources:			
Ad Valorem Taxes	\$ -	\$ -	\$ -
Interest Earnings	-	-	-
Food Services	-	-	-
Other	-	-	-
State Sources - Unrestricted			
Grants-in-Aid	-	-	-
Federal Sources:			
Unrestricted - Indirect			
Cost Recoveries	30,232	1,604	10,775
Restricted Grants-in-Aid -			
Subgrants	1,950,770	70,314	614,725
Other - Commodities	-	-	-
Total Revenues	<u>1,981,002</u>	<u>71,918</u>	<u>625,500</u>
<b>Expenditures:</b>			
Instruction:			
Regular Programs	-	-	-
Special Programs	1,137,322	-	282,875
Vocational Programs	-	-	-
Other Programs	-	-	-
Adult and Continuing			
Education Program	-	-	-
Support Services:			
Pupil Support	-	-	6,081
Instructional Staff Support	139,981	70,314	158,693
General Administration	-	-	-
Business Services	-	-	10,305
Plant Services	33,617	-	306
Transportation Services	-	-	1,400
Food Services	-	-	-
Community Service Programs	18,954	-	-
Capital Outlay	<u>620,896</u>	<u>-</u>	<u>155,065</u>
Total Expenditures	<u>1,950,770</u>	<u>70,314</u>	<u>614,725</u>
Excess (Deficiency)			
of Revenues Over			
Expenditures	30,232	1,604	10,775

(CONTINUED)

## Schedule 2

MAINTENANCE OF SCHOOLS	SCHOOL LUNCH	SPECIAL FEDERAL FUND	OTHER FEDERAL ESEA FUND	TOTALS	
				1997	1996
\$ 590,001	\$ -	\$ -	\$ -	\$ 590,001	\$ 505,128
12,653	-	-	-	12,653	1,287
-	1,808,553	-	-	1,808,553	1,750,883
1,854	-	-	-	1,854	10
138,999	101,744	-	-	240,743	210,882
-	-	11,426	3,995	58,032	42,433
-	2,767,261	794,741	171,223	6,369,034	5,915,042
-	384,854	-	-	384,854	385,442
<u>743,507</u>	<u>5,062,412</u>	<u>806,167</u>	<u>175,218</u>	<u>9,465,724</u>	<u>8,811,107</u>
5,915	-	52,119	-	58,034	39,384
-	-	105,749	-	1,525,946	1,473,456
-	-	72,775	-	72,775	59,939
-	-	84,770	41,068	125,838	64,659
-	-	53,202	-	53,202	67,181
-	-	21,870	94,709	122,660	148,002
-	-	165,500	33,044	567,532	523,214
19,748	-	-	-	19,748	17,952
-	-	15,555	2,402	28,262	19,155
1,202,447	-	1,339	-	1,237,709	1,204,560
-	-	-	-	1,400	3,019
-	6,489,693	-	-	6,489,693	6,053,086
-	-	-	-	18,954	17,672
-	58,483	221,862	-	1,056,306	896,778
<u>1,228,110</u>	<u>6,548,176</u>	<u>794,741</u>	<u>171,223</u>	<u>11,378,059</u>	<u>10,588,057</u>
(484,603)	(1,485,764)	11,426	3,995	(1,912,335)	(1,776,950)

Livingston Parish School Board  
SPECIAL REVENUE FUNDS

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

For the Year Ended June 30, 1997

	ELEMENTARY AND SECONDARY EDUCATION ACT TITLE I		SPECIAL EDUCATION
	CHAPTER 1	CHAPTER 2	
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	(30,232)	(1,604)	(10,775)
Total Other Financing Sources (Uses)	(30,232)	(1,604)	(10,775)
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-
Fund Balances at Beginning of Year	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ -

See auditor's report.



Schedule 2  
(Continued)

MAINTENANCE OF SCHOOLS	SCHOOL LUNCH	SPECIAL FEDERAL FUND	OTHER FEDERAL ESEA FUND	TOTALS	
				1997	1996
515,000	1,452,527	-	-	1,967,527	1,524,792
-	-	(11,426)	(3,995)	(58,032)	(42,433)
<u>515,000</u>	<u>1,452,527</u>	<u>(11,426)</u>	<u>(3,995)</u>	<u>1,909,495</u>	<u>1,482,359</u>
30,397	(33,237)	-	-	(2,840)	(294,591)
<u>82,195</u>	<u>75,410</u>	<u>-</u>	<u>-</u>	<u>157,605</u>	<u>452,196</u>
\$ 112,592	\$ 42,173	\$ -	\$ -	\$ 154,765	\$ 157,605
<u><u>112,592</u></u>	<u><u>42,173</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>154,765</u></u>	<u><u>157,605</u></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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Federal Sources:			
Federal Grants	\$1,907,968	\$1,981,002	\$ 73,034
Total Revenues	1,907,968	1,981,002	73,034
 Expenditures:			
Instruction - Special Programs	1,113,319	1,137,322	(24,003)
Support Services:			
Instructional Staff Support	174,283	139,981	34,302
Plant Services	51,696	33,617	18,079
Community Services Programs	20,650	18,954	1,696
Capital Outlay	<u>517,013</u>	<u>620,896</u>	<u>(103,883)</u>
Total Expenditures	<u>1,876,961</u>	<u>1,950,770</u>	<u>(73,809)</u>
Excess of Revenues Over Expenditures	31,007	30,232	(775)
 Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	<u>(31,007)</u>	<u>(30,232)</u>	<u>775</u>
Total Other Financing Sources (Uses)	<u>(31,007)</u>	<u>(30,232)</u>	<u>775</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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Federal Sources:			
Federal Grants	\$ 118,000	\$ 71,918	\$ (46,082)
Total Revenues	118,000	71,918	(46,082)
Expenditures:			
Support Services:			
Instructional Staff Support	<u>115,368</u>	<u>70,314</u>	<u>45,054</u>
Total Expenditures	<u>115,368</u>	<u>70,314</u>	<u>45,054</u>
Excess of Revenues Over Expenditures	2,632	1,604	(1,028)
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	<u>(2,632)</u>	<u>(1,604)</u>	<u>1,028</u>
Total Other Financing Sources (Uses)	<u>(2,632)</u>	<u>(1,604)</u>	<u>1,028</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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Federal Sources:			
Federal Grants	\$ 549,875	\$ 625,500	\$ 75,625
Total Revenues	549,875	625,500	75,625
Expenditures:			
Instruction - Special Programs	325,364	282,875	42,489
Support Services:			
Pupil Support	4,416	6,081	(1,665)
Instructional Staff Support	137,232	158,693	(21,461)
Business Services	6,000	10,305	(4,305)
Plant Services	100	306	(206)
Transportation Services	1,000	1,400	(400)
Capital Outlay	64,953	155,065	(90,112)
Total Expenditures	539,065	614,725	(75,660)
Excess of Revenues Over Expenditures	10,810	10,775	(35)
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	(10,810)	(10,775)	35
Total Other Financing Sources (Uses)	(10,810)	(10,775)	35
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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Local Sources:			
Ad Valorem Taxes	\$ 559,000	\$ 590,001	\$ 31,001
Interest Earnings	470	12,653	12,183
Other	850	1,854	1,004
State Sources -			
Unrestricted			
Grants-in-Aid	<u>137,700</u>	<u>138,999</u>	<u>1,299</u>
Total Revenues	698,020	743,507	45,487
Expenditures:			
Instruction:			
Regular Programs	8,300	5,915	2,385
Support Services:			
General Administration	19,900	19,748	152
Plant Services	<u>1,127,260</u>	<u>1,202,447</u>	<u>(75,187)</u>
Total Expenditures	<u>1,155,460</u>	<u>1,228,110</u>	<u>(72,650)</u>
Excess (Deficiency) of Revenues Over Expenditures	(457,440)	(484,603)	(27,163)
Other Financing Sources (Uses):			
Operating Transfers In	475,000	515,000	40,000
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financ- ing Sources (Uses)	<u>475,000</u>	<u>515,000</u>	<u>40,000</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	17,560	30,397	12,837
Fund Balance at Beginning of Year	<u>82,195</u>	<u>82,195</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 99,755</u>	<u>\$ 112,592</u>	<u>\$ 12,837</u>

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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
<b>Revenues:</b>			
Local Sources:			
Interest Earnings	\$ 5,000	\$ -	\$ (5,000)
Food Services	1,673,500	1,808,553	135,053
Other	-	-	-
State Sources -			
Unrestricted			
Grants-in-Aid	72,913	101,744	28,831
Federal Sources:			
Restricted Grants-			
in-Aid-Subgrants	2,565,000	2,767,261	202,261
Other - Commodities	<u>385,000</u>	<u>384,854</u>	<u>(146)</u>
Total Revenues	4,701,413	5,062,412	360,999
<b>Expenditures:</b>			
Support Services:			
Food Services	5,773,940	6,489,693	(715,753)
Capital Outlay	<u>65,000</u>	<u>58,483</u>	<u>6,517</u>
Total Expenditures	<u>5,838,940</u>	<u>6,548,176</u>	<u>(709,236)</u>
Deficiency of Revenues Over Expenditures	(1,137,527)	(1,485,764)	(348,237)
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	<u>1,252,527</u>	<u>1,452,527</u>	<u>200,000</u>
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	115,000	(33,237)	(148,237)
Fund Balance at Begin- ning of Year	<u>75,410</u>	<u>75,410</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 190,410</u>	<u>\$ 42,173</u>	<u>\$ (148,237)</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, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Federal Sources:			
Federal Grants	\$ 715,843	\$ 806,167	\$ 90,324
Total Revenues	715,843	806,167	90,324
Expenditures:			
Instruction:			
Regular Programs	52,119	52,119	-
Special Programs	98,369	105,749	(7,380)
Vocational Programs	65,491	72,775	(7,284)
Other Programs	72,022	84,770	(12,748)
Adult and Continuing Education Program	53,205	53,202	3
Support Services:			
Pupil Support	34,332	21,870	12,462
Instructional Staff Support	161,472	165,500	(4,028)
Business Services	13,840	15,555	(1,715)
Plant Services	1,339	1,339	-
Capital Outlay	<u>152,226</u>	<u>221,862</u>	<u>(69,636)</u>
Total Expenditures	<u>704,415</u>	<u>794,741</u>	<u>(90,326)</u>
Excess of Revenues Over Expenditures	11,428	11,426	(2)
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	<u>(11,428)</u>	<u>(11,426)</u>	<u>2</u>
Total Other Financing Sources (Uses)	<u>(11,428)</u>	<u>(11,426)</u>	<u>2</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 - OTHER FEDERAL ESEA FUND

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

For the Year Ended June 30, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Federal Sources:			
Federal Grants	\$ 171,355	\$ 175,218	\$ 3,863
Total Revenues	171,355	175,218	3,863
Expenditures:			
Instruction:			
Other Programs	42,658	41,068	1,590
Support Services:			
Pupil Support	92,133	94,709	(2,576)
Instructional Staff Support	30,318	33,044	(2,726)
Business Services	2,250	2,402	(152)
Total Expenditures	167,359	171,223	(3,864)
Excess of Revenues Over Expenditures	3,996	3,995	(1)
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	(3,996)	(3,995)	1
Total Other Financing Sources (Uses)	(3,996)	(3,995)	1
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.



DISTRICTS					TOTALS	
NO. 27A	NO. 31	NO. 32	NO. 32A	NO. 33	1997	1996
\$306,296	\$ 86,321	\$ 412	\$ 190,683	\$ 99,813	\$4,425,580	\$4,152,316
<u>11,972</u>	<u>4,031</u>	<u>768</u>	<u>7,740</u>	<u>3,516</u>	<u>135,536</u>	<u>27,491</u>
318,268	90,352	1,180	198,423	103,329	4,561,116	4,179,807
10,770	2,989	-	6,590	3,424	152,399	151,424
175,000	-	-	-	90,000	1,985,000	1,915,000
<u>88,722</u>	<u>44,641</u>	<u>89</u>	<u>107,671</u>	<u>14,046</u>	<u>1,711,069</u>	<u>1,763,660</u>
274,492	47,630	89	114,261	107,470	3,848,468	3,830,084
43,776	42,722	1,091	84,162	(4,141)	712,648	349,723
-	-	-	-	-	357,152	423,502
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(184,748)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>357,152</u>	<u>238,754</u>
43,776	42,722	1,091	84,162	(4,141)	1,069,800	588,477
<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>
<u>\$262,471</u>	<u>\$ 46,840</u>	<u>\$ 22,299</u>	<u>\$ 96,152</u>	<u>\$ 61,036</u>	<u>\$2,686,253</u>	<u>\$1,616,453</u>

Schedule 6  
(Continued)

SCHOOL NO. 27	DISTRICTS					TOTALS	
	NO. 31	NO. 32	NO. 33	NO. 90	NO. 99	1997	1996
100,000	80,000	25,000	20,000	-	-	975,000	1,665,000
-	-	-	-	-	-	1,500,000	2,515,000
-	-	-	-	-	-	-	(1,067,843)
<u>100,000</u>	<u>80,000</u>	<u>25,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>2,475,000</u>	<u>3,112,157</u>
124,194	(420,097)	(847,456)	(39,061)	4,006	(8,305)	(5,575,717)	(1,107,691)
<u>(195,999)</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>\$ (71,805)</u>	<u>\$ 3,690</u>	<u>\$ 18,637</u>	<u>\$ (169,241)</u>	<u>\$ 34,365</u>	<u>\$ -</u>	<u>\$ 2,206,563</u>	<u>\$ 7,782,280</u>

<u>TOTALS</u>	
<u>1997</u>	<u>1996</u>
\$1,692,807	\$1,983,570
\$1,692,807	\$1,983,570
<u>                    </u>	<u>                    </u>

\$ 27,956	\$ 34,695
1,612,116	1,472,822
<u>52,735</u>	<u>476,053</u>
\$1,692,807	\$1,983,570
<u>                    </u>	<u>                    </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, 1997

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	\$ 127,133	\$ 151,774	\$ -	\$ 47,386	\$ 33,643	\$ 53,047	\$ -
Investments (Certificates of Deposit Maturities Greater Than 90 Days)	1,000,000	-	1,500,000	-	-	-	-
Due From Other Funds	1,244,241	-	-	-	-	-	-
Receivables	<u>243,041</u>	<u>3,265</u>	<u>44,507</u>	<u>1,467</u>	<u>529</u>	<u>768</u>	<u>950</u>
<b>Total Assets</b>	<b><u>\$2,614,415</u></b>	<b><u>\$ 155,039</u></b>	<b><u>\$1,544,507</u></b>	<b><u>\$ 48,853</u></b>	<b><u>\$ 34,172</u></b>	<b><u>\$ 53,815</u></b>	<b><u>\$ 950</u></b>
<b>LIABILITIES AND FUND EQUITY</b>							
Liabilities:							
Accounts and Other Payables	\$ 949,033	\$ 26,413	\$ 65,504	\$ 428	\$ -	\$ 1,960	\$ 321
Due to Other Funds	<u>-</u>	<u>-</u>	<u>1,016,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,434</u>
<b>Total Liabilities</b>	<b>949,033</b>	<b>26,413</b>	<b>1,082,050</b>	<b>428</b>	<b>-</b>	<b>1,960</b>	<b>72,755</b>
Fund Equity:							
Fund Balances:							
Reserved for Incomplete Contracts	1,665,382	128,626	462,457	48,425	-	51,855	-
Reserved for Future Contracts	-	-	-	-	-	-	-
Unreserved - Undesignated (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,172</u>	<u>-</u>	<u>(71,805)</u>
<b>Total Fund Equity (Deficit)</b>	<b><u>1,665,382</u></b>	<b><u>128,626</u></b>	<b><u>462,457</u></b>	<b><u>48,425</u></b>	<b><u>34,172</u></b>	<b><u>51,855</u></b>	<b><u>(71,805)</u></b>
<b>Total Liabilities and Fund Equity</b>	<b><u>\$2,614,415</u></b>	<b><u>\$ 155,039</u></b>	<b><u>\$1,544,507</u></b>	<b><u>\$ 48,853</u></b>	<b><u>\$ 34,172</u></b>	<b><u>\$ 53,815</u></b>	<b><u>\$ 950</u></b>

See auditor's report.

DISTRICTS					TOTALS	
NO. 31	NO. 32	NO. 33	NO. 90	NO. 99	1997	1996
\$ 38,467	\$ 58,879	\$ -	\$ 34,261	\$ -	\$ 544,590	\$ 531,780
-	-	-	-	-	2,500,000	7,400,000
260	652	318	104	-	1,244,241	717,437
\$ 38,727	\$ 59,531	\$ 318	\$ 34,365	\$ -	\$ 4,584,692	\$ 8,807,936
\$ 35,037	\$ 40,894	\$ 14,298	\$ -	\$ -	\$ 1,133,888	\$ 308,219
-	-	155,261	-	-	1,244,241	717,437
35,037	40,894	169,559	-	-	2,378,129	1,025,656
-	-	-	-	-	2,356,745	5,119,840
-	-	-	-	-	-	3,193,368
3,690	18,637	(169,241)	34,365	-	(150,182)	(530,928)
3,690	18,637	(169,241)	34,365	-	2,206,563	7,782,280
\$ 38,727	\$ 59,531	\$ 318	\$ 34,365	\$ -	\$ 4,584,692	\$ 8,807,936

Livingston Parish School Board  
CAPITAL PROJECTS FUNDS

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

For the Year Ended June 30, 1997

	<u>NO. 1</u>	<u>NO. 4</u>	<u>NO. 22</u>	<u>NO. 24</u>	<u>NO. 25</u>	<u>NO. 26</u>
<b>Revenues:</b>						
<b>Local Sources:</b>						
Ad Valorem Taxes	\$ 143,413	\$ 83,231	\$ 54,591	\$ 37,524	\$ 13,476	\$ 19,652
Interest Earnings	326,005	1,867	43,789	781	481	1,642
Other	-	17,740	-	-	-	-
<b>State Sources:</b>						
Unrestricted						
Grants-in-Aid	<u>49,978</u>	<u>29,082</u>	<u>19,092</u>	<u>13,067</u>	<u>4,709</u>	<u>6,841</u>
<b>Total Revenues</b>	<b>519,396</b>	<b>131,920</b>	<b>117,472</b>	<b>51,372</b>	<b>18,666</b>	<b>28,135</b>
<b>Expenditures:</b>						
<b>Support Services:</b>						
General Administration	4,926	2,866	1,882	1,288	191	674
Plant Services	38,559	13,544	3,959	428	-	108
Capital Outlay	5,799,652	364,179	1,135,643	8,935	-	97,947
Bond Issuance Cost	-	-	31,178	-	-	-
<b>Total Expenditures</b>	<b><u>5,843,137</u></b>	<b><u>380,589</u></b>	<b><u>1,172,662</u></b>	<b><u>10,651</u></b>	<b><u>191</u></b>	<b><u>98,729</u></b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(5,323,741)</b>	<b>(248,669)</b>	<b>(1,055,190)</b>	<b>40,721</b>	<b>18,475</b>	<b>(70,594)</b>

See auditor's report.

Schedule 6

SCHOOL DISTRICTS						TOTALS	
NO. 27	NO. 31	NO. 32	NO. 33	NO. 90	NO. 99	1997	1996
\$ 24,275	\$ 6,634	\$ 16,690	\$ 8,129	\$ 2,666	\$ -	\$ 410,281	\$ 351,196
506	25,210	61,845	169	447	-	462,742	512,811
	56	155				17,951	5,337
<u>8,459</u>	<u>2,319</u>	<u>5,811</u>	<u>2,834</u>	<u>930</u>	<u>-</u>	<u>143,122</u>	<u>138,254</u>
33,240	34,219	84,501	11,132	4,043	-	1,034,096	1,007,598
834	228	574	280	37	-	13,780	12,483
1,812	365	-	-	-	8,305	67,080	24,323
6,400	521,473	932,268	69,913	-	-	8,936,410	5,174,045
	12,250	24,115	-	-	-	67,543	16,595
<u>9,046</u>	<u>534,316</u>	<u>956,957</u>	<u>70,193</u>	<u>37</u>	<u>8,305</u>	<u>9,084,813</u>	<u>5,227,446</u>
24,194	(500,097)	(872,456)	(59,061)	4,006	(8,305)	(8,050,717)	(4,219,848)



Livingston Parish School Board  
CAPITAL PROJECTS FUNDS

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

For the Year Ended June 30, 1997

	<u>NO. 1</u>	<u>NO. 4</u>	<u>NO. 22</u>	<u>NO. 24</u>	<u>NO. 25</u>	<u>NO. 26</u>
Other Financing Sources:						
Operating Transfers						
In	-	500,000	-	250,000	-	-
Proceeds from Issuance						
of Bonds	-	-	1,500,000	-	-	-
Payments to Refunded						
Bonds Escrow Agent	-	-	-	-	-	-
Total Other Financing Sources	-	500,000	1,500,000	250,000	-	-
Excess (Deficiency) of						
Revenues and Other						
Sources Over Expendi-						
tures and Other Uses	(5,323,741)	251,331	444,810	290,721	18,475	(70,594)
Fund Balances (Deficit)						
at Beginning 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>
Fund Balances (Deficit)						
at End of Year	<u>\$ 1,665,382</u>	<u>\$ 128,626</u>	<u>\$ 462,457</u>	<u>\$ 48,425</u>	<u>\$ 34,172</u>	<u>\$ 51,855</u>

See auditor's report.

## AGENCY FUNDS

School Activity Fund - The School Activity Fund accounts for monies generated by the individual schools and school organizations within the parish. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

Sales Tax Fund - The Sales Tax Fund accounts for the collection and distribution of a two and one-half percent sales and use tax levied by the School Board, a one and one-half percent sales and use tax levied by the City of Denham Springs and the Village of Springfield, a one percent sales and use tax levied by the Village of Albany, the Town of Livingston, and the Town of Walker, and a one-half percent sales and use taxes levied by Law Enforcement Subdistrict A, Gravity Drainage District No. 1, and Gravity Drainage District No. 5.

Minimum Foundation Commission Fund - The Minimum Foundation Commission Fund was established August 15, 1991, to account for the monies received and spent by a "Joint Undertaking" of numerous School Boards throughout the State of Louisiana. The "Joint Undertaking" is a joint plan to provide financing and to conduct, through the professional working group, the preparation and, if necessary, to file and conduct litigation to obtain an equitable new formula to ensure a minimum foundation of education and an equitable allocation of funds to parish and city school systems in the State of Louisiana.

Livingston Parish School Board  
AGENCY FUNDS

COMBINING BALANCE SHEETS

June 30, 1997

ASSETS	<u>SCHOOL ACTIVITY</u>	<u>SALES TAX</u>	<u>MINIMUM FOUNDATION COMMISSION</u>
Cash and Cash Equivalents	\$1,612,116	\$ -	\$ 80,691
Total Assets	\$1,612,116	\$ -	\$ 80,691
	=====	=====	=====
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ 27,956
Amounts Held for School Activities	1,612,116	-	-
Deposits Due to Others	-	-	52,735
Total Liabilities	\$1,612,116	\$ -	\$ 80,691
	=====	=====	=====

See auditor's report.

Livingston Parish School Board  
SCHOOL ACTIVITY AGENCY FUND

SCHEDULE OF CHANGES IN AMOUNTS HELD FOR SCHOOL ACTIVITIES

For the Year Ended June 30, 1997

<u>SCHOOL</u>	<u>BALANCE JULY 1, 1996</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 1997</u>
Albany High	\$ 27,467	\$ 248,983	\$ 255,920	\$ 20,530
Albany Middle School	30,135	146,536	154,934	21,737
Albany Upper Elementary	23,560	127,431	129,233	21,758
Albany Lower Elementary	27,085	142,486	135,806	33,765
Denham Springs High	216,349	621,838	605,277	232,910
Denham Springs Junior High	17,467	320,137	331,027	6,577
Denham Springs Elementary	3,893	79,867	72,093	11,667
Doyle High	35,331	162,145	146,801	50,675
Doyle Elementary	19,665	138,647	120,383	37,929
Eastside Elementary	-	7,051	-	7,051
French Settlement High	21,758	150,337	144,684	27,411
French Settlement Elementary	26,380	76,394	79,370	23,404
Freshwater Elementary	21,723	116,612	108,331	30,004
Frost Elementary	12,751	88,759	88,901	12,609
Holden High	55,070	227,624	220,144	62,550
Levi Milton Elementary	40,629	108,761	111,909	37,481
Lewis Vincent Elementary	24,251	123,424	131,985	15,690
Live Oak High	72,942	278,783	251,844	99,881
Live Oak Middle School	33,395	185,819	176,886	42,328
Live Oak Upper Elementary	60,087	179,385	179,846	59,626
Live Oak Lower Elementary	100,012	172,727	147,649	125,090
Maurepas High	19,411	255,503	252,639	22,275
Northside Elementary	92,677	117,745	127,324	83,098
Pine Ridge School	10,846	40,313	46,259	4,900
Seventh Ward Elementary	5,941	107,913	103,965	9,889
South Walker Elementary	64,047	123,163	140,941	46,269
Southside Junior High	104,270	221,662	211,494	114,438
Southside Elementary	17,366	93,199	92,429	18,136
Springfield High	32,519	187,786	168,899	51,406
Springfield Middle School	27,699	109,076	101,899	34,876
Springfield Elementary	22,071	82,861	88,866	16,066
Walker High	132,456	458,518	448,797	142,177
Walker Junior High	25,334	139,223	133,009	31,548
Walker Elementary School	20,798	79,136	78,275	21,659
Westside Junior High School	<u>27,437</u>	<u>121,862</u>	<u>114,593</u>	<u>34,706</u>
Total	<u>\$1,472,822</u>	<u>\$5,841,706</u>	<u>\$5,702,412</u>	<u>\$1,612,116</u>

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, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Deposits Due Others at Beginning of Year	\$ 432,516	\$ -
Additions:		
Sales Tax Collections	20,460,049	19,318,139
Deductions:		
Transfers to:		
General Fund:		
Sales Tax	13,183,012	12,398,538
Sales Tax Collection Fee	124,388	120,490
Livingston Parish Sheriff	2,860,980	2,274,530
Livingston Parish Drainage Districts:		
No. 1	264,252	209,736
No. 5	324,973	270,155
City of Denham Springs	3,237,338	2,878,980
Town of Walker	488,967	393,700
Town of Livingston	148,141	124,778
Town of Springfield	151,340	114,505
Village of Albany	96,655	81,785
Refunds to Vendors	<u>12,519</u>	<u>18,426</u>
Total Reductions	<u>20,892,565</u>	<u>18,885,623</u>
Deposits Due Others at End of Year	<u>\$ -</u>	<u>\$ 432,516</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, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Deposits Due Others at Beginning of Year	\$ 43,537	\$ 80,064
Additions:		
Fees Collected from School Boards	205,844	-
Interest Income	<u>3,827</u>	<u>4,153</u>
Total Additions	209,671	4,153
Deductions:		
Legal Expenses	200,044	40,118
Administrative Expenses	<u>429</u>	<u>562</u>
Total Deductions	<u>200,473</u>	<u>40,680</u>
Deposits Due Others at End of Year	<u>\$ 52,735</u>	<u>\$ 43,537</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, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Louis Carlisle	\$ 9,600	\$ 9,600
Earnest Carrier, Jr.	9,600	9,600
Milton Hughes	9,600	9,600
Cheryl Lovett	9,600	9,600
Keith Martin	10,800	10,200
James V. Watson	9,600	10,200
Malcolm Sibley	9,600	9,600
Lennie S. Wales	9,600	9,600
Ralph L. Willie	<u>9,600</u>	<u>9,600</u>
Total	<u>\$ 87,600</u>	<u>\$ 87,600</u>

Term of Current Board Expires December 31, 1998.

See auditor's report.



OTHER SUPPLEMENTARY INFORMATION

## Livingston Parish School Board

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 1997

<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	\$ 384,854*
Passed Through Louisiana Department of Education:		
National Breakfast Program	10.553	612,021*
National School Lunch Program	10.555	<u>2,155,240*</u>
Total United States Department of Agriculture		3,152,115
<u>United States Department of Labor</u> Passed Through Tangipahoa Parish School Board - Job Training Partnership Act	17.250	48,369
<u>United States Department of Education</u> Passed Through Louisiana Department of Education:		
Adult Education - State Administered Program	84.002	54,399
Educationally Deprived Children - Local Educational Agencies	84.010	1,981,002*
Handicapped State Grants	84.027	625,500*
Vocational Education - Basic Grants to States	84.048	110,075
Improving School Programs - State Block Grants	84.151	71,916
State Grants for Strengthening the Skills of Teachers and Instruction in Mathematics, Science, Foreign Languages, and Computer Learning	84.164	74,675
Handicapped - Preschool Grant	84.173	185,185
Infants and Toddlers with Disabilities	84.181	102,687
Drug-Free Schools and Communities - State Grants	84.186	100,543

(CONTINUED)

Livingston Parish School Board

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(CONTINUED)

For the Year Ended June 30, 1997

<u>FEDERAL GRANTOR/ PASS - THROUGH GRANTOR/ PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>EXPENDITURES</u>
<u>United States Department of Education (Continued)</u>		
La. Learn Grant	84.276	<u>251,004</u>
Total United States Department of Education		3,556,986
<u>United States Department of Health and Human Services</u>		
Passed Through Louisiana Department of Education:		
Starting Points	93.575	50,697
<u>The Corporation for National Services</u>		
Passed Through the Louisiana Office of Lieutenant Governor:		
Conflict Resolution Grant	94.004	<u>3,750</u>
Total Program/Expenditures		<u>\$6,811,917</u>

\*Denotes major federal award.

Notes to Schedule of Expenditures of Federal Awards

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

Note B - Food Distribution Program -

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 1997, the Livingston Parish School Board had food commodities totaling \$24,288 in inventory.

See auditor's report.

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



Randy J. Bomecaze, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stamper, CPA\*  
Fernand P. Gentre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumo, CPA\*  
Ronald L. Gagnon, CPA\*  
Douglas J. Nelson, CPA\*  
-----  
Celeste D. Viator, CPA  
Laura E. Monroe, CPA

1111 S. Range Avenue, Suite 101  
Denham Springs, LA 70726  
Phone: (504) 665-8297  
Fax: (504) 667-3813

Members American Institute of  
Certified Public Accountants  
-----  
2322 Tremont Drive, Suite 200  
Baton Rouge, LA 70802

November 17, 1997

\*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, 1997, and have issued our report thereon dated November 17, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Compliance

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

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components

does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Livingston Parish School Board in a separate letter dated November 17, 1997.

This report is intended for the information of management, the Office of the 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, is a matter of public record.

Respectfully submitted,

*Harris J. Bourgeois, L.L.P.*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133



**Hannis T. Bourgeois, L.L.P.**

Exhibit B

**Certified Public Accountants**

Randy J. Bonaccase, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stampet, CPA\*  
Fernand P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumo, CPA\*  
Ronald L. Gagnet, CPA\*  
Douglas J. Nelson, CPA\*  
Celeste D. Viator, CPA  
Laura E. Montoc, CPA

1111 S. Range Avenue, Suite 101  
Denham Springs, LA 70726  
Phone: (504) 665-8297  
Fax: (504) 667-3813

Members American Institute of  
Certified Public Accountants  
2322 Tremont Drive, Suite 100  
Baton Rouge, LA 70802

\*A Professional Accounting Corporation

November 17, 1997

Livingston Parish School Board  
Livingston, Louisiana

### Compliance

We have audited the compliance of the Livingston Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1997. The Livingston Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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



In our opinion, the Livingston Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 1997.

#### Internal Control Over Compliance

The management of the Livingston Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Office of the 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, is a matter of public record.

Respectfully submitted,

*Arnis J. Bourgeois, L.L.P.*

Livingston Parish School Board

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

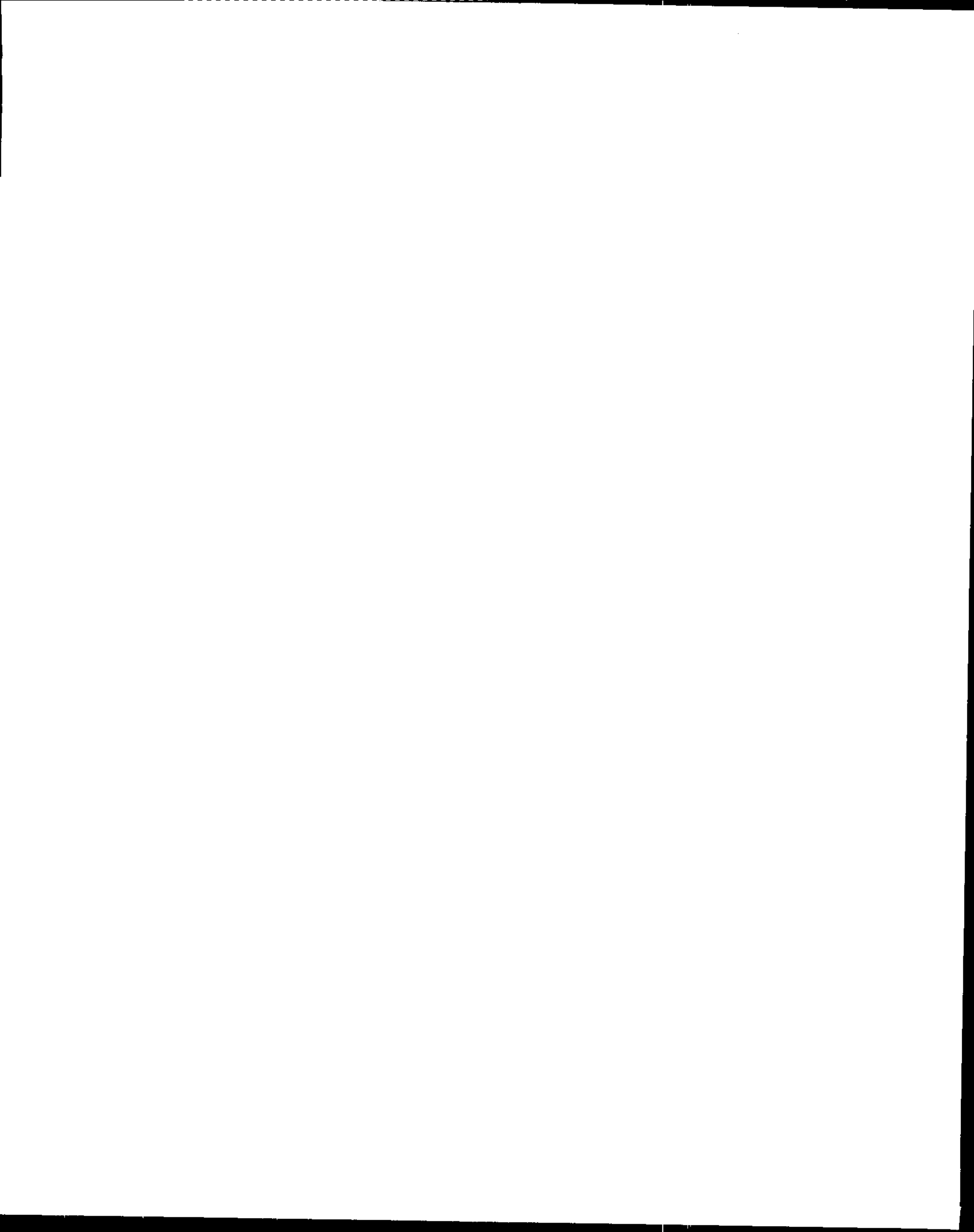
for the year ended June 30, 1997

As required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the following is a summary of the results of our audit:

- \* Type of report issued on financial statements - unqualified.
- \* Type of report issued on compliance for major programs - unqualified.
- \* The results of audit procedures disclosed no material noncompliance in major programs.
- \* The results of audit procedures disclosed no questioned costs.
- \* Our audit disclosed no findings which are required to be reported under Section 510(a).
- \* The following programs were determined to be major programs:

FEDERAL GRANTOR/ PASS - THROUGH GRANTOR/ <u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>
<u>United States Department of Agriculture</u> Passed Through Louisiana Department of Agriculture and Forestry - Food Distribution Program	10.550
Passed Through Louisiana Department of Education:	
National Breakfast Program	10.553
National School Lunch Program	10.555
<u>United States Department of Education</u> Passed Through Louisiana Department of Education:	
Educationally Deprived Children - Local Educational Agencies	84.010
Handicapped State Grants	84.027

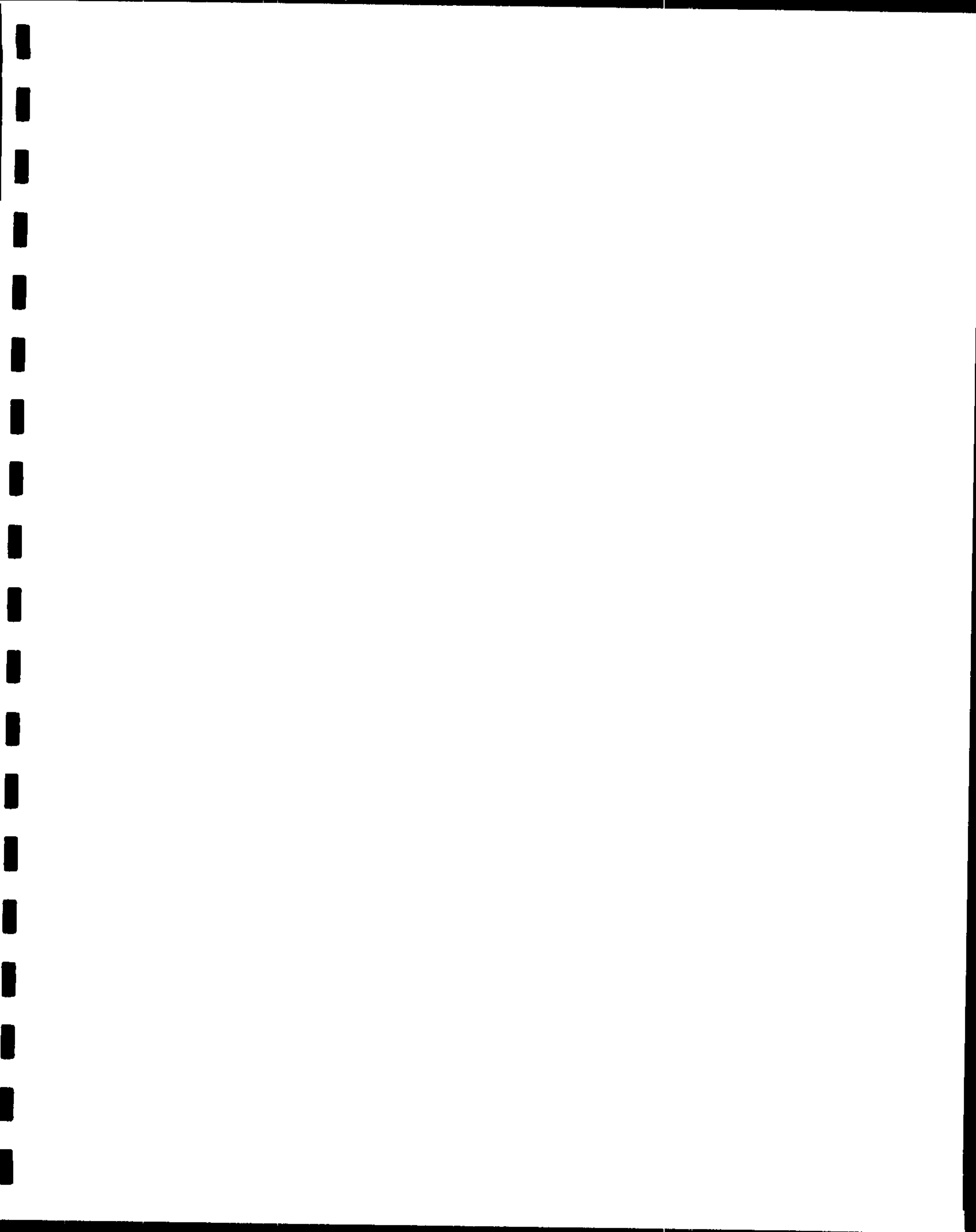
- \* The dollar threshold used to distinguish between Type A and Type B programs was \$300,000 as specified under Section 520(b).
- \* Livingston Parish School Board does not qualify as a low risk auditee under Section 530.



**LIVINGSTON PARISH SCHOOL BOARD**

**MANAGEMENT LETTER**

**JUNE 30, 1997**



**HTB** *Hannis T. Bourgeois, L.L.P.*  
Certified Public Accountants

Randy J. Bonnacaze, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stampet, CPA\*  
Bernard P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumbo, CPA\*  
Ronald L. Gagnet, CPA\*  
Douglas J. Nelson, CPA\*

Celeste D. Viator, CPA  
Laura E. Monroe, CPA

*\*A Professional Accounting Corporation*

1111 S. Range Avenue, Suite 101  
Denham Springs, LA 70726  
Phone: (504) 665-8297  
Fax: (504) 667-3813

*Members American Institute of  
Certified Public Accountants*

2322 Tremont Drive, Suite 201  
Baton Rouge, LA 70809

November 17, 1997

Livingston Parish School Board  
Livingston, Louisiana

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, 1997, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The following summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated November 17, 1997, on the financial statements of the Livingston Parish School Board, Livingston, Louisiana.

**BUDGETING**

**FINDING:**

During our current year audit, we noted that the School Board did not input its budget data into their accounting software. Through discussions with the client, it was noted that inputting budget data into the accounting system is a time consuming process. Each month, financial reports which show actual data are generated and distributed to the various departments. In order for someone to compare budget data to actual, personnel must manually compare the data. Budget data may not be in the same format as the actual financial reports.

**RECOMMENDATION:**

If budget data cannot be input in the accounting system, we recommend that a budget to actual comparison report be prepared periodically so that the information can be readily reviewed.

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, 1997, the General Fund had to supplement the School Food Service Fund in the amount of \$1,452,527 and the School Food Service Fund still had expenditures in excess of revenues and other sources in the amount of \$33,237.

CORRECTIVE ACTION TAKEN:

For the 1997-98 school year, management has increased the price of meals by \$.10 a meal for students. Management also states efforts continue to keep costs to a minimum level.

ADDITIONAL RECOMMENDATION:

Although management has increased the price of meals, the increase alone will not be enough to cover the cost of maintaining the lunchrooms. We recommend that the School Board continue its efforts to reduce supplements to School Food Service Program.

CHAPTER II FUND REVENUES

FINDING:

During our prior 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 recommended that a reconciliation process be developed whereby amounts requested for reimbursement are agreed to the general ledger on a regular basis.

CORRECTIVE ACTION TAKEN:

During the current year, monthly financial reports were generated and given to the supervisor of Chapter II for monthly reconciliations.

ELECTRONIC DATA PROCESSING

FINDING:

As noted in the prior year and under current year procedures, Central Office staff enter the computer room unrestricted to retrieve reports, operate the check signing equipment, and load backup tapes. Due to the sensitive nature of the contents of the computer room (i.e., computer equipment, confidential information, application software, etc.), this area should remain secure at all times. Therefore, access to the area should be restricted from all employees except data processing staff.

RECOMMENDATION:

We recommended management consider its options for creating a more secure environment within the computer room. One alternative is to move the line printer, check signature machine and bursting equipment to an area outside of the computer room to eliminate the need for Central Office staff to enter the computer room.

Also, the Inventory and Sales Tax staff could schedule update processing at a time when the data processing staff are available to load back-up tapes. This action would eliminate the need for the Sales Tax and Inventory staff to enter the computer room to perform these functions.

CORRECTIVE ACTION TAKEN:

In the prior year, the School Board researched installing a security card access system but it was determined to be cost prohibitive. In the current year, management has stated that another location for the equipment is not available at the current time. The decision to leave the equipment in its present location is supported by the Data Processing Manager and the Business Manager. Also, it was noted that Sales Tax staff no longer have to access the computer room because Sales Tax purchased a new computer system that is housed in the Sales Tax office.

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 three years. 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.

According to the Data Processing Manager, they have only documented one of the eight systems. The lack of progress is due primarily to shortage of staff.

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, some of the prior year points have been incorporated into the current resource recovery strategy. Developing a formal comprehensive disaster recovery plan is cost prohibitive at the present time for the School Board.

ADDITIONAL RECOMMENDATION:

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

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. Also, it was stated that the computer room was built to local fire code specifications. The request to install a "panic" button was sent to building maintenance for evaluation.

PAYROLL WITHHOLDINGS AND GROUP INSURANCES

FINDING:

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 that the School Board had yet to collect the overpayment of \$168,066.80 paid to the Louisiana State Employees Group Benefits for August 1995. In addition, the School Board failed to record a liability for \$252,413.99 for the employers' portion of the June 1997 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.

GENERAL FIXED ASSETS

FINDING:

Although for the 1995 audit a complete listing of General Fixed Assets was available and was 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:

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

RECOMMENDATION:

We recommended 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.

CORRECTIVE ACTION TAKEN:

During the current year, it was noted that capital expenditures are now being coded into "large" and "small" account classifications by site.

BID LAWS

FINDING:

Although we are aware of the School Board's efforts to abide by the State's bid laws, we noted one instance where the School Board failed to properly advertise for bids in the prior year. 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 felt the above compliance violation was merely an oversight based on the numerous other items bid by the School Board, we recommended continued efforts in this area to comply with the public bid laws.

CORRECTIVE ACTION TAKEN:

During the current year audit, we did not note any non-compliance with the public bid laws.

LOANS TO EMPLOYEES

FINDING:

In the prior 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.

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 recommended the School Board discontinue this practice if a similar situation were to arise in the future.

CORRECTIVE ACTION TAKEN:

During the current year audit, we did not note any loans to employees either directly or indirectly.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the Business Manager, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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,

*Arnis J. Bourgeois, L.L.P.*