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**Grant Parish School Board
Colfax, Louisiana**

**Annual Financial Report
As of and for the Year Ended 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 Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 03 1998

**Grant Parish School Board
Colfax, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 1998**

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ALLEN, GREEN & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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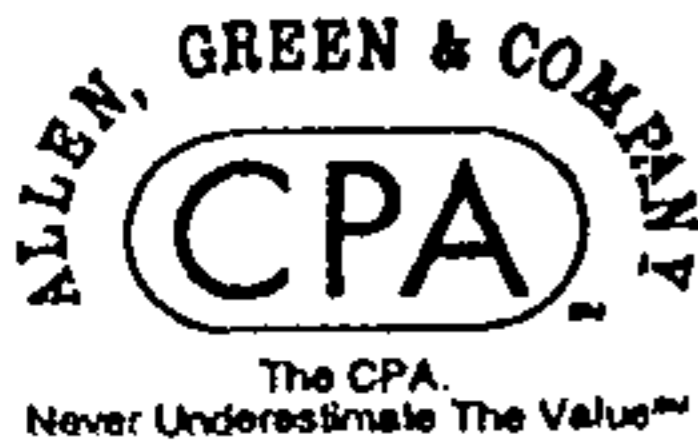
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Independent Auditors' Report

Board Members
Grant Parish School Board
Colfax, Louisiana

We have audited the accompanying GENERAL-PURPOSE FINANCIAL STATEMENTS of Grant Parish School Board, Colfax, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Grant 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The School Board has included such disclosures in Note 24. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the School Board's disclosures with respect to the year 2000 issue made in Note 24. Further, we do not provide assurance that the School Board is or will be year 2000 ready, that the School Board's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the School Board does business will be year 2000 ready.

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 examine evidence regarding year 2000 disclosures, the general-purpose financial statements referred above present fairly in all material respects, the financial position of the School Board, as of June 30, 1998, and the results of its operations, and the cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

Board Members
Grant Parish School Board
Colfax, Louisiana

In accordance with Government Auditing Standards, we have also issued our report dated November 2, 1998, on our consideration of the Grant Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the School Board, taken as a whole. The accompanying SUPPLEMENTAL INFORMATION, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Also, the accompanying OTHER INFORMATION, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
November 2, 1998

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS
Combined Balance Sheet
June 30, 1998

	*****GOVERNMENTAL FUNDS*****			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
ASSETS AND OTHER DEBITS				
Assets				
Cash and cash equivalents	\$ 131	\$ 412,919	\$ 69,053	\$ 33,612
Investments	1,893,467	723,514	376,881	489,884
Receivables	66,923	721,861	4,550	1,360
Interfund receivables	665,242	151,735	0	1,276
Inventory	0	13,012	0	0
Prepaid items	131,359	0	0	0
Land, buildings and equipment	0	0	0	0
Other debits				
Amount available in debt service funds	0	0	0	0
Amount to be provided for retirement of general-term obligations	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	\$ 2,757,122	\$ 2,023,041	\$ 450,484	\$ 526,132
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities				
Accounts, salaries and other payables	\$ 1,210,611	\$ 348,310	\$ 0	\$ 14,938
Interfund payables	148,382	668,595	0	1,276
Deposits due others	0	0	0	0
Deferred compensation payable	0	0	0	0
Deferred revenue	0	6,808	0	0
Bonds payable	0	0	0	0
Compensated absences payable	0	0	0	0
Total Liabilities	\$ 1,358,993	\$ 1,023,713	\$ 0	\$ 16,214
Equity and other credits				
Investment in general fixed assets	\$ 0	\$ 0	\$ 0	\$ 0
Retained Earnings	0	0	0	0
Fund Balances:				
Reserved for inventory	0	13,012	0	0
Reserved for prepaid items	131,359	0	0	0
Reserved for debt service	0	0	450,484	0
Unreserved:				
Designated for self insurance	239,894	0	0	0
Designated for catastrophic claims	300,000	0	0	0
Undesignated	726,876	986,316	0	509,918
Total Equity and Other Credits	\$ 1,398,129	\$ 999,328	\$ 450,484	\$ 509,918
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 2,757,122	\$ 2,023,041	\$ 450,484	\$ 526,132

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

Statement A

PROPRIETARY FUNDS- INTERNAL SERVICE	FIDUCIARY FUNDS- AGENCY FUNDS	*****ACCOUNT GROUPS*****		TOTAL (MEMORANDUM ONLY)
		GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
\$ 1,062	\$ 221,309	\$ 0	\$ 0	738,086
0	188,414	0	0	3,672,160
28,640	0	0	0	823,334
0	0	0	0	818,253
0	0	0	0	13,012
0	0	0	0	131,359
0	0	19,960,053	0	19,960,053
0	0	0	450,484	450,484
0	0	0	3,351,252	3,351,252
<u>\$ 29,702</u>	<u>\$ 409,723</u>	<u>\$ 19,960,053</u>	<u>\$ 3,801,736</u>	<u>\$ 29,957,993</u>
\$ 15,667	\$ 0	\$ 0	\$ 0	1,589,526
0	0	0	0	818,253
0	221,309	0	0	221,309
0	188,414	0	0	188,414
0	0	0	0	6,808
0	0	0	3,130,000	3,130,000
0	0	0	671,736	671,736
<u>\$ 15,667</u>	<u>\$ 409,723</u>	<u>\$ 0</u>	<u>\$ 3,801,736</u>	<u>\$ 6,626,046</u>
\$ 0	\$ 0	\$ 19,960,053	\$ 0	19,960,053
14,035	0	0	0	14,035
0	0	0	0	13,012
0	0	0	0	131,359
0	0	0	0	450,484
0	0	0	0	239,894
0	0	0	0	300,000
0	0	0	0	2,223,110
<u>\$ 14,035</u>	<u>\$ 0</u>	<u>\$ 19,960,053</u>	<u>\$ 0</u>	<u>\$ 23,331,947</u>
<u>\$ 29,702</u>	<u>\$ 409,723</u>	<u>\$ 19,960,053</u>	<u>\$ 3,801,736</u>	<u>\$ 29,957,993</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

ALL GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998

Statement B

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES					
Local sources:					
Taxes					
Ad valorem	\$ 359,626	\$ 609,723	\$ 517,163	\$ 0	\$ 1,486,512
Sales and use	0	703,138	0	0	703,138
Interest earnings	138,784	40,403	16,966	33,577	229,730
Food services	0	270,550	0	0	270,550
Other	61,623	15,831	0	112	77,566
State sources:					
Equalization	10,993,703	1,754,331	0	0	12,748,034
Other	409,155	337,221	0	0	746,376
Federal sources	402,647	2,126,877	0	0	2,529,524
Total revenues	\$ 12,365,538	\$ 5,858,074	\$ 534,129	\$ 33,689	\$ 18,791,430
EXPENDITURES					
Current:					
Instruction:					
Regular programs	\$ 6,398,714	\$ 247,832	\$ 0	\$ 9,830	\$ 6,656,376
Special programs	1,870,048	589,719	0	0	2,459,767
Other instructional programs	861,313	37,419	0	0	898,732
Support services:					
Student services	572,802	87,264	0	0	660,066
Instructional staff support	490,088	496,308	0	0	986,396
General administration	350,032	69,437	18,617	0	438,086
School administration	1,047,841	34,478	0	406	1,082,725
Business services	170,301	3,701	71	205	174,278
Plant services	966,733	314,183	0	10,114	1,291,030
Student transportation services	126,011	1,777,391	0	0	1,903,402
Central services	4,675	0	0	0	4,675
Food services	25,573	1,627,159	0	0	1,652,732
Community service programs	2,206	0	0	0	2,206
Facilities acquisition and construction	33,527	84,270	0	306,571	424,368
Debt service:					
Principal retirement	0	0	335,000	0	335,000
Interest and bank charges	0	0	161,933	0	161,933
Total expenditures	\$ 12,919,864	\$ 5,369,161	\$ 515,621	\$ 327,126	\$ 19,131,772

(CONTINUED)

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**ALL GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998**

Statement B

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (554,326)	\$ 488,913	\$ 18,508	\$ (293,437)	\$ (340,342)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 856,988	\$ 644,630	\$ 0	\$ 0	\$ 1,501,618
Operating transfers out	(423,434)	(1,078,184)	0	0	(1,501,618)
Sale of fixed assets	(65)	31,102	0	0	31,037
TOTAL OTHER FINANCING SOURCES (USES)	\$ 433,489	\$ (402,452)	\$ 0	\$ 0	\$ 31,037
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (120,837)	\$ 86,461	\$ 18,508	\$ (293,437)	\$ (309,305)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,518,966</u>	<u>912,867</u>	<u>431,976</u>	<u>803,355</u>	<u>3,667,164</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,398,129</u>	<u>\$ 999,328</u>	<u>\$ 450,484</u>	<u>\$ 509,918</u>	<u>\$ 3,357,859</u>

(CONCLUDED)

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

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
Combined Statement of Revenues, Expenditures, and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 1998

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 354,000	\$ 359,626	\$ 5,626
Interest earnings	89,000	138,784	49,784
Other	74,500	61,623	(12,877)
State sources:			
Equalization	10,993,703	10,993,703	0
Other	415,830	409,155	(6,675)
Federal sources			
	<u>395,218</u>	<u>402,647</u>	<u>7,429</u>
Total revenues	<u>\$ 12,322,251</u>	<u>\$ 12,365,538</u>	<u>\$ 43,287</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 6,541,060	\$ 6,398,714	\$ 142,346
Special programs	1,892,052	1,870,048	22,004
Other instructional programs	903,441	861,313	42,128
Support services:			
Student services	539,133	572,802	(33,669)
Instructional staff support	466,600	490,088	(23,488)
General administration	333,640	350,032	(16,392)
School administration	1,050,906	1,047,841	3,065
Business services	183,877	170,301	13,576
Plant services	1,046,687	966,733	79,954
Student transportation services	95,447	126,011	(30,564)
Central services	2,800	4,675	(1,875)
Food services	26,023	25,573	450
Community service programs	2,750	2,206	544
Facilities acquisition and construction	<u>33,378</u>	<u>33,527</u>	<u>(149)</u>
Total expenditures	<u>\$ 13,117,794</u>	<u>\$ 12,919,864</u>	<u>\$ 197,930</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ (795,543)</u>	<u>\$ (554,326)</u>	<u>\$ 241,217</u>

(CONTINUED)

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**GOVERNMENTAL FUNDS - GENERAL FUND
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 1998**

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 853,986	\$ 856,988	\$ 3,002
Operating transfers out	(418,867)	(423,434)	(4,567)
Sale of fixed assets	0	(65)	(65)
	<u>435,119</u>	<u>433,489</u>	<u>(1,630)</u>
TOTAL OTHER FINANCING SOURCES (USES)			
	\$ 435,119	\$ 433,489	\$ (1,630)
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (360,424)	\$ (120,837)	\$ 239,587
FUND BALANCES AT BEGINNING OF YEAR	<u>1,518,966</u>	<u>1,518,966</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,158,542</u>	<u>\$ 1,398,129</u>	<u>\$ 239,587</u>

(CONTINUED)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 591,969	\$ 609,723	\$ 17,754
Sales and use	680,000	703,138	23,138
Interest earnings	43,179	40,403	(2,776)
Food services	245,000	270,550	25,550
Other	12,500	15,831	3,331
State sources:			
Equalization	1,754,298	1,754,331	33
Other	375,980	337,221	(38,759)
Federal sources	<u>2,209,915</u>	<u>2,126,877</u>	<u>(83,038)</u>
 Total revenues	 <u>\$ 5,912,841</u>	 <u>\$ 5,858,074</u>	 <u>\$ (54,767)</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 266,129	\$ 247,832	\$ 18,297
Special programs	676,541	589,719	86,822
Other instructional programs	35,000	37,419	(2,419)
Support services:			
Student services	83,583	87,264	(3,681)
Instructional staff support	517,393	496,308	21,085
General administration	71,948	69,437	2,511
School administration	32,319	34,478	(2,159)
Business services	5,500	3,701	1,799
Plant services	360,387	314,183	46,204
Student transportation services	1,776,440	1,777,391	(951)
Food services	1,614,263	1,627,159	(12,896)
Facilities acquisition and construction	<u>84,437</u>	<u>84,270</u>	<u>167</u>
 Total expenditures	 <u>\$ 5,523,940</u>	 <u>\$ 5,369,161</u>	 <u>\$ 154,779</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 388,901</u>	 <u>\$ 488,913</u>	 <u>\$ 100,012</u>

(CONTINUED)

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998**

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 647,336	\$ 644,630	\$ (2,706)
Operating transfers out	(1,082,365)	(1,078,184)	4,181
Sale of fixed assets	30,848	31,102	254
	<u> </u>	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ (404,181)	\$ (402,452)	\$ 1,729
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (15,280)	\$ 86,461	\$ 101,741
FUND BALANCES AT BEGINNING OF YEAR	<u>912,928</u>	<u>912,867</u>	<u>(61)</u>
FUND BALANCES AT END OF YEAR	<u>\$ 897,648</u>	<u>\$ 999,328</u>	<u>\$ 101,680</u>

(CONCLUDED)

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

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses,
and Changes in Retained Earnings
For the Year Ended June 30, 1998

Statement D

OPERATING REVENUE	
Other local revenue	\$ 28,640
OPERATING EXPENSES	
Claims	<u>259,567</u>
Operating income (loss)	\$ (230,927)
NONOPERATING REVENUES	
Earnings on investments	<u>202</u>
Net income (loss) before operating transfers	\$ (230,725)
OPERATING TRANSFERS FROM/(TO) OTHER FUNDS	
Operating transfer from/(to) other funds	\$ <u>240,186</u>
Net income (loss)	\$ 9,461
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>4,574</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 14,035</u>

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

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Cash Flows
For the Year Ended June 30, 1998

Statement E

CASH FLOW FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (230,927)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:	
(Increase) decrease in receivable	(28,640)
Increase (decrease) in payable	<u>14,472</u>
Net cash provided (used) for operating activities	\$ (245,095)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
Operating transfers in	240,186
CASH FLOW FROM INVESTING ACTIVITIES	
Earnings on investments	<u>202</u>
Net increase (decrease) in cash and cash equivalents	\$ (4,707)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>5,769</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,062</u>

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

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

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**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
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**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The Grant Parish School Board was created by Louisiana Revised Statute (LSA-RS) 17:51 to provide public education for the children within Grant Parish. The School Board is authorized by LSA-RS 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eight members who are elected from eight districts for terms of four years.

The School Board operates nine schools within the parish with a total enrollment of approximately 3,710 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the School Board is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. FUNDS AND ACCOUNT GROUPS

The accounts of the School Board are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

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

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

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

General fund - the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Special revenue funds - account for revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

Debt service funds - account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Capital projects funds - account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Proprietary funds - account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds in that focus is on measurement, which, together with the maintenance of equity is an important financial indicator. Proprietary funds include the following:

Internal service funds - account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

Fiduciary funds - account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activity agency fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales tax collection agency fund - accounts for monies collected on behalf of other taxing authorities within the parish.

Deferred compensation fund - accounts for contributions and earnings by employees who participate in the plan.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

Account Groups

The *general fixed assets account group* is used to account for fixed assets not accounted for in proprietary or trust funds.

The *general long-term debt account group* is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and sales taxes are susceptible to accrual.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other financing sources (uses)

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

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Pursuant to GASB Statement No. 20, the School Board has elected to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Fiduciary funds

The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the School Board holds in an agency capacity.

D. BUDGETS

General Budget Practices

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

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds' budgets. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGETS (Continued)

General Budget Practices (Continued)

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board. All budget revisions are approved by the Board.

Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

Budget Basis of Accounting

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

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS

Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVESTMENTS (Continued)

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reports at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An annual audit of LAMP is conducted annually by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities. The LAMP is designed to comply with restriction on investment by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVESTMENTS (Continued)

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs money market mutual funds (although the LAMP is not a money market fund and has no obligation to conform to this rule). In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

H. INVENTORIES AND PREPAID ITEMS

Inventories of the governmental fund type are recorded as expenditures when purchased. Except for inventory of the school food service fund, the amounts are not considered material at June 30, 1998.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenue when used; however, all inventory items are recorded as expenditures when consumed. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items.

I. FIXED ASSETS

Fixed assets used in governmental fund types of the School Board are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest during construction is not capitalized on general fixed assets.

Approximately 90% of fixed assets are valued at actual costs, while the remaining 10% are valued at estimated cost based on the actual cost of like items.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. FIXED ASSETS (Continued)

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are not capitalized.

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

J. DEFERRED REVENUES

The School Board reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence 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.

K. COMPENSATED ABSENCES

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

All School Board employees earn from 10 to 18 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

The 12-month employees earn 10 days of vacation leave each year. Vacation leave cannot be accumulated. Upon separation of employment, all unused vacation leave is forfeited.

The School Board's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. COMPENSATED ABSENCES (Continued)

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation are attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is reported in the general long-term debt account group.

L. LONG-TERM OBLIGATIONS

The School Board reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate fund.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types, bond premiums and discounts as well as issuance cost are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Issuance cost are reported as deferred charges.

M. FUND EQUITY

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use. Reservations of retained earnings are limited to outside third-party restrictions.

Designations of fund balance represent tentative management plans that are subject to change. The proprietary funds contributed capital represents equity acquired through capital grants and capital contributions from developers, customers or other funds.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. INTERFUND TRANSACTIONS

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

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

O. SALES TAXES

On March 26, 1977, the voters of Grant Parish approved a one percent sales and use tax to be levied by the Grant Parish School Board. The sales and use tax is collected by the School Board and deposited in the sales tax special revenue fund. The net revenues derived from the sales and use tax are used to improve the salaries of all School Board personnel and for the administrative and general school operating expenditures. No more than 20 percent can be used for administrative and general school operating expenditures.

P. MEMORANDUM ONLY-TOTAL COLUMNS

The total columns on the general-purpose financial statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Q. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations in Individual Funds

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 1998:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Special Revenue Funds			
Adult Education	\$ 14,841	\$ 15,271	\$ 430
Sales Tax	18,605	20,339	1,734
Transportation	1,792,110	1,794,117	2,007
School Food Service	1,614,263	1,627,159	12,896
Dry Prong	29,631	30,274	643
Pollock	72,520	73,511	991

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision.

NOTE 3 - LEVIED TAXES

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

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

Property Tax Calendar

Millage rates adopted	August 7, 1997
Levy date	November 1, 1997
Tax bills mailed	On or about December 1, 1997
Due date	December 31, 1997
Lien date	January 1, 1998

Assessed values are established by the Grant Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 3 - LEVIED TAXES (Continued)

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$40,102,477 in calendar year 1997. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$15,195,937 of the assessed value in calendar year 1997.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 1998 property taxes to be collected occurs in December 1998, and January and February of 1999. As a result, no property taxes receivable for 1998 taxes is included on the accompanying balance sheet because it is not available within 60 days of the School Board's year-end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 3 - LEVIED TAXES (Continued)

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
Constitutional	5.89	5.89	Statutory
General supports	7.11	7.11	2008
Maintenance	4.97	4.97	2002
Salary supplement	11.90	11.90	2003
District maintenance and operations taxes:			
Colfax School #1	4.57	4.57	2002
Consolidated School #9	7.93	7.93	Statutory
Consolidated School #11	4.28	4.28	2002
Consolidated School #33	2.62	2.62	2008
Montgomery School #21	4.38	4.38	2008
Verda School #31	4.05	4.05	2002
Georgetown School #16	4.28	4.28	2008
District sinking fund taxes:			
Consolidated School #33	Variable	22.00	2005
Montgomery School #21	Variable	27.00	2011
Verda School #31	Variable	32.00	2011
Georgetown School #16	Variable	22.00	1999

NOTE 4 - CASH AND CASH EQUIVALENTS

At June 30, 1998, the School Board has cash and cash equivalents totaling \$738,086 as follows:

Demand deposit	\$ 57,852
Interest-bearing demand deposits	680,234
Time deposits	<u>979,608</u>
Total deposits	1,717,694
Less: time deposits classified as investments	<u>(979,608)</u>
Total cash and cash equivalents per statement A	<u>\$ 738,086</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)

At year-end, the School Board's carrying amount of deposits was \$1,717,694 (including \$979,608 of certificate of deposits classified as investments) and the bank balance was \$2,765,607. Of the bank balance, \$267,528 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance, \$2,498,079 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 5 - INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances were as follows:

<u>Type of investment</u>	<u>Category</u>			<u>Carrying Amount</u>			<u>Total Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>	<u>Cost</u>	
Government securities	\$1,277,507	\$ -	\$ -	\$ -	\$1,277,507	\$ -	\$1,277,507
U. S. Treasury note	275,000	-	-	-	275,000	-	275,000
Certificate of deposit	-	-	979,608	-	-	979,608	979,608
Total	<u>\$1,552,507</u>	<u>\$ -</u>	<u>\$979,608</u>				
Investments not subject to categorization:							
Deferred compensation plan				188,414	-	-	188,414
External investment pool (LAMP)				943,142	-	-	943,142
Red and black fund held by Louisiana Treasury Department				8,489	-	-	8,489
Total investments				<u>\$1,140,045</u>	<u>\$1,552,507</u>	<u>\$979,608</u>	<u>\$3,672,160</u>

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 6 - RECEIVABLES

The receivables of \$823,334 at June 30, 1998, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Internal Service Fund</u>	<u>Total</u>
Taxes:						
Sales and use	\$ -	\$130,748	\$ -	\$ -	\$ -	\$130,748
Intergovernmental - grants:						
Federal	9,442	379,945	-	-	-	389,387
State	14,217	207,692	-	-	-	221,909
Local Accounts	<u>43,264</u>	<u>3,476</u>	<u>4,550</u>	<u>1,360</u>	<u>28,640</u>	<u>81,290</u>
Total	<u>\$66,923</u>	<u>\$721,861</u>	<u>\$4,550</u>	<u>\$1,360</u>	<u>\$28,640</u>	<u>\$823,334</u>

NOTE 7 - FIXED ASSETS

The changes in general fixed assets are as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Land	\$ 312,237	\$ 22,777	\$ -	\$ 335,014
Building	14,512,815	60,492	-	14,573,307
Furniture and equipment	<u>4,540,313</u>	<u>782,210</u>	<u>270,791</u>	<u>5,051,732</u>
Total	<u>\$19,365,365</u>	<u>\$865,479</u>	<u>\$270,791</u>	<u>\$19,960,053</u>

NOTE 8 - RETIREMENT SYSTEMS

Plan description

Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 8 - RETIREMENT SYSTEMS (Continued)

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Funding Policy

Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. 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 remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by the state of Louisiana through annual appropriations.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 1998, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.00%	16.40%
Plan A	9.10%	16.40%
Louisiana School Employees' Retirement System	6.35%	6.00%

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 8 - RETIREMENT SYSTEMS (Continued)

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 1998, amounted to \$142,142,404, \$2,348,881, and \$15,379,760 respectively. Employer contributions for the year ended June 30, 1998, and each of the two preceding years are as follows:

<u>Fiscal Year Ending</u>TRS.....	LSERS.....	
	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid
June 30, 1996	\$1,308,706	92.75%	\$73,668	98.09%
June 30, 1997	1,434,450	92.32%	74,160	100.36%
June 30, 1998	1,573,068	92.89%	80,874	100.37%

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 1998. Each annual actuarially required contribution for the year ended June 30, 1998, is based upon each plan's annual financial report for the year ended June 30, 1997, which is the latest information available.

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Louisiana Group Benefits whose monthly premiums are paid jointly by the employee and by the School Board. The School Board recognizes the cost of providing these benefits (which includes the state's reimbursement) as an expenditure when the monthly premiums are due. The cost of retiree benefits included in these expenditures was \$430,111, for approximately 192 retirees.

NOTE 10 - ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$1,589,526, at June 30, 1998, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Internal Service Fund</u>	<u>Total</u>
Salaries	\$1,133,063	\$285,187	\$ -	\$ -	\$1,418,250
Accounts	<u>77,548</u>	<u>63,123</u>	<u>14,938</u>	<u>15,667</u>	<u>171,276</u>
Total	<u>\$1,210,611</u>	<u>\$348,310</u>	<u>\$14,938</u>	<u>\$15,667</u>	<u>\$1,589,526</u>

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 11 - COMPENSATED ABSENCES

At June 30, 1998, employees of the School Board have accumulated and vested \$671,736 of employee leave benefits, which includes \$80,887 of employee-related benefits. These benefits were computed in accordance with GASB Codification Section C60. Of this amount, \$671,736 is recorded within the general long-term debt account group.

NOTE 12 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

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

	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, End of Year</u>
School activity fund	\$211,505	\$ 768,024	\$ 758,220	\$221,309
Sales Tax Fund	<u>209,738</u>	<u>1,385,787</u>	<u>1,595,525</u>	<u> -</u>
Total	<u>\$421,243</u>	<u>\$3,153,811</u>	<u>\$2,353,745</u>	<u>\$221,309</u>

NOTE 13 - LEASES

The School Board has no operating or capital leases.

NOTE 14 - GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1998:

	<u>Bonds Payable</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance at beginning of year	\$3,465,000	\$552,565	\$4,017,565
Additions	-	150,323	150,323
Deductions	<u>335,000</u>	<u>31,152</u>	<u>366,152</u>
Balance at end of year	<u>\$3,130,000</u>	<u>\$671,736</u>	<u>\$3,801,736</u>

All School Board bonds outstanding at June 30, 1998, in the amount of \$3,130,000, are general obligation bonds with maturities from 1998 to 2011 and interest rates from 4.1 to 6.25 percent. Bond principal and interest payable in the next fiscal year are \$350,000 and \$145,333, respectively.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 14 - GENERAL LONG-TERM OBLIGATIONS (Continued)

The individual issues are as follows:

<u>Date</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
District 16 - Georgetown 1979	\$360,000	6.25%	Mar. 1, 1999	\$ 1,875	\$ 30,000
District 33 - Consolidated 1993	3,240,000	4.10-4.50%	Mar. 1, 2005	436,860	2,345,000
District 21 - Montgomery 1996	500,000	4.90-5.65%	Mar. 1, 2011	203,072	460,000
District 31 - Verda 1996	325,000	4.90-5.65%	Mar. 1, 2011	<u>130,608</u>	<u>295,000</u>
Total				<u>\$772,415</u>	<u>\$3,130,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 1998, the School Board has accumulated \$450,484 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
1999	\$ 350,000	\$145,333	\$ 495,333
2000	345,000	130,005	475,005
2001	350,000	115,115	465,115
2002	380,000	99,995	479,995
2003	400,000	82,990	482,990
2004-2011	<u>1,305,000</u>	<u>198,977</u>	<u>1,503,977</u>
Total	<u>\$3,130,000</u>	<u>\$772,415</u>	<u>\$3,902,415</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 1998, the statutory limit is \$14,035,866, and outstanding net bonded debt totals \$2,679,516.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 15 - INTERFUND ASSETS/LIABILITIES

Interfund receivable/payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Special revenue fund	
	Title I	\$190,182
	Title VI	393
	Vocational Education	23,250
	Title II	13,584
	Special education	138,764
	Goals 2000	30,167
	Sales tax	79,028
	Other miscellaneous funds	153,665
	Dry Prong	521
	Grant	9,753
	Parishwide	25,935
Special revenue		
Transportation	General fund	145,075
	Special revenue	
	Title I	51
	Parishwide	3,302
Pollock	General fund	3,307
Capital projects fund	Capital projects fund	
District 21 improvements project	District 31 capital improvements	<u>1,276</u>
Total		<u>\$818,253</u>

NOTE 16 - DEFERRED COMPENSATION

Under the guidelines established in accordance with the Internal Revenue Code Section 457, the School Board has one deferred compensation plan which is administered by Great-West Life and Annuity Insurance Company on behalf of all participating employees. The plan, which is voluntary for all employees, permits them to defer a portion of their salary until future years. The deferred pay and any income earned on it is not subject to income taxes until actually received by the employee. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The assets in the plan remain the property of the School Board until paid or made available to participants, subject only to the claims of the School Board's creditors. The participants have no vested interest or secured or preferred position with respect to the assets or have any claim against the School Board, except as a general creditor, in an amount equal to the fair market value of the participant's account.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 16 - DEFERRED COMPENSATION (Continued)

It is the opinion of the School Board's legal counsel that the School Board is not liable for losses arising from depreciation or shrinkage in the value of any investments acquired under the deferred compensation plan. However, the School Board believes it has the duty of due care that would be required of an ordinary prudent investor. The School Board also believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. Transactions related to the deferred compensation plan are recorded as an agency fund. The assets of the deferred compensation plan are stated at market value.

A summary of changes on deferred compensation payable for the year ended June 30, 1998, is as follows:

	<u>Balance July 1, 1997</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1998</u>
Deferred compensation payable	<u>\$153,620</u>	<u>\$36,351</u>	<u>\$1,557</u>	<u>\$188,414</u>

NOTE 17 - RESERVED AND DESIGNATED FUND BALANCES

Reservations:

Inventory This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

Prepaid Items Fund balance is reserved for prepaid expenditures which indicates that fund balances in that amount is not available for appropriation and expenditures.

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

Designations:

Designated for Self Insurance This amount has been accumulated over several years to fund the subsequent year expenditures arising from possible insurance claims.

Designated for Catastrophic Claims This amount represents a portion of fund balance that has been designated to fund possible losses from lawsuits.

The following is an analysis of the changes in designated fund balances for the year ended June 30, 1998:

	<u>Designation for Self-Insurance</u>	<u>Designation for Catastrophic Claims</u>
Balance at beginning of year	\$239,894	\$300,000
Additions	-	-
Deletions	-	-
Balance at end of year	<u>\$239,894</u>	<u>\$300,000</u>

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 18 - INTERFUND TRANSFERS

Operating transfers for the year ended June 30, 1998, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 856,989	\$ 423,434
Special revenue funds:		
Sales tax		678,911
Transportation	327,008	
School food service	111,882	
Parishwide salary supplement	110,859	399,273
Maintenance funds:		
Colfax	6,799	
Dry Prong	13,418	
Georgetown	11,220	
Grant	14,670	
Montgomery District 21	12,390	
Pollock	11,286	
Verda	6,329	
Parishwide	<u>18,769</u>	
 Totals	 <u>\$1,501,618</u>	 <u>\$1,501,618</u>

NOTE 19 - RISK MANAGEMENT

The School Board initiated a risk management program for workers' compensation insurance in fiscal year 1992. Premiums are paid into the internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 1998 a total of \$259,567 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$175,000. Inter-fund premiums are based primarily upon the individual funds payroll and are reported as expenditures in the individual funds.

The Internal Service Fund - Workers' Compensation incurred a net income for the year of \$9,461 and at year end had a retained earnings balance of \$14,035.

Changes in the claims amount in previous fiscal years were as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Ending of Fiscal Year Liability</u>
<i>Workers' Compensation:</i>				
1996 - 1997	\$13,587	\$158,341	\$170,733	\$ 1,195
1997 - 1998	1,195	274,039	259,567	15,667

In addition, the School Board is at risk for property damage, liability and theft which are covered by insurance policies.

Grant Parish School Board
Colfax, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998

NOTE 20 - LITIGATION AND CLAIMS

Litigation The School Board is a defendant in several lawsuits. Management and legal council for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Self-Insurance The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$175,000 per claim for each employee, or \$690,600 aggregate in two years for workers' compensation insurance coverage. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements. A portion of fund balance of the general fund has been designated for payment of future claims.

NOTE 21 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$16,254. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 22 - FUND CHANGES

The School Board established the South Grant fund during the year ended June 30, 1998. This fund is accounted for as a special revenue fund.

Beginning January 1, 1998, the Grant Parish Sheriff's Office assumed sales tax collections. Because the School Board will no longer be the collection agency, the sales tax fund will no longer be reported as an agency fund.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1998**

NOTE 23 - YEAR 2000 COMPLIANCE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

The School Board has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting school board operations. These systems are financial reporting, payroll, school activity accounting, and educational statistics reporting.

As of June 30, 1998, the financial reporting system has been assessed, and the Board has contracted with an outside vendor to remediate this system.

As of June 30, 1998 the payroll system has been assessed and remediated; validation and testing of this system has been completed by the vendor.

As of June 30, 1998, the school activity accounting has been assessed. The School Board has installed new computers in each school and contracted with an outside vendor to remediate these systems.

The state of Louisiana distributes a substantial sum of money to the Board in the form of "foundation" and federal and state grant payments. The foundation payments are based on student and financial data that is collected from the School Board and its schools. As of June 30, 1998, the School Board has assessed the student data collection system. Further, the state processes a significant amount of financial and non-financial information about the Board through the state's Department of Education management information system. The state is responsible for the remediation of these systems.

The Grant Parish Sheriff's Office collects sales taxes and property taxes for distribution to the School Board. The sheriff's office is responsible for remediating the tax collection system.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the School Board is or will be year 2000-ready, that the School Board's remediation efforts will be successful in whole or in part, or that parties with whom the School Board does business will be year 2000-ready.

NOTE 24 - SUBSEQUENT EVENTS

In November 1998, the voters of Grant Parish renewed the following taxes for ten years:

- 7.11 mil for parishwide general support
- 2.62 mil for Consolidated School #33 maintenance and operations
- 4.38 mil for Montgomery School #21 maintenance and operations
- 4.28 mil for Georgetown School #16 maintenance and operations

In November 1998, the voters of Georgetown passed an additional ten-year 16-mil property tax for maintenance and operations for Georgetown School #16.

**Grant Parish School Board
Colfax, Louisiana**

SUPPLEMENTAL INFORMATION

**Grant Parish School Board
Colfax, Louisiana**

SPECIAL REVENUE FUNDS

TITLE I

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

TITLE VI

This program was designed to assist state and local educational agencies to improve elementary and secondary education.

Grants are awarded for students at risk of failure in school; instructional materials; school-wide improvements and effective school programs; training and professional development; early identification of children with reading disabilities, personal excellence of students and student achievements; and innovative enhancements projects to the educational program and climate of the school.

VOCATIONAL EDUCATION

BASIC GRANTS TO STATES

To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

TITLE II

This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

(Continued)

**Grant Parish School Board
Colfax, Louisiana**

SPECIAL REVENUE FUNDS

SPECIAL EDUCATION

STATE GRANTS

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

PRESCHOOL GRANTS

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

K-3 READING AND MAT INITIATIVE

This program was designed to improve the reading and math skills of Louisiana public school students in kindergarten through third grade.

ADULT EDUCATION

To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

GOALS 2000

To provide grants to state education agencies (SEAs) on a formula basis to support the development and implementation of comprehensive reform plans at the state, local and school levels to improve the teaching and learning of all children. To support top-down and bottom-up reform by requiring SEAs to flow 90 percent of funds to local education agencies (LEAs) and LEAs to flow funds to schools. To support the establishment by states and localities of high standards in their core content areas. All aspects of the educational process are aligned including, but not limited to assessments, curriculum, professional development, and preservice training.

SALES TAX

Grant Parish School Board is the centralized sales tax collection agency for all taxing authorities in Grant Parish. As a result, the School Board receives a fee of 1.75 to 5.00 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department.

TRANSPORTATION

The transportation fund accounts for the financial activity that is required to provide transportation for school children. The fund also provides for the sale and rental of school buses to contracted drivers.

(Continued)

**Grant Parish School Board
Colfax, Louisiana**

SPECIAL REVENUE FUNDS

SCHOOL FOOD SERVICE

Through cash grants and food donations, the school food service fund provides a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

PARISHWIDE SALARY SUPPLEMENT

The parishwide salary supplement fund is used to account for monies collected from an additional ad valorem tax passed during 1994. These funds are used to supplement teachers' salaries.

OTHER MISCELLANEOUS

CLASSROOM-BASED TECHNOLOGY

This grant was designed to purchase computers, graphing calculators, scientific equipment, etc. to bring technology into the classroom.

LITERACY CHALLENGE GRANT

This grant was designed to be used along with the classroom-based technology grant for staff development.

8G INNOVATIVE PROFESSIONAL DEVELOPMENT PROGRAM

This grant was designed to provide computer-assisted instruction to staff in order for them to have a working knowledge of using the Internet in the classroom.

SCHOOL TO WORK

This program was designed to equip students with the skills they need to perform the jobs of a modern, competitive world economy.

MAINTENANCE FUNDS

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district.

Colfax
Dry Prong
Georgetown
Grant
Montgomery District 21
Pollock
Verda
Parishwide

(Concluded)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 1998

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>VOCATIONAL EDUCATION</u>	<u>TITLE II</u>	<u>SPECIAL EDUCATION</u>
ASSETS					
Cash and cash equivalents	\$ 12,881	\$ 393	\$ 0	\$ 13,584	\$ 15,758
Investments	0	0	0	0	0
Receivables	230,845	0	29,599	0	139,987
Interfund receivables	0	0	0	0	0
Inventory	0	0	0	0	0
TOTAL ASSETS	\$ 243,726	\$ 393	\$ 29,599	\$ 13,584	\$ 155,745
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts, salaries & other payables	\$ 53,493	\$ 0	\$ 6,349	\$ 0	\$ 16,981
Interfund payables	190,233	393	23,250	13,584	138,764
Deferred revenue	0	0	0	0	0
Total Liabilities	\$ 243,726	\$ 393	\$ 29,599	\$ 13,584	\$ 155,745
Fund Equity					
Fund Balances:					
Reserved for inventory	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved and undesignated	0	0	0	0	0
Total Equity	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL LIABILITIES AND FUND EQUITY	\$ 243,726	\$ 393	\$ 29,599	\$ 13,584	\$ 155,745

Exhibit 1

ADULT EDUCATION	GOALS 2000	SALES TAX	TRANSPORTATION	SCHOOL FOOD SERVICE	PARISHWIDE SALARY SUPPLEMENT	OTHER MISCELLANEOUS FUNDS
\$ 0	\$ 0	\$ 57,373	\$ 12,288	\$ 195,506	\$ 7,769	\$ 2,400
0	0	3	63	335,061	0	0
0	30,211	130,807	25	2,222	0	156,995
0	0	0	148,428	0	0	0
0	0	0	0	13,012	0	0
<u>\$ 0</u>	<u>\$ 30,211</u>	<u>\$ 188,183</u>	<u>\$ 160,804</u>	<u>\$ 545,801</u>	<u>\$ 7,769</u>	<u>\$ 159,395</u>
\$ 0	\$ 44	\$ 432	\$ 160,804	\$ 76,546	\$ (51)	\$ 5,730
0	30,167	79,028	0	0	0	153,665
0	0	0	0	6,808	0	0
<u>\$ 0</u>	<u>\$ 30,211</u>	<u>\$ 79,460</u>	<u>\$ 160,804</u>	<u>\$ 83,354</u>	<u>\$ (51)</u>	<u>\$ 159,395</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,012	\$ 0	\$ 0
0	0	108,723	0	449,435	7,820	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 108,723</u>	<u>\$ 0</u>	<u>\$ 462,447</u>	<u>\$ 7,820</u>	<u>\$ 0</u>
<u>\$ 0</u>	<u>\$ 30,211</u>	<u>\$ 188,183</u>	<u>\$ 160,804</u>	<u>\$ 545,801</u>	<u>\$ 7,769</u>	<u>\$ 159,395</u>

(CONTINUED)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 1998

	<u>COLFAX</u>	<u>DRY PRONG</u>	<u>GEORGETOWN</u>	<u>GRANT</u>	<u>MONTGOMERY DISTRICT 21</u>
ASSETS					
Cash and cash equivalents	\$ 19,653	\$ 6,698	\$ 1,865	\$ 8,352	\$ 8,550
Investments	35,364	15,192	0	20,257	25,090
Receivables	0	0	0	0	0
Interfund receivables	0	0	0	0	0
Inventory	0	0	0	0	0
TOTAL ASSETS	\$ 55,017	\$ 21,890	\$ 1,865	\$ 28,609	\$ 33,640
 LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts, salaries & other payables	\$ 3,419	\$ 1,797	\$ 88	\$ 2,397	\$ 6,469
Interfund payables	0	521	0	9,753	0
Deferred revenue	0	0	0	0	0
Total liabilities	\$ 3,419	\$ 2,318	\$ 88	\$ 12,150	\$ 6,469
 Fund Equity					
Fund Balances:					
Reserved for inventory	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved and undesignated	51,598	19,572	1,777	16,459	27,171
Total equity	\$ 51,598	\$ 19,572	\$ 1,777	\$ 16,459	\$ 27,171
TOTAL LIABILITIES AND FUND EQUITY	\$ 55,017	\$ 21,890	\$ 1,865	\$ 28,609	\$ 33,640

Exhibit 1

<u>POLLOCK</u>	<u>VERDA</u>	<u>SOUTH GRANT</u>	<u>PARISH WIDE</u>	<u>TOTAL</u>
\$ 17,315	\$ 14,104	\$ 7,220	\$ 11,210	412,919
170,802	4,915	20,257	96,510	723,514
645	0	0	525	721,861
3,307	0	0	0	151,735
0	0	0	0	13,012
<u>\$ 192,069</u>	<u>\$ 19,019</u>	<u>\$ 27,477</u>	<u>\$ 108,245</u>	<u>2,023,041</u>
\$ 5,157	\$ 0	\$ 13	\$ 8,642	348,310
0	0	0	29,237	668,595
0	0	0	0	6,808
<u>\$ 5,157</u>	<u>\$ 0</u>	<u>\$ 13</u>	<u>\$ 37,879</u>	<u>1,023,713</u>
\$ 0	\$ 0	\$ 0	\$ 0	13,012
186,912	19,019	27,464	70,366	986,316
<u>\$ 186,912</u>	<u>\$ 19,019</u>	<u>\$ 27,464</u>	<u>\$ 70,366</u>	<u>999,328</u>
<u>\$ 192,069</u>	<u>\$ 19,019</u>	<u>\$ 27,477</u>	<u>\$ 108,245</u>	<u>2,023,041</u>

(CONCLUDED)

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>VOCATIONAL EDUCATION</u>	<u>TITLE II</u>	<u>SPECIAL EDUCATION</u>
REVENUES					
Local sources:					
Taxes:					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sales and use	0	0	0	0	0
Interest earnings	0	0	0	0	0
Food services	0	0	0	0	0
Other	0	0	0	0	0
State sources:					
Equalization	0	0	0	0	0
Other	4,740	0	0	0	121,537
Federal sources	<u>780,925</u>	<u>18,827</u>	<u>34,829</u>	<u>19,404</u>	<u>273,429</u>
Total Revenues	\$ 785,665	\$ 18,827	\$ 34,829	\$ 19,404	\$ 394,966
EXPENDITURES					
Current:					
Instruction:					
Regular programs	\$ 0	\$ 0	\$ 0	\$ 878	\$ 73,080
Special Programs	432,939	0	0	0	156,780
Other instructional programs	0	0	34,799	0	0
Support services:					
Student services	30,982	0	0	0	39,119
Instructional staff support	274,108	18,625	0	18,041	98,752
General administration	19,371	187	30	466	5,372
School administration	0	0	0	0	0
Business services	0	15	0	19	2,751
Plant services	28,265	0	0	0	9,214
Student transportation services	0	0	0	0	2,225
Food services	0	0	0	0	0
Facilities acquisition and construction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,673</u>
Total Expenditures	\$ 785,665	\$ 18,827	\$ 34,829	\$ 19,404	\$ 394,966
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit 2

ADULT EDUCATION	GOALS 2000	SALES TAX	TRANSPORTATION	SCHOOL FOOD SERVICE	PARISHWIDE SALARY SUPPLEMENT	OTHER MISCELLANEOUS FUNDS
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 297,599	\$ 0
0	0	703,138	0	0	0	0
0	0	3,917	323	18,495	705	0
0	0	0	0	270,550	0	0
0	0	0	15,641	0	0	0
0	0	0	1,447,937	305,106	0	0
0	0	0	0	0	0	162,652
15,271	58,837	0	0	904,860	0	20,495
<u>\$ 15,271</u>	<u>\$ 58,837</u>	<u>\$ 707,055</u>	<u>\$ 1,463,901</u>	<u>\$ 1,499,011</u>	<u>\$ 298,304</u>	<u>\$ 183,147</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 148,875
0	0	0	0	0	0	0
0	0	0	0	0	0	2,620
0	0	0	0	0	0	17,163
15,037	57,968	0	0	0	0	13,777
234	869	20,339	0	0	10,764	422
0	0	0	0	0	0	0
0	0	0	192	0	0	0
0	0	0	14,749	0	0	0
0	0	0	1,774,876	0	0	290
0	0	0	0	1,627,159	0	0
0	0	0	4,300	0	0	0
<u>\$ 15,271</u>	<u>\$ 58,837</u>	<u>\$ 20,339</u>	<u>\$ 1,794,117</u>	<u>\$ 1,627,159</u>	<u>\$ 10,764</u>	<u>\$ 183,147</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 686,716</u>	<u>\$ (330,216)</u>	<u>\$ (128,148)</u>	<u>\$ 287,540</u>	<u>\$ 0</u>

(CONTINUED)

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>VOCATIONAL EDUCATION</u>	<u>TITLE II</u>	<u>SPECIAL EDUCATION</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 0	\$ 0	\$ 0	\$ 0	0
Operating transfers out	0	0	0	0	0
Sale of fixed assets	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 0	\$ 0	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 2

ADULT EDUCATION	GOALS 2000	SALES TAX	TRANSPORTATION FUNDS	SCHOOL FOOD SERVICE	PARISHWIDE SALARY SUPPLEMENT	OTHER MISCELLANEOUS FUNDS
\$ 0	\$ 0	\$ 0	\$ 327,008	\$ 111,882	\$ 110,859	\$ 0
0	0	(678,911)	0	0	(399,273)	0
0	0	0	0	0	0	0
\$ 0	\$ 0	\$ (678,911)	\$ 327,008	\$ 111,882	\$ (288,414)	\$ 0
\$ 0	\$ 0	\$ 7,805	\$ (3,208)	\$ (16,266)	\$ (874)	\$ 0
0	0	100,918	3,208	478,713	8,694	0
\$ 0	\$ 0	\$ 108,723	\$ 0	\$ 462,447	\$ 7,820	\$ 0

(CONTINUED)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998

	<u>COLFAX</u>	<u>DRY PRONG</u>	<u>GEORGETOWN</u>	<u>GRANT</u>	<u>MONTGOMERY DISTRICT 21</u>
REVENUES					
Local sources:					
Taxes:					
Ad Valorem	\$ 33,708	\$ 13,393	\$ 6,524	\$ 51,344	\$ 9,331
Sales and use	0	0	0	0	0
Interest earnings	1,330	704	125	562	1,238
Food services	0	0	0	0	0
Other	0	0	0	0	0
State sources:					
Equalization	0	0	0	0	1,288
Other	4,334	4,958	957	8,561	0
Federal sources					
	0	0	0	0	0
Total Revenues	\$ 39,372	\$ 19,055	\$ 7,606	\$ 60,467	\$ 11,857
EXPENDITURES					
Current:					
Instruction:					
Regular programs	\$ 2,329	\$ 0	\$ 4,227	\$ 4,346	\$ 0
Special Programs	0	0	0	0	0
Other instructional programs	0	0	0	0	0
Support services:					
Student services	0	0	0	0	0
Instructional staff support	0	0	0	0	0
General administration	1,226	498	236	1,855	339
School administration	0	4,468	1,450	16,794	5,204
Business services	0	142	132	10	147
Plant services	13,292	20,673	9,649	34,629	8,142
Student transportation services	0	0	0	0	0
Food services	0	0	0	0	0
Facilities acquisition and construction	3,384	4,493	3,002	13,762	8,330
Total Expenditures	\$ 20,231	\$ 30,274	\$ 18,696	\$ 71,396	\$ 22,162
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 19,141	\$ (11,219)	\$ (11,090)	\$ (10,929)	\$ (10,305)

Exhibit 2

	<u>POLLOCK</u>	<u>VERDA</u>	<u>SOUTH GRANT</u>	<u>PARISHWIDE</u>	<u>TOTAL</u>
\$	70,542	\$ 3,266	\$ 0	\$ 124,016	\$ 609,723
	0	0	0	0	703,138
	8,656	530	425	3,393	40,403
	0	0	0	0	270,550
	190	0	0	0	15,831
	0	0	0	0	1,754,331
	9,205	490	0	19,787	337,221
	0	0	0	0	2,126,877
<u>\$</u>	<u>88,593</u>	<u>\$ 4,286</u>	<u>\$ 425</u>	<u>\$ 147,196</u>	<u>\$ 5,858,074</u>

\$	7,705	\$ 0	\$ 0	\$ 6,392	\$ 247,832
	0	0	0	0	589,719
	0	0	0	0	37,419
	0	0	0	0	87,264
	0	0	0	0	496,308
	2,565	168	0	4,496	69,437
	2,741	0	0	3,821	34,478
	150	129	14	0	3,701
	38,846	5,196	3,795	127,733	314,183
	0	0	0	0	1,777,391
	0	0	0	0	1,627,159
	21,504	824	0	16,998	84,270
<u>\$</u>	<u>73,511</u>	<u>\$ 6,317</u>	<u>\$ 3,809</u>	<u>\$ 159,440</u>	<u>\$ 5,369,161</u>

<u>\$</u>	<u>15,082</u>	<u>\$ (2,031)</u>	<u>\$ (3,384)</u>	<u>\$ (12,244)</u>	<u>\$ 488,913</u>
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(CONTINUED)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998

	<u>COLFAX</u>	<u>DRY PRONG</u>	<u>GEORGETOWN</u>	<u>GRANT</u>	<u>MONTGOMERY DISTRICT 21</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 6,799	\$ 13,418	\$ 11,220	\$ 14,670	\$ 12,390
Operating transfers out	0	0	0	0	0
Sale of fixed assets	0	0	2	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 6,799</u>	<u>\$ 13,418</u>	<u>\$ 11,222</u>	<u>\$ 14,670</u>	<u>\$ 12,390</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$ 25,940</u>	<u>\$ 2,199</u>	<u>\$ 132</u>	<u>\$ 3,741</u>	<u>\$ 2,085</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>25,658</u>	<u>17,373</u>	<u>1,645</u>	<u>12,718</u>	<u>25,086</u>
FUND BALANCES AT END OF YEAR	<u>\$ 51,598</u>	<u>\$ 19,572</u>	<u>\$ 1,777</u>	<u>\$ 16,459</u>	<u>\$ 27,171</u>

Exhibit 2

<u>POLLOCK</u>	<u>VERDA</u>	<u>SOUTH GRANT</u>	<u>PARISHWIDE</u>	<u>TOTAL</u>
\$ 11,286	\$ 6,329	\$ 0	\$ 18,769	\$ 644,630
0	0	0	0	(1,078,184)
0	0	30,848	252	31,102
<hr/>				
\$ 11,286	\$ 6,329	\$ 30,848	\$ 19,021	\$ (402,452)
<hr/>				
\$ 26,368	\$ 4,298	\$ 27,464	\$ 6,777	\$ 86,461
160,544	14,721	0	63,589	912,867
<hr/>				
\$ 186,912	\$ 19,019	\$ 27,464	\$ 70,366	\$ 999,328

(CONCLUDED)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-1

	*****TITLE I*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 4,800	\$ 4,740	(60)
Federal sources	879,842	780,925	(98,917)
 Total revenues	\$ 884,642	\$ 785,665	(98,977)
 EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 513,298	\$ 432,939	80,359
Support services:			
Student services	28,815	30,982	(2,167)
Instructional staff support	273,508	274,108	(600)
General administration	23,177	19,371	3,806
Plant services	45,844	28,265	17,579
 Total expenditures	\$ 884,642	\$ 785,665	98,977
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
 FUND BALANCES AT BEGINNING OF YEAR	0	0	0
 FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-2

	*****TITLE VI*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 18,827	\$ 18,827	\$ 0
Total revenues	\$ 18,827	\$ 18,827	\$ 0
EXPENDITURES			
Current:			
Support services:			
Instructional staff support	\$ 18,625	\$ 18,625	\$ 0
General administration	187	187	0
Business services	15	15	0
Total expenditures	\$ 18,827	\$ 18,827	\$ 0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	\$ 0

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998**

Exhibit 3-3

	*****VOCATIONAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 35,000	\$ 34,829	\$ (171)
 Total revenues	\$ 35,000	\$ 34,829	\$ (171)
 EXPENDITURES			
Current:			
Instruction:			
Adult and continuing education	\$ 35,000	\$ 34,799	201
Support services:			
General administration	0	30	(30)
 Total expenditures	\$ 35,000	\$ 34,829	171
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
 FUND BALANCES AT BEGINNING OF YEAR	0	0	0
 FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-4

	*****TITLE II*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 19,404	\$ 19,404	0
<i>Total revenues</i>	<i>\$ 19,404</i>	<i>\$ 19,404</i>	<i>0</i>
EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 878	\$ 878	0
Support services:			
Instructional staff support	18,041	18,041	0
General administration	466	466	0
Business services	19	19	0
<i>Total expenditures</i>	<i>\$ 19,404</i>	<i>\$ 19,404</i>	<i>0</i>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-5

*****SPECIAL EDUCATION*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 145,228	\$ 121,537	(23,691)
Federal sources	273,216	273,429	213
	\$ 418,444	\$ 394,966	(23,478)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 85,740	\$ 73,080	12,660
Special programs	163,243	156,780	6,463
Support services:			
Student services	37,605	39,119	(1,514)
Instructional staff support	107,122	98,752	8,370
General administration	5,409	5,372	37
Business services	4,032	2,751	1,281
Plant services	7,593	9,214	(1,621)
Student transportation services	2,300	2,225	75
Facilities acquisition and construction	5,400	7,673	(2,273)
	\$ 418,444	\$ 394,966	23,478
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-6

	*****ADULT EDUCATION*****		
			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES			
Federal sources	\$ 14,841	\$ 15,271	\$ 430
Total revenues	\$ 14,841	\$ 15,271	\$ 430
EXPENDITURES			
Current:			
Support services:			
Instructional staff support	\$ 14,841	\$ 15,037	(196)
General administration	0	234	(234)
Total expenditures	\$ 14,841	\$ 15,271	(430)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-7

*****GOALS 2000*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 61,200	\$ 58,837	\$ (2,363)
Total revenues	\$ 61,200	\$ 58,837	\$ (2,363)
EXPENDITURES			
Current:			
Support services:			
Instructional staff support	\$ 60,451	\$ 57,968	2,483
General administration	749	869	(120)
Total expenditures	\$ 61,200	\$ 58,837	2,363
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-8

	*****SALES TAX*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Sales and use	\$ 680,000	\$ 703,138	\$ 23,138
Interest earnings	2,500	3,917	1,417
Total revenues	\$ 682,500	\$ 707,055	\$ 24,555
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 18,430	\$ 20,339	\$ (1,909)
Business services	175	0	175
Total expenditures	\$ 18,605	\$ 20,339	\$ (1,734)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 663,895	\$ 686,716	\$ 22,821
OTHER FINANCING SOURCES (USES)			
Operating transfers out	\$ (687,581)	\$ (678,911)	\$ 8,670
TOTAL OTHER FINANCING SOURCES (USES)	\$ (687,581)	\$ (678,911)	\$ 8,670
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (23,686)	\$ 7,805	\$ 31,491
FUND BALANCES AT BEGINNING OF YEAR	100,918	100,918	0
FUND BALANCES AT END OF YEAR	\$ 77,232	\$ 108,723	\$ 31,491

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-9

	*****TRANSPORTATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Interest earnings	\$ 1,000	\$ 323	\$ (677)
Other	12,500	15,641	3,141
State sources:			
Equalization	1,447,937	1,447,937	0
Total revenues	\$ 1,461,437	\$ 1,463,901	\$ 2,464
EXPENDITURES			
Current:			
Support services:			
Business services	\$ 50	\$ 192	\$ (142)
Plant services	14,420	14,749	(329)
Student transportation services	1,774,140	1,774,876	(736)
Facilities acquisition and construction	3,500	4,300	(800)
Total expenditures	\$ 1,792,110	\$ 1,794,117	\$ (2,007)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES			
	\$ (330,673)	\$ (330,216)	\$ 457
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 329,997	\$ 327,008	\$ (2,989)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 329,997	\$ 327,008	\$ (2,989)
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)			
	\$ (676)	\$ (3,208)	\$ (2,532)
FUND BALANCES AT BEGINNING OF YEAR			
	3,269	3,208	(61)
FUND BALANCES AT END OF YEAR			
	\$ 2,593	\$ 0	\$ (2,593)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-10

	*****SCHOOL FOOD SERVICE*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Interest earnings	\$ 25,000	\$ 18,495	\$ (6,505)
Food services	245,000	270,550	25,550
State sources:			
Equalization	305,106	305,106	0
Federal sources			
	890,000	904,860	14,860
 Total revenues	 \$ 1,465,106	 \$ 1,499,011	 \$ 33,905
 EXPENDITURES			
Current:			
Support services:			
Food services	\$ 1,614,263	\$ 1,627,159	\$ (12,896)
 Total expenditures	 \$ 1,614,263	 \$ 1,627,159	 \$ (12,896)
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ (149,157)	 \$ (128,148)	 \$ 21,009
 OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 111,882	\$ 111,882	\$ 0
 TOTAL OTHER FINANCING SOURCES (USES)	 \$ 111,882	 \$ 111,882	 \$ 0
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	 \$ (37,275)	 \$ (16,266)	 \$ 21,009
 FUND BALANCES AT BEGINNING OF YEAR	 478,713	 478,713	 0
 FUND BALANCES AT END OF YEAR	 \$ 441,438	 \$ 462,447	 \$ 21,009

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-11

	*****PARISHWIDE SALARY SUPPLEMENT*****		
			VARIANCE
	BUDGET	ACTUAL	FAVORABLE
			(UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 296,615	\$ 297,599	\$ 984
Interest earnings	500	705	205
	<u>297,115</u>	<u>298,304</u>	<u>1,189</u>
Total revenues	\$ 297,115	\$ 298,304	\$ 1,189
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 11,000	\$ 10,764	\$ 236
Business services	200	0	200
	<u>11,200</u>	<u>10,764</u>	<u>436</u>
Total expenditures	\$ 11,200	\$ 10,764	\$ 436
EXCESS (Deficiency) OF REVENUES			
OVER EXPENDITURES	\$ 285,915	\$ 287,540	\$ 1,625
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 110,859	\$ 110,859	\$ 0
Operating transfers out	(394,784)	(399,273)	(4,489)
	<u>(283,925)</u>	<u>(288,414)</u>	<u>(4,489)</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ (283,925)	\$ (288,414)	\$ (4,489)
EXCESS (Deficiency) OF REVENUES AND			
OTHER SOURCES OVER EXPENDITURES			
AND OTHER FINANCING SOURCES (USES)	\$ 1,990	\$ (874)	\$ (2,864)
FUND BALANCES AT BEGINNING OF YEAR	8,694	8,694	0
FUND BALANCES AT END OF YEAR	\$ 10,684	\$ 7,820	\$ (2,864)

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-12

	*****OTHER MISCELLANEOUS FUNDS*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 176,300	\$ 162,652	\$ (13,648)
Federal sources	17,585	20,495	2,910
 Total revenues	 \$ 193,885	 \$ 183,147	 \$ (10,738)
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 151,495	\$ 148,875	2,620
Other instructional programs	0	2,620	(2,620)
Support services:			
Student services	17,163	17,163	0
Instructional staff support	24,805	13,777	11,028
General administration	422	422	0
Student transportation services	\$ 0	\$ 290	\$ (290)
 Total expenditures	 \$ 193,885	 \$ 183,147	 10,738
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 0	 \$ 0	 0
 FUND BALANCES AT BEGINNING OF YEAR	 0	 0	 0
 FUND BALANCES AT END OF YEAR	 \$ 0	 \$ 0	 0

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-13

*****COLFAX*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 33,652	\$ 33,708	56
Interest earnings	700	1,330	630
State sources:			
Other	4,285	4,334	49
Total revenues	\$ 38,637	\$ 39,372	735
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 3,712	\$ 2,329	1,383
Support services:			
General administration	2,144	1,226	918
School administration	0	0	0
Business services	120	0	120
Plant services	14,300	13,292	1,008
Facilities acquisition and construction	1,200	3,384	(2,184)
Total expenditures	\$ 21,476	\$ 20,231	1,245
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 17,161	\$ 19,141	1,980
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 6,799	\$ 6,799	0
Total Other Financing Sources (Uses)	\$ 6,799	\$ 6,799	0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 23,960	\$ 25,940	1,980
FUND BALANCES AT BEGINNING OF YEAR	25,658	25,658	0
FUND BALANCES AT END OF YEAR	\$ 49,618	\$ 51,598	1,980

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-14

	*****DRY PRONG*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 10,549	\$ 13,393	\$ 2,844
Interest earnings	90	704	614
State sources:			
Other	4,832	4,958	126
Total revenues	\$ 15,471	\$ 19,055	\$ 3,584
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 600	\$ 0	\$ 600
Support services:			
General administration	498	498	0
School administration	4,468	4,468	0
Business services	120	142	(22)
Plant services	19,106	20,673	(1,567)
Facilities acquisition and construction	4,839	4,493	346
Total expenditures	\$ 29,631	\$ 30,274	\$ (643)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (14,160)	\$ (11,219)	\$ 2,941
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 13,418	\$ 13,418	\$ 0
Total Other Financing Sources (Uses)	\$ 13,418	\$ 13,418	\$ 0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (742)	\$ 2,199	\$ 2,941
FUND BALANCES AT BEGINNING OF YEAR	17,373	17,373	0
FUND BALANCES AT END OF YEAR	\$ 16,631	\$ 19,572	\$ 2,941

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-15

*****GEORGETOWN*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 6,148	\$ 6,524	\$ 376
Interest earnings	25	125	100
State sources:			
Revenue sharing	959	957	(2)
Total revenues	\$ 7,132	\$ 7,606	\$ 474
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 5,700	\$ 4,227	\$ 1,473
Support services:			
General administration	241	236	5
School administration	2,901	1,450	1,451
Business services	120	132	(12)
Plant services	9,316	9,649	(333)
Facilities acquisition and construction	2,616	3,002	(386)
Total expenditures	\$ 20,894	\$ 18,696	\$ 2,198
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (13,762)	\$ (11,090)	\$ 2,672
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 11,220	\$ 11,220	\$ 0
Sale of fixed assets	0	2	2
Total Other Financing Sources (Uses)	\$ 11,220	\$ 11,222	\$ 2
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (2,542)	\$ 132	\$ 2,674
FUND BALANCES AT BEGINNING OF YEAR	1,645	1,645	0
FUND BALANCES AT END OF YEAR	\$ (897)	\$ 1,777	\$ 2,674

GRANT PARISH SCHOOL BOARD
Coffax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-16

	*****GRANT*****		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 46,438	\$ 51,344	\$ 4,906
Interest earnings	50	562	512
State sources:			
Other	8,452	8,561	109
Total revenues	\$ 54,940	\$ 60,467	\$ 5,527
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 600	\$ 4,346	\$ (3,746)
Support services:			
General administration	1,784	1,855	(71)
School administration	15,324	16,794	(1,470)
Business services	120	10	110
Plant services	34,986	34,629	357
Facilities acquisition and construction	21,629	13,762	7,867
Total expenditures	\$ 74,443	\$ 71,396	\$ 3,047
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (19,503)	\$ (10,929)	\$ 8,574
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 14,387	\$ 14,670	\$ 283
Total Other Financing Sources (Uses)	\$ 14,387	\$ 14,670	\$ 283
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (5,116)	\$ 3,741	\$ 8,857
FUND BALANCES AT BEGINNING OF YEAR	12,718	12,718	0
FUND BALANCES AT END OF YEAR	\$ 7,602	\$ 16,459	\$ 8,857

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998**

Exhibit 3-17

*****MONTGOMERY DISTRICT 21*****			
			VARIANCE
			FAVORABLE
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>(UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 8,767	\$ 9,331	\$ 564
Interest earnings	700	1,238	538
State sources:			
Equalization	<u>1,255</u>	<u>1,288</u>	<u>33</u>
 Total revenues	 <u>\$ 10,722</u>	 <u>\$ 11,857</u>	 <u>\$ 1,135</u>
 EXPENDITURES			
Current:			
Support services:			
General administration	\$ 332	\$ 339	\$ (7)
School administration	2,000	5,204	(3,204)
Business services	120	147	(27)
Plant services	11,693	8,142	3,551
Facilities acquisition and construction	<u>8,170</u>	<u>8,330</u>	<u>(160)</u>
 Total expenditures	 <u>\$ 22,315</u>	 <u>\$ 22,162</u>	 <u>\$ 153</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (11,593)</u>	 <u>\$ (10,305)</u>	 <u>\$ 1,288</u>
 OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>\$ 12,390</u>	<u>\$ 12,390</u>	<u>\$ 0</u>
 Total Other Financing Sources (Uses)	 <u>\$ 12,390</u>	 <u>\$ 12,390</u>	 <u>\$ 0</u>
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 <u>\$ 797</u>	 <u>\$ 2,085</u>	 <u>\$ 1,288</u>
 FUND BALANCES AT BEGINNING OF YEAR	 <u>25,086</u>	 <u>25,086</u>	 <u>0</u>
 FUND BALANCES AT END OF YEAR	 <u>\$ 25,883</u>	 <u>\$ 27,171</u>	 <u>\$ 1,288</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-18

	*****POLLOCK*****		
			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 62,507	\$ 70,542	8,035
Interest earnings	8,600	8,656	56
Other	0	190	190
State sources:			
Other	11,106	9,205	(1,901)
Total revenues	\$ 82,213	\$ 88,593	6,380
EXPENDITURES			
Current:			
Instruction:			
Regular instruction	\$ 11,012	\$ 7,705	3,307
Support services:			
General administration	2,566	2,565	1
School administration	2,758	2,741	17
Business services	120	150	(30)
Plant services	36,005	38,846	(2,841)
Facilities acquisition and construction	20,059	21,504	(1,445)
Total expenditures	\$ 72,520	\$ 73,511	(991)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 9,693	\$ 15,082	5,389
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 11,286	\$ 11,286	0
Total Other Financing Sources (Uses)	\$ 11,286	\$ 11,286	0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 20,979	\$ 26,368	5,389
FUND BALANCES AT BEGINNING OF YEAR	160,544	160,544	0
FUND BALANCES AT END OF YEAR	\$ 181,523	\$ 186,912	5,389

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
In Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-19

	*****VERDA*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 3,277	\$ 3,266	\$ (11)
Interest earnings	325	530	205
State sources:			
Other	481	490	9
	\$ 4,083	\$ 4,286	\$ 203
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 177	\$ 168	\$ 9
Business services	120	129	(9)
Plant services	5,644	5,196	448
Facilities acquisition and construction	600	824	(224)
	\$ 6,541	\$ 6,317	\$ 224
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (2,458)	\$ (2,031)	\$ 427
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 6,329	\$ 6,329	\$ 0
	\$ 6,329	\$ 6,329	\$ 0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 3,871	\$ 4,298	\$ 427
FUND BALANCES AT BEGINNING OF YEAR	14,721	14,721	0
FUND BALANCES AT END OF YEAR	\$ 18,592	\$ 19,019	\$ 427

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-20

	*****SOUTH GRANT*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Interest earnings	\$ 214	\$ 425	\$ 211
Total revenues	\$ 214	\$ 425	\$ 211
EXPENDITURES			
Current:			
Support services:			
Business services	\$ 50	\$ 14	\$ 36
Plant services	5,000	3,795	1,205
Total expenditures	\$ 5,050	\$ 3,809	\$ 1,241
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (4,836)	\$ (3,384)	\$ 1,452
OTHER FINANCING SOURCES (USES)			
Sale of fixed asset	\$ 30,848	\$ 30,848	\$ 0
Total Other Financing Sources (Uses)	\$ 30,848	\$ 30,848	\$ 0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 26,012	\$ 27,464	\$ 1,452
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 26,012	\$ 27,464	\$ 1,452

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1998

Exhibit 3-21

*****PARISHWIDE*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes			
Ad valorem	\$ 124,016	\$ 124,016	\$ 0
Interest earnings	3,475	3,393	(82)
State sources:			
Revenue sharing	19,537	19,787	250
Total revenues	\$ 147,028	\$ 147,196	\$ 168
EXPENDITURES			
Current:			
Support services:			
Regular programs	\$ 6,392	\$ 6,392	\$ 0
General administration	4,366	4,496	(130)
School administration	4,868	3,821	1,047
Business services	119	0	119
Plant services	156,480	127,733	28,747
Facilities acquisition and construction	16,424	16,998	(574)
Total expenditures	\$ 188,649	\$ 159,440	\$ 29,209
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (41,621)	\$ (12,244)	\$ 29,377
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 18,769	\$ 18,769	\$ 0
Sale of fixed assets	0	252	252
Total Other Financing Sources (Uses)	\$ 18,769	\$ 19,021	\$ 252
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (22,852)	\$ 6,777	\$ 29,629
FUND BALANCES AT BEGINNING OF YEAR	63,589	63,589	0
FUND BALANCES AT END OF YEAR	\$ 40,737	\$ 70,366	\$ 29,629

**Grant Parish School Board
Colfax, Louisiana**

DEBT SERVICE FUNDS

CONSOLIDATED NO. 33
GEORGETOWN NO. 16
MONTGOMERY NO. 21
VERDA NO. 31

The school district debt service funds are used to accumulate monies for payment of the four remaining bond issues. The bonds were issued by the respective school districts for the purpose of acquiring and improving sites, erecting and equipping additional public school buildings, acquiring necessary equipment and furnishings, and improving existing public school buildings. The bond issues are financed by a special property tax levy on property within the territorial limits of the appropriate school districts.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 1998

Exhibit 4

	<u>CONSOLIDATED</u> <u>NO. 33</u>	<u>GEORGETOWN</u> <u>NO. 16</u>	<u>MONTGOMERY</u> <u>NO. 21</u>	<u>VERDA</u> <u>NO. 31</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	\$ 9,911	\$ 10,684	\$ 32,059	\$ 16,399	\$ 69,053
Investments	376,881	0	0	0	376,881
Receivables	4,550	0	0	0	4,550
Total Assets	\$ 391,342	\$ 10,684	\$ 32,059	\$ 16,399	\$ 450,484
LIABILITIES AND FUND EQUITY					
Liabilities:					
Matured bonds and interest payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund equity - fund balances:					
Reserved for debt service	391,342	10,684	32,059	16,399	450,484
Total equity and other credits	\$ 391,342	\$ 10,684	\$ 32,059	\$ 16,399	\$ 450,484
Total Liabilities and Fund Equity	\$ 391,342	\$ 10,684	\$ 32,059	\$ 16,399	\$ 450,484

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures
and Changes In Fund Balances
For the Year Ended June 30, 1998

Exhibit 5

	<u>CONSOLIDATED</u> <u>NO. 33</u>	<u>GEORGETOWN</u> <u>NO. 16</u>	<u>MONTGOMERY</u> <u>NO. 21</u>	<u>VERDA</u> <u>NO. 31</u>	<u>TOTAL</u>
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 392,178	\$ 29,059	\$ 57,777	\$ 38,149	\$ 517,163
Interest earnings	16,232	225	325	184	16,966
TOTAL REVENUES	\$ 408,410	\$ 29,284	\$ 58,102	\$ 38,333	\$ 534,129
EXPENDITURES					
Current:					
Support services:					
General administration	\$ 14,160	\$ 1,046	\$ 2,087	\$ 1,324	\$ 18,617
Business services	34	0	24	13	71
Debt Service:					
Principal retirement	270,000	30,000	20,000	15,000	335,000
Interest and bank charges	113,806	3,800	26,812	17,515	161,933
TOTAL EXPENDITURES	\$ 398,000	\$ 34,846	\$ 48,923	\$ 33,852	\$ 515,621
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 10,410	\$ (5,562)	\$ 9,179	\$ 4,481	\$ 18,508
FUND BALANCE AT BEGINNING OF YEAR	380,932	16,246	22,880	11,918	431,976
FUND BALANCE AT END OF YEAR	\$ 391,342	\$ 10,684	\$ 32,059	\$ 16,399	\$ 450,484

**Grant Parish School Board
Colfax, Louisiana**

CAPITAL PROJECTS FUND

DISTRICT 33 ELEMENTARY SCHOOL
DISTRICT 31 CAPITAL IMPROVEMENTS
DISTRICT 21 IMPROVEMENTS PROJECT

The capital projects funds account for the construction and improvements of public school facilities. Financing has been provided by the proceeds from sale of general obligation bonds.

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

CAPITAL PROJECTS FUNDS
Combining Balance Sheet
June 30, 1998

Exhibit 6

	DISTRICT 33 ELEMENTARY SCHOOL	DISTRICT 31 CAPITAL IMPROVEMENTS	DISTRICT 21 IMPROVEMENTS PROJECT	TOTAL
ASSETS				
Cash and cash equivalents	\$ 7,888	\$ 0	\$ 25,724	\$ 33,612
Investments	85,000	49,857	355,027	489,884
Receivables	0	309	1,051	1,360
Interfund receivables	0	0	1,276	1,276
Total Assets	\$ 92,888	\$ 50,166	\$ 383,078	\$ 526,132
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, salaries and other payables	\$ 0	\$ 3,168	\$ 11,770	\$ 14,938
Interfund payables	0	1,276	0	1,276
Total liabilities	\$ 0	\$ 4,444	\$ 11,770	\$ 16,214
Fund equity - fund balances:				
Undesignated	\$ 92,888	\$ 45,722	\$ 371,308	\$ 509,918
Total Liabilities and Fund Equity	\$ 92,888	\$ 50,166	\$ 383,078	\$ 526,132

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 1998**

Exhibit 7

	DISTRICT 33 ELEMENTARY SCHOOL	DISTRICT 31 CAPITAL IMPROVEMENTS	DISTRICT 21 IMPROVEMENTS PROJECT	TOTAL
REVENUES				
Local sources:				
Interest earnings	\$ 5,566	\$ 5,884	\$ 22,127	\$ 33,577
Other	0	37	75	112
Total revenues	\$ 5,566	\$ 5,921	\$ 22,202	\$ 33,689
EXPENDITURES				
Current:				
Instruction:				
<i>Regular instruction</i>	\$ 5,995	\$ 0	\$ 3,835	\$ 9,830
Support services:				
School administration	0	0	406	406
Business services	122	18	65	205
Plant services	2,910	255	6,949	10,114
Facilities acquisition and construction	14,714	211,035	80,822	306,571
Total expenditures	\$ 23,741	\$ 211,308	\$ 92,077	\$ 327,126
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (18,175)	\$ (205,387)	\$ (69,875)	\$ (293,437)
FUND BALANCES AT BEGINNING OF YEAR	111,063	251,109	441,183	803,355
FUND BALANCES AT END OF YEAR	\$ 92,888	\$ 45,722	\$ 371,308	\$ 509,918

**Grant Parish School Board
Colfax, Louisiana**

AGENCY FUNDS

SCHOOL ACTIVITY FUND

The activities of the various individual school accounts are accounted for in the school activity agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SALES TAX FUND

The sales tax fund accounts for the collection and distribution of the sales and use taxes levied by the Grant Parish Police Jury, the Towns of Colfax, Pollock and Georgetown.

DEFERRED COMPENSATION

The deferred compensation agency fund is used to account for employee deductions, investment earnings, and eventual payments of benefits to employees under deferred compensation plans established by the School Board under Section 457 of the Internal Revenue Code.

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**AGENCY FUNDS
Combining Schedule of Assets and Liabilities
June 30, 1998**

Exhibit 8

	<u>SCHOOL ACTIVITY FUND</u>	<u>SALES TAX FUND</u>	<u>DEFERRED COMPENSATION</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 221,309	\$ 0	\$ 0	\$ 221,309
Investments	0	0	188,414	188,414
Total assets	\$ 221,309	\$ 0	\$ 188,414	\$ 409,723
LIABILITIES				
Deposits due others	\$ 221,309	\$ 0	\$ 0	\$ 221,309
Deferred compensation payable	0	0	188,414	188,414
Total liabilities	\$ 221,309	\$ 0	\$ 188,414	\$ 409,723

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

**AGENCY FUNDS
Combining Statement of Changes In Assets and Liabilities
For the Year June 30, 1998**

Exhibit 9

	<u>Balance, July 1, 1997</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 1998</u>
*****SCHOOL ACITIVTY FUND*****				
ASSETS				
Cash and cash equivalents	\$ 211,505	\$ 768,024	\$ 758,220	\$ 221,309
LIABILITIES				
Deposits due others	\$ 211,505	\$ 768,024	\$ 758,220	\$ 221,309
*****SALES TAX FUND*****				
ASSETS				
Cash and cash equivalents	\$ 209,738	\$ 1,385,787	\$ 1,595,525	\$ 0
LIABILITIES				
Deposits due others	\$ 209,738	\$ 1,385,787	\$ 1,595,525	\$ 0
*****DEFERRED COMPENSATION PLAN FUND*****				
ASSETS				
Investments	\$ 153,620	\$ 36,351	\$ 1,557	\$ 188,414
LIABILITIES				
Deferred compensation payable	\$ 153,620	\$ 36,351	\$ 1,557	\$ 188,414
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 421,243	\$ 2,153,811	\$ 2,353,745	\$ 221,309
Investments	153,620	36,351	1,557	188,414
Total Assets	\$ 574,863	\$ 2,190,162	\$ 2,355,302	\$ 409,723
LIABILITIES				
Deposits due others	\$ 421,243	\$ 2,153,811	\$ 2,353,745	\$ 221,309
Deferred compensation payable	153,620	36,351	1,557	188,414
Total Liabilities	\$ 574,863	\$ 2,190,162	\$ 2,355,302	\$ 409,723

**GRANT PARISH SCHOOL BOARD
Colfax, Louisiana**

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

Exhibit 10

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Colfax Elementary	\$ 16,110	\$ 46,143	\$ 49,183	\$ 13,070
Dry Prong Junior High	44,828	107,040	99,805	52,063
Montgomery-Gaines Junior High	10,790	28,047	21,471	17,366
Georgetown High	27,308	101,668	104,588	24,388
Grant High	48,273	238,062	231,727	54,608
Montgomery High	5,099	91,422	96,876	(355)
Pollock Elementary	21,241	63,934	64,946	20,229
Verda Elementary	17,308	36,279	35,485	18,102
South Grant Elementary	<u>20,548</u>	<u>55,429</u>	<u>54,139</u>	<u>21,838</u>
Total	<u>\$ 211,505</u>	<u>\$ 768,024</u>	<u>\$ 758,220</u>	<u>\$ 221,309</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

SALES TAX AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 1998

Exhibit 11

DEPOSIT BALANCE AT BEGINNING OF YEAR	\$ <u>209,738</u>
ADDITIONS	
Interest earned	\$ 1,786
Sales tax collections for:	
Grant Parish School Board	442,728
Grant Parish Police Jury	401,489
Grant Parish Sheriff Department	400,464
Town of:	
Colfax	127,221
Pollock	14,707
Village of Georgetown	9,756
Less: refunds of overpayment	<u>(12,364)</u>
Total additions	\$ <u>1,385,787</u>
DEDUCTIONS	
Sales tax collections fees	\$ 18,969
Payments to:	
Grant Parish School Board	462,416
Grant Parish Police Jury	452,604
Grant Parish Sheriff Department	451,560
Town of:	
Colfax	156,710
Pollock	18,510
Village of Georgetown	7,793
Office supplies	1,560
Audit expense	<u>25,403</u>
Total deductions	\$ <u>1,595,525</u>
DEPOSIT BALANCE AT END OF YEAR	\$ <u>0</u>

GRANT PARISH SCHOOL BOARD
Colfax, Louisiana

DEFERRED COMPENSATION AGENCY FUND -
Schedule of Changes in Deferred Compensation Benefits Payable
For the The Year Ended June 30, 1998

Exhibit 12

DEFERRED COMPENSATION BENEFITS PAYABLE AT BEGINNING OF YEAR	\$ <u>153,620</u>
ADDITIONS	
Contributions	19,045
Interest income	<u>17,306</u>
Total additions	<u>36,351</u>
DEDUCTIONS	
Withdrawals	<u>1,557</u>
DEFERRED COMPENSATION BENEFITS PAYABLE AT END OF YEAR	\$ <u>188,414</u>

**Grant Parish School Board
Colfax, Louisiana**

GENERAL

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$500 per month.

**SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 1998**

<u>Board Member</u>	<u>Amount</u>
R. L. Pennison, President	\$ 6,000
Linda Amberg	6,000
Eddie Baxley	6,000
Bobbie Deen	6,000
A. D. Futrell	6,000
Walter Jerro, Jr.	6,000
H. Neal Reeder	6,000
Gary Walker	<u>6,000</u>
TOTAL	<u>\$48,000</u>

**Grant Parish School Board
Colfax, Louisiana**

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The first report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards, issued by the Comptroller General of the United States. The section of the report on compliance is based solely on the audit of the general-purpose financial statements and presents, where applicable, compliance matters that would be material to the general-purpose financial statements. The section of the report on internal control over financial reporting is, likewise, based solely on the audit of the general-purpose financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses.

**OTHER REPORT REQUIRED BY
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR NO. A-133**

The second report following this page contains information on the report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular No. A-133. The section of the report on compliance is related to tests of compliance with laws, regulations, contracts and grants relating to federal awards programs. The section of the report on internal control over compliance is, likewise, related to matters that would be significant and/or material to federal awards programs.

ALLEN, GREEN & COMPANY, LLP

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Ernest L. Allen, CPA
(A Professional
Accounting Corp.)

Tim Green, CPA

Margie Williamson, CPA



Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members
Grant Parish School Board
Colfax, Louisiana

We have audited the financial statements of Grant Parish School Board, as of and for the year ended June 30, 1998, and have issued our report thereon dated November 2, 1998, which was qualified because insufficient audit evidence exists to support the School Board's disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting 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 over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 over financial reporting and its operation that we consider to be material weaknesses.

Board Members
Grant Parish School Board
Colfax, Louisiana

Management Letter Items

However, we noted a matter involving the internal control over financial reporting which we have reported to management of the School Board in a separate letter dated November 2, 1998, included later in this report.

This report is intended for the information of the Board, management, federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
November 2, 1998

ALLEN, GREEN & COMPANY, LLP

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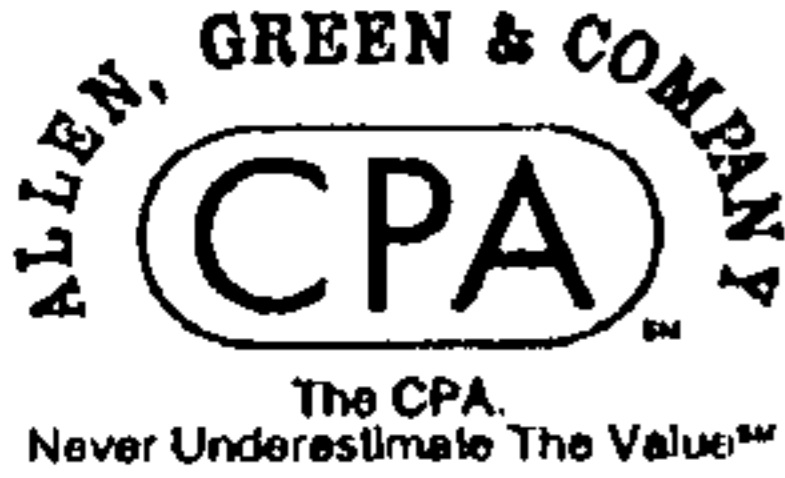
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Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members
Grant Parish School Board
Colfax, Louisiana

Compliance

We have audited the compliance of Grant Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1998. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Board Members
Grant Parish School Board
Colfax, Louisiana

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the School Board, as of and for the year ended June 30, 1998, and have issued our report thereon dated November 2, 1998. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information of the Board, management, federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
November 2, 1998

**Grant Parish School Board
Colfax, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1998**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	\$ 186,621
National School Lunch Program	10.555	N/A	641,535
Passed through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	<u>388,459</u>
Total United States Department of Agriculture			<u>1,216,615</u>
United States Department of Education			
Passed Through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002	N/A	15,271
Title I Grants to Local Educational Agencies	84.010	98-IASA-22-1 97-IASA-22-1C/O	780,925
Special Education:			
Grants to States (Part B)	84.027	98-FT-22 97-FT-22	225,476
Preschool Grants	84.173	98-PF-22 97-PF-22	36,858
Part H - Infant/Toddler	84.181	97-CIT3-22	11,095
Vocational Education:			
Basic Grants to States	84.048	28-98-22-2BBG-97 28-98-22-2B/BG	34,829
Innovative Education Program Strategies - Title VI	84.298	98-IASA-22-6	18,827
Title II (Eisenhower Professional Development)	84.281	98-IASA-22-2 97-IASA-22-2C/O98	19,404
Title IV (Safe and Drug Free Schools - State Grants)	84.186	98-IASA-22-4	17,585
Goals 2000			
State and Local Education Systematic Improvement Grants (Goals 2000 State Grants)	84.276	5276A50018-95	<u>58,837</u>
Total United States Department of Education			<u>1,219,107</u>

(Continued)

**Grant Parish School Board
Colfax, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1998**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS (Continued)			
United States Department of Labor Passed Through the Rapides Parish Office of Economic and Workforce Development: Louisiana School-to-Work	98.510	N/A	\$ <u>2,910</u>
United States Department of Defense Direct Programs: Troops to Teachers	NONE	N3569795TTTMJ	<u>14,188</u>
TOTAL CASH FEDERAL AWARDS			<u>2,452,820</u>

NONCASH FEDERAL AWARDS

United States Department of Agriculture Passed Through Louisiana Department of Agriculture and Forestry: Food Distribution (Commodities)	10.550		<u>76,704</u>
TOTAL FEDERAL AWARDS			<u>\$2,529,524</u>

(Concluded)

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1998**

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Grant Parish School Board, Colfax, Louisiana. The Grant Parish School Board (the "School Board") reporting entity is defined in note 1 to the School Board's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in note 1 to the School Board's general-purpose financial statements.

NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS

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

	<u>Federal Sources</u>
General fund	\$ 402,647
Special revenue funds:	
Title I	780,925
Title VI	18,827
Vocational education	34,829
Title II	19,404
Special education	273,429
Adult education	15,271
Goals 2000	58,837
School food service	904,860
Other miscellaneous funds	<u>20,495</u>
Total	<u>\$2,529,524</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**Grant Parish School Board
Colfax, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1998**

NOTE 5 - MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS

The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Grant Parish School Board
Colfax, Louisiana**

**Schedule of Findings and Questioned Costs
As of and for the Year Ended June 30, 1998**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was qualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal awards are:

CFDA #84.010	Title I Grants to Local Educational Agencies
--------------	--
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Grant Parish School Board
Colfax, Louisiana**

Other Information

The information in the following section concerns management's actions or intentions concerning prior and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular No. A-133. This information has been prepared by the management of the Grant Parish School Board. Management accepts full responsibility, as required by OMB Circular No. A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular No. A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding.

**Grant Parish School Board
Colfax, Louisiana**

**Summary Schedule of Prior Audit Findings
June 30, 1998**

Finding reference # and title: 97-1 **Cash Deposits**

Initially occurred: Fiscal year ended June 30, 1997.

Condition: Of the twenty-two vendors tested for the test of sales tax receipts, three instances were noted of delay between date of receipt per collection log and date of deposit.

The following was noted:

<u>Amount of Deposit</u>	<u>Date Collected</u>	<u>Date Deposited</u>
\$4,782.00	December 20, 1996	January 10, 1997
1,359.57	July 18, 1996	August 5, 1996
490.83	December 20, 1996	January 7, 1997

LSA-R.S. 39:1215 requires all deposits be made on a daily basis, if practical.

Corrective action taken: On January 1, 1998, the Grant Parish Sheriff's Office became the sales tax collection agency for Grant Parish.

**Grant Parish School Board
Colfax, Louisiana**

Management Letter Items

ALLEN, GREEN & COMPANY, LLP

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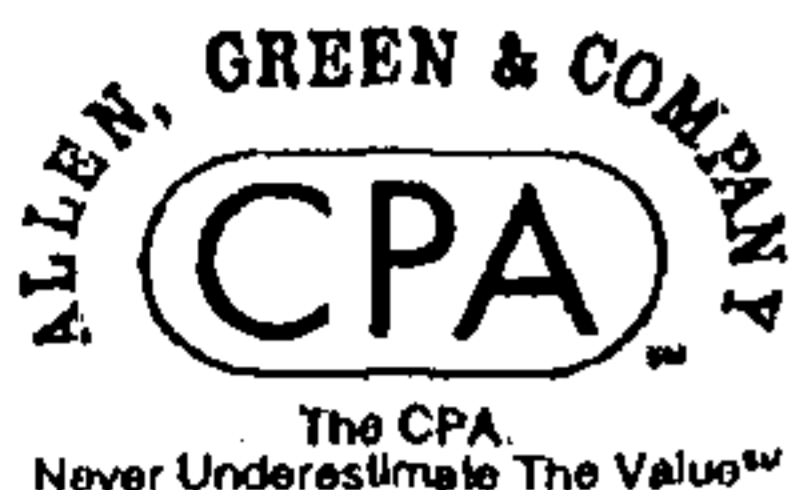
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Tim Green, CPA

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Management Letter

Board Members
Grant Parish School Board
Colfax, Louisiana

In planning and performing our audit of the general-purpose financial statements of the Grant Parish School Board, Colfax, Louisiana, for the year ended June 30, 1998, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated November 2, 1998, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's response is summarized as follows:

98-M1 Student Activity Funds

Comment: During a field test, we discovered money was being stored in a safe and not receipted until deposits were made. Deposits are being made once weekly.

Recommendations: Money should be receipted as soon as the money is received and deposits should be made timely.

Management's response: A training session for all school secretaries has been scheduled for January 19. The main purpose of the session is to educate the secretaries on laws concerning school activity funds, and to discuss proper policies and procedures concerning cash management.

We did not issue a management letter for the year ended June 30, 1997, and therefore, no status of comments is required to be reported.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended for the information of the Board, management, federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
November 2, 1998

**Grant Parish School Board
Colfax, Louisiana**

**Status of Prior Management Letter Items
June 30, 1998**

No management letter was issued for the year ended June 30, 1997. Accordingly, there are no prior items for which the status need be reported.