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**RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
JUNE 30, 1999**

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 FEB 09 2000

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
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JUNE 30, 1999

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# **GENERAL PURPOSE FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITORS' REPORT

Board Members  
Red River Parish School Board  
Coushatta, Louisiana

We have audited the accompanying general purpose financial statements of the Red River Parish School Board, Coushatta, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Schools Boards' management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Red River Parish School Board, Coushatta, Louisiana, as of June 30, 1999, and the results of its operations in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 21, 1999 on our consideration of the Red River 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 Red River Parish School Board, Coushatta, Louisiana, taken as a whole. The accompanying supplemental information schedules listed in the table of contents, including the schedule of expenditures of federal awards, are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations, 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.

*Hines, Jackson & Hines*  
Natchitoches, Louisiana  
December 21, 1999

## **COMBINED STATEMENTS - OVERVIEW**

**RED RIVER PARISH SCHOOL BOARD**  
**COUSHATTA, LOUISIANA**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 1999**

ASSETS	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund
Cash and cash equivalents	\$ 2,310,803	\$ 113,691	\$ 0	\$ 207,234
Investments	0	0	0	11,986,241
Receivables	21,244	764,602	0	0
Due from other funds	941,648	506,048	753,718	0
Inventory	0	14,153	0	0
Land, buildings and equipment	0	0	0	0
Amount to be provided for payment of debt	0	0	0	0
<b>Total Assets</b>	<b><u>\$ 3,273,695</u></b>	<b><u>\$ 1,398,494</u></b>	<b><u>\$ 753,718</u></b>	<b><u>\$ 12,193,475</u></b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities</b>				
Accounts, salaries and other payables	\$ 1,355,344	\$ 110,506	\$ 0	\$ 7,525
Due to other funds	1,262,177	686,766	0	252,471
Deposits due others	0	0	0	0
Obligations under capital lease	0	0	0	0
General obligation bonds	0	0	0	0
Notes payable	0	0	0	0
Compensated absences payable	0	0	0	0
<b>Total Liabilities</b>	<b>2,617,521</b>	<b>797,272</b>	<b>0</b>	<b>259,996</b>
<b>Fund equity</b>				
Investments in general fixed assets	0	0	0	0
<b>Fund Balances</b>				
<b>Reserved</b>				
Salaries	0	326,285	0	0
Retirement of long-term debt	0	0	753,718	0
Construction and renovations	0	0	0	11,933,479
<b>Designated</b>				
Transportation	230,188	0	0	0
Salaries	131,572	0	0	0
School maintenance	131,572	0	0	0
Unreserved	162,842	274,937	0	0
<b>Total Fund Equity</b>	<b><u>656,174</u></b>	<b><u>601,222</u></b>	<b><u>753,718</u></b>	<b><u>11,933,479</u></b>
<b>Total Liabilities and Fund Equity</b>	<b><u>\$ 3,273,695</u></b>	<b><u>\$ 1,398,494</u></b>	<b><u>\$ 753,718</u></b>	<b><u>\$ 12,193,475</u></b>

EXHIBIT A

Fiduciary Fund Type	Account Groups		Total Memorandum Only
	General Fixed Assets	General Long-term Debt	
Agency Funds			
\$ 43,124	\$ 0	\$ 0	\$ 2,674,852
0	0	0	11,986,241
0	0	0	785,846
0	0	0	2,201,414
0	0	0	14,153
0	9,745,618	0	9,745,618
0	0	12,439,782	12,439,782
<u>0</u>	<u>0</u>	<u>12,439,782</u>	<u>12,439,782</u>
<u>\$ 43,124</u>	<u>\$ 9,745,618</u>	<u>\$ 12,439,782</u>	<u>\$ 39,847,906</u>
0	0	0	1,473,375
0	0	0	2,201,414
43,124	0	0	43,124
0	0	174,301	174,301
0	0	11,750,000	11,750,000
0	0	6,368	6,368
0	0	509,113	509,113
<u>0</u>	<u>0</u>	<u>509,113</u>	<u>509,113</u>
43,124	0	12,439,782	16,157,695
0	9,745,618	0	9,745,618
0	0	0	326,285
0	0	0	753,718
0	0	0	11,933,479
0	0	0	230,188
0	0	0	131,572
0	0	0	131,572
0	0	0	437,779
<u>0</u>	<u>0</u>	<u>0</u>	<u>437,779</u>
<u>0</u>	<u>9,745,618</u>	<u>0</u>	<u>23,690,211</u>
<u>\$ 43,124</u>	<u>\$ 9,745,618</u>	<u>\$ 12,439,782</u>	<u>\$ 39,847,906</u>



EXHIBIT B

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 1999

REVENUES	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Memorandum Only</u>
Local sources					
Taxes: Ad valorem	\$ 475,431	\$ 481,881	\$ 1,008,139	\$ 0	\$ 1,965,451
Taxes: Sales and use	583,346	581,789	0	0	1,165,135
Interest earnings	82,927	13,072	0	406,085	502,084
Food services	0	99,610	0	0	99,610
Other	70,248	189	0	0	70,437
State sources					
Equalization	7,261,001	60,000	0	0	7,321,001
Other	363,005	395,195	0	0	758,200
Federal sources	0	2,009,071	0	0	2,009,071
<b>Total Revenues</b>	<b>8,835,958</b>	<b>3,640,807</b>	<b>1,008,139</b>	<b>406,085</b>	<b>13,890,989</b>
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular programs	5,124,199	159,479	0	0	5,283,678
Special programs	1,125,925	951,685	0	0	2,077,610
Adult and continuing education	213,898	104,835	0	0	318,733
Support services					
Student services	272,719	49,284	0	0	322,003
Instructional staff support	365,921	258,299	0	0	624,220
General administration	311,572	62,075	0	0	373,647
School administration	525,300	6,033	0	0	531,333
Business services	176,459	447,317	0	0	623,776
Plant services	\$ 419,138	\$ 44,013	\$ 0	\$ 0	\$ 463,151

The notes to the financial statements are an integral part of this statement.



EXHIBIT B

RED RIVER PARISH SCHOOL BOARD

COUSHATTA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 1999

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Memorandum Only	Total
<b>EXPENDITURES (CONTINUED)</b>						
Student transportation services	\$ 867,733	\$ 2,092	\$ 0	\$ 0	\$ 869,825	
Central services	52,267	0	0	0	52,267	
Food services	10,052	978,204	0	0	988,256	
Facilities acquisition and construction	0	2,576	0	222,606	225,182	
Debt service						
Principal retirement	87,333	5,000	0	0	92,333	
Interest and bank charges	2,575	0	254,421	0	256,996	
	<u>9,555,091</u>	<u>3,070,892</u>	<u>254,421</u>	<u>222,606</u>	<u>13,103,010</u>	
Total Expenditures						
Excess of Revenues Over/(Under) Expenditures	(719,133)	569,915	753,718	183,479		787,979
<b>OTHER FINANCING SOURCES/(USES)</b>						
Operating transfers in	451,223	377,037	0	0	828,260	
Operating transfers out	0	(828,260)	0	0	(828,260)	
Proceeds from bond sales	0	0	0	11,750,000	11,750,000	
	<u>451,223</u>	<u>(451,223)</u>	<u>0</u>	<u>11,750,000</u>	<u>11,750,000</u>	
Total Other Financing Sources/(Uses)						
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(267,910)	118,692	753,718	11,933,479		12,537,979
<b>FUND BALANCES, Beginning of year</b>	<u>924,084</u>	<u>482,530</u>	<u>0</u>	<u>0</u>	<u>1,406,614</u>	
<b>FUND BALANCES, End of year</b>	<u>\$ 656,174</u>	<u>\$ 601,222</u>	<u>\$ 753,718</u>	<u>\$ 11,933,479</u>	<u>\$ 13,944,593</u>	

The notes to the financial statements are an integral part of this statement.

EXHIBIT C

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 1999

	General Fund			Special Revenue Funds			Variance Fav./((Unfav.)
	Budget	Actual	Fav./((Unfav.)	Budget	Actual	Fav./((Unfav.)	
<b>REVENUES</b>							
Local sources	\$ 2,158,428	\$ 1,211,952	\$ (946,476)	\$ 626,242	\$ 1,176,541	\$ 550,299	
State sources	8,693,171	7,624,006	(1,069,165)	81,896	455,195	373,299	
Federal sources	0	0	0	1,711,749	2,009,071	297,322	
<b>Total Revenues</b>	<b>10,851,599</b>	<b>8,835,958</b>	<b>(2,015,641)</b>	<b>2,419,887</b>	<b>3,640,807</b>	<b>1,220,920</b>	
<b>EXPENDITURES</b>							
Current							
Instruction							
Regular programs	5,211,921	5,124,199	87,722	0	159,479	(159,479)	
Special programs	1,053,300	1,125,925	(72,625)	694,070	951,685	(257,615)	
Adult and continuing education	254,787	213,898	40,889	75,391	104,835	(29,444)	
Support services							
Student services	289,100	272,719	16,381	16,391	49,284	(32,893)	
Instructional staff support	299,163	365,921	(66,758)	143,542	258,299	(114,757)	
General administration	379,833	311,572	68,261	18,248	62,075	(43,827)	
School administration	593,299	525,300	67,999	0	6,033	(6,033)	
Business services	157,180	176,459	(19,279)	4,936	447,317	(442,381)	
Plant services	324,650	419,138	(94,488)	435,750	44,013	391,737	
Student transportation services	940,794	867,733	73,061	8,216	2,092	6,124	
Central services	34,700	52,267	(17,567)	0	0	0	
Food services	7,000	10,052	(3,052)	1,013,150	978,204	34,946	
Facilities acquisition and construction	0	0	0	4,250	2,576	1,674	
Debt service							
Principal retirement	0	87,333	(87,333)	5,000	5,000	0	
Interest and bank charges	0	2,575	(2,575)	0	0	0	
<b>Total Expenditures</b>	<b>\$ 9,545,727</b>	<b>\$ 9,555,091</b>	<b>\$ (9,364)</b>	<b>\$ 2,418,944</b>	<b>\$ 3,070,892</b>	<b>\$ (651,948)</b>	

The notes to the financial statements are an integral part of this statement.

EXHIBIT C

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1999

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Fav./(Unfav.)	Budget	Actual	Variance Fav./(Unfav.)
Excess of Revenues Over/(Under) Expenditures	\$ 1,305,872	\$ (719,133)	\$ (2,025,005)	\$ 943	\$ 569,915	\$ 568,972
OTHER FINANCING SOURCES/(USES)						
Operating transfers in	0	451,223	451,223	0	377,037	377,037
Operating transfer out	(1,497,705)	0	1,497,705	(20,203)	(828,260)	(808,057)
Total Other Financing Sources/(Uses)	(1,497,705)	451,223	1,948,928	(20,203)	(451,223)	(431,020)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (191,833)	(267,910)	\$ (76,077)	\$ (19,260)	118,692	\$ 137,952
FUND BALANCE, Beginning of year		924,084			482,530	
FUND BALANCE, End of year		\$ 656,174			\$ 601,222	

The notes to the financial statements are an integral part of this statement.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 1999

## INTRODUCTION

The Red River Parish School Board was created by Louisiana Revised Statute (LSA R.S.) 17:51 to provide public education for the children within Red River Parish. The School Board is authorized by LSA-R.S. 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 seven members who are elected from their respective districts for terms of four years.

The School Board operates five schools within the parish with a total enrollment of approximately 1,960 pupils. In conjunction with the regular educational programs, some of these schools offer special educations and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

## NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### A.      REPORTING ENTITY

GASB Statement 14, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the school board has a separately elected governing body and is legally separate and is fiscally independent, the school board is a separate governmental reporting entity. The School Board includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the school board.

Certain units of local government over which the school board exercises no oversight responsibility, such as the parish police jury and municipalities within the parish, are excluded from the accompanying financial statements. *These units of government are considered separate reporting entities and issue financial statements separate from those of the parish school board.*

### B.      FUNDS AND ACCOUNT GROUPS

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

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

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



RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Governmental Funds**

Governmental funds account for the school board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the services of general long-term obligations. Governmental funds include:

1.          The General Fund is the general operating fund of the school board and accounts for all financial resources, except those required to be accounted for in other funds.
2.          Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

**Fiduciary Funds**

Fiduciary Funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the school board. Trust funds account for assets held by the government under the terms of a formal trust agreement.

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. This fund is used to account for assets that the government holds for others in a agency capacity. These agency funds are as follows:

1.          The school activity agency fund accounts for assets held by the school board as agent for the individual schools and school organizations.

**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 not included in the proprietary or trust funds.

**C.          BASIS OF ACCOUNTING**

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

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Revenues**

Ad valorem taxes and sales taxes are susceptible to accrual. Ad valorem taxes are assessed on a calendar year basis, become due upon receipt (on or about October 15), and become delinquent on December 31.

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

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

**Expenditures**

Salaries are recorded as paid. Salaries for nine-month employees who elect to be paid over twelve months 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 extinguishment, long-term 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.

**D.            BUDGETS**

Formal budgetary accounting is employed as a management control. Annual operating budgets are adopted each fiscal year and amended as required.

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

1.            Prior to June 30, the Superintendent submits to the Board a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them.
2.            A summary of the proposed budget is prepared and the public is notified that the proposed budget is available for inspection. A public hearing is called.
3.            The public hearing on the proposed budget is held at least ten days after publication.
4.            The budget is legally approved and enacted by the Board prior to September 15.
5.            All budgetary appropriations lapse at the end of the fiscal year.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.          BUDGETS (CONTINUED)**

6.          Budgets for the general and all special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The School Board's procedures with respect to its budget are designed to meet the requirements of applicable Louisiana Revised Statutes. The School Board amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or project expenditures are expected to be more than budgeted amounts 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.

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

**E.          ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Red River Parish School Board.

**F.          CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposit and those investments with original maturities of 90 days or less. Under the state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**G.          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.

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

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



RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.          INVENTORY**

Inventory items are expensed as purchased except for inventory of the school food service fund.

Inventories of the school food service special revenue fund consists of food purchases by the school board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

**J.          FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not reported. No depreciation has been provided on general fixed assets. All fixed assets are valued at cost or estimated historical cost if purchased or constructed. Approximately 82 percent of fixed assets is valued at actual historical cost while the remaining 18 percent is valued at estimated historical cost.

**K.          COMPENSATED ABSENCES**

All 12-month employees earn from 10 to 20 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated. However, upon separation, all unused vacation leave is forfeited.

All school board employees earn 10 to 18 days of sick leave each year, which can be accumulated without limitation. In the first year, new employees receive one day for each month worked. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to his estate at the employee's current pay rate. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service. Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the school board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The school board's recognition and measurement criteria for compensated absences follows:

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 the following conditions are met:

1.          The employees' right to receive compensation are attributable to services already rendered.
2.          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.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K.            COMPENSATED ABSENCES (CONTINUED)**

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

1.            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.
2.            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.

Sabbatical leave benefits are recorded as expenditures in the period paid.

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 obligations account group.

**L.            LONG-TERM OBLIGATIONS**

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

**M.            FUND EQUITY**

Reservations represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific purpose.

The school board established a special revenue fund titled Employee Salaries and Benefits which collects one percent sales tax and a fifteen mill ad valorem tax. The fund balance of this fund is reserved for salaries and benefits.

**N.            INTERFUND TRANSACTIONS**

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

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O.            SALES TAXES**

The school board collects a one percent parish-wide sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to supplement salaries of school board employees and/or operations of the public schools within the parish. In accordance with a school board resolution adopted on June 4, 1974, the proceeds of the tax are designated as follows: 20 percent for salaries, 35 percent for transportation, 20 percent for individual school needs, and 25 percent to the general fund. The tax, authorized under the provisions of LSA-R.S. 33:2737 and approved by the voters on June 24, 1974, has no expiration date. The school board also collects a one percent parish-wide sales and use tax with the net proceeds, after deducting the reasonable and necessary cost of administering and collecting the tax, dedicated to employee salaries and benefits. The tax receipts and expenditures are accounted for in a special revenue fund entitled Employee Salaries and Benefits.

**P.            ESTIMATES**

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

**Q.            MEMORANDUM ONLY - TOTAL COLUMNS**

Total columns on the general purpose statements are captioned as "Memorandum Only" because the total columns do not represent consolidated financial information and 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.

**NOTE 2            LEVIED TAXES**

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

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>	<u>Expiration</u> <u>Date</u>
Parish-wide taxes			
Constitutional	4.36	4.58	Statutory
Maintenance	15.13	15.88	2003
Construction, repair and maintenance	5.00	5.00	2007
Employee salary and benefits	15.00	15.74	2003
Consolidation	42.00	42.00	2017

**NOTE 3            CASH AND CASH EQUIVALENTS**

At June 30, 1999, the school board has cash and cash equivalents totaling \$2,674,852, as follows:



**RED RIVER PARISH SCHOOL BOARD**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1999**

**NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Demand deposit	\$ 340,556	\$ 0	\$ 0	\$ 5,738	\$ 346,294
Interest bearing demand deposit	1,049,515	0	207,234	37,386	1,294,135
Time deposit	<u>920,732</u>	<u>113,691</u>	<u>0</u>	<u>0</u>	<u>1,034,423</u>
Total	<u>\$ 2,310,803</u>	<u>\$ 113,691</u>	<u>\$ 207,234</u>	<u>\$ 43,124</u>	<u>\$ 2,674,852</u>

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

At June 30, 1999, the School Board has \$2,983,438 in bank balances. These deposits are secured from risk by \$349,701 of federal deposit insurance and \$1,887,327 (market value) of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered 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 4 INVESTMENTS**

At June 30, 1999, the School Board's investments were as follows:

	<u>Fair Value</u>	<u>Carrying Value</u>
Louisiana Asset Management Pool, Inc. (LAMP)	<u>\$ 11,986,241</u>	<u>\$ 11,986,241</u>

**NOTE 5 RECEIVABLES**

The receivables of \$785,846 at June 30, 1999, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Taxes			
Ad Valorem	\$ 21,244	\$ 16,519	\$ 37,763
Intergovernmental grants	<u>0</u>	<u>748,083</u>	<u>748,083</u>
Total	<u>\$ 21,244</u>	<u>\$ 764,602</u>	<u>\$ 785,846</u>

**RED RIVER PARISH SCHOOL BOARD**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1999**

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

The payables of \$1,473,375 at June 30, 1999, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Salaries and related amounts	\$ 1,268,379	\$ 0	\$ 0	\$ 1,268,379
Accounts and other payables	<u>86,965</u>	<u>110,506</u>	<u>7,525</u>	<u>204,996</u>
Total	<u>\$ 1,355,344</u>	<u>\$ 110,506</u>	<u>\$ 7,525</u>	<u>\$ 1,473,375</u>

**NOTE 7 INTERFUND ASSETS/LIABILITIES**

Due from/to other funds:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 941,648	\$ 1,262,177
Special Revenue		
Employee Salaries and Benefits	309,766	0
School Food Service	196,282	0
Title I	0	242,406
Construction, Repair and Equipment	0	36,254
Even Start	0	48,330
Special Education	0	30,320
Alternative School	0	159,085
Learn	0	5,874
Other Special Funds	0	164,497
Debt Service	753,718	0
Capital Projects	<u>0</u>	<u>252,471</u>
Total	<u>\$ 2,201,414</u>	<u>\$ 2,201,414</u>

**NOTE 8 FIXED ASSETS**

The changes in general fixed assets are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Total</u>
Balance July 1, 1998	\$ 50,657	\$ 4,596,666	\$ 4,445,355	\$ 9,092,678
Additions	0	190,855	462,085	652,940
Deletions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance June 30, 1999	<u>\$ 50,657</u>	<u>\$ 4,787,521</u>	<u>\$ 4,907,440</u>	<u>\$ 9,745,618</u>

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 9 LEASES**

The School Board records items under capital leases as an asset and an obligation in the accompanying financial statements. On October 23, 1998, the School Board entered into a capital lease with an original recorded amount of \$224,315 for the purchase of five buses. The lease term is five years with the lease obligations paid from the sales tax fund.

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

Year Ended June 30,	
2000	\$ 50,014
2001	50,014
2002	50,014
2003	<u>50,014</u>
Total minimum lease payments	200,056
Less - amount representing interest	<u>(25,755)</u>
Present value of net minimum lease payments	<u>\$ 174,301</u>

The School Board has no material operating leases at June 30, 1999.

**NOTE 10 LONG-TERM DEBT**

The following is a summary of the long-term obligations transactions for the year ended June 30, 1999:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Note payable	0.00%	2001	\$ 48,868	\$ 6,368
General obligation bonds-1998	4.62%	2018	8,750,000	8,750,000
General obligation bonds-1999	4.37%	2018	<u>3,000,000</u>	<u>3,000,000</u>
Total			<u>\$ 11,798,868</u>	<u>\$ 11,756,368</u>

The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments are as follows:

Year Ended June 30,	<u>Note Payable</u>	<u>General Obligation Bonds - 1998</u>	<u>General Obligation Bonds - 1999</u>	<u>Total</u>
2000	\$ 5,000	\$ 711,150	\$ 263,980	\$ 980,130
2001	1,368	706,900	238,190	946,458
2002	0	701,600	236,190	937,790
2003	0	695,250	238,840	934,090
2004	0	692,850	235,790	928,640
thereafter	<u>0</u>	<u>9,970,475</u>	<u>3,332,752</u>	<u>13,303,227</u>
Total	<u>\$ 6,368</u>	<u>\$ 13,478,225</u>	<u>\$ 4,545,742</u>	<u>\$ 18,030,335</u>

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 11 INTERFUND TRANSFERS**

Operating transfers for the year ended June 30, 1999, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 451,223	\$ 0
Special Revenue funds		
Employee Salaries and Benefits	0	811,046
School Food Service	97,819	0
Title I	0	16,813
Construction, Repair and Equipment	274,952	0
Even Start	3,647	0
Special Education	0	401
Other Special Funds	619	0
	<hr/>	<hr/>
Total	<u>\$ 828,260</u>	<u>\$ 828,260</u>

**NOTE 12 RETIREMENT SYSTEMS**

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

A. Teachers' Retirement System of Louisiana (TRS)

The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6446.

Plan members are required to contribute 8.00 percent, 9.50 percent, and 5.00 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The school board is required to contribute at an actuarially determined rate. The current rate is 16.5 percent of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement System's Actuarial Committee. The school board's employer contributions 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.

The school board's contributions to the TRS for the years ending June 30, 1999 and 1998, were \$1,017,963 and \$905,651, respectively, equal to the required contributions for each year.



RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 12      RETIREMENT SYSTEMS (CONTINUED)**

B.      Louisiana School Employees' Retirement System (LASERS)

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

Plan members are required to contribute 6.35 percent of their annual covered salary and the school board is required to contribute at an actuarially determined rate. The current rate is 6.00 percent of annual covered payroll. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The school board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations.

The school board's contributions to the LASERS for the years June 30, 1999 and 1998, were \$48,781 and \$44,759, respectively, equal to the required contributions for each year.

**NOTE 13      OTHER POSTEMPLOYMENT BENEFITS**

In accordance with state statutes, the Red River Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through the State Employees' Group Benefits Program, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (which includes the State's reimbursements) as an expenditure when the monthly premiums are due, which totaled \$449,474 for the year ended June 30, 1999. The cost of retiree benefits totaled \$156,990 for 95 retirees.

**NOTE 14      COMPENSATED ABSENCES**

At June 30, 1999, employees of the School Board have accumulated and vested \$509,113 of employees leave benefits, which were computed in accordance with GASB Codification Section C60. These amounts are recorded within the general long-term obligations account group.

**NOTE 15      LITIGATION AND CLAIMS**

Litigation

The School Board is a defendant in several lawsuits. Management and legal counsel 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 combined financial position.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1999

**NOTE 15        LITIGATION AND CLAIMS (CONTINUED)**

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 request for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**NOTE 16        YEAR 2000 ISSUE**

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. The School Board has completed an inventory of its computer systems and other electronic equipment that may be affect by the Year 2000 issue and that are necessary to conduct School Board operations and has identified such systems as being financial reporting, payroll, and grant reporting. All three systems have been assessed, remediated and are currently being tested and validated.

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 effort will be successful in whole or in part, or that parties with whom the School Board docs business will be year 2000 ready.

**SUPPLEMENTAL INFORMATION SCHEDULES**

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SPECIAL REVENUE FUNDS  
JUNE 30, 1999

**EMPLOYEE SALARIES AND BENEFITS**

The fund accounts for proceeds of a one percent sales and use tax and a fifteen mill ad valorem tax which are dedicated for employee salaries and benefits.

**SCHOOL FOOD SERVICE**

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

School Breakfast Program (Child Nutrition Act of 1966)

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

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

**TITLE I PROGRAMS - LOCAL EDUCATIONAL AGENCIES**

(Elementary and Secondary Education Act of 1965, Title 1)

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

**CONSTRUCTION, REPAIR AND EQUIPMENT MAINTENANCE**

The Construction, Repair and Equipment Maintenance Fund is financed through the levy and collection of ad valorem taxes and the related state revenue sharing for the purpose of general maintenance and repairs of the schools.

**EVEN START - STATE EDUCATIONAL AGENCIES**

(Elementary and Secondary Education Act of 1965, Title 1)

To provide family-centered education projects to help parents become full partners in the education of their children, to assist in reaching their full potential as learners, and to provide literacy training for their parents.

**SPECIAL EDUCATION**

**PAYMENTS TO STATES FOR CHILD CARE ASSISTANCE (STARTING POINTS)**

(Child Care and Development Block Grant Act of 1990)

To make grants available to assist low-income families with child care services. The purpose of the program is to increase the availability, afford ability, and quality of child care and to increase the availability of early childhood development and before- and after-school programs.

**SPECIAL EDUCATION - PRESCHOOL GRANTS**

(Individuals With Disabilities Education Act, Part B)

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

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 1999

SPECIAL EDUCATION - STATE GRANTS  
(Individuals With Disabilities Education Act, Part B)

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

K-3 READING AND MATH INITIATIVE - STATE GRANT

To provide assistance to kindergarten through third grade students who are at risk of experiencing difficulty in reading and/or math.

LEARN - STATE AND LOCAL EDUCATION SYSTEMIC IMPROVEMENT GRANTS

To provide grants to State Education Agencies (SEAs) on a formal 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 higher 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.

OTHER SPECIAL

INNOVATIVE EDUCATION PROGRAM STRATEGIES  
(Elementary and Secondary Education Act of 1965, Title VI)

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

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

BASIC GRANTS TO STATES  
(Carl D. Perkins Vocational and Applied Technology Education Act, Title II)

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.

JOB OPPORTUNITIES AND BASIC SKILLS TRAINING (PROJECT INDEPENDENCE)  
(Social Security Act, Title IV)

To assure that needy families with children obtain the education, training and employment that will help them avoid long-term welfare dependency.

EISENHOWER PROFESSIONAL DEVELOPMENT STATE GRANTS  
(Elementary and Secondary Education Act of 1965, Title II)

To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.



RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 1999

ADULT EDUCATION - STAFF-ADMINISTERED BASIC GRANT PROGRAM  
(Adult Education Act, Part B)

To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic education 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 alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

SAFE AND DRUG-FREE SCHOOLS - STATE GRANTS  
(Safe and Drug-Free Schools and Communities Act of 1986, Title IV, as Amended)

To establish state and local programs of alcohol and drug abuse education on prevention coordinated with related community efforts and resources.

EMPLOYMENT SERVICES AND JOB TRAINING-PILOT AND DEMONSTRATION PROGRAMS  
(Job Training Partnership Act of 1982, Title IV)

To provide, foster and promote job training and other services which are most appropriately administered at the national level. Programs operating in more than one state and serve groups with particular disadvantages in the labor market. To promote and foster new or improved linkages between the network of federal, state and local employment, training and human resource agencies and components of the private sector.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 1999

	Employee Salaries And Benefits	School Food Service	Title I	Construction, Repair And Equipment
<b>ASSETS</b>	\$ 0	\$ 113,691	\$ 0	\$ 0
Cash and cash equivalents	16,519	0	253,482	0
Receivables	309,766	196,282	0	0
Due from other funds	0	14,153	0	0
Inventory				
	<u>\$ 326,285</u>	<u>\$ 324,126</u>	<u>\$ 253,482</u>	<u>\$ 0</u>
<b>Total Assets</b>				
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities	\$ 0	\$ 5,378	\$ 11,076	\$ 7,557
Accounts, salaries and other payables	0	0	242,406	36,254
Due to other funds				
	0	5,378	253,482	43,811
<b>Total Liabilities</b>				
<b>Fund Equity</b>				
Fund Balances	326,285	0	0	0
Reserved for salaries	0	318,748	0	(43,811)
Unreserved				
	<u>326,285</u>	<u>318,748</u>	<u>0</u>	<u>(43,811)</u>
<b>Total Fund Equities</b>				
<b>Total Liabilities and Fund Equities</b>	<u>\$ 326,285</u>	<u>\$ 324,126</u>	<u>\$ 253,482</u>	<u>\$ 0</u>



SCHEDULE 1

<u>Even Start</u>	<u>Special Education</u>	<u>Alternative School</u>	<u>Learn</u>	<u>Other Special Funds</u>	<u>Total</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 113,691
76,191	30,411	187,818	20,442	179,739	764,602
0	0	0	0	0	506,048
0	0	0	0	0	14,153
<u>\$ 76,191</u>	<u>\$ 30,411</u>	<u>\$ 187,818</u>	<u>\$ 20,442</u>	<u>\$ 179,739</u>	<u>\$ 1,398,494</u>
\$ 27,861	\$ 91	\$ 28,733	\$ 14,568	\$ 15,242	\$ 110,506
<u>48,330</u>	<u>30,320</u>	<u>159,085</u>	<u>5,874</u>	<u>164,497</u>	<u>686,766</u>
76,191	30,411	187,818	20,442	179,739	797,272
0	0	0	0	0	326,285
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>274,937</u>
0	0	0	0	0	601,222
<u>\$ 76,191</u>	<u>\$ 30,411</u>	<u>\$ 187,818</u>	<u>\$ 20,442</u>	<u>\$ 179,739</u>	<u>\$ 1,398,494</u>

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1999

	<u>Employee Salaries And Benefits</u>	<u>School Food Service</u>	<u>Title I</u>	<u>Construction, Repair And Equipment</u>
<b>REVENUES</b>				
Local sources				
Taxes: Ad valorem	\$ 365,709	\$ 0	\$ 0	\$ 116,172
Taxes: Sales and Use	581,789	0	0	0
Interest earnings	4,364	8,467	0	241
Food services	0	99,610	0	0
Other	0	0	0	189
State sources				
Equalization	0	60,000	0	0
Other	0	0	0	21,539
Federal sources	<u>0</u>	<u>718,677</u>	<u>659,968</u>	<u>0</u>
Total Revenues	951,862	886,754	659,968	138,141
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular programs	0	0	0	0
Special programs	0	0	441,395	0
Adult and continuing education	0	0	41,805	0
Support services				
Student services	0	0	0	0
Instructional staff support	0	0	115,087	0
General administration	0	0	0	0
School administration	0	0	3,405	0
Business services	0	0	3,152	439,010
Plant services	0	0	31,219	0
Student transportation services	0	0	2,092	0
Food services	0	973,204	5,000	0
Facilities acquisition & construction	0	0	0	2,576
Debt service				
Principal retirement	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000</u>
Total Expenditures	<u>0</u>	<u>973,204</u>	<u>643,155</u>	<u>446,586</u>
Excess of Revenues Over Expenditures	\$ 951,862	\$ (86,450)	\$ 16,813	\$ (308,445)

SCHEDULE 2

<u>Even Start</u>	<u>Special Education</u>	<u>Alternative School</u>	<u>Learn</u>	<u>Other Special Funds</u>	<u>Totals</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 481,881
0	0	0	0	0	581,789
0	0	0	0	0	13,072
0	0	0	0	0	99,610
0	0	0	0	0	189
0	0	0	0	0	60,000
0	0	187,818	54,701	131,137	395,195
<u>171,467</u>	<u>85,428</u>	<u>0</u>	<u>55,433</u>	<u>318,098</u>	<u>2,009,071</u>
171,467	85,428	187,818	110,134	449,235	3,640,807
0	0	0	57,273	102,206	159,479
133,748	59,331	187,818	1,546	127,847	951,685
12,130	0	0	0	50,900	104,835
0	0	0	0	49,284	49,284
17,182	23,068	0	51,315	51,647	258,299
0	0	0	0	62,075	62,075
0	2,628	0	0	0	6,033
1,375	0	0	0	3,780	447,317
10,679	0	0	0	2,115	44,013
0	0	0	0	0	2,092
0	0	0	0	0	978,204
0	0	0	0	0	2,576
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000</u>
<u>175,114</u>	<u>85,027</u>	<u>187,818</u>	<u>110,134</u>	<u>449,854</u>	<u>3,070,892</u>
\$ (3,647)	\$ 401	\$ 0	\$ 0	\$ (619)	\$ 569,915

**RED RIVER PARISH SCHOOL BOARD**  
**COUSHATTA, LOUISIANA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	<u>Employee Salaries And Benefits</u>	<u>School Food Service</u>	<u>Title I</u>	<u>Construction, Repair And Equipment</u>
Other Financing Sources/(Uses)				
Operating transfers in	\$ 0	\$ 97,819	\$ 0	\$ 274,952
Operating transfers out	<u>(811,046)</u>	<u>0</u>	<u>(16,813)</u>	<u>0</u>
Total Other Financing Sources/(Uses)	<u>(811,046)</u>	<u>97,819</u>	<u>(16,813)</u>	<u>274,952</u>
Excess of Revenues and Other Sources Over Expenditures and Other Financing Uses	140,816	11,369	0	(33,493)
FUND BALANCE, Beginning of year	<u>185,469</u>	<u>307,379</u>	<u>0</u>	<u>(10,318)</u>
FUND BALANCE, End of year	<u>\$ 326,285</u>	<u>\$ 318,748</u>	<u>\$ 0</u>	<u>\$ (43,811)</u>

SCHEDULE 2

<u>Even Start</u>	<u>Special Education</u>	<u>Alternative School</u>	<u>Learn</u>	<u>Other Special Funds</u>	<u>Total</u>
\$ 3,647	\$ 0	\$ 0	\$ 0	\$ 619	\$ 377,037
<u>0</u>	<u>(401)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(828,260)</u>
<u>3,647</u>	<u>(401)</u>	<u>0</u>	<u>0</u>	<u>619</u>	<u>(451,223)</u>
0	0	0	0	0	118,692
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>482,530</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 601,222</u>

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
AGENCY FUNDS  
JUNE 30, 1999

SCHOOL ACTIVITY FUNDS

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

SCHEDULE 3

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
AGENCY FUNDS  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
JUNE 30, 1999

	<u>School Activities</u> <u>Fund</u>	<u>Total</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 43,124	\$ 43,124
Due from other governments	<u>0</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 43,124</u></b>	<b><u>\$ 43,124</u></b>
<b>LIABILITIES</b>		
Due to other governments	\$ 0	\$ 0
Deposits due others	<u>43,124</u>	<u>43,124</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 43,124</u></b>	<b><u>\$ 43,124</u></b>

SCHEDULE 4

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
AGENCY FUNDS  
SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS  
FOR THE YEAR ENDED JUNE 30, 1999

<u>SCHOOL</u>	<u>SCHOOL ACTIVITY FUNDS</u>			<u>Balance</u> <u>June 30, 1999</u>
	<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Deductions</u>	
Coushatta Elementary	\$ 30,384	\$ 55,453	\$ 66,927	\$ 18,910
Coushatta High School	2,136	107,696	109,837	(5)
Hall Summit High School	2,350	73,766	75,482	634
Martin High School	14,731	160,044	156,932	17,843
Springville Middle School	<u>4,311</u>	<u>25,383</u>	<u>23,952</u>	<u>5,742</u>
<b>TOTAL</b>	<b><u>\$ 53,912</u></b>	<b><u>\$ 422,342</u></b>	<b><u>\$ 433,130</u></b>	<b><u>\$ 43,124</u></b>

The notes to the financial statements are an integral part of this statement.



RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
GENERAL  
JUNE 30, 1999

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the School Board members is presented 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, and the president receives an additional \$50 every four months.

FEDERAL FINANCIAL ASSISTANCE PROGRAMS

In accordance with Office of Management and Budget Circular A-133, a schedule of federal awards is presented.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS  
FOR THE YEAR ENDED JUNE 30, 1999

Mr. Barry Huckabay	\$	6,000
Mr. William D. Long		6,000
Mr. Roger G. Longino, President		6,050
Mr. J. B. McElwec		6,000
Mr. Cleve L. Miller		6,150
Mr. Jessie Webber		6,000
Mr. J. B. Wells		<u>6,000</u>
Total	\$	<u>42,200</u>

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 1999

**SECTION #1**

**SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

- |    |   |             |
|----|---|-------------|
| 1. | Type of auditors' report issued.  | Unqualified |
| 2. | Internal control over financial reporting:                                    |             |
|    | a) Material weaknesses identified?  | None        |
|    | b) Reportable conditions identified not considered to be material weaknesses? | None        |
|    | c) Noncompliance material to the financial statements noted?                  | None        |

FEDERAL AWARDS

- |    |   |             |
|----|---|-------------|
| 1. | Internal control over major program:  |             |
|    | a) Material weaknesses identified?  | None        |
|    | b) Reportable conditions identified not considered to be material weaknesses?   | None        |
| 2. | Type of auditors report issued on compliance for major programs.  | Unqualified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133, Section 510 (a)? | None        |

4. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.553	School Breakfast Program
10.555	National School Lunch Program

- |    |  |           |
|----|--|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B programs.     | \$300,000 |
| 6. | Auditee qualified as low-risk auditee under OMB Circular A-133, Section 530? | Yes       |

**SECTION #2**

FINANCIAL STATEMENT FINDINGS

None reported.

**SECTION #3**

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED  
JUNE 30, 1999

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA No.</u>	<u>Expenditures</u>
United States Department of Agriculture		
Passed through Louisiana Department of Education		
School Breakfast Program *	10.553	\$ 182,754
National School Lunch Program *	10.555	<u>471,113</u>
Total United States Department of Agriculture		653,867
United States Department of Education		
Passed through Louisiana Department of Education		
Adult Education - State-Administered Basic Grant Program	84.002	25,380
Title I Programs - Local Educational Agencies	84.010	659,968
Special Education		
State Grants	84.027	83,772
Preschool Grants	84.173	1,656
Vocational Education		
Basic Grants to States	84.048	28,051
Innovative Education Program Strategies (Title VI)	84.298	13,431
Eisenhower Professional Development - State Grants (Title II)	84.281	14,865
Safe and Drug-Free Schools - State Grants	84.186	51,011
Learn - State and Local Education Systemic Improvement Grants	84.276	55,433
Even Start - State Educational Agencies	84.213	171,467
Technology Literacy Challenge Grant	84.318	<u>40,766</u>
Total United States Department of Education		1,145,800
United States Department of Health and Human Services		
Passed through Louisiana Department of Social Services		
Family Preservation and Family Support	93.556	103,860
Passed through Louisiana Department of Education		
Payments to States for Child Care Assistance (Starting Points Preschool)	93.575	<u>40,734</u>
Total United States Department of Health and Human Services		144,594
Noncash Federal Financial Assistance		
Passed through Louisiana Department of Agriculture and Forestry		
Food Distribution Program	10.550	<u>64,810</u>
<b>TOTAL FEDERAL AWARDS</b>		<u><u>\$ 2,009,071</u></u>

Notes to the Schedule of Federal Awards

- A. Federal awards are recorded when the reimbursable expenditures have been incurred.
- B. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Note: The dollar threshold to distinguish between type A and type B programs was \$300,000.

\* Denotes a major federal award program.

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## 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  
Red River Parish School Board  
Coushatta, Louisiana

We have audited the financial statements of the Red River Parish School Board, Coushatta, Louisiana, as of and for the year ended June 30, 1999, and have issued our report dated December 21, 1999. 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 Red River Parish 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 are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our auditing, we considered the Red River Parish 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 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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Red River Parish School Board, federal awarding agencies, pass-through entities, and the Louisiana State Legislative Auditor and is not intended to be, and should not be, used by anyone other than the specified parties.

***Hines, Jackson & Hines***  
Natchitoches, Louisiana  
December 21, 1999



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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board Members  
Red River Parish School Board  
Coushatta, Louisiana

### Compliance

We have audited the compliance of the Red River Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. The Red River Parish School Board's major federal programs are identified in the summary of auditor's 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 Red River Parish School Board's management. Our responsibility is to express an opinion on the Red River Parish 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 A-133, Audits of States, Local Governments, and Non-profit Organizations. Those standards and OMB 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 Red River Parish 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 Red River Parish School Board's compliance with those requirements.

In our opinion, the Red River Parish 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, 1999.

### Internal Control Over Compliance

The management of the Red River Parish 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 Red River Parish 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 OMB Circular A-133.

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



Page 2

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.

This report is intended solely for the information and use of the Red River Parish School Board, federal awarding agencies, pass-through entities, and the Louisiana State Legislative Auditor and is not intended to be, and should not be, used by anyone other than the specified parties.

***Hines, Jackson & Hines***

Natchitoches, Louisiana

December 21, 1999

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1999

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
-----------------	---	-------------------------------	---	--

Nothing came to our attention that would require disclosure under Government Auditing Standards.

RED RIVER PARISH SCHOOL BOARD  
COUSHATTA, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1999

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Expected Date of Completion</u>
1	The actual revenues of the general fund were \$2,015,641 (18.57 percent) less than budgeted and revenues of the special revenue funds were \$1,220,920 (50.45 percent) more than budgeted amounts in 1999. Likewise, actual expenditures for the special revenue funds were \$651,945 (26.95 percent) more than budgeted amounts in 1999.	The School Board will closely monitor its budget and make amendments to it as necessary to accurately reflect expected revenues and expenditures and to satisfy legal requirements.	David Jones, Business Manager	12/31/99

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Board Members  
Red River Parish School Board  
Coushatta, Louisiana

We are writing this letter as a follow-up to our recent audit of the general purpose financial statements of the Red River Parish School Board, Coushatta, Louisiana as of June 30, 1999, and for the year then ended. We offer the following observations and recommendations, which are intended to help improve record keeping procedures and general operations of the School Board and are intended to be constructive in nature:

### Existing Conditions:

We noted that actual revenues of the general fund were \$2,015,641 (18.57 percent) less than budgeted amounts and revenues of the special revenue funds were \$1,220,920 (50.45 percent) more than budgeted amounts in 1999. Likewise, actual expenditures for the special revenue funds were \$651,948 (26.95 percent) more than budgeted amounts in 1999.

LSA-R.S. 39:1310 requires the School Board to amend its budget whenever actual revenues and expenditures are projected to be less than or exceed budgeted amounts by more than five percent.

### Recommended Action:

We suggest the School Board's adopted budget be closely monitored and amended whenever there has been a change in operations upon which the original adopted budget was developed. Care should be exercised to maintain actual revenues and expenditures within the five percent limit established by statute.

### Management's Response:

The School Board will closely monitor its budget and make amendments to it as necessary to accurately reflect expected revenues and expenditures and to satisfy legal requirements.

These comments and recommendations are not all inclusive and are not intended to be critical of anyone. We would like to thank the School Board's management and staff for their courtesy and cooperation during our engagement. If you have any questions or concerns, please let us know.

***Hines, Jackson & Hines***  
Natchitoches, Louisiana  
December 21, 1999