

RICHLAND PARISH SCHOOL BOARD
Bossier, Louisiana

SCHOOL ACTIVITY FUND
AGREED-UPON PROCEDURE REPORT
FOR THE YEAR ENDED JUNE 30, 1996

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RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

SCHOOL ACTIVITY FUND
AGREED-UPON PROCEDURE REPORT
FOR THE YEAR ENDED JUNE 30, 1995

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RICHLAND PARISH SCHOOL BOARD
Bossier, Louisiana

SCHOOL ACTIVITY FUND
AGREEMENT-PROCEDURE REPORT
FOR THE YEAR ENDING JUNE 30, 1998

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

Release Date: March 2, 1997 J



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INDEPENDENT ACCOUNTANTS' REPORT

TO: THE BOARD OF DIRECTORS
RICHLAND-PARISH SCHOOL BOARD
Rayville, Louisiana

We have applied certain agreed-upon procedures, as described in the accompanying Description of Procedures for Selected Records and Transactions, to selected schools in Richland Parish as of and for the year ended June 30, 1996, as set forth in our letter to you dated December 21, 1996. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below other than for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and the accounts to which they pertained are set forth in the accompanying Description of Procedures for Selected Records and Transactions, and our findings relative thereto are set forth in the related accompanying Summary of Findings, Observations and Recommendations, both of which are an integral part of this report. Because our procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to in this report. (Our findings, observations and recommendations relative to internal control structure matters were limited to those which came to our attention in connection with performing the aforementioned agreed-upon procedures, and not from obtaining an understanding of the internal control structure. Accordingly, our procedures would not necessarily disclose all reportable conditions in the internal control structure.)

In connection with the procedures referred to in the accompanying Description of Procedures for Selected Account Balances, all accounts which appeared to require adjustment in order to be in conformity with generally accepted accounting principles were discussed with school personnel and are listed in the Summary of Findings, Observations and Recommendations. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you.

This report relates only to the accounts and items specified in the accompanying Description of Procedures for Selected Records and Transactions and does not extend to any financial statements of Richland Parish School Board, Student Activity Funds taken as a whole.

This report is intended solely for the use of the School Board, and the Legislative Auditor and should not be used for any other purpose.

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

Monroe, Louisiana
October 24, 1996

RAYVILLE HIGH SCHOOL.

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

SCHEDULE B

RAYVILLE HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1996 and performed the following:
 - a. We verified the mathematical accuracy of the reconciliation.
 - b. We agreed the balance per the bank statement to the amount shown on bank reconciliation.
 - c. We compared the reconciled bank balance to the general ledger for the one bank account.

Richland State Bank	\$23,988.51
---------------------	-------------
 - d. We determined the propriety of deposits in transit, if any.

There were no deposits in transit.
 - e. We examined all interfund transfers, if any.

There were no interfund transfers.
 - f. We supported the outstanding checks by comparing to the checks clearing in subsequent month bank statement.
2. We obtained a list of certificates of deposit for the year and:
 - a. There were no certificates of deposit at June 30, 1996.
3. We determined that cash has been sufficiently invested as required by LSA R.S. 38:2855, 38:325.

One bank account was in existence at June 30, a public NCDW account at Richland State Bank.
4. There were no outstanding checks over 90 days old.

RAYVILLE HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

B. REVENUES

1. We selected 15 receipts on a random basis and performed the following procedures:
 - a. We traced to the bank-related deposit slip.
 - b. We determined if the deposits were made on a timely basis.
 - c. We traced the individual receipts within the deposit to the cash receipts journal to determine that the receipts totals total matched the deposit total.
 - d. We traced the individual receipts within the deposit to their related account ledger card, teacher log/receipt, commission inventory or admissions ticket reconciliation, etc.
2. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if follow-up procedures (billing, etc.) were performed if a large number of students were shown as not paying student fees. The school represented to us that student fees are not assessed at Rayville High School.

C. EXPENDITURES

We conducted our test of disbursements upon twenty-five checks selected on a random basis. Each check was tested for three attributes:

1. Documentation canceled to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Charge is supported by proper documentation.
6. Endorsement agrees with payee.
7. Invoice date is correct when compared to date of check.
8. Accounting distribution/classification is consistent and correctly posted.
9. Charge appears to be necessary and reasonable.

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

SCHEDULE I

RAYVILLE HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

- C. EXPENDITURES (Continued)
10. Bills obtained if applicable.
 11. Expenditure is allowable under applicable laws.

The results of these tests are discussed in the accompanying Summary of Findings, Observations and Recommendations.

BOSSIER HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

This section of the report summarizes our findings, observations and recommendations as a result of performing the procedures described in the preceding section, Description of Procedures for Selected Records and Transactions of Bossier High School.

REVENUES

We noted the following exceptions in our test of 15 receipts selected at random.

Attribute D involved tracing receipts back to supporting documents evidencing control of the receipt once received by school personnel. No supporting documents were available for one of the fifteen receipts pulled.

The school is responsible for monies once they are received by school personnel. This means accountability must be initiated when funds are first received by a school employee. At present, funds are not accountable by the school until received by the school bookkeeper. We recommend the school implement controls over receipts as follows:

1. Concession receipts are turned in to the office by coaches performing incompatible functions in that they are responsible for ordering supplies, making sales and reflecting receipts. Adequate controls do not exist in this area. We recommend an inventory of concessions be taken periodically to verify sales. A sample form for this procedure taken from the Legislative Auditor's Handbook for School Activity Funds is attached to this report as Exhibit 1.

MANAGEMENT'S RESPONSE: Your recommendation will be implemented the following school year.

2. Teachers or club sponsors who handle money should maintain a log to record all collections of money from students. The amounts collected should be recorded on the log and given to the principal or secretary for receipt when the money is turned in. The teachers' log book (or a copy) should be turned in to the school office at year-end to provide an audit trail of the receipts.

MANAGEMENT'S RESPONSE: Books or logs will be required at the end of the school year.

RAYVILLE HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

REVENUES (Continued)

- Accountability for amounts received from clubs or classes should be required of the sponsor. A club roster indicating those who have paid and those who have not is generally adequate. The amounts received should be receipted back to the sponsor.

MANAGEMENT'S RESPONSE: A list indicating the status of those who have paid will be required on all monies turned in to the office.

EXPENDITURES

Exceptions by category are recapped as follows:

- None.
- None.
- The following checks were paid without adequate evidence of receipt of goods or services:

Check #	Firm	Description	Amount
20877	Texaco Appliances	Ice	\$48.00

- The check listed in Item 3 above did not have an invoice.
- The check listed in Item 3 above did not have adequate documentation to support the disbursement. Check #20817 to South Central Bell included a post-dated amount. Check #20721 to Wal-Mart did not take into account a refund which had been granted for returned items. An overpayment of \$7.97 occurred.
- None.
- None.
- None.
- None.
- None.

RAYVILLE HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

11. Checks listed in Item 8 above did not have adequate documentation which could question the allowability of the expenditures under applicable laws.

Our recommendations are as follows:

3. Disbursements should only be made from original invoice. Upon payment each invoice should be marked PAID to cancel the invoice and prevent duplicate payments from occurring.

MANAGEMENT'S RESPONSE: Correct documentation and proper invoices will be checked for completeness before paying a bill.

2. We noted several instances listed above where checks were paid without adequate supporting documents. It should be understood by all personnel that disbursements will only be made when adequate documentation exists. Documentation should consist of an original invoice, evidence of receipt of goods and proper approval.

MANAGEMENT'S RESPONSE: Documentation will be mandatory.

MANGHAM JUNIOR HIGH SCHOOL

MANGLIAM JUNIOR HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1996 and performed the following:

- We verified the mathematical accuracy of the reconciliation.
- We agreed the balance per the bank statement to the amount shown on bank reconciliation.
- We compared the reconciled bank balance to the general ledger for one bank account.

Richland State Bank	\$21,040.00
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- We determined the propriety of deposits in transit, if any.
There were no deposits in transit.
 - We examined all interfund transfers, if any.
There were no interfund transfers.
 - There was one outstanding check at June 30, 1996 in the amount of \$28.77. The check was voided subsequent to year-end.
2. We obtained a list of certificates of deposit for the year and:
- We agreed the amounts per CDs with the amounts confirmed by the bank.

Certificates of Deposit:

#13225	\$7,346.74
#13049	6,339.29

- We determined that cash has been sufficiently invested as required by LSA R.S. 39:2093, 39:327.

B. RECEIPTS

- We selected 15 receipts on a random basis and performed the following procedures:
 - We traced to the bank validated deposit slip.
 - We determined if the deposits were made on a timely basis.

MANORHAM JUNIOR HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996**B. REVENUES (Continued)**

- c. We traced the individual receipts within the deposits to the cash receipts journal to determine that the receipts batch total matched the deposit total.
- d. We traced the individual receipts within the deposits to their related account ledger card, teacher log/receipt, commission treasury or admission ticket reconciliation, etc.
3. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if follow-up procedures (billing, etc.) were performed if a large number of students were shown as not paying student fees.

C. EXPENDITURES

We conducted our test of disbursements upon 25 checks selected on a random basis. Each check was noted for these attributes:

1. Documentation provided to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Charge is supported by proper documentation.
6. Endorsement agrees with payee.
7. Invoice date is current when compared to date of check.
8. Accounting distribution/classification is consistent and correctly posted.
9. Charge appears to be necessary and reasonable.
10. Bills obtained if applicable.
11. Expenditure is allowable under applicable laws.

The results of these tests are discussed in the accompanying Summary of Findings, Observations and Recommendations.

MANCHEAM JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

This section of the report summarizes our findings, observations and recommendations as a result of performing the procedures described in the preceding section, description of procedures for records and transactions of Manchem Junior High School.

REVENUES

We noted the following exceptions in our test of 15 receipts selected at random.

Attribute D involved tracing receipts back to supporting documents evidencing control of the receipt once received by school personnel. Since the school has not adopted controls requiring documentation concerning receipts, no supporting documents were available for any of the fifteen receipts pulled.

The school is responsible for monies once they are received by school personnel. This means accountability must be initiated when funds are first received by a school employee. At present, funds are not accountable by the school until received by the school bookkeeper. We recommend the school implement controls over receipts as follows:

1. Teachers or club sponsors who handle money should maintain a log to record all collections of monies from students. The amounts collected should be recorded on the log and given to the principal or secretary for receipts when the money is turned in. The teachers' log book (or a copy) should be turned in to the school office at year-end to provide an audit trail of the receipts.

MANAGEMENT'S RESPONSE: We did not keep a log last year, but we are keeping a log for this year.

EXPENDITURES

Exceptions by attribute are recapped as follows:

1. The following checks were marked as PAID on the vendor's statement, the original supporting invoices were not attached to prevent duplicate payment.

Check #	Payee
1644	White Rose Rental Laundry
1657	Bluff Amoco
1847	Dorchie Coca-Cola Bottling Co
1897	Rayville Glass & Mirror Co.
1961	Wells Cigarette Service
1980	Silicon Cash & Carry, Inc.
2071	Silicon Cash & Carry, Inc.
4001	Wal-Mart
4018	Winn-Dixie Sports Center

MANCHEAM JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS, AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

Check #1762 to Century Telephone was marked PAID on the invoice's envelope.
Check #4014 to Kall's Cakes was marked PAID on a calculator tape attached to the vendor's receipt.
Check #9943 to Randy Acordale was not marked PAID to prevent duplicate payment.

2. None.

3. The following checks had no proof of receipt:

Check #	From
1717	Everide Antiques
1884	Kaylins
2661	Wells Cigarette Service
3082	Mandy Candy Co.

4. None.

5. None.

6. None.

7. None.

8. None.

9. None.

10. None.

11. None.

MANORAM JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

Our recommendations are as follows:

1. We noted several instances listed above where invoices were not cancelled properly to prevent duplicate payment of the same invoice. All invoices should be marked paid on the face of the original vendor's invoice including date, check number and amount paid to prevent duplicate payment.

MANAGEMENT'S RESPONSE: All invoices were stapled together with "Paid" marked on them in one place. They were placed in a folder to keep them from being lost. Since our meeting we have started stamping "Paid" in red on each invoice.

DELHI PRIMARY SCHOOL

RICHLAND PARISH SCHOOL BOARD
Bossier, Louisiana

SCHEDULE B

DELPHI PRIMARY SCHOOL,

DESCRIPTION OF PROCEDURES
FOR SELECTED RECEIPTS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1996 and performed the following:
 - a. We verified the mathematical accuracy of the reconciliation.
 - b. We agreed the balance per the bank statement to the amount shown on bank reconciliation.
 - c. We compared the reconciled bank balances to the general ledger for the operating bank account and a savings account.

Operating Bank	\$50,248.81
Savings	<u>4,032.48</u>
	<u>\$54,281.29</u>
 - d. We determined the propriety of deposits in transit, if any.

There were no deposits in transit.
 - e. We examined all interfund transfers, if any.

There were no interfund transfers.
 - f. There were no outstanding checks listed on the June 30, 1996 bank statements.
2. There were no certificates of deposit at June 30, 1996.
 - a. We tested the reasonableness of interest received.
3. We determined that cash has been sufficiently invested as required by LSA R.S. 40:2053, 20:327, cash was invested in a public NOW account.
4. There were no outstanding checks.

DELHI PRIMARY SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

B. REVENUES

1. We selected 15 receipts on a random basis and performed the following procedures:
 - a. We traced to the bank validated deposit slip.
 - b. We determined if the deposits were made on a timely basis.
 - c. We traced the individual receipts within the deposit to the cash receipts journal to determine that the receipts batch total matched the deposit total.
 - d. We traced the individual receipts within the deposit to their related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation, etc.
2. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if follow-up procedures (calling, etc.) were performed if a large number of students were shown as not paying student fees.

The school represented to us that no classroom fees are charged, therefore Step 2 was not performed.

C. EXPENDITURES

We conducted our test of disbursements upon twenty-five checks selected on a random basis. Each check was tested for these attributes:

1. Documentation cancelled to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Charge is supported by proper documentation.
6. Endorsment agrees with payee.
7. Invoice date is current when compared to date of check.
8. Accounting distribution/classification is consistent and correctly posted.

DELHI PRIMARY SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1998

C. EXPENDITURES (Continued)

- 9. Charge appears to be necessary and reasonable.
- 10. Bids obtained if applicable.
- 11. Expenditure is allowable under applicable laws.

The results of these tests are discussed in the accompanying Summary of Findings, Observations and Recommendations.

DELIH PRIMARY SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

4. Check #6221 was for the amount due per statement, it did not match the individual invoices.
5. None.
6. None.
7. We mailed one invoice which was dated 6-5-95 and not paid until 12-11-95, check # 6135 to Mission Curriculum for \$581.89.
8. None.
9. None.
10. None.
11. None.

Our recommendations are as follows:

1. Disbursements should only be made from original invoice. Upon payment each invoice should be marked PAID to cancel the invoice and prevent duplicate payments from occurring.

MANAGEMENT'S RESPONSE: This will be taken care of by getting a "PAID" stamp and paying from an original invoice.

DELHI JUNIOR HIGH SCHOOL.

BELHI JUNIOR HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1996 and performed the following:

- a. We verified the mathematical accuracy of the reconciliation.
- b. We agreed the balance per the bank statement to the amount shown on bank reconciliation.
- c. We compared the reconciled bank balances to the general ledger for the following bank account:

Capital Bank	\$31,113.59
--------------	-------------

- d. We determined the propriety of deposits in transit, if any.

There were no deposits in transit.

- e. We examined all interfund transfers, if any.

There were no interfund transfers.

- f. We supported the outstanding checks by comparing to the checks clearing in subsequent month's bank statements.

2. We obtained a list of certificates of deposit for the year and:

- a. We attempted to agree the amounts per CDs with the amounts confirmed by the bank.

Certificates of Deposit

	By Banks
Capital Bank	\$ 1,938.48
Capital Bank	3,436.09
Guaranty Bank	58,988.18

The amount of the difference confirmed appears to be interest added to the CDs upon accrual and not recorded.

- b. We tested the reasonableness of interest income.
3. We determined that cash has been sufficiently invested as required by LSA R.S. 39:2855, 39:527.

DELHI JUNIOR HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

B. REVENUES

1. We selected 19 receipts on a random basis and performed the following procedures:
 - a. We traced to the bank validated deposit slip.
 - b. We determined if the deposits were made on a timely basis.
 - c. We traced the individual receipts within the deposit to the cash receipts journal to determine that the receipts batch total matched the deposit total.
 - d. We traced the individual receipts within the deposit to their related account ledger card, teacher log/slip, concessions inventory, or admission ticket reconciliation, etc.
2. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if follow-up procedures (calling, etc.) were performed if a large number of students were shown as not paying student fees.

C. EXPENDITURES

We conducted our test of disbursements upon twenty-five checks selected on a random basis. Each check was tested for these attributes:

1. Documentation cancelled to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Check is supported by proper documentation.
6. This attribute cannot be tested since the bank does not provide the original cancelled checks. The copies provided by the bank do not have the back of the check copied.
7. Invoice date is current when compared to date of check.
8. Accounting distribution/justification is consistent and correctly posted.
9. Check appears to be necessary and reasonable.

DELHI JUNIOR HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1976

C. EXPENDITURES (Continued):

18. Bills obtained if applicable.
19. Expenditure is allowable under applicable law.

The results of these tests are discussed in Schedule 8, Summary of Findings, Observations and Recommendations.

DELLA JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

This section of the report summarizes our findings, observations and recommendations as a result of performing the procedures described in the preceding section, description of procedures for records and transactions of Della Junior High School.

CASH AND CASH EQUIVALENTS

Certificates of deposit did not agree to the books due to interest added to the CD upon renewal. We recommend the School post interest to the accounts upon renewal of the CD.

MANAGEMENT'S RESPONSE: The certificates are being reconciled to simplify this process.

REVENUES

We noted the following exceptions in our test of 15 receipts selected at random.

Attribute D involved tracing receipts back to supporting documents evidencing control of the receipts were received by school personnel. The school has recently adopted controls requiring documentation evidencing receipts, however, no supporting documents were available for two of the fifteen receipts pulled. An additional two receipts had documentation that was inadequate to verify the amounts of the receipts.

The school is responsible for monies once they are received by school personnel. This means accountability must be initiated when funds are first received by a school employee. We recommend the school implement controls over receipts as follows:

1. Pre-numbered tickets should be used for all significant admission events such as football games. A reconciliation should be made of tickets issued, sold and the proceeds collected. An example of a ticket reconciliation form taken from the Legislative Auditor's handbook on student activity payments is attached. Games with small attendance, such as baseball, should have dual control over receipts, as two persons should sign off on the gate receipts.

MANAGEMENT'S RESPONSE: Effective school year 1996-1997 we began using tickets (numbered) for all athletic events.

2. Teachers who handle money should maintain a log to record all collections of monies from students. The amounts collected should be recorded on the log and given to the principal or secretary for receipt when the money is turned in. The teachers' log book (or a copy) should be turned in to the school office at year-end and should provide an adequate audit trail of the receipts.

MANAGEMENT'S RESPONSE: Due to this being the first time record keeping, some teachers did not turn their log book in to the office at the end of the school year.

RICHLAND PARISH SCHOOL BOARD
Bossier, Louisiana

SCHEDULE B

DELTA JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES

Exemptions by statute are recapped as follows:

1. None.
2. None.
3. The following check had no evidence of receipt of goods or services, i.e., no proper invoice was provided:

Check #	Entity	Amount	Description
8581	American Heart Association	457.08	Jump Rope For Heart

4. The check listed in Item 3 had no evidence of receipt of goods or services to support check amount.
5. The check listed in Item 3 had no invoice to support check amount.
6. N/A.
7. Check #8738 to Gulf States Marketing was over 90 days old.
8. None.
9. We were unable to determine if the item listed in Item 3 was necessary and reasonable due to insufficient documentation.
10. None.
11. We were unable to determine if the item listed in Item 3 was allowable due to insufficient documentation.

DELRIS JUNIOR HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

Our recommendations are as follows:

1. We noted one instance listed above where a check was paid without adequate supporting documents. It should be understood by all personnel that disbursements will only be made when adequate documentation exists. Documentation should consist of an original invoice, evidence of receipt of goods and proper approval.

MANAGEMENT'S RESPONSE:

Check #8981 - Teacher contacted a Jump Rope For Heart fund raising. Money was raised in and received by office. No invoice was presented to the office. The teacher wrote a note requesting the amount of the check to be written.

Check #8738 to Gulf States Marketing (30 days old) - This bill was received in the office during the 1995-1996 school year. However, the teacher was on sabbatical leave at the time. The invoice was mailed to her to sign, verifying that she did receive the articles. She signed it and returned it to the office. The bill was then paid.

DELHI HIGH SCHOOL

DELRÉ HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1995

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1995 and performed the following:
 - a. We verified the mathematical accuracy of the reconciliation.
 - b. We agreed the balance per the bank statement to the amount shown on bank reconciliation.
 - c. We compared the reconciled book balance to the general ledger for the following bank accounts:

Capital Bank	\$14,434.92
Savings Account	1,241.54
 - d. We determined the propriety of deposits in transit, if any.
There were no deposits in transit.
 - e. We examined all interfund transfers, if any.
There were no interfund transfers.
 - f. We supported the outstanding checks by comparing to the checks clearing in subsequent month bank statements.
2. We obtained a list of certificates of deposit for the year end:
 - a. We agreed the amounts per CDs with the amounts confirmed by the bank.
Certificate of Deposit, Capital Bank - \$2,181.25
Certificate of Deposit, Capital Bank - \$3,711.85
 - b. We tested the reasonableness of interest income.
3. We determined that cash has been sufficiently invested as required by LSA R.S. 19:2855, 19:217.
4. We investigated any old outstanding checks.

DELHI HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECEIPTS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

B. RECEIPTS

1. We selected 15 receipts on a random basis and performed the following procedures:
 - a. We traced to the bank cashed deposit slip.
 - b. We determined if the deposits were made on a timely basis.
 - c. We traced the individual receipts within the deposit to the cash receipts journal to determine that the receipts batch total matched the deposit total.
 - d. We traced the individual receipts within the deposit to their related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation, etc.
2. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if billow-up procedures (billing, etc.) were performed if a large number of students were shown as not paying student fees.

C. EXPENDITURES

We conducted our test of disbursements upon twenty-five checks selected on a random basis. Each check was tested for these attributes:

1. Documentation attached to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Check is supported by proper documentation.
6. Enforcement agrees with payee. This attribute cannot be tested since the bank does not provide the original uncashed checks. The copies provided by the bank do not have the back of the check copied.
7. Invoice date is current when compared to date of check.
8. Accounting distribution/classification is consistent and correctly posted.
9. Charge appears to be necessary and reasonable.

DELHI HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

C. EXPENDITURES (Continued)

- 10. Bids obtained if applicable.
- 11. Expenditure is allowable under applicable laws.

The results of these tests are discussed in Schedule 10, Summary of Findings, Observations, and Recommendations.

DELLI HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

This section of the report summarizes our findings, observations and recommendations as a result of performing the procedures described in the preceding section, description of procedures for records and transactions of Delli High School.

CASH AND CASH EQUIVALENTS

1. Interest was not posted to accounting records from savings at year-end.

MANAGEMENT'S RESPONSE: Interest is now posted as usual quarterly, semi-annually or annually as indicated on bank slips informing dates and amounts. Correspondence will be attached to the month annual.

2. A bank account was identified during the confirmation process which was not in the school's books. The account is for Future Homemakers of America. A separate bank account for this club appears to violate state statute which requires a single bank account. In addition, controls are not in place as the funds are not accounted for by the school.

MANAGEMENT'S RESPONSE: Mrs. Luffin, Home Economics Teacher, has been contacted. Account was to bank funded by annual bank sales.

REVENUES

We noted the following exceptions in our test of 15 receipts selected at random.

Attachment D involved tracing receipts back to supporting documents evidencing control of the receipt once received by school personnel. Since the school has not adopted controls requiring documentation evidencing receipts, no supporting documents were available for eleven of the fifteen receipts pulled.

The school is responsible for monies once they are received by school personnel. This means accountability must be initiated when funds are first received by a school employee. At present, funds are not accountably by the school until received by the school bookkeeper. We recommend the school implement controls over receipts as follows:

1. Commission receipts should be counted and receipted under dual control. Two persons should sign a form acknowledging the amount collected and turned over to the school bookkeeper.

MANAGEMENT'S RESPONSE: We will attempt to comply with suggestion. We will count after bags are obtained. Money will be counted by two persons and signed.

DELHI HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

REVENUES (Continued)

- Pre-numbered tickets were used for all significant admission events such as football games. However, a reconciliation was not prepared. A reconciliation should be made of tickets issued, sold and the proceeds collected. An example of a ticket reconciliation form taken from the Legislative Auditor's handbook on student activity accounts is attached. Games with small attendance, such as baseball, should have dual control over receipts, or two persons should sign-off on the gate receipts.

MANAGEMENT'S RESPONSE: Reconciliation forms will be helpful and used. Football games will comply with numbered tickets.

- Teachers who handle money should maintain a log to record all collections of monies from students. The amounts collected should be recorded on the log and given to the principal or secretary for receipt when the money is turned in. The teacher's log book (or a copy) should be turned in to the school office at year-end to provide an audit trail of the receipts.

MANAGEMENT'S RESPONSE: Student receipt records are being used as furnished by the School Board. A copy is kept by teacher and secretary.

- Accountability for amounts received from clubs or classes should be required of the sponsor. A club roster indicating those who have paid and those who have not paid is generally adequate. The amounts received should be receipted back to the sponsor.

MANAGEMENT'S RESPONSE: We will follow this as written.

- We noted three of the fifteen deposits tested were deposited with more than a three-day lag between date of receipt and date of deposit. Daily deposits serve as an important control device to prevent loss of funds. We recommend the school make daily deposits, or deposits as often as practical.

Receipt Number	Receipt Amount	Date Received	Date Deposited	# Of Days Time Lag
448425	\$112.80	10/11/95	11/06/95	6
448455	183.80	02/09/96	02/16/96	7
448475	57.80	02/15/96	03/13/96	8

MANAGEMENT'S RESPONSE: Deposits made as soon as possible. Bank early cutoff sometimes causes different date. This is complied with as possible.

DELHI HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES

Exceptions by audit are excepted as follows:

1. Checks #20292, #20456, #20457 and #20527 were not canceled to prevent duplicate payment. Check #20297 was the second of two payments made on the related invoice. The amount paid on the first check had been entered on the face of the invoice, but check #20297 had not been canceled.
2. Note: However, the school's bank does not return the original canceled checks. Only copies are provided for inspection.
3. The following checks had no evidence of receipt of goods or services nor were invoices provided:

Check #	Payee	Amount	Description
20297	Tim Tate	\$ 27.00	Football official
20429	Bill Perkins	55.00	Football official
20435	Cash	140.00	Change for football game
20544	Cash	150.00	Change for basketball game

The following check had an invoice but did not have proof of receipt of goods or services:

Check #	Payee	Amount	Description
20625	Country Paper, Inc.	\$1,689.50	Athletic equipment

Four of the 23 checks reviewed had inadequate documentation to support the expenditure.

4. Checks #20507, #20428, #20435 and #20544 listed in Item 3 above had no invoices to support check amounts.
5. Checks #20507, #20428, #20435 and #20544 listed in Item 3 above had inadequate documentation to support the expenditure.
6. N/A.
7. None.
8. None.

DELHI HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

- 9. None.
- 10. None.
- 11. We were unable to determine if expenditures were allowable in the items listed in Item 7 above due to insufficient documentation.

Our recommendations are as follows:

- 1. We noted several instances listed above where checks were paid without adequate supporting documents. It should be understood by all personnel that disbursements will only be made when adequate documentation exists. Documentation should consist of an original invoice, evidence of receipt of goods and proper approval.

MANAGEMENT'S RESPONSE: This item noted. All personnel have been informed.

MANGLIAM HIGH SCHOOL

MANORAM HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS

1. We obtained bank reconciliations for all bank accounts as of June 30, 1996 and performed the following:
 - a. We verified the mathematical accuracy of the reconciliation.
 - b. We agreed the balance per the bank statement to the amount shown on bank reconciliation.
 - c. We compared the reconciled bank balance to the general ledger for two bank accounts, General Fund - Richland State Bank - \$985.94 and Athletic Fund - Richland State Bank - \$61.09.
 - d. We determined the propriety of deposits in transit, if any.

There were no deposits in transit.
 - e. We examined all interfund transfers, if any.

There were no interfund transfers.
 - f. We supported the outstanding checks by comparing to the checks clearing in subsequent month bank statement.
2. We obtained a list of certificates of deposit for the year end:
 - a. We attempted to agree the amounts per CDs with the amounts confirmed by the bank.

<u>Certificate of Deposits</u>	<u>Per Bank</u>
Richland State Bank	\$15,636.90
 - b. We tested the reasonableness of interest income.
3. We determined that cash has been sufficiently invested as required by LSA R.S. 38:2615, 38:217, cash was invested in a Certificate of Deposits and two public PNYW accounts.

MANCHEAN HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. CASH AND CASH EQUIVALENTS (Continued)

4. We investigated any old outstanding checks.

Checks not clearing in the July bank statements are as follows:

	Check #	Amount
Alumni Fund	1877	\$ 41.00
General Fund	1760	17.85
	1785	2,140.00

B. RECEIPTS

1. We selected 17 receipts on a random basis and performed the following procedures:

- We traced to the bank validated deposit slip.
- We determined if the deposits were made on a timely basis.
- We traced the individual receipts within the deposit to the cash receipts journal to determine that the receipts batch total matched the deposit total.
- We traced the individual receipts within the deposit to their related account ledger card, teacher logsheet, concessions inventory or admission ticket reconciliation, etc.

2. We inquired if the school secretary or principal compared the dollar amount of student fees to the number of students in the class and if follow-up procedures (billing, etc.) were performed if a large number of students were shown as not paying student fees.

The school represented to us that no classroom fees are charged, therefore step 2 was not performed.

MANGLHAM HIGH SCHOOL

DESCRIPTION OF PROCEDURES
FOR SELECTED RECORDS AND TRANSACTIONS
FOR THE YEAR ENDED JUNE 30, 1996

A. EXPENDITURES

We conducted our test of disbursements upon twenty-five checks selected on a random basis. Each check was tested for these attributes:

1. Documentation compiled to prevent duplicate payment.
2. Check signed by authorized personnel.
3. Evidence of receipt of goods or services.
4. Invoice amount agrees with check amount.
5. Charge is supported by proper documentation.
6. Endorsement agrees with payee.
7. Invoice date is correct when compared to date of check.
8. Accounting distribution/justification is consistent and correctly posted.
9. Charge appears to be necessary and reasonable.
10. Vets obtained if applicable.
11. Expenditure is allowable under applicable laws.

The results of these tests are discussed in Schedule 12, Summary of Findings, Observations and Recommendations.

MANORAM HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

This section of the report summarizes our findings, observations and recommendations as a result of performing the procedures described in the preceding section, description of procedures for records and transactions of Manoram High School.

CASH AND CASH EQUIVALENTS

1. Check #11985 for \$2,140.00 was listed as outstanding on June 30, 1996. A stop-payment was issued subsequent to payment.
2. Certificate of deposit did not agree to the books due to interest added to the CD upon renewal. We recommended the school post interest to the account upon renewal of the CD.

MANAGEMENT'S RESPONSE:

We will post interest to the account upon renewal.

REVENUES

We noted the following exceptions in our test of 15 receipts selected at random.

Activity D involved tracing receipts back to supporting documents evidencing control of the receipts once received by school personnel. Since the school has not adopted controls requiring documentation evidencing receipts, no supporting documents were available for any of the fifteen receipts pulled.

The school is responsible for receipts once they are received by school personnel. This means accountability must be retained when funds are first received by a school employee. At present, funds are not accountable by the school until received by the school bookkeeper. We recommend the school implement controls over receipts as follows:

1. Commission receipts should be created and receipted under dual control. Two persons should sign a form acknowledging the amount collected and turned over to the school bookkeeper.

MANAGEMENT'S RESPONSE:

Two persons will sign a form acknowledging the amount collected and turned over to the bookkeeper.

2. Pre-numbered tickets should be used for all significant admission events such as football games. A reconciliation should be made of tickets issued, sold and the proceeds collected. An example of a ticket reconciliation form taken from the Legislative Auditor's handbook on student activity accounts is attached. Games with small attendance, such as baseball, should have dual control over receipts, as two persons should sign off on the game receipts.

MANCHESTER HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

REVENUES (Continued)

MANAGEMENT'S RESPONSE:

Pre-numbered tickets are used for large events. Dual control over receipts as two persons sign off gate receipts for small events.

3. Teachers who handle money should maintain a log to record all collections of monies from students. The amounts collected should be recorded on the log and given to the principal or secretary for receipt when the money is turned in. The teachers' log book (or a copy) should be turned in to the school office at year-end to provide an audit trail of the receipts.

MANAGEMENT'S RESPONSE:

A log is being maintained to record all collections of monies from students. The amounts collected is given to the secretary for receipt. A copy of the log book is turned in to the office.

4. Accountability for amounts received from clubs or classes should be required of the sponsor. A club roster indicating those who have paid and those who have not paid is generally adequate. The amounts received should be receipted back to the sponsor.

MANAGEMENT'S RESPONSE:

Club sponsors will turn in a roster indicating those who have paid and those who have not paid. The amount received will be receipted back to the sponsor.

MANGHAM HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES

Exceptions by attributes are recapped as follows:

1. None.
2. The following checks had only one signature:

Check #	Payee
11762	Susan Terry
11822	Susan Terry
3887	Gary Gilley
4354	Richland State Bank
4358	Richland State Bank
4371	Ronnie Garvin
4374	James Gilmer
4700	Four States Coaches' Clinic

3. None.
4. None.
5. The following checks were not supported by proper documentation:

Check #	Payee	Amount
3987	Gary Gilley	\$35.00

6. None.
7. Check #11586 to Michaels was over 90 days old.
8. None.
9. None.
10. None.
11. None.



MANCHESTER HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES

Exceptions by audit firm are recapped as follows:

1. None.
2. The following checks had only one signature:

<u>Check #</u>	<u>Payee</u>
11152	Susan Tyco
11825	Susan Tyco
3987	Gary Gilley
4164	Richland State Bank
4168	Richland State Bank
4171	Homey Groves
4174	James Olivrot
4208	Four States Cowboy' Clinic

3. None.
4. None.
5. The following checks were not supported by proper documentation:

<u>Check #</u>	<u>Payee</u>	<u>Amount</u>
3987	Gary Gilley	\$15.00

6. None.
7. Check #11996 to Michaels was over 90 days old.
8. None.
9. None.
10. None.
11. None.

MANHATTAN HIGH SCHOOL

SUMMARY OF FINDINGS, OBSERVATIONS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

EXPENDITURES (Continued)

Our recommendations are as follows:

1. We noted one instance listed above where checks were paid without adequate supporting documents. It should be understood by all personnel that disbursements will only be made when adequate documentation exists. Documentation should consist of an original invoice, evidence of receipt of goods and proper approval.

MANAGEMENT'S RESPONSE:

No disbursements will be made unless adequate documentation exists. This includes the original invoice, evidence of receipt of goods and proper approval.

2. State law requires that no money be disbursed from school fund accounts without two signatures. This policy needs to be followed without exception.

MANAGEMENT'S RESPONSE:

Two signatures will be used without any exceptions.

3. Individual schools are not allowed to borrow money for any reason or purpose. The payment of invoices greater than 90 days old, as indicated above, could be construed as borrowing of funds. In addition, the Legislative Auditor's handbook for school activity funds states that obligations exceeding beyond 90 days should be submitted to the school board for approval.

MANAGEMENT'S RESPONSE:

Charge made by student for teacher without approval.

RICHLAND PARISH SCHOOL BOARD
BAYLISSE, LOUISIANA

EXHIBIT 1

TICKET RECONCILIATION

TICKET RECONCILIEMENT	
SCHOOL _____	DATE OF EVENT _____
EVENT _____	VENUE _____
CASH RECEIVED (CHANGE FUND) _____	\$ _____
TICKET DATA	
ADULT	CHILD
RECEIPT NO. _____	RECEIPT NO. _____
TICKETS SOLD _____	PRICE PER TICKET _____
STUDENT	ADULT
RECEIPT NO. _____	RECEIPT NO. _____
TICKETS SOLD _____	PRICE PER TICKET _____
TOTAL CASH TO BE COLLECTED _____	\$ _____
CASH COLLECTED _____	\$ _____
EXPENSE \$ _____	
STORAGE \$ _____	
CASH USED FOR EXPENSES AS STORIED ON REVERSE SIDE \$ _____	
SIGNATURE OF TICKET SELLER _____	
_____	_____
SIGNATURE OF PERSON RESPONSIBLE _____	SIGNATURE OF PRINCIPAL _____
_____	_____