

Jackson Parish School Board
Jonesboro, Louisiana

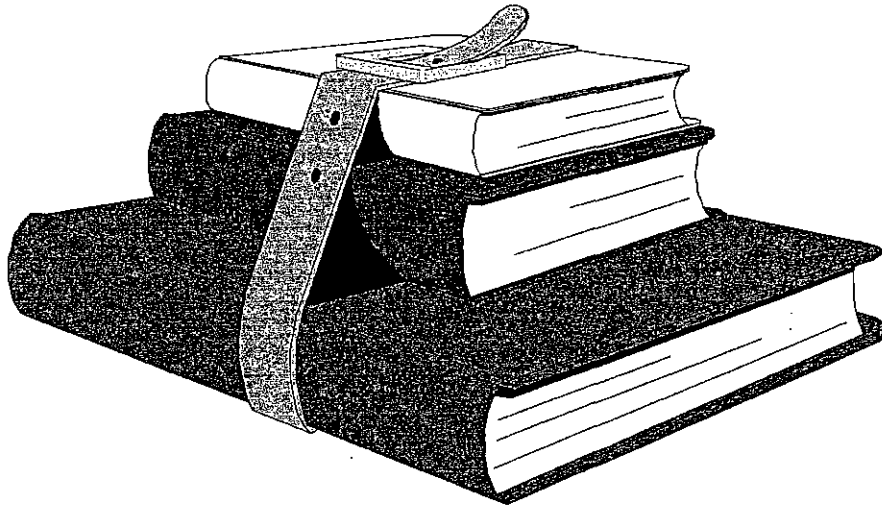
Annual Financial Report
As of and for the Year Ended June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 1-26-05

JACKSON PARISH SCHOOL BOARD

Jonesboro, Louisiana



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2004

Jackson Parish School Board

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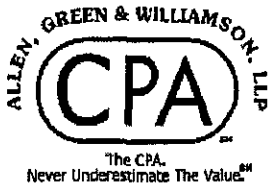
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Jackson Parish School Board

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1963 - 2000

INDEPENDENT AUDITORS' REPORT

Board Members

Jackson Parish School Board

Jonesboro, Louisiana

Basic Financial Statements We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Jackson Parish School Board, as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. 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 opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of June 30, 2004, and the results in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2004, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Required Supplemental Information The Management's Discussion and Analysis and the Budgetary Comparison Schedules are not a required part of the *basic financial statements* but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Other Supplemental Information Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying supplemental information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by OMB Circular No. A-133, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information The information identified in the table of contents as other information is presented for purposes of additional analysis and is not a part of the basic financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 28, 2004

Jackson Parish School Board

REQUIRED SUPPLEMENTAL INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

Our discussion and analysis of Jackson Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2004. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999.

FINANCIAL HIGHLIGHTS The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

FUND FINANCIAL STATEMENTS The fund balances of all governmental funds decreased \$178,871. The fund balance of the general fund increased \$68,786. Other revenues in the general fund decreased \$164,261 because awards for state grants decreased. Plant services expenditures decreased \$354,351 due to reduction in repairs and maintenance expenditures, capital outlay expenditures decreased \$624,479 because the construction at Jonesboro-Hodge is complete. Salaries expenditures increased by \$974,252 due to state mandated salary increase as well as increases in the rate for retirement and health insurance premiums.

The Title I fund balances neither increased nor decreased since it is a cost reimbursement fund.

The Jonesboro-Hodge general obligation fund balance decreased \$146,617 because of the Jonesboro Hodge millage rate was reduced.

Other governmental funds decreased \$101,040 due to increase in costs of operation.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant fund, the general fund. The remaining statement - the Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Comparison Information for Major Funds

Supplemental Information

Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, scholarship fund and the sales tax fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Net Assets. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$9,361,959 at June 30, 2004. Of this amount \$904,986 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

**Table 1
Net Assets
June 30,**

	<u>2004</u>	<u>Governmental Activities 2003</u>	<u>Variance</u>
Current and other assets	\$ 7,701,666	\$ 7,352,258	\$ 349,408
Capital assets	<u>9,011,070</u>	<u>8,980,238</u>	<u>30,832</u>
Total assets	<u>16,712,736</u>	<u>16,332,496</u>	<u>380,240</u>
Current and other liabilities	3,207,758	2,666,281	541,477
Long-term liabilities	<u>4,143,019</u>	<u>4,745,253</u>	<u>(602,234)</u>
Total liabilities	<u>7,350,777</u>	<u>7,411,534</u>	<u>(60,757)</u>
Net assets			
Invested in capital assets, net of related debt	4,972,070	4,234,985	737,085
Restricted	3,484,903	3,321,537	163,366
Unrestricted	<u>904,986</u>	<u>1,364,440</u>	<u>(459,454)</u>
Total net assets	<u>\$ 9,361,959</u>	<u>\$ 8,920,962</u>	<u>\$ 440,997</u>

The \$904,986 in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its noncapital liabilities such as compensated absences, there would be \$904,986 left.

The net assets of the School Board increased by \$440,997 due to an increase in capital assets.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the next page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

**Table 2
Changes in Net Assets
For the Year Ended June 30**

	<u>2004</u>	Governmental <u>Activities</u> 2003	<u>Variance</u>
Net Assets - beginning	\$ 8,920,962	\$ 8,653,821	\$ 267,141
Revenues:			
Program revenues			
Charges for services	235,068	211,651	23,417
Federal grants	2,988,623	2,091,559	897,064
State grants and entitlements	520,047	635,691	(115,644)
General Revenues			
Ad valorem taxes	1,911,950	2,288,497	(376,547)
Sales taxes	6,001,358	5,230,252	771,106
State equalization	10,001,732	10,141,577	(139,845)
Other general revenues	<u>931,885</u>	<u>1,034,749</u>	<u>(102,864)</u>
Total revenues	<u>22,590,663</u>	<u>21,633,976</u>	<u>956,687</u>
Functions/Program Expenses:			
Instruction			
Regular programs	8,794,273	8,416,135	378,138
Special programs	1,902,855	1,787,440	115,415
Other instructional programs	2,107,498	1,535,098	572,400
Support services			
Student services	748,196	835,406	(87,210)
Instructional staff support	1,442,076	1,164,055	278,021
General administration	727,708	754,810	(27,102)
School administration	1,247,570	1,219,302	28,268
Business services	308,141	276,644	59,765
Plant services	1,853,812	2,366,735	(512,923)
Student transportation services	1,442,579	1,392,002	50,577
Food Services	1,357,595	1,358,053	(458)
Community service programs	2,068	1,526	542
Interest on long-term debt	<u>215,295</u>	<u>259,629</u>	<u>(44,334)</u>
Total expenses	<u>22,149,666</u>	<u>21,366,835</u>	<u>782,831</u>
Increase (decrease) in net assets	<u>440,997</u>	<u>267,141</u>	<u>154,488</u>
Net Assets - ending	<u>\$ 9,361,959</u>	<u>\$ 8,920,962</u>	<u>\$ 440,999</u>

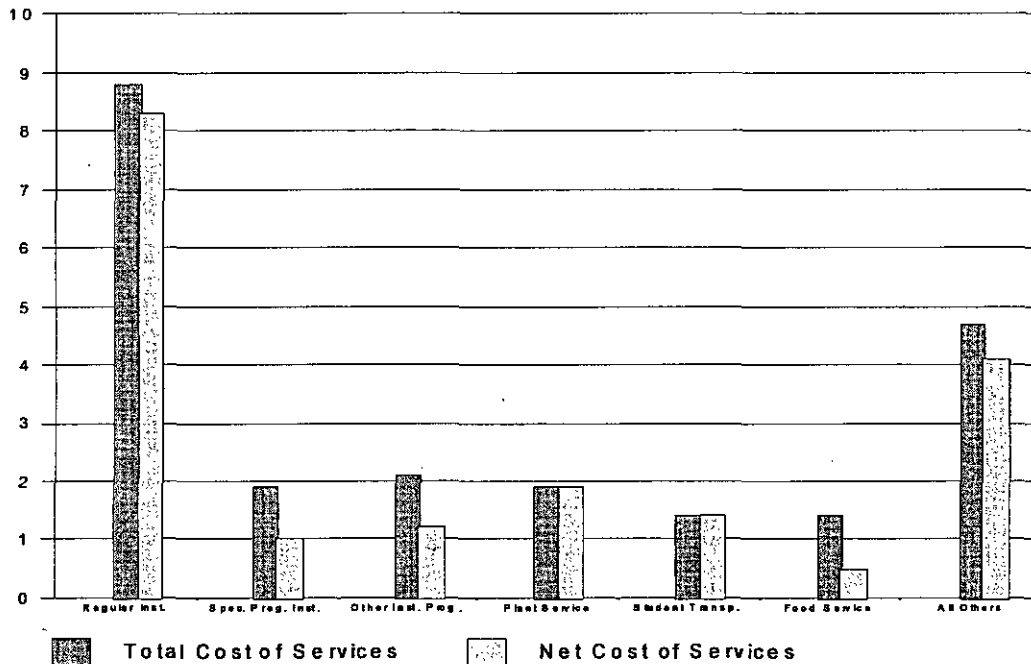
Governmental Activities In the table below we have presented the cost of each of the School Board's six largest functions – regular programs, special programs, other instructional programs, plant services, student transportation services and food services as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

	<u>Year Ended June 30, 2004</u>		<u>Year Ended June 30, 2003</u>	
	<u>Governmental Activities</u>		<u>Governmental Activities</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Regular programs instruction	\$8,794,273	\$8,257,640	\$8,416,135	\$7,793,652
Special programs instruction	1,902,855	1,027,830	1,787,440	1,520,428
Other instructional programs	2,107,498	1,211,866	1,535,098	671,550
Plant services	1,853,812	1,853,812	2,366,735	2,366,735
Student transportation services	1,442,579	1,440,872	1,392,002	1,390,978
Food services	1,357,595	485,241	1,358,053	482,779
All others	<u>4,691,054</u>	<u>4,128,667</u>	<u>4,511,372</u>	<u>4,201,812</u>
Totals	<u>\$22,149,666</u>	<u>\$18,405,928</u>	<u>\$21,366,835</u>	<u>\$18,427,934</u>

**2004
Total Cost of Services
Versus
Net Cost of Services**



Jackson Parish School Board

Management's Discussion and Analysis (MD&A)

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

General Fund Budgetary Highlights As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2004, the School Board had \$35,743,421 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of just over \$334,307, or one percent, from last year.

**Capital Assets at
June 30,**

	<u>Governmental Activities</u>	
	2004	2003
Land	\$ 83,300	\$ 83,300
Buildings	31,918,870	31,746,892
Furniture and equipment	3,741,251	3,578,922
Totals	<u>\$35,743,421</u>	<u>\$35,409,114</u>

DEBT ADMINISTRATION At June 30, 2004, the School Board had \$3,680,000 in general obligation bonds outstanding with maturities from 2005 to 2017 with interest rates ranging from .10% to 12.00%. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2004, the School Board's net bonded debt of \$3,051,605 (total bonded debt of \$4,039,000 less assets in debt service funds of \$987,395) was well below the legal limit of \$37,629,675.

	<u>2004</u>	<u>2003</u>	<u>Ratio of Debt to Assessed Value</u>
Net direct general obligation bonded debt	<u>\$3,680,000</u>	<u>\$4,105,000</u>	4.8%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS The budget for the 2004-2005 year reflects an increase in the MFP funding as per the July 2004 budget letter in the amount of \$468,437. There is a projected \$982,734 reduction in expenditures based upon adopted budget cuts. Capital projects have been reduced by \$700,000 as a result of completion of the Jonesboro Hodge Sr. High project. The budget also reflects a projected increase of \$480,000 in sales tax collections.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Gloria Moore, Business Manager, at Jackson Parish School Board, P. O. 705, Jonesboro, Louisiana 71251-0705, telephone number (318) 259-4456.

Jackson Parish School Board

BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

JACKSON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2004

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 4,998,735
Receivables (net)	2,689,942
Inventory	12,939
Other assets - deposits	50
Capital assets:	
Land	83,300
Depreciable assets, net of depreciation	<u>8,927,770</u>
TOTAL ASSETS	<u>16,712,736</u>
LIABILITIES	
Accounts, salaries and other payables	3,108,660
Interest payable	35,236
Workers' compensation payable	57,061
Deferred revenues	6,801
Long-term liabilities	
Due within one year	578,019
Due in more than one year	<u>3,565,000</u>
TOTAL LIABILITIES	<u>7,350,777</u>
NET ASSETS	
Invested in capital assets, net of related debt	4,972,070
Restricted for:	
School food service	178,386
Debt service	986,702
Capital projects	327,748
Construction	155,525
Salaries	1,317,664
Unrestricted	<u>1,423,864</u>
TOTAL NET ASSETS	<u>\$ 9,361,959</u>

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

JACKSON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 8,794,273		\$ 536,633	\$ (8,257,640)
Special programs	1,902,855		875,025	(1,027,830)
Other instructional programs	2,107,498		895,632	(1,211,866)
Support services:				
Student services	748,196		61,851	(686,345)
Instructional staff support	1,442,076		358,549	(1,083,527)
General administration	727,708		141,865	(585,843)
School administration	1,247,570		0	(1,247,570)
Business services	308,141		122	(308,019)
Plant services	1,853,812		0	(1,853,812)
Student transportation services	1,442,579		1,707	(1,440,872)
Food services	1,357,595	\$ 235,068	637,286	(485,241)
Community service programs	2,068			(2,068)
Interest on long-term debt	215,295	0	0	(215,295)
Total Governmental Activities	22,149,666	235,068	3,508,670	(18,405,928)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				1,911,950
Sales taxes				6,001,358
State revenue sharing				74,459
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				10,001,732
Federal Forest Lands				13,538
Interest and investment earnings				154,319
Federal revenue				757
Miscellaneous				688,812
Total general revenues				18,846,925
				Changes in net assets 440,997
				Net assets - beginning 8,920,962
				Net assets - ending \$ 9,361,959

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

Jackson Parish School Board

**BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)**

JACKSON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2004

Statement C

	JONESBORO			TOTAL
	HODGE		OTHER	
	GENERAL	OBLIGATION	GOVERNMENTAL	
ASSETS				
Cash and cash equivalents	\$ 3,184,546	\$ 213,720	\$ 1,600,469	\$ 4,998,735
Receivables	2,086,528	0	603,414	2,689,942
Interfund receivables	521,908	196	0	522,104
Inventory	0	0	12,939	12,939
Other assets - deposits	50	0	0	50
TOTAL ASSETS	5,793,032	213,916	2,216,822	8,223,770
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	2,701,500	0	407,160	3,108,660
Interfund payables	0	0	522,104	522,104
Deferred revenues	0	0	6,801	6,801
Total Liabilities	2,701,500	0	936,065	3,637,565
Fund Balances:				
Reserved for:				
Debt Service	0	213,916	773,479	987,395
Inventory	0	0	6,138	6,138
Construction	155,525	0	0	155,525
Salaries	1,317,664	0	0	1,317,664
Unreserved, reported in:				
Special Revenue	0	0	173,392	173,392
Capital Projects	0	0	327,748	327,748
Undesignated	1,618,343	0	0	1,618,343
Total Fund Balances	3,091,532	213,916	1,280,757	4,586,205
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,793,032	\$ 213,916	\$ 2,216,822	\$ 8,223,770

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

JACKSON PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2004

Statement D

Total fund balances - governmental funds \$ 4,586,205

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 35,743,421	
Depreciation expense to date	<u>(26,732,351)</u>	
		9,011,070

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2004 are:

Long-term liabilities		
Bonds payable	(3,680,000)	
Certificate of Indebtedness	(359,000)	
Compensated absences payable	(104,019)	
Interest payable	(35,236)	
Workers' compensation payable	<u>(57,061)</u>	
		<u>(4,235,316)</u>

Net Assets \$ 9,361,959

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

JACKSON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

Statement E

	JONESBORO HODGE			
	GENERAL	OBLIGATION	OTHER GOVERNMENTAL	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,445,803	\$ 158,888	\$ 307,259	\$ 1,911,950
Sales and use	6,001,358	0	0	6,001,358
Interest earnings	139,881	7,821	6,617	154,319
Food services	0	0	235,068	235,068
Other	646,006	110	2,393	648,509
State sources:				0
Equalization	9,798,132	0	203,600	10,001,732
Other	611,092	0	46,991	658,083
Federal sources	13,538	0	2,975,085	2,988,623
Total Revenues	18,655,810	166,819	3,777,013	22,599,642
EXPENDITURES				
Current:				
Instruction:				
Regular programs	8,671,191	0	0	8,671,191
Special programs	1,583,436	0	315,797	1,899,233
Other instructional programs	655,608	0	1,451,890	2,107,498
Support services:				
Student services	680,393	0	63,964	744,357
Instructional staff support	1,083,527	0	358,549	1,442,076
General administration	567,272	5,999	154,437	727,708
School administration	1,247,570	0	0	1,247,570
Business services	308,019	0	122	308,141
Plant services	1,853,812	0	0	1,853,812
Student transportation services	1,258,542	0	1,707	1,260,249
Food services	302,532	0	1,055,063	1,357,595
Community service programs	0	0	2,068	2,068
Capital outlay	231,529	0	123,814	355,343
Debt service:				
Principal retirement	159,813	180,000	245,000	584,813
Interest and bank charges	19,100	127,437	70,322	216,859
Total Expenditures	18,622,344	313,436	3,842,733	22,778,513
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	\$ 33,466	\$ (146,617)	\$ (65,720)	\$ (178,871)

(CONTINUED)

JACKSON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2004

Statement E

	JONESBORO HODGE			
	GENERAL	GENERAL OBLIGATION	OTHER GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 43,600	\$ 0	\$ 9,797	\$ 53,397
Transfers out	(8,280)	0	(45,117)	(53,397)
Total Other Financing Sources (Uses)	35,320	0	(35,320)	0
Net Change in Fund Balances	68,786	(146,617)	(101,040)	(178,871)
FUND BALANCES - BEGINNING	3,022,746	360,533	1,381,797	4,765,076
FUND BALANCES - ENDING	\$ 3,091,532	\$ 213,916	\$ 1,280,757	\$ 4,586,205

(CONCLUDED)

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

JACKSON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2004**

Statement F

Total net change in fund balances - governmental funds \$ (178,871)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:

Capital outlays	355,343	
Depreciation expense	(315,532)	39,811

Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 584,813

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$ 112,218) exceeded the amounts earned (\$ 90,984) by \$ 21,234. 21,234

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

(Increase) Reduction of incurred but not reported workers' compensation claims (18,575)

In the Statement of Activities, scrapping of assets are reported as a gain or loss net of the book value.

Cost of assets scrapped	\$ 21,036	
<u>Accumulated depreciation</u>	<u>(12,057)</u>	
Net loss	(8,979)	(8,979)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 1,564

Change in net assets of governmental activities. \$ 440,997

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

JACKSON PARISH SCHOOL BOARD
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 June 30, 2004

Statement G

	PRIVATE PURPOSE TRUST	AGENCY FUNDS
<u>ASSETS</u>		
Cash and cash equivalents	\$ 190,609	\$ 317,761
TOTAL ASSETS	190,609	317,761
<u>LIABILITIES</u>		
Due to student groups	0	317,761
Total liabilities	0	317,761
<u>NET ASSETS</u>		
Unreserved, undesignated	190,609	0
Total net assets	\$ 190,609	\$ 0

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

JACKSON PARISH SCHOOL BOARD
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For the Year Ended June 30, 2004

Statement H

**PRIVATE
PURPOSE
TRUST**

ADDITIONS

Other revenue

\$ 349

DEDUCTIONS

Administrative expenses

0

Changes in net assets

349

Net assets - beginning

190,260

Net assets - ending

\$ 190,609

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

Jackson Parish School Board

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Jackson Parish School Board

Notes to the Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Jackson Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (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 Jackson Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Jackson 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 ten members who are elected from ten districts for terms of four years.

The School Board operates seven schools within the parish with a total enrollment of approximately 2,375 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 The School Board uses funds 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.

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

Governmental Funds Governmental funds account for all or most of 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 servicing of general long-term debt. The School Board reports the following major governmental funds:

General fund – the general operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Title I – accounts for the transactions associated with the Title I program. Title I improves the education opportunities of the 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. It is designed

Jackson Parish School Board

Notes to the Basic Financial Statements

primarily to provide instructional activities to educationally deprived children that reside in low-income areas who have been selected on the basis of a needs assessment. These services supplement, not supplant, those normally provided by state and local educational agencies.

Jonesboro-Hodge G/O bond fund – is a debt service fund that accounts for monies accumulated to pay outstanding bond issues. The bonds were issued by the Jonesboro-Hodge school district to acquire land for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings.

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. Fiduciary funds include:

I. J. Allen Memorial Scholarship Expendable Trust Fund – accounted for essentially in the same manner as governmental funds. The resources, including both principal and earnings, may be expended. This scholarship trust fund was created from contributions and memorials from the family and friends of the late I. J. Allen.

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

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Internal Activities The workers' compensation internal service fund provides services to the governmental funds. Accordingly, the workers' compensation fund activity was rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Jackson Parish School Board

Notes to the Basic Financial Statements

Fund Financial Statements (FFS)

Governmental Fund Types 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 principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are 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

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.

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when the underlying exchange transaction occurs and the resources are available.

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 other types, such as sale of fixed assets, debt extinguishments, and long-term debt proceeds) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds 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. Fiduciary funds are accounted for using the accrual basis of accounting.

Jackson Parish School Board

Notes to the Basic Financial Statements

Trust Funds account for assets held by the government under the terms of a normal trust agreement.

Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. This fund is used to account for assets that the government holds for others in an agency capacity.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market 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, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the 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 and are stated at cost.

E. 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.

The investments are reflected at fair value 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 reported 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.

F. 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.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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

Jackson Parish School Board

Notes to the Basic Financial Statements

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 revenues when received; however, all inventory items are recorded as expenditures when purchased unused commodities at June 30 are reported as deferred revenues. All purchased inventory items are valued at cost using first-in, first-out, FIFO, 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 reported as prepaid items.

I. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	10 - 40 years
Furniture and equipment	3 - 10 years

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 from the combined balance sheet is removed and the revenue is recognized.

K. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Vacation leave cannot be accumulated. Upon separation of employment, all unused vacation leave is forfeited.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five 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 School Board's recognition and measurement criteria for compensated absences follows:

GASB Statement 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' rights 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.

Jackson Parish School Board

Notes to the Basic Financial Statements

GASB Statement 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.

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the cost of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financial source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt-service expenditures.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the cost of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financial source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt-service expenditures.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

N. FUND EQUITY OF FUND FINANCIAL STATEMENTS

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

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

Jackson Parish School Board

Notes to the Basic Financial Statements

O. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

P. SALES TAX On April 22, 1969, the voters of Jackson Parish approved a one percent sales and use tax within the parish. The proceeds from the tax are to be used for the payment of salaries and for expenses of operating schools.

On April 3, 1982, the voters of Jackson Parish approved an additional one percent sales and use tax within the parish (outside the corporate limits of the town of Jonesboro). The proceeds from the tax are to be used fifty percent for constructing or improving schools and the remaining for any lawful purposes of the Board.

On March 20, 2000, a six-tenth of one percent sales and use tax was approved within the parish. The proceeds from the tax are to be used for salaries and benefits for teachers and other employees.

These taxes are collected by the Jackson Parish Sales tax Collection Agency.

Q. BUDGET

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

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

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds' budgets that are not grant oriented. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. Grant funds are included in special revenue funds and their budgets are adopted at the time the grant applications are approved by the governor. The operating budgets include proposed expenditures and the means of financing them.

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function 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.

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 accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or 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

Jackson Parish School Board

Notes to the Basic Financial Statements

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.

R. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenditures during the reporting period. Actual results could differ from those estimates.

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, 2004:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$17,845,868	\$18,630,624	\$784,756
Special Revenue			
Title I Contribution	4,000	5,000	1,000
Special Ed	8,697	8,768	71

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 Jackson Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Jackson Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Jackson 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	September 18, 2003
Levy date	September 18, 2003
Tax bills mailed	On or about October 15, 2003
Due date	December 31, 2003
Lien date	January 1, 2004

Assessed values are established by the Jackson 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

Jackson Parish School Board

Notes to the Basic Financial Statements

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, 2004. Total assessed value was \$75,259,350 in calendar year 2004. 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 \$16,028,920 of the assessed value in calendar year 2004.

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 maintenance funds and sinking funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. 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.

The tax roll is prepared by the parish tax assessor in October of each year. The collection of the 2003 property taxes occurs in December, and January and February of the next year. As a result, no property taxes receivable for 2003 taxes is included on the accompanying balance sheet because none is available within 60 days of the School Board's year-end.

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

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

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
Parish-wide taxes:			
Constitutional	4.93	4.93	2004
Parish-wide additional support	7.83	7.83	2004
Parish-wide maintenance and operations	7.22	7.22	2004
Parish-wide additional maintenance and operations	5.74	5.74	2006
District taxes:			
Quitman School District	19.25	14.00	2009
Weston School District	20.25	17.50	2010
Chatham School District Bonds	21.00	20.00	2009
Jonesboro Hodge District	5.25	5.00	2013

NOTE 4 - DEPOSITS AND INVESTMENTS At June 30, 2004, the School Board has cash and cash equivalents (book balances) totaling \$5,507,105.

Deposits are stated at cost, which approximates fair value. 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 fair 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.

Jackson Parish School Board

Notes to the Basic Financial Statements

At year-end, the School Board's carrying amount of deposits was \$5,507,105 and the bank balance was \$5,806,423. Of the bank balance, \$400,678 is covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). \$5,405,745 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 ten days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 5 - RECEIVABLES The balance of receivables at June 30, 2004, is as follows. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Other Governmental	TOTAL
Intergovernmental - grants:			
Federal	\$ 55,000	\$ 502,917	\$ 557,917
State	\$ 443,208		\$ 443,208
Local sources:			
Sales tax	1,316,813	0	1,316,813
Proceeds from loss	0	0	0
Other	271,507	100,497	372,004
Total	<u>\$ 2,086,528</u>	<u>\$ 603,414</u>	<u>\$ 2,689,942</u>

No allowance for doubtful accounts has been recorded as these receivables are expected to be collected in full.

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2004 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Land	\$ 83,300	\$ 0	\$ 0	\$ 83,300
Exhaustible capital assets				
Buildings	31,746,892	171,978	0	31,918,870
Furniture and equipment	3,578,922	183,365	21,036	3,741,251
Total	<u>35,409,114</u>	<u>355,343</u>	<u>21,036</u>	<u>35,743,421</u>
Less accumulated depreciation				
Buildings	23,945,603	92,266	0	24,037,869
Furniture and equipment	2,483,273	223,266	12,057	2,694,482
Total	<u>26,428,876</u>	<u>315,532</u>	<u>12,057</u>	<u>26,732,351</u>
Governmental activities				
Capital assets, net	<u>\$ 8,980,238</u>	<u>\$ 39,811</u>	<u>\$ 8,979</u>	<u>\$ 9,011,070</u>

Jackson Parish School Board

Notes to the Basic Financial Statements

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 125,741
Special programs	3,622
Instructional staff support	3,839
Student transportation services	182,330
Total depreciation expense	<u>\$ 315,532</u>

NOTE 7 - 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.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with ten years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally two percent (with less than 25 years of service) or 2.5 percent (with 25 or more years of service) times the years of creditable service times the average salary of the 36 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 55 with at least 25 years of creditable service and at age 60 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 36 highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after ten years of service at age 60. The maximum retirement allowance is computed at 2.5 percent times the highest 36 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

Jackson Parish School Board

Notes to the Basic Financial Statements

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 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 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, 2004, are as follows:

	Employee	Employer
Louisiana Teachers' Retirement System:	8.00%	13.10%
Regular	9.10%	13.10%
Plan A	7.50%	0.00%
Louisiana School Employees' Retirement System		

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 2004, amounted to \$10,449,708, \$77,314, and \$1,123,324, respectively. Employer contributions for the year ended June 30, 2004, and each of the two preceding years are as follows:

TRS.....	LSERS.....	
	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid
Fiscal Year Ended	\$ 0	0.00%	\$ 0	0.00%
June 30, 2002	1,521,807	83.82%	0	0.00%
June 30, 2003	1,579,659	86.44%	0	0.00%
June 30, 2004	1,693,570	81.62%	121,213	78.92%

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, 2004. The annual actuarially required contribution for the year ended June 30, 2004, is based upon the plan's annual financial report for the year ended June 30, 2003, which is the latest information available.

Jackson Parish School Board

Notes to the Basic Financial Statements

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS State statute requires the School Board to provide 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 Insurance Program whose monthly premiums are paid jointly by the employee and the School Board. The cost of retiree benefits for 2004 totaled \$926,975 or 210 retirees and is based on a pay-as-you go plan.

The cost of benefits for current employees are paid jointly by the employee and the School Board. The School Board's portion of the cost is recognized as an expenditure when the monthly premiums are due.

NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES The payables at June 30, 2004, are as follows:

	General	Other Governmental	TOTAL
Salaries	\$ 2,593,937	\$ 132,384	\$ 2,726,321
Accounts	107,563	274,776	382,339
Total	\$ 2,701,500	\$ 407,160	\$ 3,108,660

NOTE 10 - COMPENSATED ABSENCES At June 30, 2004, employees of the School Board have accumulated and vested \$104,019 of employee leave benefits, including \$2,932 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60.

NOTE 11 - AGENCY FUND DEPOSITS DUE OTHERS A summary of changes in agency fund deposits due others for the year ended June 30, 2004, follows:

	Balance, Beginning	Additions	Reductions	Balance, Ending
School activities fund	\$ 299,559	\$ 792,117	\$ 773,915	\$ 317,761

NOTE 12 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2004:

	Beginning Balance	Additions	Deletions	Ending balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation debt	\$ 4,105,000	\$ 0	\$ 425,000	\$ 3,680,000	\$ 310,000
Certificate of indebtedness	515,000	0	156,000	359,000	164,000
Other liabilities:					
Compensated absences	125,253	90,984	112,218	104,019	104,019
Governmental Activities					
Long-term liabilities	\$ 4,745,253	\$ 90,984	\$ 693,218	\$ 4,143,019	\$ 578,019

The compensated absences liability attributes to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 100% was paid by the general fund.

Jackson Parish School Board

Notes to the Basic Financial Statements

The individual issues are as follows:

<u>Bond issue</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation:						
Jonesboro-Hodge School District	03/01/00	\$ 3,060,000	0.10%-5.50%	03/01/14	\$ 721,505	\$ 2,365,000
Weston School District No. 25	02/01/92	1,000,000	6.20%-12.00%	02/01/12	174,610	580,000
Quitman School District						
Series 1997A	08/01/97	535,000	4.60%-7.50%	03/01/10	62,559	350,000
Series 1997B	08/01/97	500,000	4.60%-5.35%	03/01/17	159,125	385,000
Total					<u>1,117,799</u>	<u>3,680,000</u>
Certificate of Indebtedness						
Series 1996	01/01/97	1,220,000	5.24%	01/01/06	23,475	296,000
Series 2002	05/06/02	100,000	4.65%	06/30/07	6,173	63,000
Total					<u>29,648</u>	<u>359,000</u>
Grand Total					<u>\$ 1,147,447</u>	<u>\$ 4,039,000</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, 2004, the School Board has accumulated \$ 987,395 in the debt service funds for future debt requirements. The certificate of indebtedness and bonds are due as follows:

Year Ending June 30,	Certificate of Indebtedness		Bonds		Total
	Principal Payments	Interest Payments	Principal Payments	Interest Payments	
2005	\$ 164,000	\$ 18,428	\$ 310,000	\$ 193,105	\$ 685,533
2006	173,000	9,953	330,000	177,589	690,542
2007	22,000	1,266	350,000	160,770	534,036
2008	0	0	370,000	142,603	512,603
2009	0	0	395,000	122,778	517,778
2010-2014	0	0	1,810,000	308,385	2,118,385
2015-2016	0	0	115,000	12,573	127,573
Total	<u>\$ 359,000</u>	<u>\$ 29,647</u>	<u>\$3,680,000</u>	<u>\$ 1,117,803</u>	<u>\$ 5,186,450</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At June 30, 2004, the statutory limit was \$37,629,675 and outstanding bonded debt totaled \$3,680,000.

Jackson Parish School Board

Notes to the Basic Financial Statements

NOTE 13 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Interfund Receivable/Payable:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 521,908	Other governmental funds	\$ 522,104
Jonesboro-Hodge General Obligation			
Bond Fund	<u>196</u>		<u>0</u>
Total	<u>\$ 522,104</u>		<u>\$ 522,104</u>

The purpose of interfund receivable/payable is to cover expenditures on cost reimbursement programs until reimbursements are received.

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 43,600	\$ 8,280
Other governmental funds	9,797	45,117
Total	<u>\$ 53,397</u>	<u>\$ 53,397</u>

The purpose of interfund transfers is mainly to cover operating expenditures.

NOTE 14 - LITIGATION AND CONTINGENCIES

Litigation At June 30, 2004, the School Board was involved in various litigations. It is the opinion of the legal advisor for the School Board that the ultimate result would not materially affect the financial statements.

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. The School Board's management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTE 15 - RISK MANAGEMENT The School Board initiated a risk management program for workers' compensation in 1998. The amount of policy coverage is \$1,000,000. The deductible is \$200,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. The liability for claims and judgments is reported in the general fund because it is expected to be liquidated with expendable available financial resources. The liability at June 30, 2004, was \$57,061.

Jackson Parish School Board

Notes to the Basic Financial Statements

Changes in the claims amount for the year ended June 30, 2004, is as follows:

<u>Years Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payment and Claims</u>	<u>Ending of Fiscal Year Liability</u>
2001-2002	37,967	24,027	50,028	11,966
2002-2003	11,966	136,542	110,022	38,486
2003-2004	38,486	408,442	389,867	57,061

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past year.

NOTE 16 - 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 \$9,943.00. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 17 – RESERVED FUND BALANCES (FFS Level Only)

Reserved for Sales Tax This amount represents the portion of fund balance relating to sales tax which is therefore unavailable to be expended for other purposes.

NOTE 18 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$10,001,732 to the School Board, which represents approximately 44% of the School Board's total revenue for the year.

Jackson Parish School Board

REQUIRED SUPPLEMENTAL INFORMATION

Jackson Parish School Board

Budgetary Comparison Schedule

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

JACKSON PARISH SCHOOL BOARD

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2004

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,105,201	\$ 2,841,344	\$ 3,022,746	\$ 181,402
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	0	1,531,605	1,445,803	(85,802)
Sales tax	6,556,000	5,900,000	6,001,358	101,358
Interest earnings	0	69,395	139,881	70,486
Other	0	421,125	646,006	224,881
State sources:				
Equalization	10,088,680	9,926,736	9,798,132	(128,604)
Other	700,093	537,262	611,092	73,830
Federal sources	51,740	55,621	13,538	(42,083)
Transfers from other funds	516,725	0	43,600	43,600
Amounts available for appropriations	20,018,439	21,283,088	21,722,156	\$ 439,068
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	9,978,601	10,237,451	8,671,191	\$ 1,566,260
Special programs	1,535,360	1,347,530	1,583,436	(235,906)
Other instructional programs	869,359	765,850	655,608	110,242
Support services:				
Student services	596,685	663,793	680,393	(16,600)
Instructional staff support	760,287	737,327	1,083,527	(346,200)
General administration	464,283	495,650	567,272	(71,622)
School administration	908,100	928,728	1,247,570	(318,842)
Business services	207,210	215,454	308,019	(92,565)
Plant services	984,400	1,501,237	1,853,812	(352,575)
Student transportation services	799,314	793,297	1,258,542	(465,245)
Food services	71,390	72,251	302,532	(230,281)
Capital Outlay	0	87,300	231,529	(144,229)
Debt service:				
Principal retirement	0	0	159,813	(159,813)
Interest and bank charges	0	0	19,100	(19,100)
Transfers to other funds	700,000	0	8,280	(8,280)
Total charges to appropriations	17,874,989	17,845,868	18,630,624	\$ (784,756)
BUDGETARY FUND BALANCES, ENDING	\$ 2,143,450	\$ 3,437,220	\$ 3,091,532	\$ (345,688)

JACKSON PARISH SCHOOL BOARD

Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2004

Note C - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 21,722,156
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(3,022,746)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	<u>(43,600)</u>
 Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 18,655,810</u>
<u>Uses/outflows of resources:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 18,630,624
Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	<u>(8,280)</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 18,622,344</u>

Jackson Parish School Board
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2004

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function 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.

Budget Basis of Accounting The General Fund's budget is prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or 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.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	<u>\$17,845,868</u>	<u>\$18,630,624</u>	<u>\$784,756</u>

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

Jackson Parish School Board

OTHER SUPPLEMENTAL INFORMATION

JACKSON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2004

Exhibit 2

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 599,739	\$ 672,982	\$ 327,748	\$ 1,600,469
Investments	0	0	0	0
Receivables	502,917	100,497	0	603,414
Interfund receivables	0	0	0	0
Inventory	12,939	0	0	12,939
TOTAL ASSETS	<u>1,115,595</u>	<u>773,479</u>	<u>327,748</u>	<u>2,216,822</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	407,160	0	0	407,160
Interfund payables	522,104	0	0	522,104
Deferred revenue	6,801	0	0	6,801
Total Liabilities	<u>936,065</u>	<u>0</u>	<u>0</u>	<u>936,065</u>
Fund Balances:				
Reserved for debt service	0	773,479	0	773,479
Reserved for inventory	6,138	0	0	6,138
Unreserved, reported in				
Special revenue	173,392	0	0	173,392
Capital projects	0	0	327,748	327,748
Total Fund Balances	<u>179,530</u>	<u>773,479</u>	<u>327,748</u>	<u>1,280,757</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,115,595</u>	<u>\$ 773,479</u>	<u>\$ 327,748</u>	<u>\$ 2,216,822</u>

JACKSON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2004

Exhibit 3

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 0	\$ 307,259	\$ 0	\$ 307,259
Interest earnings	5,117	526	974	6,617
Food services	235,068	0	0	235,068
Other	2,068	325	0	2,393
State sources:				
Equalization	203,600	0	0	203,600
Other	46,991	0	0	46,991
Federal sources	<u>2,975,085</u>	<u>0</u>	<u>0</u>	<u>2,975,085</u>
Total Revenues	<u>3,467,929</u>	<u>308,110</u>	<u>974</u>	<u>3,777,013</u>
EXPENDITURES				
Current:				
Instruction:				
Special programs	315,797	0	0	315,797
Other instructional programs	1,451,890	0	0	1,451,890
Support services:				
Student services	63,964	0	0	63,964
Instructional staff support	358,549	0	0	358,549
General administration	142,380	12,057	0	154,437
Business services	122	0	0	122
Plant services	0	0	0	0
Student transportation services	1,707	0	0	1,707
Food services	1,055,063	0	0	1,055,063
Community services	2,068	0	0	2,068
Capital outlay	0	0	123,814	123,814
Debt service:				
Principal retirement	0	245,000	0	245,000
Interest and bank charges	<u>0</u>	<u>70,322</u>	<u>0</u>	<u>70,322</u>
Total Expenditures	<u>3,391,540</u>	<u>327,379</u>	<u>123,814</u>	<u>3,842,733</u>
EXCESS (Deficiency) OF REVENUES				
OVER EXPENDITURES	<u>76,389</u>	<u>(19,269)</u>	<u>(122,840)</u>	<u>(65,720)</u>

(CONTINUED)

JACKSON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2004

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 9,797	\$ 0	\$ 0	\$ 9,797
Transfers out	<u>(45,117)</u>	<u>0</u>	<u>0</u>	<u>(45,117)</u>
Total Other Financing Sources (Uses)	<u>(35,320)</u>	<u>0</u>	<u>0</u>	<u>(35,320)</u>
Net Change in Fund Balances	41,069	(19,269)	(122,840)	(101,040)
FUND BALANCES - BEGINNING	<u>138,461</u>	<u>792,748</u>	<u>450,588</u>	<u>1,381,797</u>
FUND BALANCES - ENDING	<u>\$ 179,530</u>	<u>\$ 773,479</u>	<u>\$ 327,748</u>	<u>\$ 1,280,757</u>

(CONCLUDED)

Jackson Parish School Board

Nonmajor Special Revenue Funds

CHILD NUTRITION Through cash grants and food donations, the school food service fund assists in providing a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

TITLE I Accounts for the transactions associated with the Title I program. Title I improves the educational opportunities of the 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. It is designed primarily to provide instructional activities to educationally deprived children that reside in low-income areas who have been selected on the basis of a needs assessment. These services supplement, not supplant, those normally provided by state and local agencies.

TITLE V To assist state and local educational agencies in the reform of elementary and secondary education.

CLASS SIZE REDUCTION (CSR) This program is designed to improve the learning of students by hiring additional, highly-qualified teachers, to reduce class sizes especially in the early grades, to enable children to attend smaller classes.

DRUG FREE SCHOOL This program was designed to establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

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

SPECIAL ED

SPECIAL EDUCATION - PRESCHOOL GRANTS These grants to states assist them in providing a free, appropriate public education to preschool disabled children aged three through five years.

SPECIAL EDUCATION - STATE GRANTS These grants to states assist them in providing a free appropriate public education to all children with disabilities.

AWARD OF STATE FUNDS FOR CONTRACT SERVICES These funds provide financial assistance for contract services for speech, physical and occupational therapy.

(Continued)

Jackson Parish School Board
Nonmajor Special Revenue Funds

VOCATIONAL AND ADULT ED

VOCATIONAL EDUCATION

BASIC GRANTS TO STATES This program was designed 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.

CONSUMER AND HOMEMAKING EDUCATION This program was designed to assist states in conducting consumer and homemaking education instructional programs, services and activities that prepare youth and adults for the occupation of homemaking through instructional programs which includes the areas of food and nutrition, individual and family health, consumer education, family living and parenthood education, child development, housing, home management (including resource management); clothing, and textiles. Emphasis is placed on programs located in areas for residents of economically depressed areas and/or areas with high rates of unemployment.

ADULT EDUCATION - STATE-ADMINISTERED BASIC GRANT PROGRAM 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.

LOW RENT HOUSING This fund accounts for Impact AID which is not received anymore.

RURAL EDUCATION ACHIEVEMENT (REAP) This program was designed to provide high-poverty, rural local educational agencies with teacher professional development and educational technology.

MISCELLANEOUS FEDERAL FUNDS

Rural and Low Income School To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

Comprehensive School Reform This program is designed to improve the learning of students by hiring additional, highly qualified teachers, to reduce class sizes especially in the early grades, to enable children to attend smaller classes.

(Concluded)

JACKSON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2004

	CHILD NUTRITION	TITLE I	TITLE V	DRUG FREE SCHOOL
ASSETS				
Cash and cash equivalents	\$ 233,659	\$ 127,771	\$ 21,362	\$ 814
Receivables	16,452	210,223	1,748	8,548
Interfund receivables	0	0	0	0
Inventory	12,939	0	0	0
TOTAL ASSETS	<u>263,050</u>	<u>337,994</u>	<u>23,110</u>	<u>9,362</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries & other payables	77,863	177,794	110	4,362
Interfund payables	0	160,200	23,000	5,000
Deferred revenues	6,801	0	0	0
Total Liabilities	<u>84,664</u>	<u>337,994</u>	<u>23,110</u>	<u>9,362</u>
Fund Balances:				
Reserved for inventory	6,138	0	0	0
Unreserved and undesignated	172,248	0	0	0
Total Fund Balances	<u>178,386</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 263,050</u>	<u>\$ 337,994</u>	<u>\$ 23,110</u>	<u>\$ 9,362</u>

Exhibit 4

TITLE II	SPECIAL ED	VOCATIONAL AND ADULT ED	LOW RENT HOUSING	REAP	MISCELLANEOUS FEDERAL FUNDS	TOTAL
\$ 41,745	\$ 90,982	\$ 25,212	\$ 0	\$ 23,329	\$ 34,865	599,739
109,423	114,743	25,724	0	14,677	1,379	502,917
0	0	0	0	0	0	0
0	0	0	0	0	0	12,939
<u>151,168</u>	<u>205,725</u>	<u>50,936</u>	<u>0</u>	<u>38,006</u>	<u>36,244</u>	<u>1,115,595</u>
98,693	33,725	13,607	0	1,006	0	407,160
52,475	172,000	37,329	0	37,000	35,100	522,104
0	0	0	0	0	0	6,801
<u>151,168</u>	<u>205,725</u>	<u>50,936</u>	<u>0</u>	<u>38,006</u>	<u>35,100</u>	<u>936,065</u>
0	0	0	0	0	0	6,138
0	0	0	0	0	1,144	173,392
0	0	0	0	0	1,144	179,530
<u>\$ 151,168</u>	<u>\$ 205,725</u>	<u>\$ 50,936</u>	<u>\$ 0</u>	<u>\$ 38,006</u>	<u>\$ 36,244</u>	<u>1,115,595</u>

JACKSON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	<u>CHILD</u> <u>NUTRITION</u>	<u>TITLE I</u>	<u>TITLE V</u>	<u>DRUG FREE</u> <u>SCHOOL</u>
REVENUES				
Local sources:				
Interest earnings	\$ 5,117	\$ 0	\$ 0	\$ 0
Food service	235,068	0	0	0
Other	0	0	0	0
State sources:				
Equalization	203,600	0	0	0
Other	0	0	0	0
Federal sources	<u>694,848</u>	<u>1,410,065</u>	<u>9,934</u>	<u>20,137</u>
Total Revenues	<u>1,138,633</u>	<u>1,410,065</u>	<u>9,934</u>	<u>20,137</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	0	0
Special programs	0	1,190	0	0
Other instructional programs	0	1,013,423	7,706	8,548
Support services:				
Student services	0	0	1,138	11,296
Instructional staff support	0	304,341	0	0
General administration	0	91,111	1,090	293
Business services	0	0	0	0
Student transportation services	0	0	0	0
Food services	1,055,063	0	0	0
Community services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>1,055,063</u>	<u>1,410,065</u>	<u>9,934</u>	<u>20,137</u>
EXCESS (Deficiency) OF REVENUES				
OVER EXPENDITURES	<u>\$ 83,570</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Exhibit 5

TITLE II	SPECIAL ED	VOCATIONAL AND ADULT ED	LOW RENT HOUSING	REAP	MISCELLANEOUS FEDERAL	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,117
0	0	0	0	0	0	235,068
0	0	0	2,068	0	0	2,068
0	0	0	0	0	0	203,600
0	0	46,991	0	0	0	46,991
<u>214,376</u>	<u>387,085</u>	<u>42,121</u>	<u>0</u>	<u>44,907</u>	<u>151,612</u>	<u>2,975,085</u>
<u>214,376</u>	<u>387,085</u>	<u>89,112</u>	<u>2,068</u>	<u>44,907</u>	<u>151,612</u>	<u>3,467,929</u>
0	0	0	0	0	0	0
0	314,607	0	0	0	0	315,797
201,861	0	43,184	0	42,091	135,077	1,451,890
0	36,668	0	0	0	14,862	63,964
0	0	54,208	0	0	0	358,549
12,515	33,981	0	0	2,816	574	142,380
0	122	0	0	0	0	122
0	1,707	0	0	0	0	1,707
0	0	0	0	0	0	1,055,063
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,068</u>	<u>0</u>	<u>0</u>	<u>2,068</u>
<u>214,376</u>	<u>387,085</u>	<u>97,392</u>	<u>2,068</u>	<u>44,907</u>	<u>150,513</u>	<u>3,391,540</u>
\$ 0	\$ 0	(8,280)	\$ 0	\$ 0	\$ 1,099	\$ 76,389

JACKSON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	<u>CHILD NUTRITION</u>	<u>TITLE I</u>	<u>TITLE V</u>	<u>DRUG FREE SCHOOL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 1,517	\$ 0	\$ 0	0
Transfers out	<u>(45,117)</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(43,600)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	39,970	0	0	0
FUND BALANCES AT BEGINNING OF YEAR	<u>138,416</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 178,386</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 5

TITLE II	SPECIAL ED	VOCATIONAL AND ADULT ED	LOW RENT HOUSING	8G	MISCELLANEOUS FEDERAL	TOTAL
\$ 0	\$ 0	\$ 8,280	\$ 0	\$ 0	\$ 0	\$ 9,797
0	0	0	0	0	0	(45,117)
0	0	8,280	0	0	0	(35,320)
0	0	0	0	0	1,099	41,069
0	0	0	0	0	45	138,461
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,144	\$ 179,530

Jackson Parish School Board

Nonmajor Debt Service Funds

CHATHAM BOND

QUITMAN BOND

WESTON BOND

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire land for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the legal boundaries of the respective school districts.

JACKSON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2004

Exhibit 6

	<u>CHATHAM</u> <u>BOND</u>	<u>QUITMAN</u> <u>BOND</u>	<u>WESTON</u> <u>BOND</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 16,253	\$ 365,802	\$ 290,927	\$ 672,982
Receivables	<u>100,000</u>	<u>344</u>	<u>153</u>	<u>100,497</u>
TOTAL ASSETS	<u>116,253</u>	<u>366,146</u>	<u>291,080</u>	<u>773,479</u>
FUND BALANCES				
Reserved for debt service	<u>116,253</u>	<u>366,146</u>	<u>291,080</u>	<u>773,479</u>
TOTAL FUND BALANCES	<u>\$ 116,253</u>	<u>\$ 366,146</u>	<u>\$ 291,080</u>	<u>\$ 773,479</u>

JACKSON PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balances
For the Year Ended June 30, 2004

Exhibit 7

	CHATHAM BOND	QUITMAN BOND	WESTON BOND	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 108	\$ 199,181	\$ 107,970	\$ 307,259
Interest earnings	51	276	199	526
Other	0	231	94	325
	159	199,688	108,263	308,110
EXPENDITURES				
Current:				
Support services:				
General administration	0	7,676	4,381	12,057
Debt service:				
Principal retirement	125,000	70,000	50,000	245,000
Interest and bank charges	7,875	41,077	21,370	70,322
	132,875	118,753	75,751	327,379
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	(132,716)	80,935	32,512	(19,269)
FUND BALANCES, AT BEGINNING OF YEAR				
	248,969	285,211	258,568	792,748
FUND BALANCES, AT END OF YEAR				
	\$ 116,253	\$ 366,146	\$ 291,080	\$ 773,479

Jackson Parish School Board
Nonmajor Capital Project Funds

QUITMAN CONSTRUCTION

JONESBORO-HODGE CONSTRUCTION

The capital project funds are used to account for the acquisition and/or construction of major capital facilities by the School Board. Proceeds from general obligation bond sales are accounted for in these funds until the capital projects are completed.

JACKSON PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECTS FUNDS
 Combining Balance Sheet
 June 30, 2004

Exhibit 8

	QUITMAN	JONESBORO - HODGE	TOTAL
	<u>CONSTRUCTION</u>	<u>CONSTRUCTION</u>	<u>CONSTRUCTION</u>
ASSETS			
Cash and cash equivalents	\$ 31,434	\$ 296,314	\$ 327,748
TOTAL ASSETS	<u>31,434</u>	<u>296,314</u>	<u>327,748</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Interfund payables	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES:			
Unreserved - undesignated	<u>31,434</u>	<u>296,314</u>	<u>327,748</u>
Total Liabilities and Fund Balances	<u>\$ 31,434</u>	<u>\$ 296,314</u>	<u>\$ 327,748</u>

JACKSON PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balances
For the Year Ended June 30, 2004

Exhibit 9

	<u>QUITMAN</u>	<u>JONESBORO -</u> <u>HODGE</u>	<u>TOTAL</u>
	<u>CONSTRUCTION</u>	<u>CONSTRUCTION</u>	
REVENUES			
Local sources:			
Interest earnings	\$ 974	\$ 0	\$ 974
Total Revenues	<u>974</u>	<u>0</u>	<u>974</u>
EXPENDITURES			
Capital outlay	<u>0</u>	<u>123,814</u>	<u>123,814</u>
Total Expenditures	<u>0</u>	<u>123,814</u>	<u>123,814</u>
EXCESS (Deficiency) OF REVENUES			
OVER EXPENDITURES	974	(123,814)	(122,840)
FUND BALANCES AT BEGINNING OF YEAR	<u>30,460</u>	<u>420,128</u>	<u>450,588</u>
FUND BALANCES AT END OF YEAR	<u>\$ 31,434</u>	<u>\$ 296,314</u>	<u>\$ 327,748</u>

Jackson Parish School Board

Agency and Trust Funds

SCHOOL ACTIVITIES AGENCY FUND The activities of the various individual school accounts are accounted for in the school activities 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.

JACKSON PARISH SCHOOL BOARD
AGENCY AND TRUST FUNDS
Statement of Fiduciary Assets and Liabilities
June 30, 2004

Exhibit 10

	<u>SCHOOL ACTIVITIES AGENCY FUND</u>
ASSETS	
Cash and cash equivalents	\$ <u>317,761</u>
Total assets	<u>317,761</u>
LIABILITIES:	
Deposits due others	<u>317,761</u>
Total liabilities	<u>\$ 317,761</u>

JACKSON PARISH SCHOOL BOARD

Exhibit 11

SCHOOL ACTIVITIES AGENCY FUND
 Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 2004

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Chatham-Jasper	\$ 13,891	\$ 58,156	\$ 59,080	\$ 12,967
Hawk Elementary	1,001	17,164	16,751	1,414
Jonesboro-Hodge Jr. High	12,677	75,094	78,862	8,909
Jonesboro-Hodge Sr. High	52,210	200,154	194,361	58,003
Quitman High	95,299	158,526	167,129	86,696
Southside Elementary	4,506	36,378	33,694	7,190
Weston High	<u>119,975</u>	<u>246,645</u>	<u>224,038</u>	<u>142,582</u>
Total	\$ <u>299,559</u>	\$ <u>792,117</u>	\$ <u>773,915</u>	\$ <u>317,761</u>

Jackson Parish School Board

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2004**

Exhibit 12

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 \$400 per month and the President receives \$500 per month.

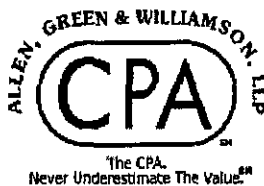
<u>Board Member</u>	<u>Amount</u>
Rudolph Tarver, President	\$6,000
Robert Schmidt	4,800
Harvey Robinson	4,800
Randall Dark	4,800
Jimmy Golden	4,800
Franklin Kelley	4,800
Doug Latimer	4,800
Gerry Mims	4,800
Calvin Waggoner	4,800
Paul Walsworth	<u>4,800</u>
TOTAL	<u>\$49,200</u>

Jackson Parish School Board

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

AND

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



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1963 - 2000

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

Board Members
Jackson Parish School Board
Jonesboro, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated October 28, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

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 an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 04-F2 and 04-F3.

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 caused by error or fraud in amounts that would be material in relation to the basic 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Compliance

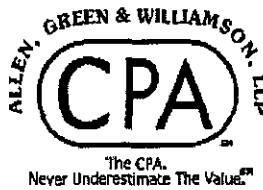
As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect 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 instances of noncompliance that are required to be reported under Government Auditing Standards which is described in the accompanying Schedule of Findings and Questioned Costs as item 04-F1 and 04-F2.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 28, 2004



ALLEN, GREEN & WILLIAMSON, LLP

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

Board Members

Jackson Parish School Board
Jonesboro, Louisiana

Compliance

We have audited the compliance of Jackson 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, 2004. 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; 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, 2004.

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.

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 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.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be *and should not be used by anyone other than these specified parties*. Although the *intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the office of the Louisiana Legislative Auditor as a public document.*

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
October 28, 2004

**Jackson Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass Through Grantor No.	Expenditures
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
National School Lunch Program	10.555	N/A	\$ 448,882
School Breakfast Program	10.553	N/A	173,518
Summer Food Program for Children	10.559	N/A	14,886
United States Department of Education			
Passed through Louisiana Department of Education:			
Title I Grants to Local Educational Agencies	84.010	02-IASA-25-I	1,410,065
Special Education:			
Grants to States (Part B)	84.027	02-IB-25	379,093
Preschool Grants	84.173	02-IP-25	7,992
Title VI	84.298	02-IASA-25-VI	9,177
Title II (Improving Teacher Quality State Grants)	84.367	02-IASA-25-II	214,376
Safe and Drug Free	84.186	02-IASA-25-IV	20,137
Vocational Education:			
Basic Grants to States	84.048	SB25/02-02	42,121
Rural and Low Income School	84.358	S358B020018	52,970
Comprehensive School Reform	84.332	S332A0110018	89,465
Title V	84.031	N/A	9,934
Rural Education Achievement Program	84.358B	N/A	44,907
United States Department of Housing and Urban Development			
Passed Through Public Housing Authority:			
Payment in Lieu of Taxes	14.UKN	N/A	13,538
TOTAL CASH FEDERAL AWARDS			<u>2,931,061</u>
NONCASH FEDERAL AWARDS			
United States Department of Agriculture and Forestry:			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550		57,562
TOTAL FEDERAL AWARDS			<u><u>\$ 2,988,623</u></u>

Jackson Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Jackson Parish School Board. The School Board reporting entity is defined in Note 1 of the notes to the basic financial statement to the School Board's annual financial report. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in 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 of the notes to the basic financial statement to the School Board's annual financial report.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

	Federal Sources
General fund	\$ 13,538
Title I	1,410,065
Special revenue funds:	
Child Nutrition	694,848
Title V	9,934
Drug Free School	20,137
Title II	214,376
Special Education	387,085
Miscellaneous Federal	151,612
Rural Education Achievement	44,907
Vocational and Adult Education	42,121
	\$ 2,988,623
Total	

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 accounting principles generally accepted in the United States of America.

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.

**Jackson Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were two reportable conditions required to be disclosed by Government Auditing Standards, issued by the *Comptroller General of the United States of America*.

The two reportable conditions were not considered to be material weaknesses.

- iii. There were two instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

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 for major programs 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 program is:
 - CFDA #84.010 Title I Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described 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.

**Jackson Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**

PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: 04-F1 Seventy Percent General Fund Instruction Required

Criteria or specific requirement: Louisiana Senate Concurrent Resolution #142 of the 1993 Regular Session mandates that at least 70% of General Fund expenditures must be spent for instructional purposes.

Condition: Expenditures for instructional purposes totaled 67.13% of the total General Fund dollars spent. This does not meet the 70% requirement.

Possible asserted effect (cause and effect):

Cause: The School Board continues to face decreases in MFP Funding as a result of the drop in enrollment. The Sales Tax District monies restricted to district maintenance is reported with General Fund Expenditures.

Effect: The School Board is in violation of the state requirement.

Recommendation to prevent future occurrences: The School Board should review expenditures on a quarterly or as-needed basis in order to ensure instructional expenses meet the 70% threshold.

Reference # and title: 04-F2 Rubber Stamp

Criteria or specific requirement: Good internal control discourages the use of rubber stamp for purposes of signing government documents.

Condition: A rubber stamp is being used for the superintendent's signature on payroll checks.

Possible asserted effect (cause and effect):

Cause: The rubber stamp is being used to expedite the issuance of checks.

Effect: The use of a rubber stamp for signature purposes provides a weak internal control system.

Recommendation to prevent future occurrences: The School Board should purchase a check signing machine to be used for the purpose of signing checks.

Reference # and title: 04-F3 Fixed Assets

Criteria or specific requirement: In accordance with LSA-R. S. 24:515(B)(1), the head of every auditee subject to audit shall maintain records of all land, buildings, improvements other than buildings, equipment and any other general fixed assets which were purchased or otherwise acquired and for which such entity is accountable. Internal control requires a complete and accurate listing that is updated on a timely basis.

**Jackson Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**

PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Condition: The School Board does maintain an asset listing; however updates to the listing are not being made on a regular basis. Two schools were selected for testing (10 items per school per test) and the following were noted:

A. Trace from Asset Listing to Item

1. Hawk – three of the items had been discarded but not taken off the fixed asset listing
2. Jonesboro Hodge Jr. High – four of the items had been discarded but not taken off the fixed asset listing

B. Trace from Item to Asset Listing

1. Hawk – five items could not be found on the asset listing
2. Jonesboro Hodge Jr. High – two items could not be found on the asset listing

Possible asserted effect (cause and effect):

Cause: There is no centralized tracking system for assets. Each school is responsible for submitting documentation for additions and deletions as well as tagging the equipment.

Effect: Current fixed asset listings are inaccurate and incomplete.

Recommendation to prevent future occurrences: *The School Board should update their comprehensive fixed asset listing by location and continue to update it for additions and deletions in a timely manner.*

Jackson Parish School Board

OTHER INFORMATION

**Jackson Parish School Board
Summary Schedule of Prior Audit Findings
June 30, 2004**

Finding reference # and title: 03-F1 Seventy Percent General Fund Instruction Requirement

Initially occurred: June 30, 2002.

Condition: Louisiana Senate Concurrent Resolution #142 of the 1993 Regular Session mandates that at least 70% of General Fund expenditures must be spent for instructional purposes.

Expenditures for instructional purposes totaled 68.34% of the total General Fund dollars spent. This does not meet the 70% requirement.

Corrective action taken: See current-year finding 04-F1.

**Jackson Parish School Board
Corrective Action Plan For Current-Year Audit Findings
June 30, 2004**

Reference # and title: 04-F1 Seventy Percent General Fund Instruction Required

Condition: Louisiana Senate Concurrent Resolution #142 of the 1993 Regular Session mandates that at least 70% of General Fund expenditures must be spent for instructional purposes.

Expenditures for instructional purposes totaled 67.13% of the total General Fund dollars spent. This does not meet the 70% requirement.

Corrective action planned: The Jackson Parish School Board continues to suffer reductions in student enrollment which affects the MFP allocation. However, unfunded state mandates as well as rising operating costs such as health insurance, retirement benefits, and utility costs are continuously being absorbed by the district. Budget cuts have been made by the board. The School Board will continue to monitor instructional spending in an effort to comply with state mandate.

Contact person responsible for corrective action:

Gloria Moore, Business Manager Telephone: (318) 259-4456
Jackson Parish School Board Fax: (318) 259-2527
P. O. Box 705
Jonesboro, Louisiana 71251-0705

Anticipated completion date: June 30, 2005

Reference # and title: 04-F2 Rubber Stamp

Condition: Good internal control discourages the use of rubber stamp for purposes of signing government documents. A rubber stamp is being used for the superintendent's signature on payroll checks.

Corrective action planned: The Jackson Parish School Board will seek quotes for a check signing machine that is compatible with software and check providers and make a purchase on the lowest quote.

Contact person responsible for corrective action:

Gloria Moore, Business Manager Telephone: (318) 259-4456
Jackson Parish School Board Fax: (318) 259-2527
P. O. Box 705
Jonesboro, Louisiana 71251-0705

Anticipated completion date: May 31, 2005

**Jackson Parish School Board
Corrective Action Plan For Current-Year Audit Findings
June 30, 2004**

Reference # and title: **04-F3** **Fixed Assets**

Condition: The School Board does maintain an asset listing; however updates to the listing are not being made on a regular basis. Two schools were selected for testing (10 items per school per test) and the following were noted:

A. Trace from Asset Listing to Item

1. Hawk – three of the items had been discarded but not taken off the fixed asset listing
2. Jonesboro Hodge Jr. High – four of the items had been discarded but not taken off the fixed asset listing

C. Trace from Item to Asset Listing

1. Hawk – five items could not be found on the asset listing
2. Jonesboro Hodge Jr. High – two items could not be found on the asset listing

Corrective action planned: The Jackson Parish School Board will require monthly fixed asset reports from each school for additions and deletions and will match additions against expenditure reports to ensure purchases agree with the fixed assets reports. Fixed assets reports will be updated on a monthly basis and the fixed asset listing will be validated by a physical check at each site.

Contact person responsible for corrective action:

Gloria Moore, Business Manager Telephone: (318) 259-4456
Jackson Parish School Board Fax: (318) 259-2527
P. O. Box 705
Jonesboro, Louisiana 71251-0705

Anticipated completion date: May 31, 2005

**Jackson Parish School Board
Status of Prior-Year Management Letter Items
June 30, 2004**

Reference # and title: **03-M1** **Fixed Assets**

Comment: Two schools were selected for testing (10 items per school per test) and the following were noted:

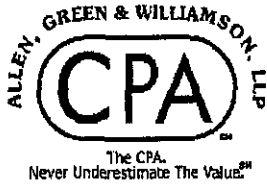
Trace from Asset Listing to Item

Chatham Jasper Henderson – a computer and a fax machine could not located.

Trace from Item to Asset Listing

Chatham Jasper Henderson – one item could not be found on the listing.

Management action taken: See item #04-F3 in the Schedule of Findings and Questioned Costs included earlier in this report.



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1963 - 2000

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Jackson Parish School Board
Jonesboro, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Jackson Parish School Board, Jonesboro, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555)

Comment: No exceptions were found as a result of applying agreed-upon procedures.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Comment: From our review of Schedule 5, the calculations on the schedule include several employees as one full time equivalent who did not spend 100 percent of their time as a classroom teacher.

Management's Response: The Jackson Parish School Board will in the future verify that each classroom teacher is properly numbered as to the amount of time spent as a classroom teacher so that the correct time equivalent can be calculated.

Class Size Characteristics Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of ten classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

Louisiana Educational Assessment Program (LEAP) for the 21st century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

The Graduation Exit Exam for the 21st Century(Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

The Iowa Tests(Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were found as a result of applying agreed-upon procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Jackson Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the office of the Louisiana Legislative Auditor as a public document.

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
November 9, 2004

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2004**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 7,518,113	
Other Instructional Staff Activities	672,470	
Employee Benefits	2,068,611	
Purchased Professional and Technical Services	51,129	
Instructional Materials and Supplies	438,670	
Instructional Equipment	95,925	
Total Teacher and Student Interaction Activities		\$ 10,844,918

Other Instructional Activities 73,180

Pupil Support Activities	687,751	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		687,751

Instructional Staff Services	1,106,828	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		1,106,828

Total General Fund Instructional Expenditures \$ 12,712,677

Total General Fund Equipment Expenditures \$ 149,920

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 277,129
Renewable Ad Valorem Tax	1,168,675
Debt Service Ad Valorem Tax	448,527
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	75,740
Sales and Use Taxes	6,486,516
Total Local Taxation Revenue	<u>\$ 8,456,587</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	44,372
Total Local Earnings on Investment in Real Property	<u>\$ 44,372</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 74,459
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 74,459</u>

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

Schedule 2

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Education Levels of Public School Staff
As of October 1, 2003

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bachelor's Degree	102	59.30%	3	50.00%	0	0.00%	0	0.00%
Master's Degree	40	23.26%	3	50.00%	4	33.33%	0	0.00%
Master's Degree + 30	28	16.28%	0	0.00%	7	58.33%	0	0.00%
Specialist in Education	2	1.16%	0	0.00%	1	8.33%	0	0.00%
Ph. D. or Ed. D.	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	172	100.00%	6	100.00%	12	100.00%	0	0.00%

Schedule 3

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2004

Type	Number
Elementary	2
Middle/Jr. High	1
Secondary	1
Combination	3
Total	7

Note: Schools opened or closed during the fiscal year are included in this schedule.

Schedule 4

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2003

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	1	2	1	6	10
Principals	0	0	1	0	0	1	0	2
Classroom Teachers	20	17	42	18	18	23	40	178
Total	20	17	43	19	20	25	46	190

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Public School Staff Data
For the Year Ended June 30, 2004

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$40,613.17	\$40,606.64
Average Classroom Teachers' Salary Excluding Extra Compensation	\$35,289.02	\$35,317.41
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	190.6	178.7

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Class Size Characteristics
As of October 1, 2003

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	96.7	29	3.3	1	0	0	0	0
Elementary Activity Classes	0	0	0	0	0	0	100	1
Middle/Jr. High	82.4	56	17.7	12	0	0	0	0
Middle/Jr. High Activity Classes	10	1	30	3	40	4	20	2
High	65.9	89	26.7	36	7.4	10	0	0
High Activity Classes	61.9	13	14.3	3	19.1	4	4.8	1
Combination	72.7	178	21.2	52	6.1	15	0	0
Combination Activity Classes	43.2	16	16.2	6	13.5	5	27	10

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Schedule 7

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	1	1	2	1	6	3	1	1	4	2	3	2
Mastery	46	26	27	15	25	13	23	13	22	12	32	16
Basic	83	47	84	47	83	42	90	51	91	51	75	38
Approaching Basic	35	20	50	28	57	29	35	20	35	20	41	21
Unsatisfactory	12	7	16	9	25	13	27	15	27	15	44	23
Total	177		179		196		176		179		195	

District Achievement Level Results	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0	3	2	5	2	2	1	0	0	3	1
Mastery	24	13	32	19	33	15	9	5	19	11	29	13
Basic	84	45	67	39	85	38	95	51	79	46	100	44
Approaching Basic	50	27	47	28	67	30	45	24	50	29	51	23
Unsatisfactory	28	15	21	12	35	16	37	20	22	13	42	19
Total	186		170		225		188		170		225	

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	7	4	0	0	1	1	17	10	10	6	9	5
Mastery	34	20	25	15	18	10	34	20	26	15	24	13
Basic	74	43	71	42	65	40	63	36	63	37	55	29
Approaching Basic	29	17	41	24	41	23	25	15	28	17	38	20
Unsatisfactory	28	16	33	19	52	29	33	19	42	25	62	33
Total	172		170		177		172		169		188	

District Achievement Level Results	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	3	2	1	1	1	1	0	0	0	0	1	1
Mastery	22	16	13	9	21	15	14	10	8	6	14	10
Basic	61	45	61	44	51	35	69	51	71	51	56	39
Approaching Basic	35	26	29	21	32	22	34	25	30	21	34	23
Unsatisfactory	15	11	36	26	39	27	19	14	31	22	40	28
Total	136		140		144		136		140		145	

JACKSON PARISH SCHOOL BOARD
Jonesboro, Louisiana

The IOWA Tests
For the Year Ended June 30, 2004

	Composite		
	2004	2003	2002
Test of Basic Skills (ITBS)			
Grade 3	60	59	60
Grade 5	69	62	50
Grade 6	44	45	51
Grade 7	50	50	51
Tests of Educational Development (ITED)			
Grade 9	52	49	50

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.