

Institute of Certified Public Accountants. A material weakness is a 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. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the School Board in a separate letter dated October 16, 1996.

This report is intended for the information of the School Board management, and the State of Louisiana Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Pat Harwick

October 16, 1996

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

We noted other matters involving the internal control structure and its operation that we have reported to the management of the School Board in a separate letter dated October 18, 1996.

This report is intended for the information of management and the Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

October 18, 1996

**Independent Auditors' Report on Compliance with
General Requirements**

**The Members of the
Washington Parish School Board
Franklin, Louisiana**

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We have applied procedures to test the School Board's compliance with the following general 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/cost principles, drug free workplace act, 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 the items not tested, nothing came to our attention that caused us to believe that the Washington Parish School Board had not complied, in all material aspects, with those requirements.

This report is intended for the information of management and the Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

October 16, 1996

This report is intended for the information of management and the Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

October 26, 1996

**Independent Auditors' Report on
Compliance with Specific Requirements Applicable to
Major Federal Financial Assistance Programs**

**The Members of the
Washington Parish School Board
Franklinton, Louisiana**

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

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

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, *Audit of State and Local Governments*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the Washington Parish School Board complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, level of effort, reporting, claims for advances and reimbursements, and special requirements pertaining to needs assessment and record retention that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

**Independent Auditors' Report on
Compliance with Specific Requirements Applicable to Nonmajor
Federal Financial Assistance Program Transactions**

The Members of the
Washington Parish School Board
Franklinton, Louisiana

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1995, and have issued our report thereon dated October 16, 1995.

In connection with our audit of the general purpose financial statements of the School Board, and with our consideration of the School Board's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, *Audit of State and Local Governments*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or disallowed that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the School Board's compliance with these requirements. Accordingly, we do not express such an opinion.

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

This report is intended for the information of management and the Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

October 16, 1995

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

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

- **Accounting controls**
 - Purchases/Disbursements
 - Payroll
- **Administrative controls**
 - **General requirements:**
 - Political activity
 - Civil rights
 - Cash management
 - Federal financial reports
 - Allowable costs/cost principles
 - Drug-free workplace
 - Administrative requirements
 - **Specific requirements:**
 - Types of services allowed or unallowed
 - Eligibility
 - Level of effort
 - Reporting
 - Needs assessment
 - Record retention
 - **Claims for Advances and Reimbursement**

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, 1996, the School Board expended 77 percent 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 controls 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.

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 constitute material weaknesses under standards established by the American

**Independent Auditor's Report on Compliance
at the General Purpose Financial Statements Level**

The Members of the
Washington Parish School Board
Franklin, Louisiana:

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

Compliance with laws, regulations, contracts, and grants applicable to the School Board is the responsibility of the School Board's management. 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 no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of management and the Department of Education. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

October 16, 1996

WASHINGTON PARISH SCHOOL BOARD

Schedule B

Schedule of Findings and Questioned Costs

Year ended June 30, 1996

Program	Finding/Noncompliance	Status
Title I CFDA #41.100	<p>1) Monthly requests for funds are filed with the Department of Education by the Title I Program. The Title I bookkeeper prepares the requests based on invoices to be paid and estimates of recurring expenditures. The program director should review the request for accuracy and completeness. He should also compare actual expenditures to budget.</p> <p>During the current audit period, the Program Director did not review the request for funds. The program bookkeeper would alert the Director when the disbursements were close to the budgeted amounts.</p> <p>To better ensure that all requests are appropriate, the Program Director should sign or initial each request after reviewing and approving the requests and comparing the requests to the Title I approved budget. The Superintendent also approves the request before it is submitted to the Department of Education. The Superintendent should review for the signature of the Program Director before approving.</p>	1 - 0
	<p>2) The program completion report is due to the State Department of Education by September 30, 1996. As of October 11, 1996, this report has not been submitted to the State Department.</p>	0
Total		0

WASHINGTON PARISH SCHOOLS BOARD

Schedule 9

Status of Prior Year Findings and Questioned Costs

Year ended June 30, 1996

Program	Findings/Noncompliance	Status
Title I CFDA 84.010	1) The program evaluation report is due to the State Department of Education by September 1, 1995. This report was submitted to the State on September 22, 1995.	Not repeated.
	2) The ESSA Title I Compliance Report (OE Form 4524-C) is prepared for assurance that on-site public school served by Title I received more services on the average than Non-Title I schools in the parish. The ratio of pupils to staff in the serviced sector cannot exceed 100% of the nonserviced school ratio. The ratio of salaries to pupils in the serviced sector cannot be less than 90% of that in the nonserviced schools' average. The principals' salaries included in the salaries column (column 5 on the 4524-C) included longevity although it should be excluded. Upon recalculation and properly excluding longevity, the ESSA Title I program is within the stated guidelines.	Not repeated.
	3) The School Board uses the Contract Report, which lists all teachers and their respective salaries, to assemble the information on the 4524-C report. The September 30, 1994 Contract Report was used in the preparation of the 4524-C, but was not available for testing. To ensure that the proper number of full-time equivalent staff is listed on the 4524-C report, the Contract Report used to assemble the information should be kept on file.	Not repeated.
	4) Of the five disbursements submitted for testing, two were not approved by the program director. To better ensure that all disbursements are proper and allowable, the Program Director should review and sign or initial the purchase order and/or the invoice.	Not repeated.

(Continued)

WASHINGTON PARISH SCHOOL BOARD

Status of Prior Year Findings and Questioned Costs

Program	Finding/Noncompliance	Status
5)	<p>Monthly requests for funds are filed with the Department of Education by the ESSA Title I Program. The ESSA Title I bookkeeper prepares the requests based on invoices to be paid and estimates of recurring expenditures. The Program Director should review the requests for accuracy and completeness. He should also compare actual expenditures to budget.</p> <p>During the current audit period, the Program Director did not review the requests for funds. The program bookkeeper would alert the Program Director when the budgeted amounts were almost fully disbursed.</p> <p>To better ensure that all requests are appropriate, the Program Director should sign or initial each request after reviewing and approving the requests and comparing the requests to the ESSA Title I approved budget.</p>	Repeated
6)	<p>The program completion report is due to the State Department of Education by September 30, 1995. As of October 12, 1995, this report has not been submitted to the State Department.</p>	Repeated

October 16, 1996

CONFIDENTIAL

Members of the Washington
Parish School Board
600 Main Street
Franklin, Louisiana 70438

Dear Members of the Board:

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board) for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996. In planning and performing our audit of the general purpose financial statements of the School Board, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

During our audit, we noted a control matter involving the internal control structure and other operational matters that is presented for your consideration. This comment and recommendation, which has been discussed with the appropriate members of management, is intended to improve the internal control structure or result in other operating efficiencies and is summarized as follows:

Bid Procedures

The Louisiana Revised Statute prescribes the necessary procedures to be followed for purchases. Based on the type of purchase and dollar threshold, verbal quotes or written bids may be required. In our review of purchases by the School Board, we noted that the School Board purchased fixed assets with a value in excess of \$10,000 related to the Varnado school with no evidence of written bids being obtained as required by law.

Compliance with the Louisiana Revised Statute is required by law. The School Board's policy and procedures should be adhered to by School personnel.

Appendix A contains a summary of management's response to the prior year comments.

* * * * *

Conditions of noncompliance with federal regulations, which we noted during our audit, are presented in the independent auditor's report on compliance with specific major and nonmajor program requirements, each dated October 16, 1996. These conditions were considered in determining the nature, timing and extent of the audit tests applied in our audit of the 1996 period.

purpose financial statements. Furthermore, these conditions do not affect our report on the general purpose financial statements dated October 16, 1998.

This report is intended for the information of management, the State Department of Education and the Legislative Auditor's Office. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Very truly yours,

KPMG Peat Marwick LLP

STATUS OF PRIOR YEAR COMMENTS

Appendix A

Investments

In view of the recent legislative enactment related to investments, as well as the general industry concern regarding certain types of investments, we recommend that the School Board review its investment policy to continue to maintain its investment portfolio in accordance with state law requirements.

Status: Completed

Cost Principles

During the summer of 1993, the Office of Management and Budget issued a revised OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments. This 1993 revision contains significant changes from the previous version and may significantly impact the allocation/charging of expenditures to federal funds. The School Board's management should address the impact of revisions and to identify the changes to current School Board procedures that may be needed.

Status: Addressed

Fixed Assets

As required in other similar school systems, annual fixed asset inventory observations are requested of the principal of each school. This is a detailed process that management has been changing as needed to meet the principals' needs as well as state law and internal requirements. To further assist this process, we are suggesting several items for consideration in this process:

- Review of items over a scope to ensure proper and accurate data entry. By reviewing items over specific dollar amounts annually, significant key patch errors can be detected and corrected.
- Development of a fixed asset policy and procedures to incorporate State law and Federal grant requirements as well as internal requirements.
- Determine the specific procedures for verification of compliance with policy.

Status: Addressed

Consistency in Reporting

The School Board has several departments that perform their own bookkeeping. For ease of complying with state reporting requirements as well as internal reporting needs, we recommend its management to require all such departments to use the same software system used for the general fund.

Status: In Progress

Agency Funds

In the prior year, we had commented that reviews of the funds of the various school sites be performed to ensure the existence of key controls and accountability of funds. We encourage the School Board to continue in its efforts to develop a policy in order that management can establish procedures to implement the policy.

Status: Addressed

**FINANCIAL
SECTION**



WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

General Purpose Financial Statements

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Independent Auditor's Report

To the Members of the Washington
Parish School Board
Franklinton, Louisiana

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

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. Those 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 accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board at June 30, 1996, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 16, 1996, on our consideration of the School Board's internal control structure and a report, dated October 16, 1996, on its compliance with laws and regulations.

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 presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the 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 respects in relation to the general purpose financial statements taken as a whole.

KPMG Peat Marwick LLP

October 16, 1996

Washington Parish School Board

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**GENERAL PURPOSE
 FINANCIAL
 STATEMENTS
 AND SINGLE
 AUDIT REPORTS**

Fiscal year ended June 30, 1996

Mr. Bringer H. Barber
 President

Mr. Dannie Fowler
 Superintendent

Mr. Adrian Raybourn
 Director of Finance

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. This report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

DEC 16 1996

WASHINGTON PARISH SCHOOL BOARD

Notes to Schedule of Federal Financial Assistance

June 30, 1996

1. General

The accompanying Schedule of Federal Financial Assistance presents the activity of all federal financial assistance programs of the Washington Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the general purpose financial statements for the year ended June 30, 1996. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed through other government agencies.

2. Basis of Accounting

The accompanying Schedule of Federal Financial Assistance is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's general purpose financial statements for the year ended June 30, 1996.

3. Relationship to General Purpose Financial Statements

Federal financial assistance revenues are reported in the School Board's general purpose financial statements as follows:

	From Federal Sources
General Fund	\$ 100
Special Revenue Fund:	
Indirect Cost	49,778
Grants	1,795,030
Commodities	<u>128,282</u>
Total Special Revenue Fund	1,973,090
	<u>\$ 1,973,190</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Federal Financial Assistance agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 1996.

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

General Purpose Financial Statements

Year ended June 30, 1996

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WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

revenue, such as insurance, used for the acquisition or construction of major capital facilities, renovations and major repairs. The School Board's Capital Projects Fund is used to account for the insurance proceeds received as a result of major fires at the Varenado High School.

Proprietary Fund Type

The Proprietary Fund is used to account for the School Board's ongoing organizations and activities which are similar to those often found in the private sector. The Proprietary Fund is accounted for on a capital maintenance measurement basis, that is the measurement focus is based upon determination of net income. The School Board applies all applicable GASB pronouncements issued on or before November 30, 1989, in accounting and reporting for its proprietary fund operations unless those pronouncements conflict with or contradict GASB pronouncements. The School Board's proprietary fund type is limited to Internal Service Funds as follows:

Internal Service Fund - The Internal Service Fund accounts for the Self-Insurance Program as provided by one department to other departments.

Fiduciary Fund Type

The Fiduciary Fund is used to account for assets held by the School Board in a trustee or agency capacity. The following Fiduciary Fund is maintained by the School Board:

Agency Fund - The School Activity Agency Fund is used to account for assets held by the School Board as an agent for the individual students and school organizations. Agency Funds are custodial in nature and do not involve measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the School Board's general fund assets and general long-term obligations. The following are the School Board's account groups:

General Fund Assets Account Group - This account group has been established to account for the general fund assets of the School Board. Items that are charged against the capital outlay accounts, materials and supplies, and repairs and maintenance that meet the capitalization policy are recorded in the General Fund Asset Account Group.

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the School Board. Long-term liabilities expected to be financed from governmental funds, are accounted for in the General Long-Term Debt Account Group, net in the governmental funds.

(Continued)

**Independent Auditor's Report on the Internal Control Structure at the
General Purpose Financial Statement Level**

**The Members of the
Washington Parish School Board
Franklin, Louisiana**

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

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

In planning and performing our audit of the general purpose financial statements of the 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.

WASHINGTON PARISH SCHOOL BOARD
 Franklinton, Louisiana

Notes to General Purpose Financial Statements

(5) Fixed Assets

A summary of changes in general fixed assets is as follows:

	<u>Balance</u> <u>July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1996</u>
Land	\$ 375,382	5,578	-	380,960
Buildings and improvements	12,551,454	19,632	(121,519)	12,449,567
Furniture and equipment	4,145,625	827,084	(485,362)	4,487,347
	<u>\$ 17,072,461</u>	<u>852,314</u>	<u>(606,881)</u>	<u>17,317,894</u>

Additions to general fixed assets are included in plant services expenditures.

(6) Other Individual Fund Encumbrances

(a) Interfund Receivables and Payables

Individual fund interfund receivable and payable balances at June 30, 1996, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Funds:	
	BASA-Title I	\$ 112,916
	BASA-Title II	41,854
	Special federal funds	77,456
	Federal Drug Free Schools	6,668
	IDEA (Special Education)	28,722
		268,516
	School Activity Agency Funds:	
	Pine High School	5,800
	Vermado High School	11,755
		17,555
		<u>\$ 279,621</u>

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Notes to General Purpose Financial Statements

Total taxes are due	November 15
Penalties and interest are added	December 31
Less cash	January 1
Tax sale - delinquent property	About June 1

The School Board is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or in the aggregate for all purposes, 20% of the assessed valuation for the payment of principal and interest on long-term debt also approved by the voters of the parish.

The tax roll is not prepared by the tax assessor until November of each year; therefore, the amount of property taxes to be collected within the next year is not known. As a result, no property tax receivable for calendar year 1985 taxes is included on the accompanying combined balance sheet. The School Board records property taxes when received.

The distribution of the School Board's levy (tax rate per \$1,000 assessed value) to its funds was as follows:

	Authorized Millage	Levied Millage	
Parish-wide taxes:			
Constitutional	3.50	3.81	
General operational	3.12	3.12	
Maintenance and operation	3.12	3.12	
Maintenance and operation	4.83	4.83	
District taxes - Acadia School District	3.12	3.12	
	Authorized Millage	Levied Millage	
	Low	High	Low
District taxes - bond and interest	<u>3.12</u>	<u>35.00</u>	<u>3.12</u>
			<u>38.92</u>

(4) Receivables

Receivables at June 30, 1986 are as follows:

	General Fund	Special Revenue Funds	Total
Intergovernmental - grants			
State	\$ 186,143	-	186,143
Federal	<u> </u>	238,287	238,287
	<u>\$ 186,143</u>	<u>238,287</u>	<u>424,430</u>

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

(b) **Comparative Total Data (Memoranda Only)**

Comparative total data for the prior year have been presented in the combined financial statements in order to provide an understanding of changes in the School Board's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the individual statements since their inclusion would make the statements unduly complex and difficult to read.

The total data, captioned "Memoranda Only," are the aggregate of the fund types and account groups. No consolidating or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

(c) **Reclassifications and Changes in Reporting**

In addition, during 1996, the School Board established one new fund, a Capital Projects Fund.

(2) **Cash**

At June 30, 1996, the School Board had cash and cash equivalents as follows:

Money market and bank accounts	\$ 5,043,615
Time certificates of deposit	2,805,962
	<u>\$ 7,849,577</u>

Under state law, the bank balances of these deposits 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 or exceed the amount on deposit with the fiscal agent. At June 30, 1996, the School Board was in compliance in all material respects with this policy.

(3) **Expenditures**

The School Board levies taxes on real and business personal property located within Washington Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Washington Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Washington Parish Sheriff's office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Assessment date	January 1
Levy date	Not later than June 15

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

(g) **Interfund Transactions**

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecuring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

(h) **Sales Taxes**

On October 4, 1966, the voters of Washington Parish approved a one percent parishwide sales and use tax to be levied for the Washington Parish School Board and the City of Bogalusa School Board. The proceeds of the tax are allocated on the basis of 45 percent to the Washington Parish School Board and 55 percent to the City of Bogalusa School Board. The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated for payment of salaries of teachers, other school personnel, and for other operating expenditures.

On April 4, 1981, the voters of Washington Parish approved a one percent sales and use tax to be levied for the Washington Parish School Board. The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated to the general operation and maintenance of the schools in the parish, including the payment of salaries and fringe benefits of all school board employees, to acquire land and buildings, make other capital improvements to the schools in the parish, and to fund bonds for the purpose of making capital improvements as mentioned previously.

Sales and use taxes are collected and remitted to the School Board by an independent collecting agent for a monthly fee. The sales and use taxes collected in June in behalf of the Washington Parish School Board are remitted to the School Board by July 31.

(i) **Claims and Judgments**

The School Board accounts for its workers's compensation self-insurance program in its interest service fund. The liabilities for claims and judgments are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and change awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Notes to General Purpose Financial Statements

(a) Pension Plans

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements.

(a) Reserves

Use of the term "reserve" in describing governmental fund "Fund Balances" and proprietary fund "Retained Earnings" indicates that a portion of the fund balance or limited savings is not available or appropriate for expenditures or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

Inventory - This amount represents the portion of fund balance reserved in the Special Revenue Fund for purchased inventory. It is reserved which indicates that the balance does not represent available expendable resources even though purchased inventory is a component of net current assets.

Debt Service - This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt.

Reserved - Other:

Reserved for Schools - This reservation reflects Board-approved amounts dedicated to the schools by sales tax referendums.

Property Insurance Deductible - The Board has reserved the fund balance in the General Fund to cover the per year deductible for fire and extended coverage on School Board properties.

(a) Designations

Use of the term "designated" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of these designations are as follows:

Designated for Schools - This designation is allocated for expenditures of the individual schools on a per pupil basis.

Designated for School Board Office - This designation is allocated for expenditures of the School Board's Central Office, warehouse, and recreational center.

Designated for Copies Expenditures - The designation is allocated to for future lease obligations for the School Board's copies.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

(j) Deferred Revenues

Deferred revenues arise when resources 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 legal claim to the resources, the liability for deferred revenues is removed from the combined balance sheet and the revenue is recognized.

(k) Vacation and Sick Leave

All 12-month employees earn from 6 to 24 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated to a maximum of 15 days at the end of each calendar year.

Teachers and other 9-month employees earn 10 days of sick leave each year. All 12-month employees earn from 10 to 15 days sick leave each year, depending on their length of service with the School Board. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days and unused vacation leave up to 15 days is paid to employees (or their heirs) 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 for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which includes 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. An employee with a teacher's certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

The cost of sabbatical leave privileges is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the General Long-Term Debt Account Group.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

Notes to General Purpose Financial Statements

(f) **Cash and Cash Equivalents and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits. These deposits are recorded at cost which approximates market. 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.

For purposes of the statement of cash flows, the School Board considers all highly-liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

(g) **Intergovernmental Receivables**

Intergovernmental receivables consist of receivables for reimbursement of expenditures under various state and federal programs and grants. All amounts are expected to be collected within the next twelve months.

(h) **Short-Term Interfund Receivables/Payables**

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

(i) **Inventories**

All purchased inventories are valued at cost (first-in, first-out); commodities are assigned values based on information provided by the U.S. Department of Agriculture. Inventories in the School Lunch Special Revenue Fund consist of food and supplies. The commodities are recorded as revenues and expenditures when consumed.

(j) **General Fixed Assets**

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

All fixed assets are valued at historical cost or estimated at historical cost if actual historical cost is not available. Donated fixed assets are valued at their fair market value on the date donated.

(k) **Long-term Obligations**

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group.

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

(9) **Long-Term Obligations**

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

	Bonded debt	Compensated absence	Total
Long-term obligations at July 1, 1995	\$ 4,825,000	934,892	5,759,892
Deductions	<u>143,000</u>	<u>(8,523)</u>	<u>(151,523)</u>
Long-term obligations at June 30, 1996	\$ 4,682,000	926,369	5,608,369

All School Bonded bonds outstanding at June 30, 1996, in the amount of \$4,682,000 are general obligation bonds with final maturities from 1999 to 2004 and interest rates from 5.8 to 6.6 percent.

The individual issues are as follows:

Bond issue	Original issue	Interest rates	Final payment due	Interest to maturity	Principal outstanding
Mt. Hermon - 1979	\$ 517,000	6.0%	February 2, 1999	\$ 15,300	125,000
Franklin-Beam - 1991	3,220,000	5.9 - 6.6%	March 1, 2004	1,904,675	4,253,000
Total				\$ 1,920,175	4,380,000

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 \$750,367 in the debt service funds for future debt requirements. The bonds are due as follows:

Year ending June 30, 1996	Principal payments	Interest payments	Total
1997	\$ 475,000	234,715	749,715
1998	495,000	245,650	741,650
1999	530,000	235,950	746,950
2000	510,000	184,665	694,665
2001	540,000	133,945	693,945
Thereafter	<u>1,830,000</u>	<u>245,150</u>	<u>2,075,150</u>
Total	\$ 4,380,000	1,320,115	5,700,115

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Notes to General Purpose Financial Statements

The two account groups are not "Funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types includes amounts represented by noncurrent liabilities. Because they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

(8) Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by all governmental funds (General Fund, Special Revenue Fund and Debt Service Fund). Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Ad valorem taxes are considered "measurable" at the time of preparation of the tax roll by the tax assessor. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the School Board; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditures and are usually receivable only for failure to comply with prescribed compliance requirements. These revenues are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Sales taxes, tuition, rents, and miscellaneous other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as current since they are measurable and available.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. As of June 30, 1998, all instructional related salaries for July and August have been accrued because the salaries have been earned but not paid. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

The Proprietary Fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At June 30, 1996, the statutory limit is \$25,478,725, outstanding bonded debt totaled \$4,380,000 and the legal debt margin is \$21,098,725.

The School Board is in compliance with all significant limitations and restrictions set forth in the individual bond indentures.

At June 30, 1996, employees of the School Board have accumulated and vested \$926,369 of employee leave benefits. This amount is recorded within the general long-term debt account group. General Fund expenditures are recorded when incurred.

(10) **Reservation and Designations of Fund Balance**

The General Fund's reserved and designated fund balances as of June 30, 1996 are as follows:

Reserved fund balance:	
Reserved for schools	\$ 320,763
Reserved by Board for property insurance deductible	<u>124,369</u>
	\$ <u>445,132</u>
Designated fund balance:	
Designated for schools, to be approved by Board for reservation	\$ 1,589,570
Designated for school board office	285,971
Designated for capital expenditures	<u>43,902</u>
	\$ <u>1,919,443</u>

(11) **Self-Insurance Program**

On July 1, 1993, the School Board established a Self-Insurance Program (an internal service fund) to account for and finance its estimated risk of loss in regard to workers' compensation insurance. Under the terms of an excess workers' compensation insurance agreement with a private insurance company, which became effective July 1, 1993, the School Board's maximum liability per occurrence is \$175,000 with a two-year maximum liability of \$407,408 for all claims paid during a two-year period. The School Board purchases commercial insurance with an excess limit of \$1,000,000 for claims in excess of coverage provided by the program. As of June 30, 1996, the School Board reported a claims liability of \$84,155 in the internal service fund. All funds of the School Board participate in the program and make payments to the internal service fund in amounts needed to pay current-year claims and to establish a reserve for catastrophic losses.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

Notes to General Purpose Financial Statements

Similarly, the School Board is not included in any other reporting entity since School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

The accounting policies of the Washington Parish School Board conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

(4) Basis of Presentation - Fund Accounting

The accounts of the School Board are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the School Board:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use, and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. All governmental funds are accounted for on a spending measurement basis, that is the measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. The General Fund receives most of the resources derived by the School Board from local sources (principally ad valorem and sales taxes) and state sources (principally the State Equalization funding). General fund expenditures represent the cost of general school system operations and individual functional categories of instructional and support services. It is used to account for all financial resources except those required to be accounted for in another fund.

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

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

Capital Projects Fund - The Capital Projects Fund is used for the receipt and disbursement of proceeds of bond issues and other special or designated

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

June 30, 1996

(1) Summary of Significant Accounting Policies

The Washington Parish School Board (the School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:53 to provide public education for the children within Washington Parish. The School Board is authorized by LSA-R.S. 17:931 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 eight members who are elected from eight districts for concurrent terms of four years.

The School Board operates 15 schools within the parish with a total enrollment of 5,173 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.

(a) Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity for general purpose financial statements is the exercise of oversight responsibility over such agencies by elected officials. This could include the appointment of management by elected officials, the accountability of management to elected officials for fiscal matters, and the ability of elected officials to significantly influence operations, such as reviewing and approving budgetary requests and amendments. One manifestation of the oversight responsibility is financial interdependency between the governmental unit and its agency, including responsibility for funding deficits and operating deficiencies, control of surplus funds, and governing the process of collecting and disbursing funds.

There may be circumstances where factors other than oversight are so significant in the relationship between a particular agency and a reporting entity that exclusion of the agency from the reporting entity's financial statements would be misleading. The scope of public service is one such factor that includes the following aspects:

- (1) Whether the activity is for the benefit of the reporting entity and its residents.
- (2) Whether the activity is conducted within the geographic boundaries of the reporting entity and is generally available to the citizens of that entity.

Several agencies, although meeting the criterion for scope of public service are not included in the financial statements of the School Board because there is no oversight responsibility by elected School Board officials and no financial interdependency with the School Board. These agencies, such as the parish police jury, independently elected parish officials and municipalities within the parish, are separate taxing entities established by Louisiana law.

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WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Statement of Cash Flows -
Proprietary Fund Type - Internal Service Fund

Year ended June 30, 1996
with comparative totals for the year ended June 30, 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Premiums	\$ 310,083	305,942
Operating expenses	<u>(100,453)</u>	<u>(81,804)</u>
Net cash provided by operating activities	209,630	224,138
Cash flows from investing activities - interest earned	<u>83,797</u>	<u>21,253</u>
Net increase in cash and cash equivalents	293,427	245,391
Cash and cash equivalents at beginning of year	<u>825,873</u>	<u>576,813</u>
Cash and cash equivalents at end of year	<u>\$ 1,074,401</u>	<u>\$ 823,873</u>
Reconciliation of operating income to net cash provided by operating activities - operating income	151,496	156,410
Adjustments to reconcile operating income to net cash provided by operating activities - change in assets and liabilities:		
Decrease in assets	-	18,853
Increase in liabilities	<u>51,236</u>	<u>47,647</u>
Net cash provided by operating activities	<u>\$ 202,732</u>	<u>223,198</u>

See accompanying notes to general purpose financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Statement of Revenues, Expenses, and Changes in Retained Earnings -
Proprietary Fund Type - Internal Service Fund

Year ended June 30, 1996
with comparative totals for the year ended June 30, 1995

	1996	1995
Opening revenues - premiums	\$ 318,185	305,565
Opening expenses:		
Director's compensation/benefits	51,648	78,294
Claims administration fees	18,808	9,375
Excess insurance premium payments	53,825	47,580
Other expenses	5,110	14,423
Total opening expenses	129,391	149,672
Operating income:	188,794	155,893
Nonoperating revenues - interest income:	45,787	27,753
Net income:	197,283	184,163
Retained earnings at beginning of year	353,147	328,984
Retained earnings at end of year	\$ 590,470	353,147

See accompanying notes to general purpose financial statements.

BUDGETING PAPERWORKS BOARD
 Henderson, Louisiana

Statement Layout

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budgetary Accounting - General and Special Revenue Fund Types
 (GAAP Budget Basis)

	District Total		Special Revenue Fund		Total
	Budget	Actual	Revenue Available (under-overs)	Budget	
Support services:					
Books services	790,000	790,110	(1,111)	15,585	78,925
Intervention and support	313,000	303,210	2,275	218,710	18,070
General administration	312,500	311,540	51,880	1,980,011	(1,080)
School administration	1,000,000	1,004,400	5,000	2,000	(2,000)
Business services	171,000	173,000	(2,000)	100,000	28,000
Parks services	1,100,000	1,097,400	17,000	2,000	5,000
Student transportation services	2,100,000	2,100,000	15,000	800,000	800,000
Food services					5,000
Total support services expenditures	5,615,000	5,614,260	89,000	2,613,511	2,531,118
Community service programs				10,000	10,000
Total expenditures	11,430,000	11,428,520	180,000	4,623,511	4,641,118
Revenues (deductions) of revenues over expenditures				70,000	70,000
Other financing sources (uses):					
Sale of fixed assets	2,000	2,000	40	-	-
Operating transfers in	44,000	46,700	14,000	-	-
Operating transfers out	(100,000)	(100,000)		(60,000)	(60,000)
Total other financing sources (uses)	(54,000)	(51,300)	14,000	(60,000)	(60,000)
Revenues (deductions) of transfers and other financing sources over expenditures and other financing uses					
Total balances at beginning of year	(187,000)	(97,000)	145,000	50,000	48,000
Total balances at end of year	\$ 2,900,000	\$ 2,900,000	\$ 50,000	\$ 29,000	\$ 29,000

See accompanying notes to general purpose financial statements.

WINDSORBORO PUBLIC SCHOOLS BOARD
 Expenditures, Revenues

Condensed Statement of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Original and Special Revenues Fund Type
 (GAAP Budget Basis)

Year ended June 30, 2009

	Original Fund		Variance		Special revenues fund	
	Budget	Actual	Expenditures	(Under/Over)	Budget	Actual
Revenues						
Local sources:						
Taxes:						
All addresses	\$ 51,411	50,877	50,244	(534)	4,981	(634)
State and fed	2,213,343	2,295,424	1,481,375	(813,969)	-	8,000
State-matching	177,000	175,475	1,232	(174,243)	20,000	(154,243)
Fees	-	-	-	-	170,000	168,144
Food services	-	-	-	-	3,500	2,481
Other	11,241	16,792	4,648	(7,152)	-	(689)
Local transfers:						
Allocations	14,994,379	14,961,339	20	(33,040)	221,000	(61,661)
Other	50,771	10,876	(33,047)	17,824	3,275	(48)
Private program	-	-	-	-	-	-
Trusts (2010 - budget year revenues)	400	407	-	407	41,000	40,778
Non-fund grants-in-kind	-	-	-	-	5,980,000	6,000,000
Other - non-recurring	-	-	-	-	160,000	128,200
Total revenues	23,228,813	23,203,428	23,228	(25,385)	6,261,261	6,211,172
Expenditures						
Salaries:						
Regular	9,975,375	9,983,679	10,289	(308)	1,000,000	(2,324)
Special programs	1,796,428	1,781,580	74,474	(154,846)	1,000,000	(74,846)
Adult and continuing education	-	-	-	-	-	-
Payroll	11,200	110,200	(7,884)	91,316	-	-
Total investments/expenditures	11,894,603	12,114,244	11,201	(219,641)	1,000,000	(26,170)

(Continued)

WASHINGTON PARKS SCHOOL BOARD
 FOUNTAIN, LOUISIANA

Condensed Statement of Revenues, Expenditures, and Changes in
 Fund Balances - All Governmental Fund Types

For the year from 06/30, 1999,
 with comparative totals for the year ended June 30, 1998

Revenues:	Governmental Activities				Total Governmental Funds	
	General	Special accounts	Debt service	Capital projects	1999 (2000)	1998
Local sources:						
Taxes:						
Ad valorem	\$ 65,477	9,491	881,851	-	1,548,419	1,584,487
State and fed	3,993,828	-	-	-	4,023,428	2,976,262
Intergovernmental	778,479	14,091	25,488	11,683	205,829	203,447
Local services	-	148,184	-	-	188,148	193,941
Other	94,796	2,881	-	-	97,677	180,138
State grants:						
Equalization	14,591,000	547,400	-	-	15,138,400	14,991,000
Other	275,548	3,273	-	-	803,495	1,294,000
Interest sources:						
Municipal - interest and dividends	-	49,734	-	-	49,734	54,000
Municipal - general fund	601	3,795,000	-	-	3,795,601	3,774,900
Other - investments	-	438,321	-	-	128,281	102,853
Total revenues	19,551,641	6,011,417	882,340	11,683	24,248,131	29,694,937
Expenditures:						
Personnel:						
Regular programs	9,882,479	-	-	87,477	9,969,956	9,779,843
Special programs	2,338,084	1,890,711	-	-	4,228,795	4,768,144
Other self-financing activities program	119,883	-	-	-	119,883	149,148
Support services:						
Student services	774,144	20,584	-	-	794,728	784,144
Instructional staff support	818,121	209,777	-	-	1,027,898	929,148
General administration	225,281	1,036,950	24,494	-	1,286,725	1,249,100
School administration	1,016,453	-	-	-	1,084,453	1,088,853
Business services	172,081	-	-	-	172,081	177,383
Plant services	1,507,490	283,489	-	26,989	1,817,968	1,842,489
Student transportation services	2,154,084	-	-	-	2,154,084	2,176,548
Food services	-	823,265	-	-	823,265	816,247
Construction:						
Community service programs	-	8,763	-	268,163	276,926	-
Debt service:						
Principal retirement	-	-	405,000	-	405,000	405,000
Interest and bond charges	-	-	261,254	-	261,254	334,000
Total expenditures	19,208,228	4,418,798	774,307	362,129	24,763,462	28,694,939
Excess (deficiency) of revenues over expenditures	343,413	1,592,619	108,033	806,554	484,669	1,000,000
Other financing sources (used):						
Issuance of bond notes	2,289	-	-	-	2,289	12,701
Insurance proceeds	-	-	-	1,281,600	1,281,600	-
Operating transfers in (out) to	49,736	-	-	1,000,000	1,049,736	43,004
Operating transfers out (in) to	(100,000)	(887,730)	-	-	(987,730)	(97,000)
Total other financing sources (used)	(50,275)	(887,730)	-	1,281,600	1,281,605	48,705
Excess of revenues and other financing over expenditures and debt service	293,138	704,889	108,033	1,088,154	1,766,274	1,048,705
Fund balances at beginning of year	1,114,835	657,511	414,828	-	2,187,174	1,994,751
Fund balances at end of year	\$ 1,407,973	1,362,400	522,861	1,088,154	4,381,388	3,043,456

See accompanying notes to general purpose financial statements.

WASHINGTON PARISH SCHOOL BOARD
Prichardville, Louisiana

Notes to General Purpose Financial Statements

The School Activity Agency Fund is established in nature (assets equal liabilities) and does not involve measurement of results of operations.

(f) **Budgetary Data**

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) On September 14, 1995, the Superintendent submitted to the School Board a proposed opening budget for the fiscal year commencing on July 1. The opening budget includes proposed expenditures and sources of funding.
- (2) A public hearing was conducted after official journal notification.
- (3) On September 14, 1995, the budget was legally adopted during public session.
- (4) The budget document is structured such that revenues are budgeted by source and appropriations by function. The Special Revenue Funds are budgeted by program. School Board policy provides that expenditures may not exceed appropriations on a functional basis. Revisions to the budget as enacted require School Board approval. Revisions are made as considered necessary.
- (5) The School Board utilizes formal budgetary integration as a management control device for the General Fund and Special Revenue Funds.
- (6) Comparison of budgeted and actual amounts as shown in Statement 3 in the accompanying financial report includes the General Fund and Special Revenue Funds.
- (7) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted and legally amended by the School Board during the fiscal year. Appropriations which are not expended lapse at year-end.
- (8) The School Board is legally required to prepare annual opening budgets on its general and special revenue funds.

(g) **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation, is employed in the governmental funds as a management control device. However, at year end, all unencumbered lapse and must be budgeted in the subsequent year.

(Continued)

WILMINGTON INVESTMENT SERVICES BOARD
FINANCIAL STATEMENTS

Special Dividend Funds

Comparing Months of Revenue, Expenses, and Changes in Fund Net Assets - Continued

	Period (Year)	Revenue (Net)	Expenses (Net)	Change (Net)	Revenue (Net)	Expenses (Net)	Change (Net)	Revenue (Net)	Expenses (Net)	Change (Net)
Source: Wilmsco of revenues and expenses:	\$ 34,000	29,779	-	4,221	988	5,178	5,178	5,178	5,178	5,178
Other financing sources (net)- opening balances in fund	—	50,000	—	50,000	50,000	50,000	50,000	—	—	50,000
Change in Net Assets of Investment and Other Funds:	\$ 4,000	12,279	-	12,279	-	12,279	12,279	12,279	12,279	12,279
Fund balances at beginning of year	\$ 51,318	—	—	—	—	—	—	—	—	—
Fund balances at end of year	\$ 55,318	12,279	—	12,279	—	12,279	12,279	12,279	12,279	12,279

The accompanying independent auditor's report.

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

**The Members of the
Washington Parish School Board
Franklin, Louisiana**

We have audited the general purpose financial statements of the Washington Parish School Board (the School Board), as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

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

KPMG Peat Marwick LLP

October 16, 1996

SINGLE AUDIT SECTION

REQUIRED REPORTS - GOVERNMENT AUDITING STANDARDS

The following pages contain reports on the internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. These reports address the financial statements, as well as the federal financial assistance programs of the School Board.

In accordance with Office of Management and Budget Circular A-128, a *Schedule of Federal Financial Assistance* and related notes are presented.

WASHINGTON PARISH SCHOOL BOARD
 Franklinton, Louisiana

Other Supplemental Information

Schedule of Compensation Paid to Board Members

Year ended June 30, 1996

Brygier H. Barkis, President	\$ 8,400
Karl L. Baltham, Jr.	7,200
Hayward D. Brown	7,200
Bruce L. Brown	7,200
Holly M. James	7,200
Freddie H. Jefferson	7,200
Suzanne Jones	7,200
Harold B. Smith	7,200
Richard M. Thomas	<u>7,200</u>
	\$ 66,000

See accompanying independent auditor's report.

OTHER SUPPLEMENTAL INFORMATION

The Schedule of Compensation Paid to School Board Members is presented in compliance with House Concurrent Resolution No. 34 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 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, and the president receives \$700 per month for performing the duties of his office.

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Fiduciary Fund

Schedule of Changes in School Account Balances - School Activity Agency Fund
Cash Balances

For the year ended June 30, 1996

School	Balance July 1, 1995	Additions	Deductions	Balance June 30, 1996
Angie Junior High School	\$ 15,888	39,333	42,384	12,837
Enca Elementary School	30,911	35,928	51,977	14,862
Franklin Primary School	12,566	33,094	58,913	6,747
Franklin Elementary School	5,291	81,922	79,019	8,194
Franklin Junior High School	19,688	67,333	73,288	13,733
Franklin High School	40,452	304,844	393,423	41,873
St. Herman High School	63,567	149,100	145,483	67,184
Pine High School	25,358	128,204	118,671	34,891
Thomas Junior High School	25,202	76,810	73,300	28,712
Vernado Elementary School	5,771	18,329	19,942	4,158
Vernado High School	25,286	99,327	99,185	25,428
Wesley Play Elementary School	1,888	32,949	28,069	6,768
Adult Education Center	3,113	13,029	11,702	4,440
	\$ 251,781	1,185,913	1,099,281	338,413

Note: As of June 30, 1996, Pine High School and Vernado High School have payables to the General Fund of \$5,000 and \$11,795, respectively. The total Agency Funds' deposits due return is \$241,608.

See accompanying independent auditors' report.

**FIDUCIARY FUND -
SCHOOL ACTIVITY
AGENCY FUND**

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

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Debt Service Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 1998
with comparative totals for the year ended June 30, 1997

	Mt. Hermon School District	Franklin High School District	Total	
			1998	1997
Revenues:				
Local sources:				
Ad valorem taxes	\$ 39,300	\$45,849	\$85,051	\$81,318
Interest earnings	2,200	23,618	25,618	23,000
Total revenues	41,500	\$69,467	\$110,669	\$104,318
Expenditures:				
Support services - general administration	1,790	23,608	25,398	23,891
Debt service:				
Principal retirement	33,000	418,000	449,000	429,000
Interest and bank charges	9,880	290,772	301,052	326,390
Total expenditures	44,670	732,380	774,590	779,571
Excess (deficiency) of revenues over expenditures	(3,170)	(140,487)	(125,729)	25,185
Fund balances at beginning of year	61,939	\$32,658	94,628	\$89,443
Fund balances at end of year	\$ 58,769	\$83,145	\$141,917	\$114,628

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

Notes to General Purpose Financial Statements

(6) Opening Transfers

Individual fund interfund operating transfers for the year ended June 30, 1996, were as follows:

Fund	Opening transfers in	Operating transfers out
General	\$ 49,776	100,000
Capital Projects	100,000	
Special Revenue:		
LASA (Title I)	-	38,200
Special Federal funds	-	1,316
Federal Drug Free Schools	-	988
IDEA (Special Education)	-	<u>9,230</u>
Total - all funds	\$ 149,776	<u>149,736</u>

(7) Accounts, Salaries, and Other Payables

The payables of \$1,612,526 at June 30, 1996, are as follows:

	General fund	Special revenue fund	Capital projects fund	Internal service fund	Total
Salaries and related withholdings and accounts	\$ 1,013,972	180,024	-	-	1,194,000
Accounts	<u>144,804</u>	<u>242,776</u>	<u>11,853</u>	<u>19,899</u>	<u>418,432</u>
	\$ 1,157,976	<u>422,801</u>	<u>11,853</u>	<u>19,899</u>	<u>1,612,526</u>

(8) Changes in Agency Fund - Deposits Due Others

The changes in school activity accounts for the year ended June 30, 1996 are as follows:

	Balance at beginning of year	Additions	Reductions	Balance at end of year
School activity accounts	\$ 234,986	<u>1,166,813</u>	<u>(1,069,293)</u>	<u>241,606</u>

(Continued)

DEBT SERVICE FUNDS

The Mt. Hermon and Franklinton-Rose School Districts' Debt Service Funds accumulate monies for the payment of remaining bond issues. The bond issues are financed by a special property tax levy on property within the territorial limits of the appropriate school districts.

WASHINGTON PARISH SCHOOL BOARD
Bossierite, Louisiana

Schedule of Federal Financial Assistance

For the year ended June 30, 1996

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Program Number	Revenues/ Expenditures
United States Department of Agriculture:		
Funded through Louisiana Department of Education:		
National School Lunch Program*	10.555	\$ 1,004,815
School Breakfast Program*	10.555	638,949
Funded through Louisiana Department of Agriculture and Forestry - Food Distribution		
	10.550	128,291
Total United States Department of Agriculture:		1,662,055
United States Department of Labor -		
Funded through Tangipahoa Parish School Board - Job Training Partnership Act		
	13.250	28,779
United States Department of Education:		
Funded through Louisiana Department of Education:		
Adult Education - State-Administered Program	84.007	37,228
Improving America's School Act (IASA)*	84.010	1,521,729
Title II - Dwight D. Eisenhower Professional Development Program	84.281	43,082
Title VI - Innovative Education Program Strategies	84.284	30,135
Vocational Education - Basic Grants to States	84.048	73,625
Goals 2000 - Educate America Act Education Systemic Improvement	84.236	170,000
Drug-Free Schools and Communities	84.184	29,149
Starting Points Personnel Program	83.037	44,985
Handicapped State Grants	84.027	284,478
Individuals with Disabilities Education Act (IDEA) - Preschool Program	84.173	48,412
Food Control	n/a	187
Total United States Department of Education:		2,283,140
Total Program Expenditures		\$ 3,973,194

* Major federal financial assistance programs

See accompanying independent auditor's report.

WISCONSIN VALLEY SCHOOLS BOARD
 Watrous, Louisiana

Special Revenue Funds

Conditioning Schedule of Revenues, Expenditures, and Changes in Fund Balances, Continued

	Initial Fund Level	Appropriation Authority's Budgetary Control (000)	Revised (000)	Revised FEMA Pay (000)	FEMA Pay (000)	Appropriation Level	Revised Total (000)
Excess (deficiency) of revenues over expenditures	\$ 34,662	0	1,318	0	1,318	0	\$ 35,980
Other financing sources (used) - operating (000)	0	0	0	0	0	0	0
Excess (deficiency) of revenues over expenditures and other uses	\$ 34,662	0	1,318	0	1,318	0	\$ 35,980
Revised balance at beginning of year	\$ 0	0	0	0	0	0	\$ 0
Revised balance at end of year	\$ 34,662	0	1,318	0	1,318	0	\$ 37,298

See accompanying independent auditor's report.

UNIVERSITY PUBLIC SCHOOLS BOARD
 Teachers' Contracts

Monthly

Special Revenue Funds
 Combining Balance Sheet

June 30, 1994
 with comparative data for June 30, 1993

Item	1994 Amount	1993 Amount	1994 Percentage Available to Retirees	1993 Percentage Available to Retirees	1994 Total Available to Retirees	1993 Total Available to Retirees	1994 Applicable Rate	1993 Applicable Rate	1994 Total	1993 Total
Assets										
Call and cash equivalents	\$ 79,519	\$ 8,413	1.00	1.00	\$ 79,519	\$ 8,413	1.00	1.00	\$ 79,519	\$ 8,413
Receivables	-	20,000	-	-	-	20,000	-	-	-	20,000
Due from individuals	2,500	-	-	-	2,500	-	-	-	2,500	-
Due from other	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 82,019	\$ 28,413	1.00	1.00	\$ 82,019	\$ 28,413	1.00	1.00	\$ 82,019	\$ 28,413
Liabilities and Deferred Income										
Liabilities										
Accounts payable and other payables	\$ 99,497	\$ 89,293	1.00	1.00	\$ 99,497	\$ 89,293	-	-	\$ 99,497	\$ 89,293
Deferred income	24,500	41,000	-	-	24,500	41,000	-	-	24,500	41,000
Total liabilities	\$ 123,997	\$ 130,293	0.00	0.00	\$ 123,997	\$ 130,293	-	-	\$ 123,997	\$ 130,293
Equity										
Retained earnings	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000
Retained by investment	(2,500)	(2,500)	-	-	(2,500)	(2,500)	-	-	(2,500)	(2,500)
Equity attributable to University	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000
Total equity	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000	-	-	\$ 1,000	\$ 1,000
Total liabilities and equity	\$ 124,997	\$ 131,293	1.00	1.00	\$ 124,997	\$ 131,293	1.00	1.00	\$ 124,997	\$ 131,293

See accompanying independent auditors' report.

SPECIAL REVENUE FUNDS

SCHOOL LUNCH FUND

The School Lunch Fund is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

IMPROVING AMERICA'S SCHOOLS ACT FUNDS

Improving America's Schools Act (IASA) is a federally funded program promulgated by Public Law (PL) 101-382 which consolidated fourteen programs. IASA's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies.

SPECIAL FEDERAL FUND

During fiscal year 1995, the School Board established this fund to account for federal grants previously allocated to the General Fund. The programs included in this fund, all of which are federally financed, include Vocational Education, Adult Basic Education, Jobs Training Partnership Act, and Starting Points.

FEDERAL IDEA DRUG FREE SCHOOL FUND

During fiscal 1995, the School Board established this fund for its IDEA Drug Free Schools program, a program that is federally financed to establish and implement drug abuse education and prevention programs in elementary and secondary schools.

IDEA SPECIAL EDUCATION FUND

Individuals with Disabilities Education Act (IDEA), Public Law (PL) 101-476, is a federally financed program of free public education in the least restrictive environment for children with disabilities.

ANGLE SCHOOL DISTRICT FUND

The Angle School District Fund accounts for a five-mill ad valorem tax assessed on property within the Angle School District to improve, maintain, and operate schools within the district. The majority of financing is provided by ad valorem tax and state revenue sharing.

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

	Expenditures		Unfavorable Variances
	Budget	Actual	
General Fund/Grant:			
Instructional staff support	\$ 362,007	359,212	(2,795)
General administration	322,631	331,581	(9,350)
Students services	171,359	172,082	(723)
Special Revenue Funds:			
Special programs	1,861,596	1,892,715	(31,119)
General administration	1,235,900	1,236,564	(1,050)
Operating transfers out	47,713	49,776	(2,063)

(15) Contingencies

The School Board participates in a number of state and federally-assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantee agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits, will not be material.

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

Notes to General Purpose Financial Statements

value approximated \$6,722,684,912), leaving an unfunded actuarial present value of defined projected benefits of \$4,458,875,590. The information at June 30, 1995 is the most recent information available.

(c) LEERS

Under the LEERS plan, employees become eligible for annual retirement allowances with 30 years of creditable service regardless of age, at age 35 with 25 years of creditable service or at age 60 with ten years of creditable service. There is no mandatory retirement age. The pension benefit allowance is calculated based upon 2-1/2% of the retiree's average salary of the thirty-six highest consecutive months plus \$24 per year of service.

The pension benefit obligation at June 30, 1995 for the LEERS as a whole, discounted through an actuarial valuation performed as of that date, was \$894,345,876 while net assets available for benefits were \$662,813,541 (valued at cost market value approximated \$1,029,620,104), leaving assets in excess of pension benefits obligations of \$128,487,665. The information at June 30, 1995 is the most recent information available.

(13) Post-retirement Health Care Benefits

The Washington Parish School Board provides certain continuing health care and life insurance benefits for its retired employees as provided by Louisiana Revised Statute (LSA-R.S.) 17:1223. 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 the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (School Board's portion of premiums) as an expenditure when the monthly healthcare benefit premiums are due. In 1996, healthcare benefit premiums totaled \$2,449,193, of which \$877,991 represented the employees' portion with the remaining amount funded by School Board resources. Also included in the total amount is the cost of retiree benefits totaling \$528,606 for 236 retirees.

(14) Excess of Expenditures Over Appropriations

For those funds for which a budget-to-actual comparison was made, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	Expenditures		Unfavorable Variance
	Budget	Actual	
General Fund:			
Adult and continuing education programs	\$ 111,889	119,383	(7,694)
Student services	790,507	793,718	(3,211)

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

The pension benefit obligations of all plans were computed as part of actuarial valuations performed as of June 30, 1993. Significant actuarial assumptions used in the valuations include:

	TBS (Includes Plan E)	LEERS Employees' Plan
Investment return	8.25%	7.5%
Salary growth	4.75% to 9.35%	1981-88 salary scale experience plus .5%
Mortality rates	1983 Group Annuity Mortality Rates	1971 Group Annuity Mortality Rates
Rates of withdrawal	1981-85 termination experience	1981-85 termination experience

The foregoing actuarial assumptions are based upon the presumption that the plans will continue. Were the plans to terminate, different actuarial assumptions and other factors might be applicable in determining the pension benefit obligations.

Significant actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligations. The unfunded pension benefit obligation of the Teachers' Plan is to be amortized over a forty-year period.

Trust Information

More information, including ten-year historical information, is available in the Teachers' Retirement System of Louisiana and Louisiana School Employees' Retirement System separately issued annual reports. Additional information includes discussions on the progress made in accumulating sufficient assets to pay benefits when due and detailed information on the investment portfolio.

(4) **TBS**

Under the TBS, employees become eligible for normal retirement allowances at age sixty with ten years of service, or with twenty years of service regardless of age. Compulsory retirement is the end of the fiscal year in which the member becomes seventy years of age. The pension allowance is calculated based upon a percentage of the retiree's average salary of the thirty-six highest consecutive months plus \$300, times years of creditable service.

The pension benefit obligation at June 30, 1993 for the TBS, as a whole, determined through an actuarial valuation performed as of that date, was \$10,370,308,773 while net assets available for benefits were only \$6,081,673,213 (valued at cost, market

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Bossier Parish, Louisiana

Notes to General Purpose Financial Statements

The total payroll for the 716 full and part-time employees of the School Board for the year ended June 30, 1996, is \$14,428,719. Benefits of the systems are funded by employee and employer contributions. The contribution rates (as a percentage of covered salaries) as of June 30, 1996, are established by state law as follows:

	Employee	Employer
TRS (Regular)	8.0%	18.50%
TRS (Plan B)	5.0%	18.50%
LSEBS	6.25%	9.00%

For LSEBS, the School Board's employee contribution, as provided by state law, is funded by the State of Louisiana. For TRS, that portion of covered payroll that is funded by the Minimum Foundation, is also funded by the state. Benefits granted by the retirement systems are guaranteed by the State of Louisiana under provisions of the Louisiana constitution of 1974. Contributions made by the employer for the two plans for the fiscal year 1995 were as follows:

	TRS		LSEBS	Total
	Regular	Plan B		
Employer contribution	\$ 1,661,979	185,017	85,400	1,932,396
Employer contributions	\$ 599,613	31,047	59,484	1,035,144

(c) General Information:

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of 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 funding status of the pension plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The plans in which the School Board's participants do not make separate measurements of assets and pension benefit obligation for individual employees.

The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the plans.

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklin, Louisiana

Notes to General Purpose Financial Statements

At June 30, 1996, there are no long-term obligations arising from the Self-Insurance Program, and the program has retained earnings of \$908,440. Changes in the Fund's claims liability account in previous years are as follows:

	Beginning Balance	Current-year claims and changes in estimates	Claims payments	Balance at Fiscal Year End
1991-92	\$ 23,803	(1,424)	21,548	830
1992-93	830	82,579	30,198	1,211
1993-94	1,211	25,682	41,973	15,078
1994-95	15,078	125,881	78,234	62,725
1995-96	62,725	123,078	91,648	94,155

(12) Pension Plans

Substantially all employees of the School Board are members of one of two statewide retirement systems. In general, professional employees, such as teachers and principals, 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). Both are a cost-sharing multiple-employer plan. Each system is administered and controlled by a separate Board of Trustees. Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service. The plans also provide for death and disability benefits.

Membership and covered payroll under the two plans at June 30, 1996 are as follows:

	Number of employees	Covered payroll
Louisiana Teachers Retirement System:		
Regular	493	\$ 11,385,142
Plan B	25	620,265
	548	12,006,107
Louisiana School Employees Retirement System	131	1,435,027
Total	679	\$ 13,441,134

(Continued)

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Debt Service Fund

Combining Balance Sheet

June 30, 1996

with comparative totals as of June 30, 1995

	W. Stevens School District	Franklinton From School District	Total 1995	Total 1996
Assets				
Cash and cash equivalents	\$ 27,672	692,142	719,814	664,738
Liabilities and Equity				
Liabilities - matured bonds and interest payable	450	-	450	80,150
Equity - fund balances - reserved for debt service	51,122	692,142	743,264	614,628
Total liabilities and fund equity	\$ 51,672	692,142	743,816	694,778

See accompanying independent auditor's report.