

<u>ADULT EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>STATE ASSISTANCE FOR SCHOOL SUPPORT</u>	<u>MAINTENANCE FUNDS</u>	<u>SALES TAX</u>	<u>TRANSPORTATION</u>	<u>SCHOOL FOOD SERVICE</u>
			\$285,818	\$611,720		
			22,691	3,312	\$12,753 1,038	\$20,964 220,826
			50,767		1,259	306
		\$4,800			1,338,939	285,898
\$348 14,460 <u>14,808</u>	\$4,040 <u>4,040</u>	<u>4,800</u>	<u>359,275</u>	<u>615,032</u>	<u>1,353,988</u>	<u>876,715</u> <u>1,404,709</u>
			11,379			
14,460	4,040					
		4,800	10,729 45,099 1,181 248,602 2,967	20,819 174	228 11,441 1,628,676	1,452,320
<u>14,460</u>	<u>4,040</u>	<u>4,800</u>	<u>149,954</u> <u>469,911</u>	<u>20,993</u>	<u>250</u> <u>1,640,595</u>	<u>1,452,320</u>
348	NONE	NONE	(110,636)	594,039	(286,607)	(47,611)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Notes to the Financial Statements (Continued)

government and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the school board may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1993 and the investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at amortized cost.

H. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the balance sheet.

I. INVENTORY

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. 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) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

J. FIXED ASSETS

Fixed assets of 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 asset account group. Public domain or infrastructures, such as sidewalks and parking lots, are not capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost.

K. COMPENSATED ABSENCES

All 12-month employees earn 10 days of non-cumulative vacation leave each year. Upon separation, all unused vacation leave is forfeited.

All school board employees earn a minimum of 10 days sick leave each year that can be accumulated without limitation. Upon retirement or death, unused sick leave of up to 25 days is paid to the employee (or heirs) at the employee's current rate of pay. Under the Louisiana Teacher's Retirement, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefits computation as earned service.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	<u>ELEMENTARY AND SECONDARY EDUCATION ACT</u>			
	<u>TITLE I</u>	<u>CHAPTER 2</u>	<u>INNOVATIVE EDUCATION PROGRAM STRATEGIES</u>	<u>SPECIAL EDUCATION</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in				
Operating transfers out				
Sale of assets				
Insurance settlement				
Total other financing sources (uses)	<u>(\$11,443)</u>	<u>(\$471)</u>	<u>(\$596)</u>	<u>(\$3,685)</u>
<u>EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	NONE	NONE	NONE	NONE
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	NONE	NONE	NONE	NONE
Residual equity transfer				
<u>FUND BALANCE AT END OF YEAR</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

(Continued)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Notes to the Financial Statements (Continued)

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 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 GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term debt account group.

L. LONG-TERM DEBT

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

M. FUND EQUITY

Reserved -- represents those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated -- represents tentative plans for future use of financial resources.

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. 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 transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. SALES TAXES

The Grant Parish School Board is authorized to collect, within Grant Parish, a one percent sales and use tax for the benefit of the Grant Parish School Board. Net revenues of the tax are to be used to improve the salaries of all school board personnel and for the general operation and maintenance of the public schools in Grant Parish, limited to not more than twenty (20) percent of total sales tax expenditures.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 Notes to the Financial Statements (Continued)

The authorized millages are based on the reassessment of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

4. CASH AND CASH EQUIVALENTS

At June 30, 1996, the school board has cash and cash equivalents as follows:

Petty cash	\$1,270
Interest bearing demand deposits	1,249,800
Time and certificates of deposit	<u>31,505</u>
Total Cash and Cash Equivalents	<u><u>\$1,282,575</u></u>

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1996, the school board has \$3,081,262 in deposits (collected bank balances). These deposits are secured from risk by \$222,477 of federal deposit insurance (GASB Category 1) and \$2,689,937 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3), leaving a balance (in violation of Louisiana law) of \$168,848, unsecured at one of the financial institutions. Even though the pledged securities are considered uncollaterized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the school board that the fiscal agent has failed to pay deposited funds upon demand.

5. INVESTMENTS

At June 30, 1996, the school board holds the following investments:

Description	Category			Carrying Amount	Market Value
	A	B	C		
Government securities	\$1,397,285			\$1,397,285	\$1,373,564
Government bonds	43,034			43,034	43,718
United States Treasury Notes	225,955			225,955	225,314
Certificates of deposit	<u>200,000</u>		<u>\$740,798</u>	<u>940,798</u>	<u>940,798</u>
	<u>\$1,866,274</u>	<u>NONE</u>	<u>\$740,798</u>	<u>\$2,607,072</u>	<u>\$2,583,394</u>
Investment in Louisiana Asset Management Pool (LAMP)				<u>782,770</u>	<u>782,770</u>
				<u><u>3,389,842</u></u>	<u><u>3,366,164</u></u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 Notes to the Financial Statements (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS

The Grant Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through an insurance company, whose monthly premiums are paid jointly by the employee and the school board. The school board recognizes the cost of providing these benefits (the board's portion of premiums) as an expenditure when the monthly premiums are due. For the year ended June 30, 1996, the cost of retiree benefits totaled \$330,846, for approximately 178 retirees.

10. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of June 30, 1996, are as follows:

Classification	General Fund	Special Revenue Funds	Agency Funds	Total
Salaries and withholdings payable	\$1,433,891	\$258,908	\$13,587	\$1,706,387
Accounts and related benefits payable	25,545	42,778		68,323
Total	<u>\$1,459,436</u>	<u>\$301,687</u>	<u>\$13,587</u>	<u>\$1,774,710</u>

11. COMPENSATED ABSENCES

At June 30, 1996, employees of the school board have accumulated and vested \$535,233, in employee leave benefits, which were computed in accordance with GASB Codification Section C60. The total amount of these benefits is recorded within the general long-term debt account group.

12. CHANGES IN AGENCY FUND DEPOSITS

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

	School Activity Fund	Sales Tax Fund	Deferred Compensation Fund	Total
Balance, June 30, 1995	\$210,239	\$154,018	NONE	\$ 364,257
Additions	412,669	2,050,438	\$166,006	2,629,113
Deductions	(418,907)	(2,047,645)	(37,487)	(2,504,039)
Balance, June 30, 1996	<u>\$204,001</u>	<u>\$156,811</u>	<u>\$128,519</u>	<u>\$489,332</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 Notes to the Financial Statements (Continued)

13. CHANGES IN GENERAL LONG-TERM DEBT

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

	Bonded Debt	Compensated Absences	Total
Long-term debt payable at July 1, 1995	\$3,435,000	\$507,858	\$3,942,858
Additions	NONE	57,760	57,760
Deductions	(375,000)	(30,385)	(405,385)
Long-term debt payable at June 30, 1996	<u>\$3,060,000</u>	<u>\$535,233</u>	<u>\$3,595,233</u>

All school board bonds outstanding at June 30, 1996, are general obligation bonds with maturities from 1995 to 2014 and interest rates from 4.7 to 12 per cent. Bond principal and interest payable in the next fiscal year are \$385,000 and \$134,945, respectively. The individual issues, which are serial bonds payable from the respective school district debt service funds, are as follows:

School District and Date of Issue	Original Issue	Interest Rates	Final Payment Date	Interest to Maturity	Principal Outstanding
Georgetown No. 16 - March 1, 1979	\$360,000	6.25%	3/1/99	\$11,250	\$90,000
Consolidated No. 33: March 1, 1992	570,000	4.90-5.75%	3/1/97	5,750	100,000
March 1, 1993	3,240,000	4.10-4.60%	3/1/05	<u>673,545</u>	<u>2,870,000</u>
Total				<u>\$690,545</u>	<u>\$3,060,000</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. At June 30, 1996, the school board has accumulated \$1,839,476, in the debt service funds, for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
1997	\$385,000	\$134,945	\$519,945
1998	300,000	116,865	416,865
1999	315,000	103,920	418,920
2000	305,000	90,360	395,360
2001	310,000	77,550	387,550
Thereafter	<u>1,445,000</u>	<u>166,905</u>	<u>1,611,905</u>
Total	<u>\$3,060,000</u>	<u>\$690,545</u>	<u>3,750,545</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 Notes to the Financial Statements (Continued)

In accordance with Louisiana Revised Statute 39:562(I), the school board is legally restricted from incurring long-term debt in excess of 35% of the assessed value of taxable property. At June 30, 1996, the statutory limit is \$12,488,141. The outstanding bonded debt totals \$3,060,000.

Bonded Debt - Defeasance

In prior years, the school board defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the school board's financial statements. On June 30, 1996, a total of \$2,855,000 of bonds outstanding are considered defeased.

14. INTERFUND RECEIVABLES/PAYABLES

Fund	Interfund	
	Receivable	Payable
General	\$265,307	\$61,328
Special Revenue:		
Federal:		
Title I		133,339
Title II		5,176
Title VI	1,013	15,257
Special Education	710	32,546
Vocational	179	
Total Federal	1,902	186,318
Transportation	60,437	
Sales Tax		80,000
Total Interfund Receivable/Payable	\$327,646	\$327,646

15. FUND BALANCE DESIGNATIONS - GENERAL FUND

In accordance with a resolution dated January 8, 1970, the school board has designated a portion of the fund balance of the General Fund in the amount of \$239,894, for subsequent year expenditures arising from possible insurance claims. In accordance with a resolution dated June 4, 1992, the school board has designated a portion of the fund balance of the General Fund in the amount of \$300,000 for catastrophic claims on worker's compensation.

16. RISK MANAGEMENT

The school board is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. With the exception of worker's compensation insurance, the school board has obtained commercial insurance for all the aforementioned risks. During the fiscal year ended June 30, 1992, the school board initiated a risk management program for workers' compensation insurance. Premiums are paid into the General Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 Notes to the Financial Statements (Continued)

Effective May 15, 1994, a Proprietary Fund Type - Internal Service Fund was established to account for the activities of the this program. During the fiscal year ended June 30, 1996, a total of \$129,730 was incurred for payment of benefits and administrative costs. An excess coverage insurance policy covers claims in excess of \$200,000 with an aggregate of \$657,796. Interfund premiums are based primarily on the individual funds' payroll and are reported as expenditures in the individual funds. The Internal Service Fund - Workers' Compensation incurred a net loss of \$9,830 for the year ended June 30, 1996, and had a deficit in retained earnings of \$7,560.

The following presents a summary of the changes in the claims amount (liability) for the year ended June 30, 1996:

Benefit liability, June 30, 1995	\$9,346
Claims and Changes in Estimates	129,730
Benefit Payments and Claims	<u>152,663</u>
Benefit liability, June 30, 1996	<u>\$13,587</u>

17. DEFERRED COMPENSATION PLAN

The school board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all school board employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property rights are (until paid or made available to the employees or other beneficiary) solely the property and rights of the government (without being restricted to the provisions of benefits under the plan), subject only to the claims of the general creditors of the school board. Participant's rights under the plan are equal to those of general creditors of the school board in an amount equal to the fair market value of the deferred account of each participant. It is the opinion of the school board's legal counsel that the school board has no liability for losses under the plan but does have the duty of care that would be required of an ordinary prudent investor. The school board believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

18. LITIGATION AND CLAIMS

At June 30, 1996, the school board is a defendant in several lawsuits arising from the normal course of operations. During the year ended June 30, 1995, a negligence action concerning the death of a student which the plaintiff argued was caused by the failure of the School Board to properly train the school bus driver resulted in a judgment being rendered against the school board for \$250,000, plus plaintiff costs and interest. The school board has limited coverage for general liability which the school board expects will be sufficient to cover the plaintiff costs and interest. The \$250,000 judgment was accrued as a liability of the General Fund for the year ended June 30, 1995.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 1996

SPECIAL REVENUE FUNDS

ELEMENTARY AND SECONDARY EDUCATION ACT -- TITLE 1 - Grants to Local Educational Agencies (CFDA NO. 84.010) -- is a federally financed program whose objective is to improve the education opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency, improve achievement in basic and more advanced skills, and progress to the same high standards as other children. The activities supplement, rather than supplant, state and locally mandated activities.

ELEMENTARY AND SECONDARY EDUCATION ACT -- CHAPTER 2 - STATE BLOCK GRANTS (CFDA NO. 84.151) -- is a federally financed program whose objective is to assist State and Local Educational Agencies to improve elementary and secondary education. Grants are awarded for students at risk of failure in school; instructional materials; school-wide improvements and effective school programs.

ELEMENTARY AND SECONDARY EDUCATION ACT -- INNOVATIVE EDUCATION PROGRAM STRATEGIES (CFDA NO. 84.298) -- is a federally financed program whose objective is to assist State and local educational agencies to improve elementary and secondary education.

SPECIAL EDUCATION -- accounts for federally financed programs that provide additional education to children with exceptionalities and other special educational requirements. The fund is comprised of the following federal grant programs:

GRANTS TO STATES (CFDA NO. 84.027) -- whose objective is provide grants to States to assist them in providing a free appropriate public education to all children with disabilities.

PRESCHOOL GRANTS (CFDA NO. 84.173) -- whose objective is to provide grants to States to assist them in providing a free appropriate public education to preschool disabled children aged three to five years.

VOCATIONAL EDUCATION - BASIC GRANTS TO STATES (CFDA 84.048) -- is a federally financed program whose objective is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

MAINTENANCE FUNDS -- account for the proceeds of the ad valorem property taxes levied, within the boundaries of the individual school districts, for the purpose of operating, maintaining, and improving schools in the district.

SALES TAX FUND -- accounts for the net revenues of the one (1) percent sales and use tax and are to be used to improve the salaries of all school board personnel and for the general operation and maintenance of the public schools in the parish. General operation and maintenances expenditures are limited to not more the twenty (20) percent of total sales tax expenditures.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
Continued

TRANSPORTATION FUND -- accounts for the cost of providing transportation services to the students in Grant Parish. Operations are financed primarily through the State's equalization program.

SCHOOL FOOD SERVICE FUND -- accounts for the cost of providing nourishing meals for all students in all grades. The fund is financed by both federal and state funds that are based on reimbursement and participation, and from payments by participants of the program.

PARISHWIDE SALARY SUPPLEMENT -- accounts for the ad valorem property tax, approved by voters during 1994, that is dedicated to supplement teachers' salaries.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

COMBINING SCHEDULES - GOVERNMENTAL FUND TYPE -
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1996

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 1996

	ELEMENTARY AND SECONDARY EDUCATION ACT			
	TITLE I	CHAPTER 2	INNOVATIVE EDUCATION PROGRAM STRATEGIES	SPECIAL EDUCATION
<u>ASSETS</u>				
Cash and equivalents	\$49,191	\$2,918	\$13,592	\$13,751
Investments, at amortized cost				
Receivables	137,195	8,945	773	21,513
Interfund receivables			1,013	710
Inventory				
TOTAL ASSETS	\$186,386	\$11,863	\$15,378	\$35,975
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Cash overdrafts		\$4,811		
Accounts, salaries, and other payables	\$53,047	1,876	\$121	\$3,429
Interfund payables	133,339	5,176	15,257	32,546
Total Liabilities	186,386	11,863	15,378	35,975
Fund Equity - fund balance -				
Reserved for inventory				
Unreserved/undesignated				
Total Fund Equity	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$186,386	\$11,863	\$15,378	\$35,975

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Notes to the Financial Statements (Continued)

The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established by function for the General Fund and by program for the Special Revenue Funds. The Business Department monitors the budget and presents budget amendments, when deemed necessary, to the board for approval. The school board reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in the school board minutes published in the official journal. Budget amounts included in the accompanying financial statements include the final amended budget amounts.

The following is the budget calendar for the year ended June 30, 1996:

Available for public inspection	July 28, 1995
Publication of public notice	July 28, 1995
Public hearing	September 3, 1995
Board adoption	September 3, 1995

E. 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.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. 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.

Under state law, the school board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturity exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. INVESTMENTS

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the school board, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	ELEMENTARY AND SECONDARY EDUCATION ACT			
	TITLE I	CHAPTER 2	INNOVATIVE EDUCATION PROGRAM STRATEGIES	SPECIAL EDUCATION
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes				
Sales and use taxes				
Tuition				
Rentals, leases, and royalties				
Interest earnings				
Food services				
Miscellaneous				
State sources:				
Unrestricted grants-in-aid				
Restricted grants-in-aid				
Federal sources:				
Unrestricted grants-in-aid - direct				
Unrestricted - indirect cost recoveries	\$11,443	\$471	\$596	\$3,657
Restricted grants-in-aid - subgrants	742,218	18,690	24,729	173,551
Total revenues	<u>753,661</u>	<u>19,161</u>	<u>25,325</u>	<u>177,207</u>
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular programs		2,230		
Special programs	489,080			98,529
Vocational programs				
Adult and continuing education programs				
Other programs				
Support services:				
Pupil support services	56,699			25,132
Instructional staff services	157,905	16,460	24,729	31,702
General administration	1,573			178
School administration				
Business services	179			2,593
Plant services	29,782			7,185
Student transportation services				3,345
Non-Instructional Services:				
Food service operations				
Community service operations				
Facilities acquisition and construction service	7,000			4,859
Total expenditures	<u>742,218</u>	<u>18,690</u>	<u>24,729</u>	<u>173,522</u>
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	11,443	471	596	3,685

(Continued)

SPECIAL REVENUE FUNDS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$548,982	\$555,540	\$6,558
\$597,000	\$611,720	14,720
\$10,000	\$12,753	2,753
\$34,160	\$48,865	14,705
\$213,000	\$220,826	7,826
	\$1,565	1,565
1,674,914	1,675,604	690
4,800	4,800	
16,386	16,515	129
<u>1,864,649</u>	<u>1,854,402</u>	<u>(10,247)</u>
<u>4,963,891</u>	<u>5,002,589</u>	<u>38,698</u>
29,098	13,609	15,489
593,583	587,609	5,974
14,932	4,040	10,892
	14,460	(14,460)
86,201	81,831	4,370
257,425	235,596	21,829
42,604	43,461	(857)
56,515	45,099	11,416
4,234	4,480	(246)
324,493	297,010	27,483
1,613,873	1,634,988	(21,115)
1,449,061	1,452,320	(3,259)
<u>209,136</u>	<u>162,062</u>	<u>47,074</u>
<u>4,681,155</u>	<u>4,576,565</u>	<u>104,590</u>

<u>VOCATIONAL EDUCATION</u>	<u>MAINTENANCE FUNDS</u>	<u>SALES TAX</u>	<u>TRANSPORTATION</u>	<u>SCHOOL FOOD SERVICE</u>	<u>PARISHWIDE SALARY SUPPLEMENT</u>	<u>TOTAL</u>
	\$77,480	\$47,011	\$35,592	\$137,673	\$4,714	\$381,923
	377,299	540	67,223	403,476	408	848,946
	2,036	47,136		2,369		219,967
\$179			60,437			62,339
				17,441		17,441
<u>\$179</u>	<u>\$456,815</u>	<u>\$94,686</u>	<u>\$163,251</u>	<u>\$560,959</u>	<u>\$5,122</u>	<u>\$1,530,615</u>
						\$4,811
\$179	\$23,940	\$193	\$144,553	\$73,992	\$356	301,687
		80,000				266,318
<u>179</u>	<u>23,940</u>	<u>80,193</u>	<u>144,553</u>	<u>73,992</u>	<u>356</u>	<u>572,815</u>
				17,441		17,441
	432,875	14,494	18,698	469,527	4,766	940,359
<u>NONE</u>	<u>432,875</u>	<u>14,494</u>	<u>18,698</u>	<u>486,968</u>	<u>4,766</u>	<u>957,800</u>
<u>\$179</u>	<u>\$456,815</u>	<u>\$94,686</u>	<u>\$163,251</u>	<u>\$560,959</u>	<u>\$5,122</u>	<u>\$1,530,615</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPES - GENERAL AND
 SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 1996

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<u>REVENUES</u>			
Local sources:			
Taxes:			
Ad valorem	\$318,000	\$321,574	\$3,574
Sales and use			
Tuition	36,840	33,612	(3,228)
Rentals, leases, and royalties	13,000	14,480	1,480
Interest earnings	100,300	118,397	18,097
Food services			
Miscellaneous	29,287	30,133	846
State sources:			
Unrestricted grants-in-aid	9,182,965	9,182,759	(206)
Restricted grants-in-aid	338,903	327,994	(10,909)
Federal sources:			
Unrestricted grants-in-aid - subgrants	279,585	279,585	
Unrestricted - indirect cost recoveries			
Restricted grants-in-aid - direct			
Restricted grants-in-aid - subgrants	57,476	34,386	(23,090)
Total revenues	<u>10,356,356</u>	<u>10,342,920</u>	<u>(13,436)</u>
<u>EXPENDITURES</u>			
Current:			
Instruction:			
Regular programs	5,419,934	5,470,855	(50,921)
Special programs	1,479,495	1,519,548	(40,053)
Vocational programs	480,329	460,391	19,938
Adult and continuing education programs	31,976	14,473	17,503
Other instructional programs	253,843	255,280	(1,437)
Support services programs:			
Pupil support services	456,985	444,432	12,553
Instructional staff services	424,892	383,279	41,613
General administration	310,677	306,354	4,323
School administration	773,197	764,546	8,651
Business services	163,930	160,155	3,775
Plant services	873,895	896,887	(22,992)
Student transportation services	84,924	75,047	9,877
Central services	3,200	2,426	774
Non-Instructional Services:			
Food services	22,100	20,093	2,007
Community services	2,750	2,546	204
Facilities acquisition and construction	41,350	42,265	(915)
Total expenditures	<u>10,823,477</u>	<u>10,818,578</u>	<u>4,899</u>

(Continued)

The accompanying notes are an integral part of this statement.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 1996

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, the members of the school board receive \$500 per month.

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1996**

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1996

	GOVERNMENTAL FUND TYPES			DISTRICT 33 ELEMENTARY SCHOOL - CAPITAL PROJECTS FUND
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$528,638	\$381,923	\$11,906	
Deposits with administrator				
Investments, at amortized cost	1,958,350	848,946	458,309	\$124,237
Receivables	65,754	219,967	2,350	2,027
Interfund receivables	265,307	62,339		
Inventory		17,441		
Other	149,268			
Land, buildings, furniture, and equipment				
Other debits:				
Amount available in debt service funds				
Amount to be provided for retirement of general long-term debt				
TOTAL ASSETS AND OTHER DEBITS	\$2,967,316	\$1,530,615	\$472,564	\$126,264
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Cash overdrafts		\$4,811		
Accounts, salaries, and other payables	\$1,459,436	301,687		
Interfund payables	61,328	266,318		
Claims and judgments payable	250,000			
Deposits due others				
Deferred compensation benefits payable				
Compensated absences payable				
Bonds payable				
Total Liabilities	1,770,764	572,815	NONE	NONE
Equity and Other Credits:				
Investment in general fixed assets				
Retained earnings (deficit)				
Fund balances:				
Reserved for:				
Inventory		17,441		
Debt service			\$472,564	
Unreserved - designated for:				
Self insurance	239,894			
Contingencies	300,000			
Unreserved - undesignated	656,658	940,359		\$126,264
Total Equity and Other Credits	1,196,552	957,800	472,564	126,264
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$2,967,316	\$1,530,615	\$472,564	\$126,264

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND - WORKER'S COMPENSATION	FIDUCIARY FUND TYPE - TRUST AND AGENCY FUNDS	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
\$6,027	\$358,894 128,519 1,919			\$1,287,387 128,519 3,389,842 292,016 327,646 17,441 149,268
		\$18,805,985		18,805,985
			\$472,564	472,564
			3,122,668	3,122,668
<u>\$6,027</u>	<u>\$489,332</u>	<u>\$18,805,985</u>	<u>\$3,595,233</u>	<u>\$27,993,336</u>
\$13,587	\$360,812 128,519		\$535,233 3,060,000	\$4,811 1,774,710 327,646 250,000 360,812 128,519 535,233 3,060,000
<u>13,587</u>	<u>489,332</u>	<u>NONE</u>	<u>3,595,233</u>	<u>6,441,731</u>
(\$7,560)		\$18,805,985		18,805,985 (7,560)
				17,441 472,564
				239,894 300,000 1,723,281
<u>(7,560)</u>	<u>NONE</u>	<u>18,805,985</u>	<u>NONE</u>	<u>21,551,605</u>
<u>\$6,027</u>	<u>\$489,332</u>	<u>\$18,805,985</u>	<u>\$3,595,233</u>	<u>\$27,993,336</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPES

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$321,574	\$555,540	\$414,005
Sales and use		611,720	
Tuition	33,612	12,753	
Rentals, leases, and royalties	14,480	48,865	
Interest earnings	118,397	220,826	17,213
Food services		1,565	
Miscellaneous	30,133		
State sources:			
Unrestricted grants-in-aid	9,182,759	1,675,604	
Restricted grants-in-aid	327,994	4,800	
Federal sources:			
Unrestricted grants-in-aid - subgrants	279,585		
Unrestricted - indirect cost recoveries		16,515	
Restricted grants-in-aid - direct			
Restricted grants-in-aid - subgrants	34,386	1,854,402	
Total revenues	<u>10,342,920</u>	<u>5,002,589</u>	<u>431,218</u>
EXPENDITURES			
Current			
Instruction:			
Regular programs	5,470,855	13,609	
Special programs	1,519,548	587,609	
Vocational programs	460,391	4,040	
Adult and continuing education programs	14,473	14,460	
Other instructional programs	255,280		
Support services programs:			
Pupil support services		81,831	
Instructional staff services	444,432	235,596	
General administration	383,279	43,461	15,560
School administration	306,354	45,099	
Business services	764,546	4,480	275
Plant services	160,155	297,010	
Student transportation services	896,887	1,634,988	
Central services	75,047		
Non-Instructional Services:			
Food service operations	2,426		
Community service operations	20,093		
Community service operations	2,546	1,452,320	
Facilities acquisition and construction services	42,265	162,062	
Debt service:			
Principal retirement			375,000
Interest and bank charges			153,792
Total expenditures	<u>10,818,578</u>	<u>4,576,565</u>	<u>544,627</u>

(Continued)

The accompanying notes are an integral part of this statement.

DISTRICT 33 ELEMENTARY SCHOOL - CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
	\$1,291,119
	611,720
	46,365
	63,345
\$8,126	364,563
	1,565
	30,133
	10,858,363
	332,794
	279,585
	16,515
	<u>1,888,788</u>
<u>8,126</u>	<u>15,784,853</u>
	7,165
7,165	7,165
	5,484,464
	2,107,156
	464,431
	28,933
	255,280
	81,831
	680,028
	442,300
663	352,116
123	769,424
	457,165
	2,531,875
	75,047
	2,426
	20,093
	1,454,866
2,700	207,027
	375,000
	<u>153,792</u>
<u>10,650</u>	<u>15,950,419</u>

SPECIAL REVENUE FUNDS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
282,736	426,024	143,288
494,574	494,872	298
(914,617)	(921,295)	(6,678)
9,360	10,758	1,398
	573	573
<u>(410,683)</u>	<u>(415,093)</u>	<u>(4,410)</u>
(127,947)	10,931	138,878
943,998	944,624	626
2,245	2,245	
<u>\$818,296</u>	<u>\$957,800</u>	<u>\$139,504</u>

DISTRICT 33 ELEMENTARY SCHOOL - CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
<u>(\$2,523)</u>	<u>(\$165,566)</u>
	1,204,167
	(1,204,167)
	10,758
	573
<u>NONE</u>	<u>11,330</u>
(2,523)	(154,236)
128,787	2,907,415
	<u>NONE</u>
<u>\$126,264</u>	<u>\$2,753,180</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Notes to the Financial Statements (Continued)

Expenditures

Salaries are recorded as expenditures when earned. Teacher salaries are earned over a 9-month period, but are paid over a 12-month period.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Principal and interest on general long-term debt are recognized when due.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Food costs are recognized as expenditures in the period in which the food is consumed.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the *underlying events occur*.

D. BUDGETS

The school board adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the business manager, the superintendent, and the finance committee of the school board during July and/or August of each year. During July and/or August, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its September meeting, the school board holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the school board as a whole. The budgets are then adopted, and notice is published in the official journal.

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized *within the accounting system for budgetary control purposes*; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPES - GENERAL AND
 SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 1996

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	<u>(467,121)</u>	<u>(475,658)</u>	<u>(8,537)</u>
<u>OTHER FINANCING SOURCES (Uses)</u>			
Operating transfers in	678,380	709,295	30,915
Operating transfers out	(282,872)	(282,872)	
Sale of assets			
Insurance claims			
Total other financing sources (uses)	<u>395,508</u>	<u>426,423</u>	<u>30,915</u>
<u>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<u>(71,613)</u>	<u>(49,235)</u>	<u>22,378</u>
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>1,418,110</u>	<u>1,245,786</u>	<u>(172,324)</u>
Residual equity transfer			
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$1,346,497</u>	<u>\$1,196,552</u>	<u>(\$149,945)</u>

(Concluded)

The accompanying notes are an integral part of this statement.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND
Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1996

<u>OPERATING REVENUES</u>	
Premiums	\$120,223
<u>OPERATING EXPENSES</u>	
Claims	<u>129,730</u>
<u>OPERATING INCOME (Loss)</u>	(9,507)
<u>NONOPERATING REVENUES</u>	
Interest earnings	<u>127</u>
<u>NET INCOME (Loss)</u>	(9,380)
<u>RETAINED EARNINGS AT BEGINNING OF YEAR</u>	<u>1,820</u>
<u>RETAINED EARNINGS AT END OF YEAR</u>	<u>(\$7,560)</u>

The accompanying notes are an integral part of this statement.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND
Statement of Cash Flows
For the Year Ended June 30, 1996

<u>CASH FLOWS FROM OPERATING ACTIVITY</u>	
Operating income (loss)	(\$9,507)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:	
Increase (decrease) in accounts payable	<u>4,241</u>
Net cash provided (used) for operating activities	(5,266)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest earned	<u>127</u>
Net increase (decrease) in cash and equivalents	(5,139)
<u>CASH AND EQUIVALENTS AT BEGINNING OF YEAR</u>	<u>11,166</u>
<u>CASH AND EQUIVALENTS AT END OF YEAR</u>	<u>\$6,027</u>

The accompanying notes are an integral part of this statement.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1996

INTRODUCTION

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

The school board operates nine schools within the parish with a total enrollment of approximately 3,700 pupils. In conjunction with the regular education 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. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the school board has a separately elected governing body and is legally separate and is fiscally independent, the school board is a separate governmental reporting entity. The school board includes all funds, account groups, activities, et cetera, that are within its oversight responsibility.

Certain units of local government over which the school board exercises no oversight responsibility, such as the parish police jury 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 parish school board.

B. FUND ACCOUNTING

The school board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Notes to the Financial Statements (Continued)

Funds of the school board are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Fund Type

Governmental funds are used to account for all or most of the school board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and servicing of general long-term debt. Governmental funds include:

General Fund -- the general operating fund of the school board and accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

Capital projects funds -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Proprietary Fund Type

Proprietary funds for activities similar to those found in the private sector, where determination of net income is necessary or useful for sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which together with the maintenance of equity, is an important financial indicator. Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and liabilities are included on the balance sheet. Revenues are recognized when earned and expenses are recognized at the time the liabilities are incurred.

Fiduciary Fund Type

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the school board. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which includes state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred.

Federal commodities are recognized as revenues in the accounting period they are received.

Food service income is recorded when collected. All food services income applicable to an accounting period is collected during the fiscal year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the Grant Parish School Board (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they are available to the school board.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and the portion of the sales and use tax on the sale of motor vehicles collected by the Louisiana Department of Public Safety and Corrections, Public Safety Services, are treated as susceptible to accrual by the school board.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPES

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	(\$475,658)	\$426,024	(\$113,409)
<u>OTHER FINANCING SOURCES (Uses)</u>			
Operating transfers in	709,295	494,872	
Operating transfers out	(282,872)	(921,295)	
Sale of fixed assets		10,758	
Insurance claims		573	
Total other financing sources (uses)	<u>426,423</u>	<u>(415,093)</u>	<u>NONE</u>
<u>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	(49,235)	10,931	(113,409)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	1,245,786	944,624	588,218
Residual equity transfer		2,245	(2,245)
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$1,196,552</u>	<u>\$957,800</u>	<u>\$472,564</u>

(Conciuded)

The accompanying notes are an integral part of this financial statement.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Compliance
With Specific Requirements Applicable to Nonmajor
Federal Financial Assistance Program Transactions**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

In connection with my audit of the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and with my consideration of the internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular (OMB) A-128, *Audits of State and Local Governments*, I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; special tests and provisions; and claims for advances and reimbursements that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Grant Parish School Board's compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the school board had not complied, in all material respects, with those requirements.

This report is intended for the information of the management of the school board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Internal Control Report (Continued)

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Grant Parish School Board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Compliance
With Laws and Regulations Based Solely on an
Audit of the General Purpose Financial Statements**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year June 30, 1996, and have issued my report thereon dated December 18, 1996.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

The results of my tests disclosed no instance of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Grant Parish School Board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

OTHER REPORTS REQUIRED BY

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-128

The following pages contain reports on the schedule of federal financial assistance, internal control structure, and compliance with laws and regulations required by OMB Circular A-128, *Audits of State and Local Governments*, the *Single Audit Act of 1984*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Schedule
of Federal Financial Assistance**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996. These general purpose financial statements are the responsibility of the school board's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Grant Parish School Board, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

This report is intended for the information of the Grant Parish School Board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on the Internal
Control Structure Used in Administering
Federal Financial Assistance Programs**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996. I have also audited the school board's compliance with requirements applicable to major federal financial assistance programs and have issued my report thereon dated December 18, 1996.

I conducted my audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the school board complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended June 30, 1996, I considered the school board's internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the school board's general purpose financial statements and on its compliance with requirements applicable to major programs and not to provide assurance on the internal control structure. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated December 18, 1996.

The management of the school board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Federal Internal Control Report (Continued)

This report is intended for the information of the management of the school board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Internal
Control Structure Based Solely on an Audit
of the Financial Statements**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

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

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Compliance
With Specific Requirements Applicable to
Major Federal Financial Assistance Programs**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I have also audited the Grant Parish School Board's compliance with the requirements governing types of services allowed or unallowed; eligibility; and claims for advances and reimbursements; that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended June 30, 1996. The management of school board of is responsible for the school board's compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

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

In my opinion, the school board complied, in all material respects, with the requirements governing types of services allowed or unallowed; level of effort; eligibility; reporting; special tests and provisions; and claims for advances and reimbursements that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended for the information of the management of the school board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

Schedule of Federal Financial Assistance
For the Year Ended June 30, 1996

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME PROGRAM NAME	CFDA NUMBER	ISSUES/ EXPENDITURES
<u>United States Department of Agriculture</u>		
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution (Commodities)	10.550	\$78,763
Passed through Louisiana Department of Education: School Breakfast Program	10.553	184,092
National School Lunch Program	10.555	613,859 *
Passed through Louisiana Treasury Office: Schools and Roads - Grants to States (National Forest Lands)	10.665	<u>279,585</u>
Total United States Department of Agriculture		<u>1,156,299</u>
<u>United States Department of Education</u>		
Passed through Louisiana Department of Education: Adult Education - State Grant Program	84.002	14,089
Title 1 - Grants to Local Educational Agencies	84.010	753,661 *
Special Education - Grants to States	84.027	137,634
Vocational Education - Basic Grants to States	84.048	4,040
Eisenhower Mathematics and Science Education - State Grants	84.164	19,161
Special Education - Preschool Grants	84.173	39,388
Special Education - Grants for Infants and Families with Disabilities	84.181	185
Innovative Education Program Strategies	84.298	<u>25,325</u>
Total United States Department of Education		<u>993,483</u>
<u>United States Department of Health and Human Services</u>		
Passed through the Louisiana Department of Health and Human Services: Preventive Health and Health Services Block Grant (PHHS Block Grants)	93.991	<u>18,649</u>
Total Issues/Expenditures		<u>\$2,168,431</u>

* - Major federal financial assistance programs.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 1996

	BEGINNING BALANCE	ADDITIONS	DEDUCTIONS	ENDING BALANCE
<u>SCHOOL ACTIVITY FUNDS</u>				
Colfax Elementary	\$14,529	\$34,702	(\$38,331)	\$10,900
Dry Prong Junior High	38,633	81,281	(79,002)	40,912
Montgomery Gaines Junior High	\$15,414	\$19,745	(\$22,329)	12,830
Georgetown High	19,267	80,605	(78,225)	21,647
Grant High	62,483	19,879	(32,291)	50,071
Montgomery High	15,967	66,663	(67,251)	15,379
Pollock Elementary	\$16,056	\$29,374	(\$29,483)	15,947
Verda Elementary	12,448	29,979	(26,103)	16,325
South Grant Elementary	15,443	50,440	(45,892)	19,991
TOTAL SCHOOL ACTIVITY FUNDS	210,239	412,669	(418,907)	204,001
Sales Tax Fund	154,018	2,050,438	(2,047,645)	156,811
Deferred Compensation Fund	NONE	166,006	(37,487)	128,519
TOTAL AGENCY FUNDS	<u>\$470,785</u>	<u>\$2,522,585</u>	<u>(\$2,504,039)</u>	<u>\$489,332</u>

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GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 1996
With Supplemental Information Schedules

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

FEB 12 1997

Release Date _____

Herbie W. Way
Certified Public Accountant

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 1996
With Supplemental Information Schedules

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HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

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Independent Auditor's Report

GRANT PARISH SCHOOL BOARD

Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, as listed in the table of contents. These financial statements are the responsibility of the school board's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, based on my audit and the report of other auditors, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Grant Parish School Board at June 30, 1996, and the results of operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 18, 1996, on my consideration of the Grant Parish School Board's internal control structure and a report dated December 18, 1996, on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Grant Parish School Board. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

Receipt Acknowledged
Legislative Auditor

By

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Compliance
With the General Requirements Applicable to
Federal Financial Assistance Programs**

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

I have audited the general purpose financial statements of the Grant Parish School Board as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I have applied procedures to test the Grant Parish School Board's compliance with the following requirements applicable to each of its federal financial assistance programs, the major programs of which are identified in the schedule of federal financial assistance, for the year ended June 30, 1996, applicable to the entity's federal financial assistance programs: political activity; civil rights; cash management; federal financial reports; Drug-free Workplace Act; and administrative requirements.

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

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the school board had not complied, in all material respects, with those requirements.

This report is intended for the information of the management of the school board. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 18, 1996

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

Combining Balance Sheet, June 30, 1996

	CONSOLIDATED NO. 33	GEORGETOWN NO. 16	MONTGOMERY NO. 21	TOTAL
<u>ASSETS</u>				
Cash and equivalents	\$8,607	\$3,299		\$11,906
Investments, at amortized cost	443,309	15,000		458,309
Receivables	2,128	221		2,350
	<u>454,044</u>	<u>18,520</u>	<u>NONE</u>	<u>472,564</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Fund Equity - fund balance - Reserved for debt service	<u>454,044</u>	<u>18,520</u>	<u>NONE</u>	<u>472,564</u>
	<u>\$454,044</u>	<u>\$18,520</u>	<u>NONE</u>	<u>\$472,564</u>

<u>MONTGOMERY</u>	<u>POLLOCK</u>	<u>VERDA</u>	<u>PARISHWIDE</u>	<u>TOTAL</u>
\$3,264	\$9,100	\$10,684	\$26,220	\$77,480
23,373	203,916	5,663	63,487	377,299
	1,303		733	2,036
<u>\$26,637</u>	<u>\$214,320</u>	<u>\$16,347</u>	<u>\$90,439</u>	<u>\$456,815</u>
\$21	\$635	\$3,063	\$10,845	\$23,940
21	635	3,063	10,845	23,940
<u>26,616</u>	<u>213,684</u>	<u>13,284</u>	<u>79,594</u>	<u>432,875</u>
<u>\$26,637</u>	<u>\$214,320</u>	<u>\$16,347</u>	<u>\$90,439</u>	<u>\$456,815</u>

<u>MONTGOMERY</u>	<u>POLLOCK</u>	<u>VERDA</u>	<u>PARISHWIDE</u>	<u>TOTAL</u>
\$8,751	\$62,915	\$4,684	\$112,841	\$285,818
765	14,810	271	2,188	22,691
1,273	9,464	578	20,096	50,767
<u>10,790</u>	<u>87,189</u>	<u>5,533</u>	<u>135,125</u>	<u>359,275</u>
	557		6,410	11,379
329	2,346	177	4,243	10,729
2,907	2,179	1,947	387	45,099
125	176	131	170	1,181
5,886	31,290	6,111	85,009	248,602
			2,967	2,967
	113,044	3,985	430	149,954
<u>9,247</u>	<u>149,593</u>	<u>12,350</u>	<u>99,616</u>	<u>469,911</u>
1,542	(62,404)	(6,818)	35,508	(110,636)
8,312	7,583	4,264	11,993	61,422
		9,360		9,360
<u>8,312</u>	<u>7,583</u>	<u>13,624</u>	<u>11,993</u>	<u>70,782</u>
9,854	(54,821)	6,806	47,501	(39,854)
14,517	268,505	6,478	32,093	470,484
2,245				2,245
<u>\$26,616</u>	<u>\$213,684</u>	<u>\$13,284</u>	<u>\$79,594</u>	<u>\$432,875</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - MAINTENANCE FUNDS

Combining Balance Sheet, June 30, 1996

	<u>COLFAX</u>	<u>DRY PRONG</u>	<u>GEORGETOWN</u>	<u>GRANT</u>
<u>ASSETS</u>				
Cash and equivalents	\$11,204	\$3,366	\$1,110	\$12,531
Investments, at amortized cost	43,011		8,143	29,706
Receivables				
TOTAL ASSETS	<u>\$54,215</u>	<u>\$3,366</u>	<u>\$9,254</u>	<u>\$42,237</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts, salaries, and other payables	\$987	\$458	\$1,204	\$6,726
Total Liabilities	<u>987</u>	<u>458</u>	<u>1,204</u>	<u>6,726</u>
Fund Equity - fund balance - unreserved/ undesignated	<u>53,228</u>	<u>2,907</u>	<u>8,050</u>	<u>35,510</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$54,215</u>	<u>\$3,366</u>	<u>\$9,254</u>	<u>\$42,237</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 1996

	PARISHWIDE SALARY SUPPLEMENT	TOTAL
<u>OTHER FINANCING SOURCES (Uses)</u>		
Operating transfers in	\$64,831	\$494,872
Operating transfers out	(321,812)	(921,295)
Sale of assets		10,758
Insurance settlement		573
Total other financing sources (uses)	<u>(256,981)</u>	<u>(415,093)</u>
<u>EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	3,315	10,931
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	1,451	944,624
Residual equity transfer		2,245
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$4,766</u>	<u>\$957,800</u>

(Concluded)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana
Federal Internal Control Report (Continued)

noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

General requirements

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Indirect cost allocation
- Drug-free Workplace Act
- Administrative requirements (Common Rule)

Specific requirements

- Types of services
- Eligibility
- Claims for advances and reimbursements
- Matching
- Level of effort

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

During the year ended June 30, 1996, the school board expended 63.06 per cent of its total federal financial assistance under major federal financial assistance programs.

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

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 1996

	<u>PARISHWIDE SALARY SUPPLEMENT</u>	<u>TOTAL</u>
<u>REVENUES</u>		
Local sources:		
Ad valorem taxes	\$269,722	\$555,540
Sales and use taxes		611,720
Tuition		
Rentals, leases, and royalties		12,753
Interest earnings	861	48,865
Food services		220,826
Miscellaneous		1,565
State sources:		
Unrestricted grants-in-aid		1,675,604
Restricted grants-in-aid		4,800
Federal sources:		
Unrestricted grants-in-aid - direct		
Unrestricted - indirect cost recoveries		16,515
Restricted grants-in-aid - subgrants		1,854,402
Total revenues	<u>270,583</u>	<u>5,002,589</u>
<u>EXPENDITURES</u>		
Current:		
Instruction:		
Regular programs		13,609
Special programs		587,609
Vocational programs		4,040
Adult and continuing education programs		14,460
Other programs		
Support services:		
Pupil support services		81,831
Instructional staff services		235,596
General administration	10,161	43,461
School administration		45,099
Business services	125	4,480
Plant services		297,010
Student transportation services		1,634,988
Non-Instructional Services:		
Food service operations		1,452,320
Community service operations		
Facilities acquisition and construction service		162,062
Total expenditures	<u>10,287</u>	<u>4,576,565</u>
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	260,296	426,024

(Continued)

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the general purpose financial statements.

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - MAINTENANCE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	<u>COLFAX</u>	<u>DRY PRONG</u>	<u>GEORGETOWN</u>	<u>GRANT</u>
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$33,608	\$10,513	\$6,137	\$46,369
Interest earnings	2,466	110	323	1,758
State sources - unrestricted grants-in-aid	4,347	5,300	988	8,720
Total revenues	<u>40,421</u>	<u>15,923</u>	<u>7,448</u>	<u>56,847</u>
<u>EXPENDITURES</u>				
Current:				
Instruction - regular programs	2,419		1,993	
Support services:				
General administration	1,263	396	231	1,743
School administration	10,678	3,508	1,450	22,043
Business services	144	143	137	155
Plant services	32,188	16,853	8,485	62,781
Student transportation services				
Facilities acquisition	25,876	1,689	1,300	3,628
Total expenditures	<u>72,569</u>	<u>22,590</u>	<u>13,596</u>	<u>90,351</u>
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	(32,147)	(6,666)	(6,148)	(33,504)
<u>OTHER FINANCING SOURCES (Uses)</u>				
Operating transfers in	4,502	9,375	7,557	7,836
Sale of assets				
Total other financing sources (uses)	<u>4,502</u>	<u>9,375</u>	<u>7,557</u>	<u>7,836</u>
<u>EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	(27,645)	2,709	1,409	(25,668)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	80,874	199	6,641	61,179
Residual equity transfer				
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$53,228</u>	<u>\$2,907</u>	<u>\$8,050</u>	<u>\$35,510</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

COMBINING SCHEDULES - GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1996

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

	CONSOLIDATED NO. 33	GEORGETOWN NO. 16	MONTGOMERY NO. 21	TOTAL
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$379,450	\$34,555		\$414,005
Interest earnings	16,802	400	\$11	17,213
Total revenues	<u>396,252</u>	<u>34,955</u>	<u>11</u>	<u>431,218</u>
<u>EXPENDITURES</u>				
Current:				
Support services:				
General administration	14,261	1,299		15,560
Business services	123	122	30	275
Debt service:				
Principal	350,000	25,000		375,000
Interest and bank charges	146,554	7,238		153,792
Total expenditures	<u>510,938</u>	<u>33,659</u>	<u>30</u>	<u>544,627</u>
<u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u>	(114,686)	1,296	(19)	(113,409)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	568,730	17,224	2,264	588,218
Residual equity transfer			(2,245)	(2,245)
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$454,044</u>	<u>\$18,520</u>	<u>NONE</u>	<u>\$472,564</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 1996

FIDUCIARY FUND TYPE - AGENCY FUNDS

SCHOOL ACTIVITY FUND -- accounts for monies generated by the schools and organizations within the schools of the parish. While these 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 -- accounts for the collection and distribution of the sales and use taxes levied by the Grant Parish Police Jury, the Grant Parish School Board, the Grant Parish Law Enforcement District (Sheriff), and the Towns of Colfax, Pollock, and Georgetown.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

COMBINING SCHEDULES - FIDUCIARY FUND TYPE - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1996

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1996

	<u>SCHOOL ACTIVITY FUNDS</u>	<u>SALES TAX FUND</u>	<u>DEFERRED COMPENSATION FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>				
Cash and equivalents	\$203,938	\$154,956		\$358,894
Deposit with administrator			\$128,519	128,519
Receivables	63	1,855		1,919
	<u>\$204,001</u>	<u>\$156,811</u>	<u>\$128,519</u>	<u>\$489,332</u>
<u>LIABILITIES</u>				
Deposits due others	\$204,001	\$156,811		\$360,812
Deferred compensation benefits payable			\$128,519	128,519
	<u>\$204,001</u>	<u>\$156,811</u>	<u>\$128,519</u>	<u>\$489,332</u>

GRANT PARISH SCHOOL BOARD
 Colfax, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUND - SALES TAX FUND

Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 1996

<u>DEPOSIT BALANCE AT BEGINNING OF YEAR</u>	<u>\$154,018</u>
<u>ADDITIONS</u>	
Sales tax collections	2,049,055
Interest earned	1,364
Miscellaneous	19
Total additions	<u>2,050,438</u>
 TOTAL	 2,204,456
<u>DEDUCTIONS</u>	
Remitted to taxing bodies and others	2,016,841
General administration	30,804
Total deductions	<u>2,047,645</u>
 <u>DEPOSIT BALANCE AT END OF YEAR</u>	 <u>\$156,811</u>

<u>ADULT EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>STATE ASSISTANCE FOR SCHOOL SUPPORT</u>	<u>MAINTENANCE FUNDS</u>	<u>SALES TAX</u>	<u>TRANSPORTATION</u>	<u>SCHOOL FOOD SERVICE</u>
			\$1,422		\$283,208	\$85,411
(\$348)			9,360	(\$582,940)	1,398	
<u>(348)</u>	<u>NONE</u>	<u>NONE</u>	<u>70,782</u>	<u>(582,940)</u>	<u>285,178</u>	<u>85,411</u>
NONE	NONE	NONE	(39,854)	11,099	(1,429)	37,800
NONE	NONE	NONE	470,484	3,395	20,127	449,168
			2,245			
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>\$432,875</u>	<u>\$14,494</u>	<u>\$18,698</u>	<u>\$486,968</u>

GRANT PARISH SCHOOL BOARD
Colfax, LouisianaSchedule of Compensation Paid Board Members
For the Year Ended June 30, 1996

Amberg, Linda	\$6,000
Baxley, Eddie	6,000
Deen, Bobby	6,000
Futrell, A. D.	6,000
Jerro, W. E., Jr.	6,000
Pennison, R. L.	6,000
Reeder, H. Neal	6,000
Walker, Gary L.	<u>6,000</u>
Total	<u>\$48,000</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 1996

DEBT SERVICE FUNDS

The debt service funds of the various school districts are used to accumulate monies for the payment of outstanding bond issues and certificates of indebtedness. The bonds and certificates of indebtedness were issued by the individual school districts to acquire land for building sites, erect and improve school buildings, and acquire the necessary and equipment and furnishing thereof. The bond issues and certificates of indebtedness are financed by a special ad valorem property tax levied within the individual school districts.