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**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' 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 this report has been submitted to the Auditor, or reviewed, certified and other appropriate public officers. This report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Original Date **APR 02 1997**

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CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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## INDEPENDENT AUDITORS' REPORT

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

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

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

The School Board has not maintained adequate records of property and equipment costs. We were not able to satisfy ourselves by other auditing procedures as to the fairness of the general fixed asset account group stated at \$7,767,460 as of June 30, 1996.

As discussed in Note 15 to the financial statements, a lawsuit has been filed which could result in a claim of \$275,111 assessed against the School Board. The Board is contesting the claim but the ultimate outcome cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

In our opinion, except for the effects, if any, as might have been determined to be necessary had we been able to examine adequate records regarding the cost of property and equipment, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Caldwell Parish School Board as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are prepared for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Caldwell Parish School Board. 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 presented in all material aspects in relation to the general purpose financial statements taken as a whole.

*Allen Brown Robinson, III*  
ALLEN, BROWN & ROBINETTE, L.L.P.

Monroe, Louisiana  
December 6, 1995

CALDWELL PARISH SCHOOL BOARD  
Caldwell, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS  
Combined Balance Sheet  
June 30, 1992

	GOVERNMENTAL FUNDS		
	GENERAL FUND	SPECIAL FUND	DEBT SERVICE FUND
<b>ASSETS AND OTHER DEBITS</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 874,760	\$ 160,872	\$ 304,218
Receivables	98,884	167,875	8,128
Interfund receivable	300,000	42,899	0
Inventory	0	18,480	0
Land, buildings and equipment	0	0	0
Amount available in debt service funds	0	0	0
Amount to be provided for payment of debt	0	0	0
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 1,173,644</b>	<b>\$ 382,026</b>	<b>\$ 312,346</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>Liabilities</b>			
Accounts, salaries and other payables	\$ 688,008	\$ 23,008	\$ 0
Deposits due others	0	1,308	0
Interfund payable	80,360	157,374	0
Due to other governmental units	0	0	0
Deferred revenues	72,000	3,388	0
Short term notes payable	0	0	0
Capital lease payable	0	0	0
Liabilities for worker's compensation claims	0	0	0
Compensated absence payable	0	0	0
Bonds payable	0	0	0
<b>Total Liabilities</b>	<b>\$ 840,668</b>	<b>\$ 184,828</b>	<b>\$ 0</b>
<b>Equity and other credits</b>			
Investment in general fund assets	\$ 0	\$ 0	\$ 0
<b>Fund Balance:</b>			
Reserved for:			
Debt service	0	0	390,854
Unreserved and undesignated	155,734	183,872	0
<b>Total Equity and other credits</b>	<b>\$ 155,734</b>	<b>\$ 183,872</b>	<b>\$ 390,854</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 996,402</b>	<b>\$ 368,699</b>	<b>\$ 390,854</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement A

FISCAL YEAR	ACCOUNT GROUPS		TOTAL (INFORMAL)
	GENERAL FUND ASSETS	GENERAL LONG-TERM DEBT	
\$ 00,017	\$ 0	\$ 0	\$ 1,012,472
0	0	0	283,294
0	0	0	240,737
0	0	0	18,443
0	7,767,481	0	7,767,481
0	0	380,994	380,994
0	0	324,588	324,588
<u>\$ 00,017</u>	<u>\$ 7,767,481</u>	<u>\$ 1,005,564</u>	<u>\$ 10,007,001</u>
0	0	0	684,157
00,017	0	0	89,977
0	0	0	240,737
0	0	0	1,308
0	0	0	78,377
0	0	0	0
0	0	128,681	128,681
0	0	8,583	8,583
0	0	188,320	188,320
0	0	1,893,080	1,893,080
<u>\$ 00,017</u>	<u>\$ 0</u>	<u>\$ 1,005,564</u>	<u>\$ 2,489,000</u>
0	0	7,767,481	0
0	0	0	380,994
0	0	0	324,588
<u>\$ 0</u>	<u>\$ 7,767,481</u>	<u>\$ 0</u>	<u>\$ 8,498,541</u>
<u>\$ 00,017</u>	<u>\$ 7,767,481</u>	<u>\$ 1,005,564</u>	<u>\$ 10,007,001</u>



**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

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

Statement 18

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL COMBINATION ONLY
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 445,433	\$ 250,891	\$ 314,855	\$ 1,011,179
Sales and use	0	870,891	0	870,891
Market earnings	17,835	11,880	8,838	37,553
Fees of facilities	955	0	0	955
Fees services	0	155,814	0	155,814
Other	10,479	23,370	0	33,849
State sources:	\$ 844,789	88,573	0	\$ 933,362
Federal sources:	455,881	1,202,883	0	1,658,764
<b>TOTAL REVENUES</b>	<b>\$ 1,852,458</b>	<b>\$ 2,364,892</b>	<b>\$ 323,693</b>	<b>\$ 4,541,043</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	\$ 3,408,899	\$ 350,895	\$ 0	\$ 3,759,794
Special programs	148,831	157,893	0	306,724
Adult and continuing education programs	337,329	19,789	0	357,118
Support services:				
Student services	328,051	17,847	0	345,898
Instructional staff support	308,051	58,434	0	366,485
General administration	388,979	90,811	1,747	481,537
School administration	298,120	28,212	0	326,332
Business services	150,929	58,000	0	208,929
Plant services	357,000	354,549	0	711,549
Student transportation services	448,058	3,813	0	451,871
Fees services	0	512,844	0	512,844
Community service programs	0	18,665	0	18,665
Facilities acquisition and construction	0	0	0	0
Debt service:				
Principal retirement	24,283	0	180,000	204,283
Interest and bank charges	4,267	0	87,075	91,342
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,008,798</b>	<b>\$ 1,883,838</b>	<b>\$ 247,175</b>	<b>\$ 8,139,811</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 1,243,660</b>	<b>\$ 1,481,054</b>	<b>\$ 76,518</b>	<b>\$ 2,799,232</b>

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THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

SALEWELL PARISH SCHOOL BOARD  
 Lakeview, Louisiana

GOVERNMENTAL FUNDS  
 Combined Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 For the Year Ended June 30, 1994

Statement #

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL (MEMORANDUM ONLY)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ 1 \$	196,618 \$	1 \$	196,618
Operating transfers out	(388,038)	0	0	(388,038)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (386,927) \$	196,618 \$	0 \$	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 210,802 \$	(83,520) \$	70,800 \$	198,082
FUND BALANCES AT BEGINNING OF YEAR	202,118	200,402	202,888	605,408
FUND BALANCES AT END OF YEAR	\$ 412,920 \$	116,882 \$	273,688 \$	803,490

(2046224000)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN ORIGINAL PART OF THIS STATEMENT.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS**  
Consolidated Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 1994

	-----GENERAL FUNDS-----		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>Local sources</b>			
Taxes:			
All voters	\$ 410,000	\$ 445,400	\$ 25,140
Sales and use	0	0	0
Interest earnings	44,000	17,658	3,128
Rent of facilities	0	155	155
Food services	0	0	0
Other	40,000	50,470	470
State sources	5,140,000	5,844,795	(100,000)
Federal sources	858,000	400,281	(100,000)
<b>Total Revenues</b>	<b>\$ 7,148,000</b>	<b>\$ 6,692,495</b>	<b>\$ (267,000)</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
Instruction:			
Regular programs	\$ 3,588,190	\$ 3,408,880	\$ 119,007
Special programs	758,757	744,833	8,150
Adult and continuing education programs	209,000	201,859	(71,000)
Support services:			
Student services	223,000	229,000	4,107
Instructional staff support	388,738	358,004	655
General administration	511,000	388,870	21,000
School administration	580,000	398,120	18,700
Business services	0	192,000	(182,000)
Plant services	470,000	357,688	58,040
Student transportation services	820,000	468,084	74,008
Food services	0	0	0
Community service programs	0	0	0
Facilities acquisition and construction	0	0	0
Data services:			
Principal retirement	0	34,280	(34,280)
Interest and Debt charges	0	4,247	(4,247)
<b>Total Expenditures</b>	<b>\$ 6,692,200</b>	<b>\$ 6,692,795</b>	<b>\$ (597)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 455,800</b>	<b>\$ 200,870</b>	<b>\$ (100,000)</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Statement C**

SPECIAL REVENUE FUNDS			VARIANCE
BUDGET	ACTUAL		FAVORABLE
			(UNFAVORABLE)
\$ 246,486	\$ 250,881	\$	4,395
513,251	678,891		165,640
10,000	11,000		1,000
0	0		0
670,886	105,614		(625,272)
14,740	22,318		7,578
81,846	68,372		(13,474)
<u>1,056,748</u>	<u>1,332,952</u>		<u>276,204</u>
<b>\$ 2,242,875</b>	<b>\$ 2,584,882</b>	<b>\$</b>	<b>341,907</b>
\$ 188,887	250,000	\$	61,113
668,000	787,883		119,883
0	19,790		19,790
0	17,847		17,847
0	68,434		68,434
0	82,811		82,811
0	28,272		28,272
3,880	48,000		44,120
389,881	654,548		264,667
0	3,613		3,613
879,837	872,844		(6,993)
19,800	18,688		(1,112)
0	0		0
0	0		0
<u>0</u>	<u>0</u>		<u>0</u>
<b>\$ 2,127,327</b>	<b>\$ 2,583,836</b>	<b>\$</b>	<b>456,509</b>
<b>\$ (84,052)</b>	<b>\$ (158,954)</b>	<b>\$</b>	<b>(74,902)</b>

(CONTINUED)

CALEWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS  
Continued Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 1999

	GENERAL FUND		VARIANCE FAVORABLE UNFAVORABLE
	BUDGET	ACTUAL	
OTHER FINANCING SOURCES (USED)	\$	\$	\$
Operating transfers in		188,000	188,000
Operating transfers out			
TOTAL OTHER FINANCING SOURCES (USED)	\$	\$ 188,000	\$ 188,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USED)	\$	\$ 200,000	\$ 200,000
FUND BALANCES AT BEGINNING OF YEAR		80,000	0
FUND BALANCES AT END OF YEAR	\$	\$ 288,000	\$ 288,000

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

\*\*\*\*\*SPECIAL REVENUE FUNDS\*\*\*\*\*

		VARIANCE	
BUDGET	ACTUAL	FAVORABLE	(UNFAVORABLE)

\$	112,227	\$	106,618	\$	(5,609)
	<u>0</u>		<u>0</u>		<u>0</u>

\$	112,227	\$	106,618	\$	(5,609)
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\$	272,492	\$	(22,528)	\$	249,964
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	<u>354,402</u>		<u>284,402</u>		<u>0</u>
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\$	354,402	\$	284,402	\$	(70,000)
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(CONCLUDED)

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

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**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1990**

**INTRODUCTION**

The Caldwell Parish School Board was created by Louisiana Revised Statute (LSA R.S. 17:51) to provide public education for the children within Caldwell Parish. The School Board is authorized by LSA, R.S. 17:61 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 six members who are elected from ten districts for terms of four years.

The School Board operates six schools within the parish with a total enrollment of approximately 2,077 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.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Caldwell 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.

**A. REPORTING ENTITY**

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 financially independent, the School Board is a separate governmental reporting entity. The School Board includes all funds, account groups, activities, or entities that are within the oversight responsibility of the School Board.

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. FUNDS AND ACCOUNT GROUPS**

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 financial management by segregating transactions relating to certain governmental 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.



CAULSWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. FUNDS AND ACCOUNT GROUPS (Continued)**

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

**Governmental Funds**

Governmental funds 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 the servicing of general long-term debt. Governmental funds include:

1. **General Fund** — the general operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.
2. **Special Revenue Funds** — account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. **Debt Service Fund** — accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

**Fiduciary Funds**

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

**School Activity Agency Fund** — accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Governmental and Fiduciary Funds**

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.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

**Governmental and Fiduciary Funds (Continued)**

The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds used the following practices in recording revenues and expenditures:

**Revenues**

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

**All valorem taxes** are recorded in the year the taxes are due and payable. All valorem taxes are assessed on a calendar year basis, because 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.

**Sales taxes** are recorded in the year they are measurable and available.

**Fines and miscellaneous revenues** are recorded when received because they are generally measurable until actually received.

**Interest income** on time deposits and investments is recorded when the interest becomes measurable and available to finance expenditures of the fiscal period.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Salaries** are recorded as paid. Salaries for nine-month employees who elect to be paid over twelve months are accrued at June 30.

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

**Inventory** items are expensed as purchased except for inventory of the School Lunch Fund which is expensed as consumed.

**Compensated absences** are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current revenues is recorded in the general long-term obligation account group.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

**Other Financing Sources (Uses)**

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

**Deferred Revenues**

The School Board reports deferred revenues on its combined balance sheet. Deferred revenues arise when revenues are received by the School Board before it has a legal claim to them, or when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**D. BUDGETS**

The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State Statute requires budgets be adopted for the General Fund and each Special Revenue Fund. The School Board has historically approved at the July Board meeting authorization to publish a general summary of the proposed budget and set an August date for a public hearing on the proposed budget. The authorization was not placed in the official journal for the 1995-1996 audit period. Also, there was no further action noted in the Board minutes on the annual budgets of the 1995-1996 audit period to indicate Board adoption of the budget.

Appropriations (unexpended budget balances) lapse at year end.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

CALDWELL PARISH SCHOOL BOARD  
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NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BUDGETS (Continued)

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus proposed revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the division level and management can transfer amounts between line items within a division.

Fund budget integration (within the accounting records) is not employed as a management control device. All budgets are controlled at the division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions have consisted primarily by the Board. All budget revisions are approved by the Board.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed for other commitments of the School Board. 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 deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 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 maturities exceed 90 days; however, if the original maturities are 90 days or less they are classified as cash equivalents. Investments are stated at amortized cost.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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. Short-term interfund loans are classified as inter-fund receivables/payables.

CALEDWELL PARISH SCHOOL BOARD  
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NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. INVENTORIES**

Inventory items are expensed as purchased except for inventory of the School Food Service Fund.

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

**I. 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 assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost. Approximately 64 per cent of fixed assets are valued at actual historical cost, while the remaining 36 per cent are valued at estimated historical cost.

**J. COMPENSATED ABSENCES**

All 12-month employees earn 18 days of vacation leave each year. Vacation leave cannot be accumulated. Upon separation of employment, all unused vacation leave is forfeited.

All School Board employees earn from 10 to 18 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 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 25 days paid, is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 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.

CAIDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. COMPENSATED ABSENCES (Continued)**

The cost of unused leave privileges, computed in accordance with GASB Codification Section 608, is recognized as a current-year expenditure in the governmental funds when leave is actually taken or their heirs are paid for unused leave upon retirement or death. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

**K. 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.

**L. 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.

**M. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. 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. Nonrecuring or nonrecurring permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**N. SALES TAX**

On April 7, 1975, the voters of Caldwell Parish approved a one per cent sales and use tax to be levied by the Caldwell Parish School Board. The sales and use tax is collected by the Concordia Parish School Board and deposited in the Sales Tax Special Revenue Fund.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. SALES TAX (Continued)**

The proceeds of said tax (after paying reasonable and necessary costs and expenses of collecting and administering the tax) is to be dedicated and used to supplement other revenues available for the payment of salaries and retirement benefits for certified and non-certified employees of the School Board.

**O. TOTAL COLUMNS ON COMBINED STATEMENTS**

The total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flow in accordance with generally accepted accounting principles. Numbers in such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**P. ADOPTION OF GASB PRONOUNCEMENTS**

In September 1993, GASB issued Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" (GASB 20), which discusses the application of authoritative accounting pronouncements for proprietary accounting and other funds that use proprietary accounting.

The School Board was required to adopt GASB 20 in fiscal year 1995. GASB 20 allows the School Board to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements, or to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989. The School Board has elected to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

**Q. NEW APPLICABLE GASB PRONOUNCEMENTS**

In November 1994, the GASB issued Statement No. 27, "Accounting for Pensions by State and Local Governmental Employees" (GASB 27). GASB 27 prescribes changes in pension accounting and disclosure requirements for employers participating in single employer/pooled multiple defined benefit plans, cost sharing multiple employer defined benefit plans, and defined contribution plans. The School Board sponsors a multiple-employer defined contribution plan which has some characteristics of a defined benefit pension plan. GASB 27 is effective for fiscal years beginning after June 15, 1997. The School Board has not yet determined when GASB 27 will be adopted or determined the effects of adoption.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 2 - EXPENDITURES - ACTUAL AND BUDGET**

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 1996:

Fund	Budget	Actual	Unfavorable Variance
Year ended June 30, 1996			
Special revenue funds:			
Special Education	\$ 93,287	\$ 97,339	\$ 4,052
Preschool	12,078	20,569	8,491
School Food Service	879,837	917,846	(38,009)

**NOTE 3 - LEVIED TAXES**

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

	Authorized Mills	Levied Mills	Expiration Date
Parish-wide taxes:			
Constitutional	4.00	4.00	Statutory
Operations	7.00	7.00	2000
Operations, Maintenance & Construction	4.92	5.27	1995
Operations and Maintenance	7.83	8.34	1996
Operations	18.53	18.97	1996
Bond and interest	17.00	17.00	2000

The authorized millages are based on the assessment of the tax rolls required by Article 7, Section 27 of the Louisiana Constitution of 1974.

**NOTE 4 - CASH AND CASH EQUIVALENTS**

As June 30, 1996, the School Board had cash and cash equivalents (book balances) totaling \$1,212,472 as follows:

Demand deposits	\$ 681,205
Interest-bearing demand deposits	228,818
Savings	4,177
Time deposits	180,029
Cash in state treasury	<u>118,243</u>
<b>Total</b>	<b><u>\$1,212,472</u></b>



**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)**

These deposits are stated at cost, which approximates market. 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 had \$3,824,487 in deposits (collectual bank balances). These deposits are secured from risk by \$433,643 of federal deposit insurance and \$3,391,217 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered unaffiliated (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 90:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 5 - RECEIVABLES**

The receivables of \$263,294 at June 30, 1996 are as follows:

Class of Receivable	General Fund	Special Revenue Funds	Debt Service Fund	Total
Intergovernmental - grants:				
Federal	\$98,730	\$ 74,235	\$ -	\$172,965
State	18,211	7,627	-	25,838
Local Sources:				
Ad Valorem-tax	23,842	3,384	6,735	34,161
Other	-----	70,222	-----	70,222
<b>Total</b>	<b>\$164,584</b>	<b>\$157,515</b>	<b>\$6,735</b>	<b>\$268,294</b>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1986**

**NOTE 6 - FIXED ASSETS**

The changes in general fixed assets follow:

	Balance July 1, 1985	Additions	Deletions	Balance June 30, 1986
Land	\$ 87,538	\$ -	\$ -	\$ 87,538
Buildings	4,680,982	104,450	-	4,805,037
Furniture and equipment	2,723,355	151,375	-	2,874,930
<b>Total</b>	<b>\$7,491,875</b>	<b>\$260,605</b>	<b>\$ -</b>	<b>\$7,762,480</b>

See Note 19 regarding re-construction of Kelly Elementary.

**NOTE 7 - RETIREMENT SYSTEMS**

Substantially all School Board employees participate in either the Teachers Retirement System or the Louisiana School Employees Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Each system is administered and controlled at the State level by a separate board of trustees, with contribution rates and benefit provisions approved by the Louisiana Legislature. Participation in the Teachers Retirement System is divided into two plans - the Teachers Regular Plan and the Teachers Plan A. In general, professional employees (such as teachers and principals) and tenured members are members of the Louisiana Teachers Retirement System (LTRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers Retirement System Regular Plan, normal retirement is at age 60 with 10 years of service, or at any age with 30 years of service. The formula for annual maximum retirement benefits is generally 2% (with less than 25 years of service) or 2.5% (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1984).

Under the Teachers Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 60 with at least 10 years of creditable service. The retirement benefit formula is generally 3% times the years of creditable service times the average salary of the 36 highest successive months plus \$24 per year of service.

Employees participating in the Louisiana School Employees Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55, or after 10 years of service at age 60. The maximum retirement allowance is computed as 2.5% times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 7. RETIREMENT SYSTEMS (Continued)**

Benefits of the systems are funded by employee and employer contributions. The contribution rates (as a percentage of covered salaries) are established by state law as follows:

	Employee	Employer
<b>L.A. Teachers Retirement System:</b>		
Regular	8.00%	16.50%
Plan A	9.10%	18.50%
<b>L.A. School Employees Retirement</b>	6.35%	6.00%
<b>L.A. Parochial Employees Retirement</b>		
July 1, 1995 - December 31, 1995	9.50%	8.00%
July 1, 1996 - June 30, 1996	9.50%	7.25%

The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by contributions from the School Board. For the LSERS, the School Board's employer contribution is funded by the State of Louisiana through annual appropriations.

Benefits granted by the retirement systems are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. For the year ended June 30, 1996, the payroll for the School Board totaled \$5,679,142. The employer contributions and total payroll of covered employees for the year ended June 30, 1996 are as follows:

	TRS		LSERS	Total
	Regular	Plan A		
Employee contribution	\$ 341,082	\$ 10,219	\$ 35,786	\$ 387,087
Employer contribution	701,898	18,512	51,814	772,224
Total covered current-year payroll	4,362,317	112,317	562,560	4,937,200

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the Systems' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among TRSs and employees. The Systems do not make separate measurements of assets and pension benefit obligations for individual employees. The pension benefit obligations at June 30, 1996 for the Systems as a whole, net assets available for benefits on that date (valued at market), and the resulting unfunded (overfunded) pension benefit obligations were as follows:

	TRS	LSERS
Pension Benefit Obligation	\$10,579,180,800	\$ 854,245,876
Net Assets Available for Benefits	—6,081,790,800	—562,823,583
Unfunded (Overfunded) Pension Benefit Obligation	<u>\$ 4,497,390,000</u>	<u>\$ 133,422,293</u>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 7 - RETIREMENT SYSTEMS (Continued)**

The information at June 30, 1995 is the most recent information available. Although contributions are determined by statute, actuarial contributions are determined for the Systems. For the year ended June 30, 1995, the Systems' (TRS and LSEPS) actuarially required contribution from all sources was \$294.7 million and \$18.7 million, respectively. The required contribution represents 16.14 and 5.23 percent, respectively, of salaries for the year ended June 30, 1995.

The School Board's total actuarially determined contribution requirements as a percentage of total contributions required of all entities for the year ended June 30, 1996 were as follows:

Teachers Retirement System	.18%
Louisiana School Employees Retirement System	.27%

Ten-year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the Systems' June 30, 1996 comprehensive annual financial reports.

**NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS**

The Caldwell 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 employer and the School Board. The School Board recovers the cost of providing these benefits (School Board's portion of premiums) as an expenditure when the monthly premiums are due, which was \$605,683. The cost of retiree benefits for 1996 totaled \$113,292 for 304 retirees.

**NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$684,157 at June 30, 1996, are as follows:

	General Fund	Special Funds	Total
Salaries	\$625,809	\$ -	\$625,809
Accounts	—25,325	25,325	—25,134
Total	<b>\$600,484</b>	<b>\$25,325</b>	<b>\$625,809</b>

**NOTE 10 - COMPENSATED ABSENCES**

At June 30, 1996, employees of the School Board have accumulated and vested \$185,338 of employee leave benefits, which was computed in accordance with GASB Compensation Section C60. This amount is recorded within the general long-term obligations account group.

**CALEDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 11 - LEASES**

The School Board records items under capital leases as an asset and an obligation in the accompanying financial statements. The following is an analysis of equipment under capital leases:

Type	Recorded Amount
School buses	\$162,500
Total	<u>\$162,500</u>

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 1999:

	Equipment
1998-1997	\$ 38,529
1997-1998	38,529
1998-1999	38,529
1999-2000	38,529
2000-2001	-
Total minimum lease payments	<u>154,117</u>
Less - amounts representing executory costs	-
Net minimum lease payments	<u>154,117</u>
Less - amounts representing interest	<u>179,836</u>
Present value of net minimum lease payments	<u>\$ 128,681</u>

**NOTE 12 - CHANGES IN AGENCY FUNDS, DEPOSITS, ETC. OTHERS**

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

	School Activity Fund
Balance, July 1, 1998	\$ 81,238
Additions	479,881
Deductions	<u>415,182</u>
Balance, June 30, 1999	<u>\$ 55,937</u>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 13. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

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

	Liability for Workers' Compensation Claims	Bonded Debt	Compensated Absences	Capital Lease	Total
Balance, July 1, 1995	\$ 7,281	\$ 1,295,000	\$ 114,380	\$ -	\$ 1,416,661
Additions	12,981	-	-	162,064	185,045
Deductions	(21,279)	(119,850)	( 8,870)	(24,282)	(174,379)
Balance, June 30, 1996	\$ 8,983	\$ 1,175,150	\$ 105,510	\$ 137,782	\$ 1,427,425

The School Board Series 1993 refunding bond outstanding at June 30, 1996, in the amount of \$1,295,000, is a general obligation bond with maturity to 2001 and interest rates from 3.8 to 4.8 per cent. Bond principal and interest payable in the next fiscal year are \$208,000 and \$49,415, respectively.

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 \$208,000 in the debt service funds for future debt requirements. The funds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
1997	\$ 208,000	\$ 49,415	\$ 249,415
1998	208,000	49,005	245,505
1999	213,000	31,680	244,680
2000	220,000	21,585	241,585
2001	225,000	11,025	236,025
Total	\$1,093,000	\$154,625	\$1,247,625

In accordance with Louisiana Revised Statute 19:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 2.5 per cent of the assessed value of taxable property. At June 30, 1996, the statutory limit is \$9,538,361 and outstanding bonded debt totals \$1,093,000.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE 14. INTERFUND ASSETS/LIABILITIES**

Due from/to others as June 30, 1996, are as follows:

Fund	Receivable Amount	Payable Amount
Title I	\$ 3,638	\$ 3,287
Extended Summer Program	2,689	-
Special Education	( 323)	41,048
School Food Service	37,165	48,039
General Fund	208,039	88,363
Special Maintenance	-----	75,080
Total	<u>\$348,217</u>	<u>\$145,717</u>

**NOTE 15. LITIGATION AND CLAIMS**

During the year ended June 30, 1993 a fire destroyed Kelly Elementary School. The loss was insured with United Communities Insurance Company (UCIC) under a policy which provided the lost building would be replaced with a functional school building as the company's contractual obligation to the Board. UCIC entered into a contract with Ramsey Steel Buildings, Inc. to construct Kelly Elementary School. However, prior to making final payments to the construction contractor the insurance company filed bankruptcy. Subsequently, the contractor filed suit against the Caldwell Parish School Board for the remaining payment of \$275,111. The Board's attorney has indicated management intends to vigorously contest the suit, but the ultimate outcome cannot presently be determined. No provision for any liability that may result has been made in the financial statements. Pending settlement of the claim, the construction of the building is not reflected in the general fund asset account group.

**NOTE 16. RISK MANAGEMENT**

The School Board initiated a risk management program for workers' compensation in 1991. The School Board joined a pool of school boards in Northeast Louisiana to share its workers' compensation cost. The School Board's share of risk is determined by calculating their percentage of the total annual premium of the group. The risk allocation for the year ended June 30, 1996 amounted to 23.62%. Premiums and claims are paid by the general fund.

During fiscal year 1996 a total of \$23,279 was paid on benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$150,000. Maximum maximum exposure for aggregate claims amounts to \$1,000,000. The company's estimate of self-insurance losses at June 30, 1996 amounts to \$6,783. Since the estimated claims are not expected to be paid with expendable available financial resources, they are recorded within the general long-term obligations account group.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

**NOTE 17 - CONTINGENT LIABILITIES**

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act of 1984 through June 30, 1996, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

**NOTE 18 - FUND BALANCE DEFICITS**

The following funds had deficit fund balances at June 30, 1996:

Special Revenue:	
Special Vocational	\$20,179
Special Maintenance	(5,048)



**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1999**

**SPECIAL REVENUE FUNDS**

**SALES TAX FUND**

The Sales Tax Fund accounts for the collection and distribution of a one per cent sales and use tax in accordance with the proposition approved by the voters of Caldwell Parish.

**MAINTENANCE FUND**

The maintenance fund accounts for the proceeds of ad valorem taxes levied to maintain and improve school facilities in the parish.

**SPECIAL VOCATIONAL FUND**

The special vocational fund accounts for the activities of the fund processing fund.

**SCHOOL FOOD SERVICE**

National School Lunch Program (National School Lunch Act of 1946).

School Breakfast Program (Child Nutrition Act of 1966).

Food Distribution (Commodities) (National School Lunch Act of 1946 and Child Nutrition Act of 1966).

To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**EXTENDED-SUMMER PROGRAM**

To provide financial assistance to assist school boards in offering summer school classes.

**SPECIAL EDUCATION**

**SPECIAL EDUCATION - PRESCHOOL GRANTS**

(Individuals With Disabilities Education Act, Part E)

To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

**SPECIAL EDUCATION - STATE GRANTS**

(Individuals With Disabilities Education Act, Part D)

To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1994**

**SPECIAL REVENUE FUNDS (Continued)**

**SPECIAL EDUCATION (Continued)**

**AWARD OF STATE FUNDS FOR CONTRACT SERVICES**

To provide financial assistance to be used for contract services for speech, physical and occupational therapy.

**MEDICAL ASSISTANCE PROGRAM (MEDICAID, TITLE XIX)**

(Social Security Act, Title XIX)

To provide financial assistance to States for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women, and the aged who meet income and resource requirements, and other categorically-eligible groups.

**TITLE I**

**TITLE I PROGRAMS - LOCAL EDUCATIONAL AGENCIES**

(Elementary and Secondary Education Act of 1965, Title I)

To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not replace, those normally provided by state and local educational agencies.

**INNOVATIVE EDUCATION PROGRAM STRATEGIES**

(Elementary and Secondary Education Act of 1965, Title VI)

To assist state and local educational agencies to improve elementary and secondary education.

Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promoting education reform projects; promoting higher-order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

CALDWELL PARISH SCHOOLS BOARD  
Columbia, Louisiana

SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 1999

	SALES TAX Fund	SPECIAL MAINTENANCE Fund	SPECIAL VOCATIONAL Fund	SCHOOL FOOD SERVICE
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,810	\$ 19,081	\$ (50,750)	\$ 308,808
Receivables	62,740	5,384	0	7,489
Due from other funds	0	0	0	27,588
Inventory	0	0	0	19,422
<b>TOTAL ASSETS</b>	<b>\$ 68,550</b>	<b>\$ 24,465</b>	<b>\$ (50,750)</b>	<b>\$ 363,307</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities</b>				
Accounts, salaries and other payables	\$ 990	\$ 5,183	\$ 0	\$ 8,755
Interfund payable	0	15,850	0	48,008
Due to other governmental units	0	0	0	0
Deferred revenues	0	0	0	0
<b>Total Liabilities</b>	<b>\$ 990</b>	<b>\$ 21,033</b>	<b>\$ 0</b>	<b>\$ 56,763</b>
<b>Equity and other credits</b>				
<b>Fund Balances:</b>				
Reserves for inventory				
Unreserved - undesignated	67,560	3,432	(50,750)	276,544
<b>TOTAL EQUITY</b>	<b>\$ 67,560</b>	<b>\$ 3,432</b>	<b>\$ (50,750)</b>	<b>\$ 276,544</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 68,550</b>	<b>\$ 24,465</b>	<b>\$ (50,750)</b>	<b>\$ 363,307</b>

## Schedule 1

EXTENDED- DURATION PROGRAM	SPECIAL EDUCATION	MEDICARE	TOTAL	TOTAL
\$ 36,000	\$ 58,115	\$ 14,873	\$ 109,048	\$ 155,272
7,800	12,650	0	20,450	157,515
2,800	275	0	3,430	42,699
0	0	0	0	15,458
<u>\$ 1,000</u>	<u>\$ 58,000</u>	<u>\$ 14,873</u>	<u>\$ 4,512</u>	<u>\$ 278,292</u>
0	8,000	0	0	20,100
0	41,000	0	1,207	187,274
1,200	0	0	0	1,200
0	0	0	3,285	3,285
<u>\$ 1,200</u>	<u>\$ 49,000</u>	<u>\$ 0</u>	<u>\$ 4,492</u>	<u>\$ 281,821</u>
0	0	14,873	0	163,612
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,873</u>	<u>\$ 0</u>	<u>\$ 163,612</u>
<u>\$ 1,000</u>	<u>\$ 58,000</u>	<u>\$ 14,873</u>	<u>\$ 4,512</u>	<u>\$ 278,292</u>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SPECIAL REVENUE FUNDS**  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 1999

	SALES TAX FUND	SPECIAL MAINTENANCE FUNDS	SPECIAL VOCATIONAL FUND	SCHOOL FOOD SERVICE
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 0 \$	200,881 \$	0 \$	0
Sales and Use	275,804	0	0	0
Interest earnings	1,525	47	0	12,818
Food services	0	0	0	155,814
Other	0	0	14,750	71
State sources	0	80,283	0	0
Federal sources	0	0	0	830,328
<b>TOTAL REVENUES</b>	<b>\$ 277,314 \$</b>	<b>281,161 \$</b>	<b>14,750 \$</b>	<b>898,931</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	\$ 258,000 \$	0 \$	0 \$	0
Special programs	78,200	0	0	0
Adult and continuing education programs	18,158	0	0	0
Support services:				
Student services	17,847	0	0	0
Institutional staff support	58,074	0	0	0
General administration	92,071	0	0	0
School administration	28,373	0	0	0
Business services	84,158	0	0	0
Plant services	0	354,545	0	0
Student transportation services	3,673	0	0	0
Food services	0	0	0	112,844
Community service programs	0	0	18,805	0
Facilities acquisition and construction	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$ 614,882 \$</b>	<b>354,545 \$</b>	<b>18,805 \$</b>	<b>112,844</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<b>\$ 162,432 \$</b>	<b>(173,383) \$</b>	<b>(4,055) \$</b>	<b>776,087</b>

Exhibit 2

EXTENDED SUMMER PROGRAM	SPECIAL EDUCATION	MEDICAID	TITLE I	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,881
0	0	0	0	875,881
0	0	0	0	11,280
0	0	0	0	155,814
0	0	1,528	0	22,370
8,118	0	0	0	85,332
<u>\$ 8,118</u>	<u>\$ 188,121</u>	<u>\$ 0</u>	<u>\$ 883,714</u>	<u>\$ 1,359,892</u>
<u>\$ 8,118</u>	<u>\$ 188,121</u>	<u>\$ 1,528</u>	<u>\$ 883,714</u>	<u>\$ 1,359,892</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000
8,739	100,700	0	880,714	781,283
0	0	0	0	19,759
0	0	0	0	17,847
0	380	0	0	88,434
0	0	0	0	82,371
0	0	0	0	28,272
0	0	3,000	0	88,890
0	0	0	0	204,544
0	0	0	0	3,815
0	0	0	0	942,844
0	0	0	0	18,888
<u>\$ 8,739</u>	<u>\$ 100,700</u>	<u>\$ 3,000</u>	<u>\$ 880,714</u>	<u>\$ 1,883,828</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,000</u>	<u>\$ 0</u>	<u>\$ (789,190)</u>

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CAJALWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SPECIAL REVENUE FUNDS  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 1999

	SALES TAX FUNDS	SPECIAL MAINTENANCE FUNDS	SPECIAL VOCATIONAL FUNDS	SCHOOL FOOD SERVICE
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ 0.00	\$ 0.00	\$ 0.00	108,618
Operating transfers out	_____	_____	_____	_____
TOTAL OTHER FINANCING SOURCES (USES)	\$ _____	\$ _____	\$ _____	108,618
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 62,849.00	(47,267.00)	(3,504.00)	(187,066)
FUND BALANCES AT BEGINNING OF YEAR	_____	8,322	(48,825)	223,228
FUND BALANCES AT END OF YEAR	\$ 62,849.00	\$ (38,945.00)	\$ (52,329.00)	204,162



## Schedule 2

EXTENDED DURABLE PROGRAM	SPECIAL EDUCATION	MEDICINE	TELE	TOTAL	
\$ 0	0	0	0	0	188,678
_____	_____	_____	_____	_____	_____
\$ 0	0	0	0	0	(188,678)
_____	_____	_____	_____	_____	_____
\$ 0	0	0	3,868	0	(80,300)
_____	_____	_____	11,400	0	286,400
\$ 0	0	0	14,872	0	188,678
_____	_____	_____	_____	_____	_____

(CONCLUDES)

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**AGENCY FUNDS**

**SCHOOL ACTIVITY FUND**

The activities of the various individual school accounts are accounted for in the School Activity Agency Fund. While the 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.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

**SCHOOL ACTIVITY AGENCY FUND**  
**Schedule of Changes in Deposits Due Officers**  
**For the Year Ended June 30, 1998**

School	Balance, Beginning	Additions	Deductions	Balance, Ending
Caldwell Parish High	\$29,507	\$213,131	\$194,861	\$51,777
Caldwell Parish Junior High	1,818	68,113	67,854	2,117
Coastal Elementary	33,524	25,000	33,858	14,666
Columbia Elementary	25,130	91,080	90,813	25,397
Grayson Elementary	7,093	58,380	62,426	7,047
Kelly Elementary	3,128	16,108	12,188	7,048
<b>Total</b>	<b>\$93,293</b>	<b>\$462,802</b>	<b>\$415,182</b>	<b>\$390,913</b>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

**GENERAL**

**COMPENSATION PAID BOARD MEMBERS**

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:54, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$180 per month and the Executive Committee members receive \$340 per month.

**FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

In accordance with Office of Management and Budget Circular A-128, a schedule of federal financial assistance is presented.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

SCHEDULE OF BOARD MEMBERS COMPENSATION  
FOR THE 1995-1996 SCHOOL YEAR

<b>Board Member</b>	<b>Actual Salary</b>
Patricia M. Tarver, President - July-December	\$ 3,840.00
Scott H. Moscailli, President - January-July	4,080.00
Candyn Connors	3,600.00
Marilyn Watson	3,840.00
Norman Byrd	3,600.00
Janis M. Moss	4,080.00
Mark May	3,840.00
Barton Glass	3,600.00
Mary Taylor	3,840.00
Suzanne Brickland	3,600.00
<b>TOTAL</b>	<b><u>\$17,920.00</u></b>

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SUPPLEMENTAL INFORMATION SCHEDULES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CYDA NUMBER	EXHIBITURES
<b>CASH FEDERAL ASSISTANCE</b>		
<b>United States Department of Agriculture</b>		
Passed through Louisiana Department of Education		
School Breakfast Program	00.553	\$ 142,128
National School Lunch Program *	00.555	348,445
<b>United States Department of Education</b>		
Direct Programs:		
Foreign Language Assistance - Elementary School Incentive (Title VI)	84.204A	4,419
Passed Through Louisiana Department of Education:		
Adult Education - State Grant Program	84.002	7,277
Title I Grants to Local Educational Agencies *	84.010	550,289
Special Education:		
Grants to States (Part H)	84.003	85,555
Preschool Grants	84.173	28,563
Vocational Education:		
Basic Grants to States	84.048	28,278
Consumer and Homemaking Education	84.049	489
Trade-Prep Education	84.243	5,487
Innovative Education Program Strategies - Title VI (formerly Chapter 2)	84.288	12,435
Title II (Educator Professional Development - State Grants)	84.281	20,619
Goals 2000		
State and Local Education Systemwide Improvement		
Grants (Goals 2000 State Grants)	84.276	188,500
Even Start - Migrant Education	84.214	116,707
<b>United States Department of Health and Human Services</b>		
Passed Through the Louisiana Department of Education		
Child Care and Development Block Grant (Starting Point Preschool)	00.575	34,946
<b>United States Department of Labor</b>		
Passed Through the Private Industry Council		
Job Training Partnership Act (JTPA)	13.260	69,876
Passed Through the Louisiana Department of Social Services		
Job Opportunities and Basic Skills Training (Project Independence)	00.561	40,718

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA NUMBER	EXPENDITURES
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NONCASH FEDERAL FINANCIAL ASSISTANCE

United States Department of Agriculture Passed Through Louisiana Department of Agriculture and Forestry: Food Distribution (Communities)	10.550	<u>46,555</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$1,661,044</u>

\* Denotes major program.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**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 report on internal control structure is based solely on the audit of the general purpose financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and includes, where applicable, compliance matters that would be material to the general purpose financial statements.





# ALLEN, GREEN & ROBINETTE, L.L.P.

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

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

We have audited the general purpose financial statements of the Caldwell Parish School Board, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996. Our opinion was qualified due to inadequate records for fixed assets. We also noted a lawsuit filed against the School Board.

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

The management of the Caldwell 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of 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, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

**BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana**

We noted certain matters as listed in the accompanying Schedule of Reportable Conditions involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

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.

The consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe reportable conditions #1 and #2, as described in the accompanying Schedule of Reportable Conditions are material weaknesses.

This report is intended for the information of the Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies, and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

  
ALLEN, GREEN & ROSNETTE, L.L.P.

Monroe, Louisiana  
December 6, 1996



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

**BOARD MEMBERS  
 CALDWELL PARISH SCHOOL BOARD  
 Columbia, Louisiana**

We have audited the general purpose financial statements of the Caldwell Parish School Board, Columbia, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996. Our opinion was qualified due to inadequate records for fixed assets. We also noted a lawsuit filed against the School Board.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Standards of State and Local Governments." These 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.

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

The results of our tests disclosed the instances of noncompliance described in the accompanying Schedule of Findings and Questioned Costs for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in Caldwell Parish School Board's financial statements as of and for the year ended June 30, 1996.

We considered these instances of noncompliance in forming our opinion on whether the general purpose financial statements as of and for the year ended June 30, 1996 for the Caldwell Parish School Board are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated December 6, 1996 on these general purpose financial statements.

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

This report is intended solely for the use of the Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

*Allen, Green & Robnett, LLP*  
ALLEN, GREEN & ROBBETT, L.L.P.

Monroe, Louisiana  
December 6, 1996

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**OTHER REPORTS REQUIRED BY  
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-128**

The following pages contain information on internal control and compliance with laws and regulations required by OMB Circular A-128. The report on internal accounting and administrative controls relates to matters that would be significant and/or material to federal assistance programs. The report on compliance with laws and regulations is, likewise, related to tests of compliance with laws and regulations relating to federal financial assistance programs.



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### INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

We have audited the general purpose financial statements of the Caldwell Parish School Board, Columbia, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996. Our opinion was qualified due to inadequate records for fixed assets. We also issued a limited filed opinion for the School Board. We have also audited the Caldwell Parish School Board's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated December 6, 1996.

We conducted our 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, *Quality of State and Local Government*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether the Caldwell Parish School Board complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the School Board's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the Caldwell Parish School Board and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 6, 1996.

The management of the Caldwell 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, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become

**BOARD MEMBERS**  
**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

**Accounting Controls**

**Cash**

Expenditures for goods and services  
Single audit and circular grant programs  
and accounts payable

**Payroll and related liabilities**

**Grant Administration Controls**

**General requirements:**

Federal activity  
Civil rights  
Cost management  
Federal financial reports  
Allowable cost/charge principles  
Drug-free Workplace Act  
Administrative requirements

**Specific Requirements:**

Types of services allowed or unallowed  
Eligibility  
Level of effort  
Reporting  
Special tests and provisions  
Claims for advances and reimbursements

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

During the year ended June 30, 1998, the Caldwell Parish School Board expended 54% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-118, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to each of the School Board's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

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

BOARD MEMBERS  
CALDWELL PARISH SCHOOL BOARD  
Columbo, Louisiana

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

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. We believe finding 83 of the accompanying Schedule of Reportable Conditions is a material weakness.

This report is intended solely for the use of the Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

  
ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana  
December 6, 1996





## ALLEN, GREEN & ROBINETTE, L.L.P.

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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

#### BOARD MEMBERS

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

We have audited the general purpose financial statements of the Caldwell Parish School Board, Columbia, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996. Our opinion was qualified due to inadequate records for fixed assets. We also noted a lawsuit filed against the School Board.

We have applied procedures to test the Caldwell Parish School Board's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, civil rights, cash management, federal financial reports, allowable cost/loss principles, Drug-Free Workplace Act compliance and administrative requirements.

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

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the School Board had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended solely for the use of the Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

*Allen, Green & Robinette, L.L.P.*  
ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana  
December 6, 1996



# ALLEN, GREEN & ROBINETTE, L.L.P.

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

### BOARD MEMBERS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

We have audited the general purpose financial statements of the Caldwell Parish School Board, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996. Our opinion was qualified due to inadequate records for fixed assets. We also noted a lawsuit filed against the School Board.

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

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

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to the items not tested, nothing came to our attention that caused us to believe that the Caldwell Parish School Board had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended solely for the use of the Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

*Allen, Green & Robinette, L.L.P.*  
ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana

December 6, 1996

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

STATUS OF PRIOR AUDIT REPORTABLE CONDITIONS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

- 1. Inadequate Segregation of Duties**  
**STATUS:** This condition is resolved.
- 2. Record-Keeping: Investments**  
**STATUS:** See current-year condition #1.
- 3. Record-Keeping: Withholdings**  
**STATUS:** See current-year condition #2.
- 4. Fixed Assets**  
**STATUS:** See current-year condition #3.
- 5. School Activity Fund**  
**STATUS:** See current-year condition #4.
- 6. School Activity Fund Club Account**  
**STATUS:** This condition is resolved.
- 7. School Food Service Accounting**  
**STATUS:** This condition is resolved.
- 8. School Food Service Bank Accounts**  
**STATUS:** This condition is resolved.
- 9. Budget Overrun**  
**STATUS:** See current-year condition #5.

CALEWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. **Reconciliation of Special Education Financial Reports to General Ledger**

**STATUS:** See current-year finding #1.

2. **Fund Assets**

**STATUS:** See current-year finding #2.

3. **Employees Treated as Contract Labor**

**STATUS:** See current-year finding #3.

4. **Louisiana Local Government Budget Act**

**STATUS:** See current-year finding #4.

5. **Public Bid Law - Quotes on \$5,000,000 Purchases**

**STATUS:** This finding is resolved.

6. **Public Bid Law - Documentation of Emergency**

**STATUS:** This condition is resolved.

7. **Budget Overrun**

**STATUS:** See current-year finding #5.

8. **Budgeting a Budget Fund Balance**

**STATUS:** This finding is resolved.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SCHEDULE OF REPORTABLE CONDITIONS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. **Record-Keeping - Investments**

**CONDITION:** Investment transactions are recorded as an expenditure when an investment is purchased or a savings account is opened, and as a revenue when the proceeds are received from investments.

**REASON/IMPROVEMENT NEEDED:** There is no accounting record maintained in the general ledger to record transactions in investments (certificates of deposits, savings).

**CAUSE OF CONDITION:** The present chart of accounts does not have an account to record these transactions.

**EFFECT OF CONDITION:** Weak control over investment transactions.

**RECOMMENDATION:** A general ledger account titled "investments" should be maintained to post investment transactions. The balance of this account should be reconciled with the investment records on a periodic basis.

**MANAGEMENT'S RESPONSE:** Chart of accounts has been changed to include an investment account. This account will be reconciled to the investment records monthly.

2. **Record-Keeping - Withholding**

**CONDITION:** The School Board presently records all amounts withheld from employees' wages as non-revenue receipts. When these funds are remitted accounts in "unclassified expenditures" are charged.

**REASON/IMPROVEMENT NEEDED:** This method of accounting for these transactions does not match the payment of the amounts with their receipt. If amounts are not remitted, it is difficult to determine.

**CAUSE OF CONDITION:** Accounts are not set up properly.

**EFFECT OF CONDITION:** The balance of unremitted funds are not reflected in the accounts as a liability.

**RECOMMENDATION:** Liability accounts should be set up to record amounts withheld. These accounts would be reduced as funds are remitted to the appropriate source. The balance of withheld funds would be properly reflected as a liability until paid.

**MANAGEMENT'S RESPONSE:** Separate withholding liability accounts will be set up and transactions will be reflected in these accounts. .

**CALDWELL PARISH SCHOOL BOARD**

Columbia, Louisiana

**SCHEDULE OF REPORTABLE CONDITIONS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**3. Fixed Assets  
(All Funds, All Programs)**

**CONDITION:** The School Board was unable to provide an adequate inventory of Property and Equipment for June 30, 1996. Furthermore, an annual physical count of Fixed Assets is not made.

**REASON/IMPROVEMENT NEEDED:** To provide an accurate accounting and safeguarding of Property. To comply with requirements of all grant programs.

**CAUSE OF CONDITION:** The employee keeping the inventory on the computer said her computer crashed and she was unable to obtain data. She indicated her computer is old and they cannot repair it. No backups or printouts were made before problems occurred. Assets purchased prior to fiscal year 1992 have to be researched to add to the inventory.

**EFFECT OF CONDITION:** No accounting of Property and Equipment. Noncompliance with grant requirements and LSA R.S. 24:515.

**RECOMMENDATION:** The School Board should act immediately to ensure Fixed Assets Inventory and update it when additions and retirements are made.

**MANAGEMENT'S RESPONSE:** Software has been purchased, and a physical inventory is in process. This has been a time-consuming process which is on-going.

**4. School Activity Fund**

**CONDITION:** An audit, either internal or external, has not been performed on the school activity fund in several years.

**REASON/IMPROVEMENT NEEDED:** An audit should be performed on a periodic basis to ensure Board policies and procedures are being followed by the schools and to strengthen controls.

**CAUSE OF CONDITION:** Unknown.

**EFFECT OF CONDITION:** Schools could be lax in following Board policies, losses could occur without detection.

**RECOMMENDATION:** The Board should take steps to initiate an audit function at the schools.

**MANAGEMENT'S RESPONSE:** Steps will be taken to initiate an audit function at schools.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SCHEDULE OF REPORTABLE CONDITIONS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**5. Budget Overrun**  
(Preschool Child #94-172)

**CONDITION:** The Caldwell Parish School Board had the following unfavorable budget variances exceeding 5%:

Fund	Budget	Actual	Unfavorable ...Budget...	Percent
Preschool	\$12,078	\$20,343	\$8,267	79.77%

**REASON IMPROVEMENT NEEDED:** To be in full compliance with the Louisiana Government Budget Act and to monitor expenditures so that in the event costs exceed budget in a particular function, cutbacks can be made in other fund area costs to compensate.

**CAUSE OF CONDITION:** The Caldwell Parish School Board did not amend the original budget during the year, a budget was not adopted for Extended Summer program.

**EFFECT OF CONDITION:** The School Board is in violation of LSA R.S. 39:1549-1518.

**RECOMMENDATION:** The School Board should monitor expenditures and amend the budget as needed.

**MANAGEMENT'S RESPONSE:** Budgets will be amended to reflect actual expenditures in the Special Revenue Funds.

**6. Disbursements**  
(All Programs)

**CONDITION:** Invoices are not properly cancelled after payment has been made.

**REASON IMPROVEMENT NEEDED:** Improvement is needed to ensure that duplicate payments are not made.

**CAUSE OF CONDITION:** School Board procedure is to staple the duplicate check to the copy of the invoice in order to cancel the document. These copies of the duplicate check may easily become detached from the invoice.

**EFFECT OF CONDITION:** Duplicate payments may have been made.

**RECOMMENDATION:** Invoices should be marked PAID on the face of the original invoice after payment. Payments should only be made from original invoices to further assure duplicate payments are not made.

**MANAGEMENT'S RESPONSE:** We will comply with the recommendation.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SCHEDULE OF REPORTABLE CONDITIONS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

7. **Travel Disbursements**  
(All Programs)

**CONDITIONS:** Out of a sample of five travel disbursements, the following were found:

1. One payment did not include any documentation. Upon request it was subsequently provided.
2. One request for reimbursement was not signed by the employee. One was not signed by the employee's supervisor and a third was not signed by either the employee or the supervisor.

**REASON IMPROVEMENT NEEDED:** Improvement is needed to ensure that all expenditures are adequately documented and only authorized and necessary expenditures are made.

**CAUSE OF CONDITION:** Employees responsible for making the disbursements were not aware of the proper procedure.

**EFFECT OF CONDITION:** Controls over travel expenditures are weak which could allow unauthorized or unnecessary expenditures.

**RECOMMENDATION:** All travel disbursements should require adequate documentation and should only reimburse authorized and necessary expenditures. A supervisor should review the employee's signed request for travel reimbursement to ensure charges are appropriate and adequately documented. The supervisor should sign the request to show proof of approval.

**MANAGEMENT'S RESPONSE:** We will comply with the recommendation.

8. **School Lunch Inventory Records**  
(District Food Services)

**CONDITIONS:** During the conduct of the audit it was noted that the inventory records for one school had not been updated for the entire year.

**REASON IMPROVEMENT NEEDED:** Proper inventory records serve as a control over inventory, inadequate record-keeping exposes the School Board to potential losses.

**CAUSE OF CONDITION:** Supervisory personnel did not follow up on inventory records which were not turned in to the central office.

**EFFECT OF CONDITION:** Poor control over inventory.

**RECOMMENDATION:** Supervisory personnel should review inventory record-keeping for timeliness and accuracy. Reports not turned in should be followed-up on immediately.



CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SCHEDULE OF REPORTABLE CONDITIONS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

8. School Lunch Inventory Records (Continued)

**MANAGEMENT'S RESPONSE:** Purchased food invoices are kept at school with a copy turned in to the central office for payment. Purchases and usage of inventory are kept at school in a notebook. Monthly, this is to be calculated against a daily sheet. State commodity reviews are conducted annually with a physical count taken. This will be done in January 1997. The manager has been told several times to get her records up to date but always has an excuse, usually health reasons.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. **Reconciliation of Special Education Financial Reports to General Ledger**  
(S.E. Special Education Programs)

**CONDITION:** Special Education personnel prepare financial reports on Special Education programs. We found no evidence that these reports are being reconciled to accounting department data and reports.

**REASON IMPROVEMENT NEEDED:** To ensure that completion reports are filed accurately in compliance with Federal regulations.

**CAUSE OF CONDITION:** Unknown.

**EFFECT OF CONDITION:** Noncompliance with Federal regulations.

**RECOMMENDATION:** Special Education should compare information entered on reports to amounts per general ledger. Total expenditures recorded on the general ledger should be reconciled to the reimbursement reports. They also should provide a copy of each report for reimbursement to the general ledger bookkeeper.

**MANAGEMENT'S RESPONSE:** The Special Education clerk will provide a reconciliation of disbursements to reimbursement requests to the Superintendent on a quarterly basis.

2. **Fixed Assets**  
(All Funds, All Programs)

**CONDITION:** The School Board was unable to provide an adequate inventory of Property and Equipment for June 30, 1996. Furthermore, an annual physical count of Fixed Assets is not made.

**REASON IMPROVEMENT NEEDED:** To provide an accurate accounting and safeguarding of Property. To comply with requirements of all grant programs.

**CAUSE OF CONDITION:** The employee keeping the inventory on the computer said her computer crashed and she was unable to obtain data. She indicated her computer is old and they cannot repair it. No backups or printouts were made before the problem occurred.

**EFFECT OF CONDITION:** No accounting of Property and Equipment. Noncompliance with grant requirements and LSA R.S. 24:919.

**RECOMMENDATION:** The School Board should act immediately to restore Fixed Assets Inventory and update it when additions and retirements are made.

**MANAGEMENT'S RESPONSE:** Software has been purchased and a physical inventory is in process. This has been a time-consuming process which is ongoing.

**CALDWELL PARISH SCHOOL BOARD**  
Columbia, Louisiana

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**3. Employees Treated as Contract Labor**

**CONDITION:** We noted several instances where workers were paid as contract labor although they appeared to be employees. There were no withholdings from check. These checks should be run through payroll.

**REASON IMPROVEMENT NEEDED:** Federal and state laws require withholdings from payments for wages.

**CAUSE OF CONDITION:** Not currently in practice.

**EFFECT OF CONDITION:** No taxes withheld therefore not in compliance with federal and state laws.

**RECOMMENDATION:** Run these checks through payroll.

**MANAGEMENT'S RESPONSE:** Payments are currently being run through payroll.

**4. Louisiana Local Government Budget Act**  
(L&L Programs)

**CONDITION:** The School Board has historically approved at the July Board meeting authorization to publish a general summary of the proposed budget and set an August date for a public hearing on the proposed budget. The advertisement was not placed in the official journal for the 1995-1996 audit period. Also, there was no further action noted in the Board minutes on the annual budgets of the 1995-1996 audit period to indicate Board adoption of the budget.

**REASON IMPROVEMENT NEEDED:** Louisiana Statute LSA R.S. 39:1301.1(3)(B) requires an advertisement in the official journal notifying the public that the proposed annual budget is available for public inspection and that a public hearing is to be held on a specified date. The advertisement must be published at least ten days in advance of the public hearing.

**CAUSE OF CONDITION:** This was an oversight by School Board personnel.

**EFFECT OF CONDITION:** The School Board is in violation of Louisiana Local Government Budget Act in certain respects.

**RECOMMENDATION:** The School Board should, at their July meeting, set a date for a public hearing on the budget and should publish in the official journal at least ten days prior to the public hearing, a notification of availability of the budget and the time of the public hearing. The budget must be adopted by passing a resolution in a regular Board meeting after the public hearing has been held.

**MANAGEMENT'S RESPONSE:** This procedure has been corrected for the 1996-1997 budget year.

CALDWELL PARISH SCHOOL BOARD  
Columbia, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1999

4. **Budget Overrun**  
(Procedural CPA 804.174)

**CONDITION:** The Caldwell Parish School Board had the following unfavorable budget variances exceeding 5%:

Fund	Budget	Actual	Unfavorable Budget	Percent
Procedural	\$12,000	\$20,467	\$8,467	70.57%

**REASON/IMPROVEMENT NEEDED:** To be in full compliance with the Louisiana Government Budget Act and to monitor expenditures so that in the event costs exceed budget in a particular function, cutbacks can be made in other functional costs to compensate.

**CAUSE OF CONDITION:** The Caldwell Parish School Board did not amend the original budget during the year, a budget was not adopted for Extended Summer program.

**EFFECT OF CONDITION:** The School Board is in violation of LSA R.S. 49:1489.1(14).

**RECOMMENDATION:** The School Board should monitor expenditures and amend the budget as needed.

**MANAGEMENT'S RESPONSE:** Budgets will be amended to reflect actual expenditures in the Special Revenue Funds.

5. **Late Filing of Audit Report**

**CONDITION:** The Louisiana Legislative Auditor requires audit reports to be filed within six months of the year-end of the governments. The audit report as of and for the year ended June 30, 1999 was filed approximately January 31, 1999.

**REASON/IMPROVEMENT NEEDED:** To comply with state regulations.

**CAUSE OF CONDITION:** An unexpected staff shortage of the auditor in the fourth quarter of 1999.

**EFFECT OF CONDITION:** Violation of state regulation.

**RECOMMENDATION:** Future audit reports should be filed within six months of year-end.

**MANAGEMENT'S RESPONSE:** The School Board will monitor the progress of future audits to ensure compliance with this filing regulation.