

0637

**OFFICIAL  
FILE COPY**  
**DO NOT REMOVE**  
Official documents  
cannot leave this  
office and must  
remain in this

**JACKSON PARISH SCHOOL BOARD  
JONESBORO, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or authorized entity and given 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.

Revised Date 3-26-97

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**KENNETH D. FOLDEN & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

300 HIGHWAY STREET, JONESBORO, LA 70241  
(504) 285-7444  
FAX (504) 285-7448

JACKSON PARISH SCHOOL BOARD  
Monroe, Louisiana

General Purpose Financial Statements  
As of and for the Year Ended June 30, 1996  
With Supplemental Information Schedules

C O N T E N T S

	Statement	Page
Independent Auditors' Report		i
General Purpose Financial Statements		
Combined Balance Sheet, June 30, 1996 - All Fund Types and Account Groups	A	2-3
For the Year Ended June 30, 1996:		
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund	B	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General and Special Revenue Funds	C	5-8
Notes to the Financial Statements		7-17
Supplemental Information Schedules:	Schedule:	
Special Revenue Funds:		
Combining Balance Sheet, June 30, 1996	1	19-20
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances: For the Year Ended June 30, 1996	2	21-22
Debt Service Funds:		
Combining Balance Sheet, June 30, 1996	3	24
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances: For the Year Ended June 30, 1996	4	25
Capital Projects Funds:		
Combining Balance Sheet, June 30, 1996	5	27
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances: For the Year Ended June 30, 1996	6	28

JACKSON PARISH SCHOOL BOARD  
Jamboree, Louisiana

General Purpose Financial Statements  
As Of And For the Year Ended June 30, 1996  
With Supplemental Information Schedules

CONTENTS (Continued)

	Schedule	Page
<b>Agency and Trust Funds:</b>		
Combining Balance Sheet, June 30, 1996	7	38
<b>Schedule of Changes in Deposits Due Others:</b>		
School Activity Agency Fund - For the Year Ended June 30, 1996	8	38
Retirees' Health Insurance Agency Fund For the Year Ended June 30, 1996	9	32
Schedule of Compensation Paid Board Members	10	33
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>		34-35
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS, BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>		36
<b>INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE</b>		37
Schedule of Federal Financial Assistance	11	38
<b>INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS</b>		39-40
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS</b>		41
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS</b>		42
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FINANCIAL ASSISTANCE PROGRAMS</b>		43

# Kenneth D. Falden & Co.

Certified Public Accountants

Kenneth D. Falden, CPA

Ted W. Sandelin, CPA

Members  
Society of Louisiana  
Certified Public Accountants

302 Eighth Street  
Jamboree, LA 71341  
(504) 358-7000  
FAX (504) 358-7005

Members  
American Institute of  
Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

To the Members of the  
Jackson Parish School Board  
Jamboree, Louisiana

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

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were unable to audit financial statements supporting the financial activities of the General Fixed Asset Account Group because the beginning balances of the General Fixed Asset Account Group have not been subjected to auditing procedures. These financial activities are included in the General Fixed Asset Account Group and represent 100 percent of the assets, respectively, of that fund type.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to audit the financial statements of the General Fixed Asset Account Group, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Jackson Parish School Board, Jamboree, Louisiana, as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The 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 Jackson Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in our opinion, based upon our audit, the information is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Kenneth D. Falden & Co., CPAs  
Jamboree, Louisiana

December 18, 1996

**JACKSON PARISH SCHOOL BOARD**  
*Jonesboro, Louisiana*  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**June 30, 1998**

**GOVERNMENTAL FUND TYPE**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 1,634,377	\$ 483,024	\$ 887,176	\$ 11,977
Accounts receivable	644,863	211,741		
Interfund receivable	253,988			
Inventory		21,669		
Prepaid expenses	58			
<b>General fixed assets</b>				
Land				
Buildings				
Furniture and equipment				
Other general fixed assets				
<b>Other debts</b>				
amt. available in debt service				
amt. to be provided for retirement of general long term debt				
<b>Total assets</b>	<u>\$ 2,581,648</u>	<u>\$ 696,234</u>	<u>\$ 887,176</u>	<u>\$ 11,977</u>
<b>Liabilities and Fund Equity</b>				
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,648,889	\$ 178,481	\$	\$
Interfund payable		253,988		
Deferred revenues		15,629		
<b>Other liabilities</b>				
Deposits due others				
<b>Long-term liabilities</b>				
<b>Total liabilities</b>	<u>1,648,889</u>	<u>348,231</u>	<u>NONE</u>	<u>NONE</u>
<b>Fund equity</b>				
Investment in general fixed assets				
<b>Fund balances</b>				
Reserved for scholarships			887,176	
Reserved for debt service	75,880			
Unreserved - undesignated	875,679	142,883		11,977
<b>Total fund equity</b>	<u>951,559</u>	<u>142,883</u>	<u>887,176</u>	<u>11,977</u>
<b>Total liabilities and fund equity</b>	<u>\$ 2,581,648</u>	<u>\$ 696,234</u>	<u>\$ 887,176</u>	<u>\$ 11,977</u>

**FUNDARY  
FUND TYPE**
**ACCOUNT GROUPS**
**Trust &  
Agency Funds**
**General  
Fund Assets**
**General  
Long-Term Debt**
**Totals  
(Memberwise Only)**

\$ 481,400

\$

\$

\$ 3,257,768

783,692

293,608

22,468

58

145,808

145,808

8,733,828

8,733,828

3,540,538

3,540,538

882,858

882,858

685,178

685,178

3,664,761

3,664,761

\$ 481,400

\$ 13,314,909

\$ 4,471,931

\$ 12,315,729

\$

\$

\$

\$ 1,838,871

283,808

13,868

288,265

288,265

4,471,931

4,471,931

288,265

NONE

4,471,931

4,885,436

13,314,909

13,314,909

131,985

132,995

882,858

1,648,738

131,985

13,314,909

NONE

15,299,293

\$ 481,400

\$ 13,314,909

\$ 4,471,931

\$ 12,315,729

The accompanying notes are an integral part of these statements.

**JACKSON PARISH SCHOOL BOARD**  
 Jayden, Louisiana

Statement #

**Combined Statement of Revenues, Expenditures, and  
 Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund  
 For the Year Ended June 30, 1996**

	GOVERNMENTAL FUND TYPE				FINANCIAL FUND TYPE	Totals (Miscellaneous Only)
	General Fund	Age of Revenue Funds	Debt Service Funds	Capital Projects Funds	Expendable Trust Fund	
<b>Revenues</b>						
Revenue from local sources						
Taxes - ad valorem	\$ 1,000,000	\$	\$ 400,000	\$	\$	\$ 1,400,000
Taxes - sales tax	2,700,000					2,700,000
Tuition	10,000					10,000
Interest on investments	70,000			500	4,000	74,500
Fund service income	50,000	100,000				150,000
Grant & capital	7,000					7,000
Miscellaneous	10,000				1,000	11,000
Revenue from other sources						
Unencumbered grants-in-aid	7,000,000	200,000				7,200,000
Reclassified grants-in-aid	200,000					200,000
Revenue from federal sources						
Unencumbered grants-in-aid	20,000					20,000
Reclassified grants-in-aid	70,000	1,400,000				1,470,000
<b>Total Revenues</b>	<b>11,770,000</b>	<b>1,600,000</b>	<b>400,000</b>	<b>500</b>	<b>10,000</b>	<b>14,770,500</b>
<b>Expenditures</b>						
Instruction	7,400,000	700,000				8,100,000
Support services	4,800,000		50,000		5,000	4,855,000
Fund service programs			100,000			100,000
Operation of non-federal financial services	140,000					140,000
Facilities acquisition & cost	300,000	0,000				300,000
Debt service	1,000,000		500,000			1,500,000
<b>Total Expenditures</b>	<b>14,140,000</b>	<b>1,600,000</b>	<b>600,000</b>	<b>500,000</b>	<b>5,000</b>	<b>16,340,500</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>						
	<b>260,000</b>	<b>0,000</b>	<b>20,000</b>	<b>500</b>	<b>7,000</b>	<b>287,500</b>
<b>Other financing sources (uses)</b>						
Reclassified equity transfer to Reclassified equity transfer out	500			(500)		500
Proceeds from certificate of indebtedness	1,200,000					1,200,000
Sale of general fund assets	20,000					20,000
<b>Total Other Financing Sources (Uses)</b>	<b>1,220,500</b>	<b>0,000</b>	<b>0,000</b>	<b>(500)</b>	<b>0,000</b>	<b>1,240,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>						
	<b>480,500</b>	<b>0,000</b>	<b>20,000</b>	<b>500</b>	<b>7,000</b>	<b>508,000</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>						
	<b>600,000</b>	<b>100,000</b>	<b>700,000</b>	<b>10,000</b>	<b>100,000</b>	<b>1,480,000</b>
<b>FUND BALANCES AT END OF YEAR</b>						
	<b>\$ 1,080,500</b>	<b>\$ 100,000</b>	<b>\$ 720,000</b>	<b>\$ 10,500</b>	<b>\$ 107,000</b>	<b>\$ 1,948,000</b>

The accompanying notes to financial statements are an integral part of these statements.

**JACKSON PARISH SCHOOL BOARD**

Bossier, Louisiana

Combined Statement of Revenues, Expenditures, And Changes in  
Fund Balances - Budget (PLAAP Basis) And Actual  
General and Special Revenue Funds  
For the Year Ended June 30, 1996

General Fund

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Revenue from local sources	\$ 3,648,879	\$ 4,887,866	\$ 1,238,987
Revenue from state sources	8,171,504	7,998,590	(182,914)
Revenue from federal sources	71,860	96,281	24,421
<b>Total Revenues</b>	<b>12,092,243</b>	<b>13,074,685</b>	<b>982,442</b>
<b>Expenditures</b>			
Instruction	7,590,284	7,498,534	91,750
Support services	4,387,288	4,362,691	(24,597)
Food service programs			
Operation of non-instructional services	198,808	149,828	4,980
Facilities acquisition & rent	214,808	211,288	3,520
Debt service	1,882,808	1,888,865	6,057
<b>Total Expenditures</b>	<b>14,276,871</b>	<b>15,194,019</b>	<b>(917,148)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,184,628)</b>	<b>(2,119,334)</b>	<b>65,294</b>
<b>Other financing sources (uses)</b>			
Residual equity transfer in		524	524
Issuance of certificates of indebtedness	1,238,808	1,238,808	
Sale of general fixed assets		24,866	24,866
<b>Total Other Financing Sources</b>	<b>1,238,808</b>	<b>1,245,498</b>	<b>6,690</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>55,234</b>	<b>285,139</b>	<b>229,905</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>666,320</b>	<b>666,320</b>	
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 721,554</b>	<b>\$ 951,459</b>	<b>\$ 229,905</b>

The accompanying notes are an integral part of these statements.



## Special Revenue Funds

Budget	Actual	Variance Favorable (Unfavorable)
\$ 200,023	\$ 193,581	\$ (7,062)
203,680	203,680	
1,394,923	1,458,239	603,307
1,799,145	1,855,480	96,235
833,213	795,697	17,606
886,320	987,725	99,404
81,518	81,518	
1,881,852	1,865,350	(63,798)
(1,407)	30,858	32,457
503,982	503,982	503,982
(1,407)	30,858	32,457
105,838	132,803	26,203
\$ 103,413	\$ 141,893	\$ 58,668

# JACKSON PARISH SCHOOL BOARD

Jacobsburg, Louisiana

Notes to the Financial Statements

June 30, 1996

## INTRODUCTION

The Jackson Parish School Board was created by Louisiana Revised Statute (LSR) 17:51 for the purpose of providing public education for the children within Jackson Parish. The School Board is authorized by LSR 17:51 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 composed of ten compensated members who are elected for terms of four years.

The School Board operates nine schools within the parish with a total enrollment of 2,883 pupils for the 1995-96 fiscal year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. BASIS OF PRESENTATION

The general purpose financial statements of the Jackson Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

### B. REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criteria for including a potential component unit within the reporting entity is financial accountability. For financial reporting purposes, in accordance with GASB Statement No. 14, the Jackson Parish School Board includes all funds, account groups, or centers, that are within the oversight responsibility of the parish school board. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. Based on consideration of the foregoing criteria, the parish school board is deemed to be a separate reporting entity. Certain units of local government over which the parish school board exercises no oversight responsibility, such as the parish police jury, other independently-elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish school board.

### C. FUND ACCOUNTING

The Jackson Parish School Board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

**JACKSON PARISH SCHOOL BOARD**  
Bossieres, Louisiana  
Notes to the Financial Statements (Continued)  
June 30, 1996

**C. FUND ACCOUNTING (continued)**

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

**Governmental Funds**

Governmental funds account for all or most of the Jackson Parish School Board's general activities, including the collection and distribution of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. **General Fund** - the general operating fund of the Jackson Parish School Board used to account for all financial resources, except those required to be accounted for in other funds.
2. **Special revenue funds** - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. **Debt service funds** - account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group.
4. **Capital projects funds** - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**Fiduciary Funds**

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

1. **Expendable trust fund** - accounted for in essentially the same manner as governmental funds. The resources, including both principal and earnings, may be expended.
2. **Agency funds** - account for assets held by the Jackson Parish School Board on behalf of others as its agents. Agency funds are recorded in net-zero (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

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

**JACKSON PARISH SCHOOL BOARD**  
Jarroldine, Louisiana  
Notes to the Financial Statements (Continued)  
July 30, 1986

**D. BASIS OF ACCOUNTING (CONTINUED)**

**Revenues**

Under the modified accrual basis of accounting, revenues are recognized when measurable or accrued (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

All calendar taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. All calendar taxes are assessed on a calendar year basis, because due on November 15 of each year, and become delinquent on December 30. The taxes are generally collected in December, January and February of the fiscal year.

Sales taxes collected by the sales tax collection agency and remitted to the school board within 60 days are recognized as revenues.

Interest income on time deposits is recorded upon maturity, when the income is available.

Substantially all other revenues are recorded when received.

**Expenditures**

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

**Other Financing Sources (Uses)**

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

**Deferred Revenues**

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

**E. BUDGETS**

Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

**JACKSON PARISH SCHOOL BOARD**  
Bossieres, Louisiana  
Notes to the Financial Statements (Continued)  
June 30, 1996

**E. BUDGETS (CONTINUED)**

The proposed budget for the fiscal year ended June 30, 1996 was made available for public inspection and comments from taxpayers at the School Board office. The proposed budget was then adopted by the School Board.

Formal budget integration is employed as a management control device during the year. The budget is made used by the School Board members on a quarterly basis; however, no action is taken by the board to amend the budget at these times. The School Board adopts all amendments to the budget in an open meeting near the end of the fiscal year.

**F. ENCUMBRANCES**

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is not utilized by the School Board.

**G. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The Jackson Parish School Board treats amounts in demand deposits and certificates of deposit as "cash and cash equivalents". Under state law, the Jackson Parish School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Jackson Parish School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The Jackson Parish School Board has no investments as of June 30, 1996 as defined in this paragraph.

**H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

**I. INVENTORIES**

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture. The commodities are recorded as revenues when received; however, all inventories are recorded as expenditures when consumed. All inventory items purchased are valued at cost, and commodities are assigned values based on information provided by the United States Department of Agriculture.

The costs of other governmental fund-type inventories are recorded as expenditures when purchased. The inventory of such materials and supplies at June 30, 1996, would not be material in the financial statements.

**JACKSON PARISH SCHOOL BOARD**  
Jackson, Louisiana  
Notes to the Financial Statements (Continued)  
June 30, 1996

**J. PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond June 30, 1996, are recorded as prepaid items.

**K. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public works or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and included in the general fixed assets account group.

**L. COMPENSATED ABSENCES**

The Jackson Parish School Board has the following policy relating to vacation and sick leave:

All 11-month employees earn from 12 to 18 days of vacation leave each year, depending on the number of years employed. Vacation leave can be accumulated without limitation. Employees are not paid for vacation leave upon retirement or separation of service. Vacation leave may be used in retirement benefit computations as earned service.

All 9-month employees earn a minimum of 18 days of sick leave each year, and all 11-month employees earn from 18 to 18 days of sick leave each year, depending upon the number of years employed. Sick leave for all employees can be accumulated without limitation. Upon retirement or death, unused sick leave of up to 35 days is paid to employees (or their heirs) at the employee's current rate of pay, and all unused sick leave is used in the retirement benefit computation as earned service.

The cost of current leave privileges, computed in accordance with GASB Codification Section 648, 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.

**M. LONG-TERM OBLIGATIONS**

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

**N. FUND EQUITY**

**Reserves**

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

**Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

JACKSON PARISH SCHOOL BOARD  
Jonestown, Louisiana  
Notes to the Financial Statements (Continued)  
June 30, 1996

D. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund (expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

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

F. SALES AND USE TAX

The School Board receives a two and four-tenths (2.4) percent sales and use tax. The tax is collected by the School Board and is recorded as revenue in the General Fund. One and four-tenths (1.4) percent of the sales tax is used to pay salaries of teachers, administrators, and supervisors in the public elementary and secondary schools of the parish, for salaries of lunch room employees, bus operators, janitors, maids, maintenance, office personnel, and for expenses of operating the schools. One percent is used for transportation and maintenance costs.

Sales and use tax revenues are recorded in the month collected by the Jackson Parish Sales Tax Collection Agency.

Q. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined general purpose financial statements are captioned "non-audited only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund elimination have not been made in the aggregation of this data.

I. CASH AND CASH EQUIVALENTS

At June 30, 1996, the Jackson Parish School Board has cash and cash equivalents (bank balances) totaling \$3,255,766. This amount includes \$38,889 in School Activity Funds. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be covered by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1996, the Jackson Parish School Board has \$3,927,366 in deposits (federal bank balances). These deposits are covered from risk by \$200,000 of federal deposit insurance and \$4,116,087 of pledged securities held by the custodial bank in the name of the fiscal agent bank (CASH Category 3).

Even though the pledged securities are considered unaffiliated (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:3127 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the Jackson Parish School Board that the fiscal agent has failed to pay deposited funds upon demand.

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
 Notes to the Financial Statements (Continued)  
 June 30, 1996

**3. LEVIED TAXES**

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

	Authorized Millage	Levied Millage 1996
<b>Permissible taxes:</b>		
Constitutional	5.21	5.21
Additional support - maintenance and operation of school buildings	6.61	6.61
<b>District taxes:</b>		
Consolidated School District No. 1		
Regular district taxes	7.05	6.21
Additional support	7.95	7.95
Quitman School District	21.00	21.00
Jonesboro-Hodge School District	11.00	11.00
Wrentham School District	26.00	26.00
Clarksboro School District	26.50	26.50

All valorem taxes (which are based on population and homesteads in the parish) are recorded in the year the taxes are due and payable. All valorem taxes are assessed on a calendar year basis, become due on November 15, of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

**4. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance July 1, 1995	Additions	Reductions	Balance June 30, 1996
Land	\$ 115,000	\$ 50,000	0	\$ 165,000
Buildings	6,215,000	135,731		6,350,731
Improvements other than buildings	747,394	135,000		882,394
Furniture and equipment	1,819,000	328,481		2,147,481
Construction in process	8,766		8,766	
<b>Total</b>	<b>\$ 12,905,160</b>	<b>\$ 329,212</b>	<b>\$ 8,766</b>	<b>\$ 13,254,907</b>

The proceeds, shown on the financial statements, on sale of general fixed assets was for rights-of-way through the Town of Jonesboro. The State of Louisiana purchased these rights-of-way for its reconstruction project. The agency did not have the rights-of-way included in its general fixed assets; therefore, no deletion was shown for the current year. Also, 265,852 of equipment purchased through the Northwest Louisiana Education Consortium are included in the additions for the current year.



**JACKSON PARISH SCHOOL BOARD**  
Jennings, Louisiana  
Notes to the Financial Statements (Continued)  
June 30, 1996

**5. RETIREMENT SYSTEMS**

Substantially all employees of the school board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and nondiscriminatory workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

**A. Teachers' Retirement System of Louisiana (TRS)**

**Plan Description.** The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 54023, Baton Rouge, Louisiana 70804-0023, or by calling (504) 925-6448.

**Funding Policy.** Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.8 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The school board is required to contribute at an actuarially determined rate. The current rate is 16.5 percent of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The school board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by contributions from the school board.

The school board's contribution to the TRS for the years ending June 30, 1996, 1995 and 1994, were \$1,124,943, \$1,084,075 and \$1,068,848, respectively, equal to the required contributions for each year.

**B. Louisiana School Employees' Retirement System (LSERS)**

**Plan Description.** The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484.

**Fund Policy.** Plan members are required to contribute 6.38 percent of their annual covered salary and the school board is required to contribute at an actuarially determined rate. The current rate is 6.68 percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The school board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The school board's contribution to the LSERS for the years ending June 30, 1996, 1995 and 1994, were 351,293, 352,683 and 357,611, respectively, equal to the required contributions for each year.

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
 Notes to the Financial Statements (Continued)  
 June 30, 1996

**6. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$1,838,571 at June 30, 1996, are as follows:

	General Fund	Special Revenue Funds	Total
Salaries & withholdings Accounts	\$ 1,499,898	\$ 160,006	\$ 1,659,904
	140,090	38,446	178,537
Total	\$ 1,640,889	\$ 198,452	\$ 1,838,571

**7. COMPENSATED ABSENCES**

At June 30, 1996, employees of the Jackson Parish School Board have accumulated and vested \$250,217 of employee leave benefits, which was computed in accordance with CLASS Codification Section C08. This amount is recorded within the general long-term debt account group. The accumulated and vested leave benefits at June 30, 1996, are based on the employee's current rates of pay and include the accumulated sick leave of all employees having 20 years or more of service, up to a maximum of 25 days.

**8. GENERAL LONG-TERM DEBT**

Long-term debt at June 30, 1996, includes the following bonds and certificates:

Description	Rate	Range of Annual Principal Payments		From	To	Amount Issued	Amount Outstanding
		Final Maturity Date	Term				
<b>General obligation bonds:</b>							
Chatham School District September 1, 1992	4.55-5.20%	4-1-2004	\$ 80,000	\$ 115,000	\$ 900,000	\$ 700,000	
Amesbury-Hodge School District August 5, 1979	6%	2-1-2007	115,000	160,000	2,000,000	680,000	
Winton School District No. 15 February 1, 1992	5.3-6.65%	2-1-2012	20,000	70,000	1,000,000	100,000	
Quitman School District September 1, 1990	6.5-8.75%	2-1-2010	25,000	70,000	700,000	610,000	
						2,000,000	1,090,000

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
 Notes to the Financial Statements (Continued)  
 June 30, 1996

**8. LONG-TERM DEBT (CONTINUED)**

Description	Rate	Fiscal Maturity Date	Range of Annual Principal Payments		Amount Issued	Amount Outstanding
			From	To		
<b>Certificates of Indebtedness</b>						
Jonesboro Hedge School District January 1, 1994	5.14%	1-1-2004	76,000	150,000	1,220,000	1,220,000
Wrentham School District July 1, 1994	5.75%	7-1-1997	2,140	2,140	75,000	25,714
						<u>\$ 4,245,714</u>

All principal and interest requirements of the general obligation bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. As June 30, 1996, the School Board has accumulated \$807,170 in the debt service funds for future debt requirements.

The debt service requirements to maturity, including \$1,684,435 of interest, are as follows:

Fiscal Year Ending June 30,	Amount
1997	\$ 714,381
1998	708,263
1999	698,205
2000	440,021
2001	440,002
Thereafter	1,858,867
<b>Total</b>	<u><b>\$ 5,848,149</b></u>

**Changes in long-term debt**

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

	General Obligations	Certificates of Indebtedness	Total
Balance at July 1, 1995	\$ 3,325,000	\$ 981,419	\$ 4,306,419
Additions		1,220,000	1,220,000
Payments	2,000,000	955,714	2,955,714
Balance at June 30, 1996	\$ 2,995,000	\$ 1,245,714	\$ 4,240,714

JACKSON PARISH SCHOOL BOARD  
Jambourg, Louisiana  
Supplemental Information Schedule  
For the Year Ending June 30, 1996

**Special Revenue Funds**

**Federal Impact Aid Funds:**

The Federal Impact Aid Fund accounts for specific federal revenues for school assistance in federally affected areas as prescribed by Public Law 91-074.

**Adult Education Funds:**

Adult Education is a program by which the federal government provides funds to provide the citizens of the parish assistance in obtaining a Graduate Equivalency Diploma.

**Title I Funds:**

Title I Fund is a federally funded program to expand and improve elementary and secondary school programs, and meet the special needs of educationally deprived public and private school children in low-income areas of the Jackson Parish School System.

**Title VI Funds:**

Title VI Fund is a federally funded program to improve elementary and secondary education by providing formula grants and supporting a broad range of local programs in basic skills development, educational improvement and support and special projects.

**Drug Free School Funds:**

The Drug Free Schools and Communities Act of 1986 is a federally financed program that provides a comprehensive education curriculum for drug and alcohol prevention education for grades K - 12.

**Title II Funds:**

Title II program provides grants for the use of state and local programs to improve the skills of teachers and the quality of instruction in the field of mathematics, science, computer learning, and foreign languages, as well as to increase the access of all students to such instruction.

**Special Education Funds:**

The Special Education Funds account for allotments from the Louisiana Department of Education for Public Law 94-142 Project Bids, and Extended Year funds for the education and enhancement of exceptional children.

**School Lunch Funds:**

The School Lunch Program provides nourishing meals for school children and is subsidized through federal and state grants. The School Lunch Fund accounts for both the revenue derived from meals sold and the grant subsidies received.

**JACKSON PARISH SCHOOL BOARD**  
 Jayden, Louisiana  
**SPECIAL REVENUE FUNDS**  
 Combining Balance Sheet  
 June 30, 1996

	Federal Impact Aid	Adult Ed.	Title I	Title I Building Disposal	Title VI	Drug Free School	Special Ed Disposal
<b>Assets</b>							
Cash and cash equivalents	\$ 11,430	\$ 31,684	\$ 90,963	\$ 449	\$ 10,204	\$ 8,813	\$
Accounts receivable		10,568	880,887		4,890	3,754	
Inventory							
<b>Total assets</b>	<b>\$ 11,430</b>	<b>\$ 42,252</b>	<b>\$ 271,850</b>	<b>\$ 449</b>	<b>\$ 27,226</b>	<b>\$ 12,567</b>	<b>\$0000</b>
<b>Liabilities and fund balance</b>							
<b>Liabilities</b>							
Accounts payable	\$	\$ 17,283	\$ 110,680	\$	\$ 3,024	\$ 3,217	\$
Interest payable		30,000	600,000		15,000	9,000	
Deferred revenues	11,430		1,200	449			
<b>Total liabilities</b>	<b>11,430</b>	<b>47,283</b>	<b>271,880</b>	<b>449</b>	<b>27,226</b>	<b>12,217</b>	<b>\$0000</b>
<b>Fund balance</b>							
<b>Fund balance</b>							
Unassigned - undesignated							
<b>Total fund balance</b>	<b>\$0000</b>	<b>\$0000</b>	<b>\$0000</b>	<b>\$0000</b>	<b>\$0000</b>	<b>\$0000</b>	<b>\$0000</b>
<b>Total liabilities and fund balance</b>	<b>\$ 11,430</b>	<b>\$ 47,283</b>	<b>\$ 271,880</b>	<b>\$ 449</b>	<b>\$ 27,226</b>	<b>\$ 12,217</b>	<b>\$0000</b>

With It	Extended Year Special Ed	Special Ed 94-142	Special Ed Preschool	Local Fund	Total
\$ 12,237	\$ 7,262	\$ 25,870	\$ 4,316	\$ 179,831	\$ 400,854
761	7,289	15,895	3,800	15,428	341,374
				12,409	12,409
<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ 41,765</u>	<u>\$ 8,116</u>	<u>\$ 216,979</u>	<u>\$ 666,638</u>
\$ 14,000	\$ 6,880	\$ 4,345	\$ 116	\$ 54,846	\$ 119,887
	10,000	57,000	8,000		199,800
					13,800
<u>14,000</u>	<u>16,880</u>	<u>61,345</u>	<u>8,116</u>	<u>54,846</u>	<u>584,538</u>
				162,893	162,893
<u>98,571</u>	<u>79,000</u>	<u>79,000</u>	<u>79,000</u>	<u>162,893</u>	<u>162,893</u>
<u>\$ 14,000</u>	<u>\$ 16,880</u>	<u>\$ 41,345</u>	<u>\$ 8,116</u>	<u>\$ 216,979</u>	<u>\$ 666,634</u>

**JACKSON PARISH SCHOOL BOARD**  
**Jackson, Louisiana**  
**SPECIAL REVENUE FUNDS**  
 Combining Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances  
 For the Year Ended June 30, 1995

	Federal Impact Act	Adult Ed.	Title I	Title II Building Repayment	Title VI	Drug Free School	Special Ed Repayment
<b>Revenues</b>							
Revenue from local sources							
Food service program	\$	\$	\$	\$	\$	\$	\$
Revenue from state sources							
Unrestricted grants-in-aid							
Revenue from federal sources							
Restricted grants-in-aid	701	81,663	625,648	950	14,695	14,583	1,225
<b>Total revenues</b>	<b>701</b>	<b>81,663</b>	<b>625,648</b>	<b>950</b>	<b>14,695</b>	<b>14,583</b>	<b>1,225</b>
<b>Expenditures</b>							
Instruction	701	81,663	541,692	950	14,695	14,583	1,225
Food service program							
Facilities acquisition and construction			81,708				
<b>Total expenditures</b>	<b>701</b>	<b>81,663</b>	<b>625,648</b>	<b>950</b>	<b>14,695</b>	<b>14,583</b>	<b>1,225</b>
Excess (deficiency) of revenues over (under) expenditures	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Fund Balances at beginning of year	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Fund Balances at end of year	NONE	NONE	NONE	NONE	NONE	NONE	NONE

Title II	Extended Year Special Ed	Special Ed 04-142	Special Ed Preschool	Leach Fund	Total
				\$ 193,500	\$ 193,500
				203,000	203,000
13,454	15,000	800,000	7,100	620,424	1,446,124
13,454	15,000	800,000	7,100	1,077,700	1,899,400
13,454	15,000	800,000	7,100		790,000
				997,700	997,700
					81,300
13,454	15,000	800,000	7,100	997,700	1,899,400
NONE	NONE	NONE	NONE	30,000	30,000
NONE	NONE	NONE	NONE	321,000	321,000
NONE	NONE	NONE	NONE	\$ 961,000	\$ 961,000



JACKSON PARISH SCHOOL BOARD  
Bossier, Louisiana  
Supplemental Information Schedule  
For the Year Ended June 30, 1996

**Debt Service Funds**

*Orleans, Challem, Weston, and Bossier-Hodge School District Funds:*

The debt service funds accumulate monies for payment of the respective bond issues. The bonds were issued by the respective school districts to acquire lands for building sites, to purchase, erect, and improve school buildings, and to acquire the necessary equipment and furnishings. The bond issues are financed by a specific property tax levy on property within the legal boundaries of the respective school districts.

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
**DEBT SERVICE FUNDS**  
 Combining Balance Sheet  
 June 30, 1976

	Charlton Bond	Quilman Bond	Waters Bond	Jonesboro- Hodge Bond	Total Current Year
<b>Assets</b>					
Cash and cash equivalents	\$ 145,979	\$ 99,996	\$ 141,857	\$ 421,847	\$ 887,179
<b>Total Assets</b>	<b>\$ 145,979</b>	<b>\$ 99,996</b>	<b>\$ 141,857</b>	<b>\$ 421,847</b>	<b>\$ 887,179</b>
<b>Liabilities and Fund Balance</b>					
<b>Fund Balance</b>					
Reserved for debt service	\$ 145,979	\$ 99,996	\$ 141,857	\$ 421,847	\$ 887,179
<b>Total Fund Balance</b>	<b>145,979</b>	<b>99,996</b>	<b>141,857</b>	<b>421,847</b>	<b>887,179</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 145,979</b>	<b>\$ 99,996</b>	<b>\$ 141,857</b>	<b>\$ 421,847</b>	<b>\$ 887,179</b>

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
**DEBT SERVICE FUNDS**  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 For the Year Ended June 30, 1996

	Charlton Bond	Quilman Bond	Winton Bond	Jonesboro- Hodge Bond	Total Current Year
	-----	-----	-----	-----	-----
<b>Revenues</b>					
Revenue from local sources					
Taxes - ad valorem	\$ 144,978	\$ 99,191	\$ 114,858	\$ 325,882	\$ 685,009
<b>Total Revenues</b>	<u>144,978</u>	<u>99,191</u>	<u>114,858</u>	<u>325,882</u>	<u>685,009</u>
<b>Expenditures</b>					
Support services					
General administration	11,808	7,562	8,743	24,848	52,161
Debt service					
Principal retirement	70,000	25,000	30,000	185,000	310,000
Interest and bank charges	45,198	47,513	55,612	53,820	202,143
<b>Total Expenditures</b>	<u>127,218</u>	<u>80,479</u>	<u>97,359</u>	<u>283,668</u>	<u>588,169</u>
Excess of revenues over expenditures	17,760	18,714	17,503	42,214	94,840
Fund Balances at beginning of year	130,218	80,000	123,554	378,818	712,590
Fund Balances at end of year	<u>\$ 145,978</u>	<u>\$ 88,996</u>	<u>\$ 141,057</u>	<u>\$ 421,032</u>	<u>\$ 587,179</u>

**JACKSON PARISH SCHOOL BOARD**  
Jonestown, Louisiana  
Supplemental Information Schedules  
For the Year Ended June 30, 1996

**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account of the acquisition or construction of major capital facilities.

**Western Capital Projects Fund:** This fund is used to account for construction and renovation of capital facilities in the Western School District.

**Jonestown-Hodge Capital Projects Fund:** This fund is used to account for construction and renovation of capital facilities in the Jonestown-Hodge School District.

JACKSON PARISH SCHOOL BOARD  
 Jonesboro, Louisiana  
 CAPITAL PROJECTS FUND  
 Combining Balance Sheet  
 June 30, 1998

	January- Bldg Construction Project	Middle Construction Project	Total
	-----	-----	-----
<b>ASSETS</b>			
Cash and cash equivalents	\$ 11,977	\$	\$ 11,977
Total assets	\$ 11,977	NONE	\$ 11,977
<b>LIABILITIES AND FUND EQUITY</b>			
Fund equity - fund balances:			
Unreserved - undesignated	\$ 11,977	\$	\$ 11,977
Total fund equity	\$ 11,977	NONE	\$ 11,977
Total liabilities and fund equity	\$ 11,977	NONE	\$ 11,977

**JACKSON PARISH SCHOOL BOARD**  
 Zumbare, Louisiana  
**CAPITAL PROJECTS FUND**  
 Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 1996

	Zumbare- Hodge Construction Project	Morion Construction Project	Total
	-----	-----	-----
<b>REVENUES</b>			
Local sources:			
Earnings on time deposits	\$ 499	\$ 0	\$ 507
Total revenues	499	0	507
	-----	-----	-----
<b>EXPENDITURES</b>			
Facilities acquisition and construction:			
Construction and equipment			
Architects and engineers			
Total expenditures	NONE	NONE	NONE
	-----	-----	-----
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	499	0	507
	-----	-----	-----
<b>OTHER FINANCING SOURCES (Uses)</b>			
Residual equity transfer out		514	514
Total other financing sources (uses)	NONE	514	514
	-----	-----	-----
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	499	(514)	(17)
	-----	-----	-----
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	11,478	514	11,994
	-----	-----	-----
<b>FUND BALANCES AT END OF YEAR</b>	\$ 11,977	NONE	\$ 11,977
	-----	-----	-----

**JACKSON PARISH SCHOOL BOARD**  
Jamestown, Louisiana  
Supplemental Information Schedule  
For the Year Ended June 30, 1996

**AGENCY AND TRUST FUNDS**

**School Activity Agency Fund:**

The School Activity Agency Fund accounts for those monies collected by pupils and school personnel for school or school-related purposes. The school activity accounts are classified as an agency fund, and the school board's responsibilities for these accounts are fiduciary in nature.

Each school accounts for its individual student body organizations. The revenues of these accounts consist primarily of fees, fund raising projects, and contributions. Expenditures are made for a wide variety of school activities. These accounts are under the supervision of the school principals.

**Retirees' Health Insurance Agency Fund:**

The Retirees' Health Insurance Agency Fund accounts for the collection and payment of retirees' health insurance premiums.

**I. J. Allen Memorial Scholarship Expendable Trust Fund:**

The I. J. Allen Memorial Scholarship Expendable Trust Fund was created on October 1, 1988, by contributions and bequests from the family and friends of the late I. J. Allen, a prominent Jackson Parish resident and long-time friend and supporter of the Jackson Parish school system. The revenues of this fund are used to award a scholarship annually to a worthy and needy parish student. The fund is administered by the school board, but it has no financial interest in the fund.

**JACKSON PARISH SCHOOL BOARD**  
**Jacobsboro, Louisiana**  
**AGENCY AND TRUST FUNDS**  
**Combining Balance Sheet**  
**June 30, 1996**

	School Activity Agency Fund	I. J. Allen Memorial Scholarship Expendable Trust Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 268,865	\$ 131,919	\$ 400,784
<b>Total Assets</b>	<b>\$ 268,865</b>	<b>\$ 131,919</b>	<b>\$ 400,784</b>
<b>Liabilities And Fund Balance</b>			
<b>Liabilities</b>			
Deposits due others	\$ 268,865	\$	\$ 268,865
<b>Total Liabilities</b>	<b>268,865</b>	<b>00000</b>	<b>268,865</b>
<b>Fund Balance</b>			
Reserved for scholarships		131,919	131,919
<b>Total Fund Balance</b>	<b>00000</b>	<b>131,919</b>	<b>131,919</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 268,865</b>	<b>\$ 131,919</b>	<b>\$ 400,784</b>



**JACKSON PARISH SCHOOL BOARD**  
**Jonesboro, Louisiana**  
**School Activity Agency Fund**  
**Schedule of Changes in Deposits Due Officers**  
**For the Year Ended June 30, 1996**

School:	Balance July 1, 1995	Additions	Deductions	Balance June 30, 1996
Charlton High School	\$ 12,483	\$ 33,641	\$ 38,677	\$ 15,887
Hawk Elementary	5,479	32,691	31,362	6,218
Hodge Elementary	4,983	12,445	13,364	4,064
Jasper Henderson Elementary	2,783	34,182	34,818	2,187
Jonesboro-Hodge Jr. High	12,542	87,489	86,476	13,495
Jonesboro-Hodge Sr. High	88,771	182,368	143,884	127,255
Quitman High	82,740	145,888	147,349	89,400
Southside Elementary	4,194	49,833	43,416	9,871
Worton High	81,212	180,844	172,569	89,487
<b>Total</b>	<b>\$ 253,864</b>	<b>\$ 676,566</b>	<b>\$ 648,989</b>	<b>\$ 381,612</b>

JACKSON PARISH SCHOOL BOARD  
 - Bossier, Louisiana  
 Retirees' Health Insurance Agency Fund  
 Schedule of Changes in Deposit Due Others  
 For the Year Ended June 30, 1998

	1998
	-----
Deposit Balance at Beginning of year	NONE
<i>Additions</i>	
Local sources - insurance prepayments	\$ 1,858
	-----
<i>Reductions</i>	
Insurance premiums	\$ 1,858
	-----
Deposit Balance at End of Year	NONE
	-----

**JACKSON PARISH SCHOOL BOARD**  
 Jonesboro, Louisiana  
 Schedule of Compensation Paid Board Members  
 For the Year Ended June 30, 1996

## Board Member:

	1996
Robert Schmidt, President	\$ 6,000
Charles Coge	4,500
Randall Beck	4,500
Peggy Donaldson	4,500
Jimmie Golden	4,500
Robert Humble	4,500
Franklin Kirby	4,500
Wade McBride	4,500
Lynn Malone	4,500
Gerry Sims	4,500
	-----
Total	\$ 49,500
	-----

# Kenneth D. Folds & Co.

Kenneth D. Folds, CPA

Certified Public Accountants

Ted W. Santerfus, CPA

Members  
Society of Louisiana  
Certified Public Accountants

302 Eighth Street  
Baton Rouge, LA 70801  
(504) 388-7238  
FAX (504) 388-7239

Members  
American Institute of  
Certified Public Accountants

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

To the Members of the  
Jackson Parish School Board  
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the Jackson Parish School Board as of and for the year ended June 30, 1996 and have issued our qualified report thereon dated December 18, 1996.

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

The management of the Jackson Parish School Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of 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 Jackson Parish School Board, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

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 reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that 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.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the Jackson Parish School Board in a separate letter dated December 18, 1996.

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



Kenneth B. Fadden & Co., CPAs  
Jonestown, Louisiana

December 18, 1996

**Kenneth B. Falden & Co.**  
Certified Public Accountants

Kenneth B. Falden, CPA

Ted W. Santella, CPA

Members  
Society of Louisiana  
Certified Public Accountants

301 Eighth Street  
Jenner, LA 71201  
(225) 238-1214  
FAX (225) 238-1202

Members  
American Institute of  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS,  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Members of the  
Jackson Parish School Board  
Jenner, Louisiana

We have audited the general purpose financial statements of the Jackson Parish School Board as of and for the year ended June 30, 1996 and have issued our qualified report thereon dated December 18, 1996.

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

Compliance with laws, regulations, contracts, and grants applicable to the Jackson Parish School Board is the responsibility of the Jackson Parish School Board's management. As part of obtaining reasonable assurance about whether the general purpose 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, our objective 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 under Government Auditing Standards.

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



Kenneth B. Falden & Co., CPAs  
Jenner, Louisiana

December 18, 1996

**Kenneth D. Folds & Co.**  
Certified Public Accountants

Kenneth D. Folds, CPA

Tom M. Stander Sr., CPA

Members  
Society of Louisiana  
Certified Public Accountants

400 Eighth Street  
Baton Rouge, LA 70801  
(504) 359-7318  
FAX (504) 359-7325

Members  
American Institute of  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

To the Members of the  
Jackson Parish School Board  
Jamboreau, Louisiana

We have audited the general-purpose financial statements of the Jackson Parish School Board as of and for the year ended June 30, 1996, and have issued our qualified report therein dated December 18, 1996. These general-purpose financial statements are the responsibility of the Jackson Parish School Board 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: Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Government." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of the Jackson 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 presented in all material respects in relation to the general-purpose financial statements taken as a whole.

  
Kenneth D. Folds & Co., CPAs  
Jamboreau, Louisiana

December 18, 1996

**JACKSON PARISH SCHOOLS BOARD**  
**MONROE, LOUISIANA**  
**Schedule of Federal Financial Assistance**  
**For the Year Ended June 30, 1996**

Schedule 10

Federal Grant/ Pass-Through Grant/ Program Name	CFDA Number	Expenditures June 30, 1996
<b>United States Department of Agriculture Programs:</b>		
<b>Passed through Louisiana Department of Education:</b>		
Emergency Lunch Program	10.100	\$ 27,616
Thousand to Feed Lunch Program	10.555	480,600
School Breakfast Program	10.100	155,916
<b>Passed through Louisiana Department of Agriculture and Forestry:</b>		
Food Distribution	10.550	92,270
<b>Total United States Department of Agriculture</b>		<b>756,402</b>
<b>United States Department of Education Direct Programs:</b>		
<b>Include Education-Federally Grants to Local Educational Agencies and Title Schools:</b>		
Impact 444	04.600	944
Title II	04.001	13,450
Strong First School Act	04.104	14,500
<b>Passed through Louisiana Department of Education:</b>		
Improving School Programs - State Block Grant	04.101	14,000
Adult Education State-Administered Program	04.000	93,000
Educationally Impaired Children - Local Educational Agencies	04.000	620,541
<b>Passed through Non-Federal Louisiana Education Commissions:</b>		
Title III Code 2000 Education Act	04.270	54,800
<b>Special Education:</b>		
Handicapped - State Grants	04.027	171,000
Handicapped - Federal Reversion Grants	04.710	7,100
<b>Functional Education (as listed in General Fund):</b>		
Starting Point	04	77,344
Basic Literacy Study	04.000	80,750
<b>Total United States Department of Education</b>		<b>1,079,428</b>
<b>United States Department of Health and Human Services:</b>		
<b>Passed through Louisiana Department of Social Services:</b>		
Project Independence	04.000	38,300
<b>Total Program Expenditures</b>		<b>\$ 1,644,237</b>

\* One-time only program

\*\* CFDA number unknown



# Kenneth D. Folds & Co.

Certified Public Accountants

Kenneth D. Folds, CPA

Ted W. Sandelin, CPA

Members  
Society of Louisiana  
Certified Public Accountants

301 Eighth Street  
Jamboree, LA 71251  
(504) 259-7114  
FAX (504) 259-7145

Members  
American Institute of  
Certified Public Accountants

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

To the Members of the  
Jackson Parish School Board  
Jamboree, Louisiana

We have audited the general purpose financial statements of the Jackson Parish School Board, Jamboree, Louisiana, for the year ended June 30, 1996, and have issued our qualified report thereon dated December 18, 1996. We have also audited the compliance of the Jackson Parish School Board with requirements applicable to major federal financial assistance programs and have issued our qualified report thereon dated December 18, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audit of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether the Jackson Parish School Board complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the Jackson Parish School Board in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the Jackson Parish School Board, and on the compliance of the Jackson Parish School Board with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 18, 1996.

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

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:

General Requirements	Specific Requirements
Political activity	Types of services
Harris-Ransom Act	Eligibility
Civil rights	Matching
Cash management	Maintenance of effort
Allowable cost/lost principles	Special requirements
Drug-free Workplace Act	
Administrative requirements	

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 Jackson Parish School Board expended 61.46% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the Jackson Parish 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 would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the 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 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 Jackson Parish School Board in a separate letter dated December 18, 1996.

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

  
Kenneth D. Foltz & Co., CPAs  
Jonestown, Louisiana

December 18, 1996

**Kenneth D. Falden & Co.**  
Certified Public Accountants

Kenneth D. Falden, CPA

Ted W. Sandelin, CPA

Members  
Society of Louisiana  
Certified Public Accountants

392 Eighth Street  
Baton Rouge, LA 70801  
(504) 289-7111  
FAX (504) 289-7111

Members  
American Institute of  
Certified Public Accountants

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

To the Members of the  
Jackson Parish School Board  
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the Jackson Parish School Board as of and for the year ended June 30, 1996, and have issued our qualified report thereon dated December 18, 1996.

We have applied procedures to test the Jackson Parish School Board's compliance with the following requirements applicable to each of its major federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, Davis-Bacon Act, civil rights, cash management, allowable cost/audit 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 Jackson Parish 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 these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Jackson Parish School Board had not complied, in all material respects, with these requirements. Also, the result of our procedures did not disclose any immaterial instances of noncompliance with these requirements.

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

  
Kenneth D. Falden & Co., CPAs  
Baton Rouge, Louisiana

December 18, 1996

**Kenneth D. Follen & Co.**  
Certified Public Accountants

Kenneth D. Follen, CPA

Tracy S. Sandrella, CPA

Members  
Society of Louisiana  
Certified Public Accountants

202 Eighth Street  
Jamboreau, LA 71321  
(510) 248-7330  
FAX (510) 248-7330

Members  
American Institute of  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Members of the  
Jackson Parish School Board  
Jamboreau, Louisiana

We have audited the general purpose financial statements of the Jackson Parish School Board as of and for the year ended June 30, 1996, and have issued our qualified report thereon dated December 18, 1996.

We have also audited the Jackson Parish School Board's compliance with the requirements governing types of services allowed or unallowed, eligibility, matching, maintenance of effort, and special requirements 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 Jackson Parish School Board is responsible for the Jackson Parish School Board's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

The management of the Jackson Parish School Board is responsible for Jackson Parish School Board's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

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

The results of our audit procedures did not disclose any immaterial instances of non-compliance with the requirements referred to above.

In our opinion, the Jackson Parish School Board complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, matching, maintenance of effort, and special requirements that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

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

  
Kenneth D. Follen & Co., CPAs  
Jamboreau, Louisiana

December 18, 1996

**Kenneth D. Falden & Co.,**  
Certified Public Accountants

Kenneth D. Falden, CPA

Ted M. Sandholm, CPA

Members  
Society of Louisiana  
Certified Public Accountants

302 Eighth Street  
Baton Rouge, LA 71150  
(504) 255-7114  
FAX (504) 259-7115

Members  
American Institute of  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Members of the  
Jackson Parish School Board  
Baton Rouge, Louisiana

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

In connection with our audit of the general purpose financial statements of the Jackson Parish School Board, and with our consideration of the Jackson Parish School Board's control structure used in administering federal financial assistance programs, as required by Office of Management and Budget Circular A-128, Audits of State and Local Governments, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to these transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Jackson Parish School Board's compliance with these requirements. Accordingly, we do not express such an opinion.

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

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

  
Kenneth D. Falden & Co., CPAs  
Baton Rouge, Louisiana

December 18, 1996

Kenneth D. Falden, CPA

**Kenneth D. Falden & Co.**  
Certified Public Accountants

Tom W. Swadlow, CPA

Members  
Society of Louisiana  
Certified Public Accountants

801 Eighth Street  
Joussiere, LA 71201  
(504) 265-1314  
FAX (504) 234-7218

Members  
American Institute of  
Certified Public Accountants

December 18, 1996

To the Members of the  
Jackson Parish School Board  
Joussiere, Louisiana

In planning and performing our audit of the general purpose financial statements of the Jackson Parish School Board, for the year ended June 30, 1996, we considered the internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

During our audit, we became aware of certain matters involving the internal control structure that are opportunities for strengthening internal controls. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. (We previously reported on the Jackson Parish School Board's internal control structure in our report dated December 18, 1995.) This letter does not affect our report dated December 18, 1996, on the financial statements of the Jackson Parish School Board.

We have already discussed these comments and suggestions with various Jackson Parish School Board personnel and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,



Kenneth D. Falden & Co., CPAs  
Joussiere, Louisiana

## Accounting Records

During the audit, we noted the following deficiencies:

1. Interfund transactions were not recorded in the accounting records. Advancements and their subsequent repayment were not properly recognized between the funds. This deficiency was included in the accounting records deficiencies noted in the prior year audit report.
2. Invoices are not being cancelled. Approximately 98% of the invoices selected in our test of disbursements were not stamped as paid. Good business practice requires that invoices should be cancelled to prevent duplicate payments.

We recommend that the School Board correct these deficiencies in their accounting system.

## School Activity Funds

Regarding school activity funds, we tested three schools and the following deficiencies were noted:

1. Purchase orders are not being used for all disbursements. Approximately 6% of disbursements in our test did not have purchase orders. Additionally, 6% of the prepared purchase orders were not signed by appropriate personnel which indicates approval of the appropriate club or organization. Purchase orders are required to be prepared and signed by appropriate personnel as per school board policy. This deficiency was mentioned in the prior year audit report.
2. Our test revealed that 8% of the disbursements were not adequately documented. This deficiency was mentioned in the prior year audit report.
3. Our test revealed that 15% of the invoices or supporting documentation did not include an indication that the item was received.
4. Invoices are not being cancelled. Approximately 98% of the invoices selected in our test of disbursements were not stamped as paid.
5. Our test revealed that there was inadequate documentation to support over-the-counter receipts. School board policy requires documentation. This deficiency was mentioned in the prior year audit report.

We recommend that the School Board correct these deficiencies in the school activity funds.

## Budgets

The following deficiencies were noted concerning the School Board's budgets:

1. The School Board adopted their general fund budget on August 21, 1994; the budgets for the special revenue funds were not adopted. Louisiana Revised Statute 39:1384 requires that a budget for the general fund and each special revenue fund shall be adopted.
2. Agency did not publish a general summary indicative of the budget prior to the public hearing. Louisiana Revised Statute 39:1386 requires that the summary shall be published at least ten days prior to the public hearing.

We recommend that the School Board comply with Louisiana Revised Statute 39:1384, Louisiana Revised Statute 39:1386, and Louisiana Revised Statute 39:1310 in the future.

### Prior Year Findings

The current status of the findings in the prior year audit report are as follows:

1. **Accounting Records** - As noted above, a repeat comment has been made concerning its interlocks.
2. **School Activity Funds** - As noted above, repeat comments have been made concerning all three findings.
3. **Budgets** - The prior year finding concerning the adoption of its budget within the prescribed time period has been cleared. A repeat comment concerning the publication of a general summary prior to a public hearing has been made.