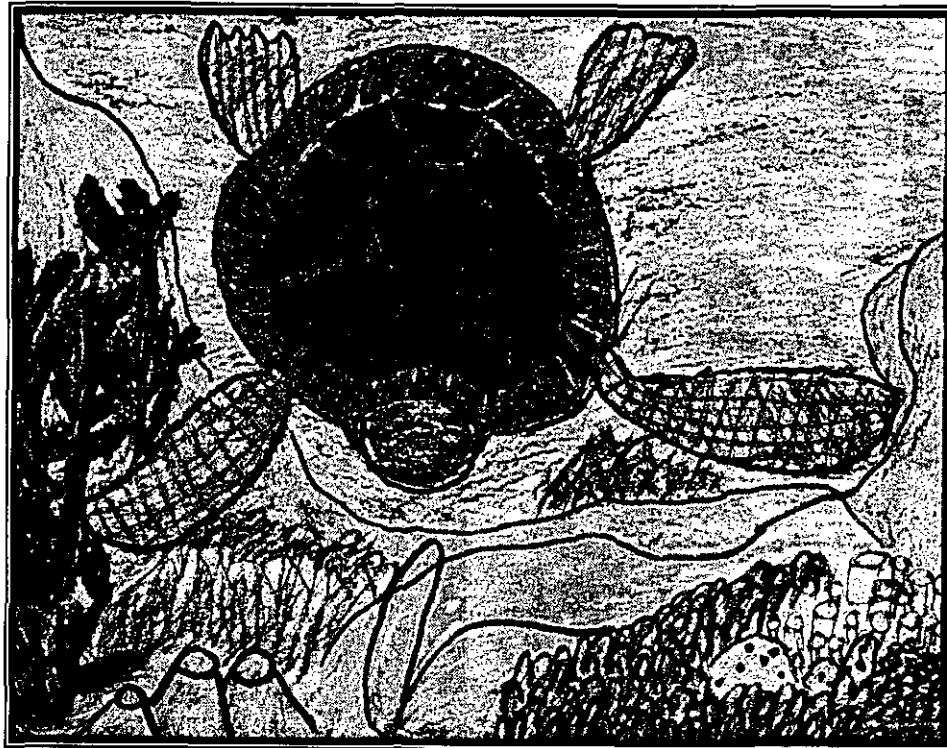


WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Comprehensive Annual Financial Report
July 1, 2003 – June 30, 2004



Prepared by:
Finance Department

Ms. Beth Fussell
Director of Finance

Ms. Donna Alonzo
Chief Accountant

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

Turtle
Tabitha O'Neal
4th Grade
Franklinton Elementary School

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2004

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DENNIE FOWLER
SUPERINTENDENT

RICHARD N. THOMAS, JR.
PRESIDENT

WASHINGTON PARISH SCHOOL BOARD

P. O. BOX 587
FRANKLINTON, LOUISIANA 70438
(985) 839-3436 FAX # (985) 839-5464

December 16, 2004

The Members of the
Washington Parish School Board
Franklinton, Louisiana:

The comprehensive annual financial report of the Washington Parish School Board for the fiscal year ended June 30, 2004, is hereby submitted. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included. More specific and detailed information pertaining to the School Board's economic and financial status can be found in the management discussion and analysis section of these reports.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the School Board's organizational chart and a list of principal officials. The financial section, which begins on page 1, includes the independent auditors' report, management discussion and analysis section, basic financial statements and the combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the Reports on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133, are included in the single audit section of this report.

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of Washington Parish, Louisiana. A nine-member board governs the School System with each member serving a concurrent four-year term. The current board is in the second year of its four-year term.

v

DISTRICT 1 - DAN SLOCUM
DISTRICT 2 - KARL L. BICKHAM, JR.
DISTRICT 3 - BRUCE L. BROWN

DISTRICT 4 - RICHARD N. THOMAS, JR.
DISTRICT 5 - HAYWARD D. BOONE
DISTRICT 6 - SUSANNE JONES

DISTRICT 7 - HOLLY M. JAMES
DISTRICT 8 - MATTHEW TATE
DISTRICT 9 - FREDDIE H. JEFFERSON

It is the responsibility of the School Board to make public education available to the residents of Washington Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children and vocational education. The system has a current enrollment of 4,819 which includes 263 pre-kindergarten students.

The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity.

ECONOMIC CONDITION AND OUTLOOK

Washington Parish, located in rural southeastern Louisiana, covers an area of 676 square miles. It is bordered on the east and north by the Mississippi state line. Its western boundary is Tangipahoa Parish and St. Tammany Parish is to the south. Washington Parish is recognized for the Washington Parish Free Fair, the largest free fair in the world. It is also recognized for its watermelons, dairy cattle, and timber industry, as well as its great hospitality. The population is 43,185 people in 17,617 households.

The economy of Washington Parish is primarily agricultural, with the paper industry and gas pipeline stations providing additional jobs. According to the 2000 census, the median value of owner-occupied housing units is \$54,200 compared to the state value of \$85,000. At the same time, the home ownership rate in Washington Parish is 76.4%, above the state rate of 67.9%.

MAJOR INITIATIVES

The School Board issued \$23 million in bonds in 2004 for school improvements and new construction. A new junior-senior high school will be built in the Pine-Thomas community and the old Thomas Junior High will be completely renovated for use as an elementary school. A new sports stadium will be constructed in Franklinton, along with renovations to the existing gym, and the addition of a classroom wing. Also, a new Franklinton Elementary School will be constructed.

Our educational successes can be attributed to our dedicated teachers and staff. We are in the second year of a universal 4-year old program, and this year initiated the Reading First Program at every K-3 school.

FINANCIAL INFORMATION

Internal Controls. Management of the School Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2004 provided no instances of material weaknesses in internal controls or significant violations of applicable laws and regulations.

Budgeting Controls. In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all subsequent amendments, approved by the School Board. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function or project level within the individual funds. The School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control throughout the year. Encumbrances lapse as of the end of each fiscal year.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

Debt Administration. At June 30, 2004 the School Board had a number of debt issues outstanding totaling \$24.2 million. The School Board is limited by state statute from issuing sales tax bonds in excess of seventy-five percent of the anticipated sales tax revenues.

Cash Management. Cash temporarily idle during the year was invested in demand deposits, money market and Louisiana Asset Management Program ("LAMP"). The average yield on investments was 1.7 percent and the School Board earned interest revenue of \$0.7 million on its cash and investments for the year ended June 30, 2004.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or secured by the pledge of securities owned by the financial institution. These pledged securities are held by a mutually agreed upon third-party financial institution in the name of the School Board. All of the investments held by the School Board during the year and at June 30, 2004 are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board.

Risk Management. The School Board has a limited risk management program for workers' compensation. As part of this comprehensive plan, resources began to be accumulated in an Internal Service Fund to meet potential losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented to minimize accident-related losses. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$175,000. No claims were paid in excess of insured limits.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of Postlethwaite and Netterville, APAC performed the fiscal year 2004 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended and related OMB Circular A-133. The independent auditors' report on the financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the Single Audit Act are included in the Single Audit Section.

Awards. The School Board is participating in the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting program for the first time. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

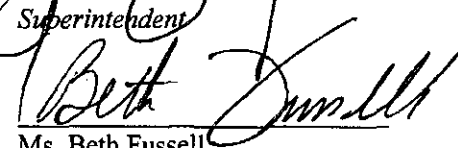
The Washington Parish School Board is also participating in the Certificate of Excellence in Financial Reporting program sponsored by the Association of School Business Officials, International (ASBO) for the first time. The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.


Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Accounting Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, our gratitude is extended to the students whose art is displayed throughout the report.

In closing, without the leadership and support of the Members of the School Board, both individually and collectively, preparation of this report would not have been possible.

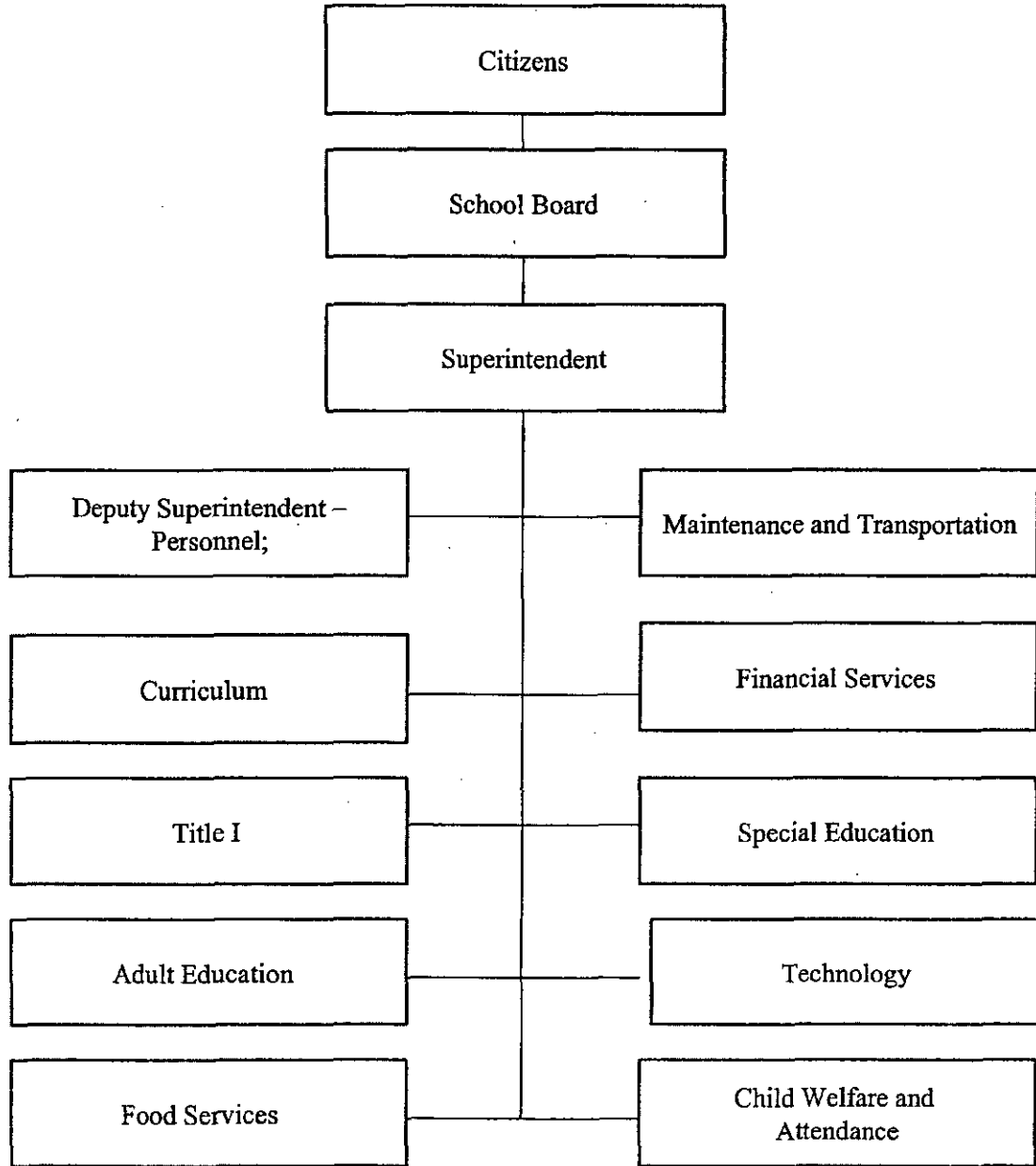
Respectfully submitted,


Mr. Dennis Fowler
Superintendent


Ms. Beth Fussell
Director of Finance


Ms. Donna Alonzo
Chief Accountant

WASHINGTON PARISH SCHOOL BOARD
Organizational Chart



WASHINGTON PARISH SCHOOL BOARD
Principal Officials

SCHOOL BOARD MEMBERS

Richard N. Thomas, Jr. - President	District 4
Dan Slocum	District 1
Karl L. Bickham, Jr.	District 2
Bruce L. Brown	District 3
Hayward D. Boone	District 5
Susanne Jones	District 6
Holly M. James	District 7
Matthew Tate	District 8
Freddie H. Jefferson	District 9

ADMINISTRATIVE OFFICIALS

Superintendent	Dennie Fowler
Financial Services	Beth Fussell, CPA, Director
Personnel	Richard Kennedy, Assistant Superintendent
Food Services	Marsha Newman, Director
Curriculum	Mary Jones, Supervisor
Title I	T.J. Butler, Supervisor
Maintenance and Transportation	William Brignac, Supervisor
Special Education	Dr. Pam Williford, Supervisor
Adult Education	Robert A. Johnson, Supervisor
Technology	Jimmy Thigpen, Director
Child Welfare and Attendance	Karen Spears, Supervisor

**FINANCIAL
SECTION**



Flag
Tanner Sanburn
1st Grade
Mount Hermon School



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

Independent Auditors' Report

The Members of the
Washington Parish School Board
Franklinton, Louisiana:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington Parish School Board (the 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. 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 financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2004, and the results of its operations and the cash flows of its proprietary fund type 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 November 30, 2004 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

The management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 39 through 41 are not a required part of the basic financial statements but are supplementary 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 required supplementary information. However, we did not audit the information and express no opinion to it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying other supplementary information on pages 43 through 51 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying other supplementary information and statistical data on pages 41 through 75 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary information included in the statistical data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Postlethwaite & Netterville

November 30, 2004

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Required Supplementary Information
Management's Discussion and Analysis
(MD&A)

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

The Management's Discussion and Analysis of the Washington Parish School Board's (the School Board) financial performance presents a narrative overview and analysis of the School Board's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- ★ The School Board's assets exceeded its liabilities at the close of fiscal year 2004 by \$32 million.
- ★ The School Board's revenues exceeded expenditures by \$2 million for the year ended June 30, 2004.
- ★ The School Board's general fund expended approximately \$29 million and incurred a loss of approximately \$624,000 during fiscal year 2004.

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to private sector business.

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the school Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows (e.g., recognition of taxes receivables/uncollected and changes in unused compensated absences).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

Fund financial statements. A *fund* is grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Title I and School Lunch funds, all of which are considered major funds.

The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds.

Internal Service Funds. Internal service funds are used to account for charges of fees to departments to help cover the costs of certain services it provides by being self insured. The School Board's workers' compensation program is accounted for in its Internal Service Fund.

Fiduciary Fund. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because of the resources of those funds are not available to support the School Board's programs. The sole fiduciary fund of the School board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and about activities in a way that helps answer the question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are take into account regardless of when cash is received or paid.

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

These two statements report the School Board's net assets and changes in net assets. Increases or decreases in the School Board's net assets are one indicator of whether its financial health is improving or deteriorating. The net assets of the School Board increased by \$1.5 million or 8.5% in 2004 as compared to an increase of \$1.8 million or 11% in 2003.

Statement of Net Assets and Statement of Activities reflect the School Board's governmental activities (e.g., its basic service), such as instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program ("MFP") Funds, and state and federal grants finance most of these activities. The School Board's workers' compensation programs are accounted for here.

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the School Board's governmental activities. Key fluctuations include:

TABLE 1
SUMMARY OF NET ASSETS
 June 30, 2004 and 2003

	2004	2003
Assets:		
Current and other assets:		
Cash and cash equivalents	\$ 12,552,560	12,968,823
Other assets	3,640,436	2,531,802
Restricted cash and cash equivalents	21,720,479	3,799
Capital assets, net of depreciation	<u>14,690,323</u>	<u>11,672,733</u>
Total assets	<u>\$ 52,603,798</u>	<u>27,177,157</u>
Liabilities:		
Current and other liabilities:		
Accounts, salaries and other payables	\$ 2,311,343	1,873,728
Other liabilities	1,610,421	917,188
Long-term liabilities:		
Due within one year	920,845	154,060
Due in more than one year	<u>27,537,147</u>	<u>6,027,833</u>
Total liabilities	<u>\$ 32,379,756</u>	<u>8,972,809</u>
Net Assets:		
Invested in capital assets, net of related debt	\$ 12,190,746	9,637,733
Restricted	683,024	242,168
Unrestricted	<u>7,350,272</u>	<u>8,324,447</u>
Total net assets	<u>\$ 20,224,042</u>	<u>18,204,348</u>

Statement of Net Assets

- Cash and cash equivalents, including restricted cash and cash equivalents, increased by approximately \$21,300,000, primarily as a result of a new bond issue of \$23,000,000. The proceeds of the bond are restricted for the School Board's construction program.
- Capital assets, which are reported net of accumulated depreciation, account for 28% of the total assets.
- Bonds payable which have increased \$22,180,001 net of bond principal payment of \$850,000 from the prior year account for 75% of total liabilities reported.

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

- Net assets invested in capital assets account for 60% of total net assets reported as of June 30, 2004.
- Unrestricted net assets accounted for 36% of total net assets for the years ended 2004.

TABLE 2
SUMMARY OF CHANGES IN NET ASSETS
For the years ended June 30, 2004 and 2003

Revenues:	2004	2003
Program revenues:		
Charges for services	\$ 229,551	21,290
Operating grants and contributions	6,869,191	7,925,615
Capital grants and contributions	1,722,112	149,231
General revenues:		
Ad valorem (property) taxes	2,863,649	1,828,884
Sales and use taxes	3,507,901	3,371,489
State revenue sharing	141,316	142,395
Minimum Foundation Program	22,232,291	21,374,672
Other general revenues	2,325,679	2,524,570
Total revenues	<u>39,891,690</u>	<u>37,338,146</u>
Program expenses:		
Regular programs	13,132,568	12,839,780
Special programs	9,221,381	8,492,946
Adult and continuing education programs	84,728	169,809
Student services	1,374,751	1,248,320
Instructional staff support	1,566,910	1,714,404
General administration	2,865,786	2,554,914
School administration	1,843,172	1,791,951
Business services	326,752	301,280
Plant services	2,740,032	2,719,685
Student transportation services	2,786,996	2,600,681
Food services	989,312	949,644
Construction and land improvement	29,900	6,476
Community service programs	12,458	4,840
Interest on long-term debt	897,250	161,657
Total program expenses	<u>37,871,996</u>	<u>35,556,387</u>
Changes in net assets	2,019,694	1,781,759
Net assets, beginning of year	<u>18,204,348</u>	<u>16,422,589</u>
Net assets, end of year	<u>\$ 20,224,042</u>	<u>18,204,348</u>

Changes in Net Assets

- Revenues from Ad valorem taxes increased to \$2.9 million, approximately 57% from prior year, due to new bond issue. Tax re-assessment will be reflected in 2004-2005 fiscal year.
- Minimum Foundation Program funds increased approximately \$850 thousand or by 4% from the prior year due to an increase in the per student amount.
- Overall expenditures are relatively consistent with the prior year except in the area of interest expense, which increased as a result of a new bond issue of \$23 million for Tax District #4.

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

MAJOR FUND FINANCIAL ANALYSIS

The School Board's financial statements include four major funds. These funds are the General Fund, Title I Fund, School Lunch Fund, and Tax District #4 Fund.

The General Fund's net assets decreased during the year ended June 30, 2004 by \$475,735 to \$8,763,776 as a result of the excess of expenditures and other financing uses over revenues and other financial sources. Revenues increased by \$708,702 to \$28,466,142. Revenue increases were the result of increase in the State of Louisiana's Minimum Foundation. Expenditures increased by \$1,238,878 to \$29,040,444. The increases were primarily in instruction expenses.

The Title I Special Revenue Fund is funded substantially by a Federal grant. The fund's net assets decreased by \$5,035 to \$10,350. There were no major changes in the activities of this fund during the year ended June 30, 2004 as compared to the prior year. Revenues in this fund decreased by \$26,130 to \$1,621,429. Program expense was \$1,544,041 or \$9,377 more than the prior year.

The School Lunch Special Revenue Fund's net assets increased by \$478 to \$751,475 as of June 30, 2004. There were not major changes in the fund's activity during the year ended June 30, 2004. Revenues and expenditures were approximately \$2.7 million for the year.

The Tax District #4 Capital Projects Fund is a new fund in 2004. The net asset of the fund increased by \$21,714,423 for the year ended June 30, 2004. The fund's other financing sources were a result of a \$23,000,000 bond issue in 2004. Expenditures on capital projects totaled \$1,646,384 for the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the School Board had \$14,690,323 (net of depreciation) invested in a broad range of capital assets, including land, building, and equipment (see Table 3 below). This amount represents a net increase (including additions, deductions and depreciation) of \$3,017,590, or 26%, over last year.

Capital assets have increased from the prior year due primarily to roof renovations funded by federal grants and the purchase of land throughout the system funded by bond proceeds; other significant additions included purchases of computer equipment and related items.

Additional information regarding capital assets is included in note 5 to the notes to the financial statements.

TABLE 3
CAPITAL ASSETS AS OF JUNE 30, 2004
(Net of Depreciation)

Land and land improvements	\$ 1,582,545
Buildings and improvements	10,834,851
Furniture, fixtures and equipment	1,689,054
Construction in progress	583,873
	<u>\$ 14,690,323</u>

WASHINGTON PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2004

Long-Term Debt

At the end of the current fiscal year, the School Board had bonded debt outstanding of \$24,215,000. This was a 92% increase in bonds payable over the prior year amount.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

There were no significant variations between the original and final budgets for any of the major funds. There were not amendments to the original budgets for the major funds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Growth of the parish should be consistent prior year's growth. The Washington Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Property tax millages for the Mt. Hermon District will drop from 42 to 38 mills in 2004. The Varnado District and Tax District #4 will remain the same at 24 and 46.5 respectively.
- Growth of the parish should be consistent with prior year's growth.
- Expenditures are expected to increase over the prior years, particularly in the following areas:
 - ◆ Increase in the School Board's portion of Teachers Retirement from 13.8 to 15.5%.
 - ◆ Increase in the School Board's s portion of School Employee's Retirement from 8.5 to 14.8%.
 - ◆ Increase in the School Board's portion of health insurance by approximately 16%.

At the time these financial statements were prepared and audited, the School Board was aware of the following *circumstances that could significantly affect the School Board's financial health in the future:*

- Sales taxes continue to be in alignment with prior year levels.
- The student count for fiscal year ending June 30, 2005 has increased slightly.
- Construction has continued using 2003 bond issue proceeds.

All of these factors were considered in preparing the Washington Parish School Board's budget for the 2004-05 fiscal year.

CONTACTING THE WASHINGTON PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Beth Fussell, Washington Parish School Board, (985) 839-3436.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Basic Financial Statements:

Government-Wide
Financial Statements (GWFS)

Statement A

**WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana**

Statement of Net Assets

June 30, 2004

		<u>Governmental Activities</u>
Assets:		
Cash and cash equivalents	\$	12,552,560
Receivables		3,602,062
Inventory		38,374
Prepays		-
Restricted cash and cash equivalents		21,720,479
Capital assets:		
Land		1,582,545
Capital assets, net of depreciation		12,523,905
Construction in process		<u>583,873</u>
Total assets	\$	<u><u>52,603,798</u></u>
Liabilities:		
Accounts, salaries and other payables	\$	2,151,432
Restricted payables		159,911
Deferred revenues		1,029,157
Claims payable		228,395
Other liabilities		352,869
Long-term liabilities:		
Due within one year		920,845
Due in more than one year		<u>27,537,147</u>
Total liabilities	\$	<u><u>32,379,756</u></u>
Net Assets:		
Invested in capital assets, net of related debt	\$	12,190,746
Restricted for:		
Debt service		683,024
Unrestricted		<u>7,350,272</u>
Total net assets	\$	<u><u>20,224,042</u></u>

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Statement of Activities

June 30, 2004

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Governmental Activities:					
Instruction:					
Regular programs	\$ 13,132,568	\$ -	\$ -	\$ -	(13,132,568)
Special programs	9,221,381	-	3,841,485	-	(5,379,896)
Adult and continuing education programs	84,728	-	-	-	(84,728)
Support services:					
Student services	1,374,750	-	162,829	-	(1,211,921)
Instructional staff support	1,566,910	-	488,590	-	(1,078,320)
General administration	2,865,786	-	216,460	-	(2,649,326)
School administration	1,843,172	-	-	-	(1,843,172)
Business services	326,752	-	-	-	(326,752)
Plant services	2,740,032	-	94,296	-	(2,645,736)
Student transportation services	2,786,997	-	4,051	-	(2,782,946)
Food services	989,312	229,551	2,049,022	138,334	1,427,595
Construction and land improvement	29,900	-	-	1,583,778	1,553,878
Community service programs	12,458	-	12,458	-	-
Interest on long-term debt	897,250	-	-	-	(897,250)
Total governmental activities	\$ 37,871,996	\$ 229,551	\$ 6,869,191	\$ 1,722,112	(29,051,142)
General revenues					
Taxes:					
Ad valorem (property) taxes					2,863,649
Sales and use taxes					3,507,901
State revenue sharing					141,316
Other State funding sources, including grants					1,097,889
Grants and contributions not restricted to specific programs -					
Minimum Foundation Program					22,232,291
Interest and investment earnings					737,683
Miscellaneous					490,107
Total general revenues					<u>31,070,836</u>
Changes in net assets					2,019,694
Net assets, beginning of year					<u>18,204,348</u>
Net assets, end of year					<u>\$ 20,224,042</u>

See accompanying notes to financial statements.



WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Basic Financial Statements:
Fund Financial Statements (FFS)

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Governmental Funds - Balance Sheet
June 30, 2004
with comparative totals for June 30, 2003

Assets and Other Debits	Major Fund Types					Total	
	General	Title I	School Lunch	Tax District #4	Non-Major Fund Type	2004	2003
Assets:							
Cash and cash equivalents	\$ 8,152,461	111,092	912,866	21,716,594	1,042,009	31,935,022	10,631,600
Receivables	501,106	707,647	-	-	2,104,245	3,312,998	1,983,955
Interfund receivable	2,274,194	-	-	-	-	2,274,194	964,474
Inventory	-	-	34,532	-	3,842	38,374	35,123
Total assets and other debits	\$ 10,927,761	818,739	947,398	21,716,594	3,150,096	37,560,588	13,615,152
Liabilities and Fund Balance							
Liabilities:							
Accounts, salaries and other payables	\$ 1,707,854	79,460	176,862	2,171	344,996	2,311,343	1,938,360
Interfund payable	-	645,461	-	-	1,626,051	2,271,512	961,792
Deferred revenues	448,867	83,468	18,582	-	478,240	1,029,157	456,357
Other liabilities	7,264	-	-	-	-	7,264	3,223
Total liabilities	2,163,985	808,389	195,444	2,171	2,449,287	5,619,276	3,359,732
Fund balances:							
Reserved for inventory	-	-	15,950	-	3,842	19,792	20,076
Reserved for capital projects	-	-	-	21,714,423	3,885	21,718,308	3,799
Reserved for debt service	-	-	-	-	683,024	683,024	238,369
Reserved, other	1,141,573	-	-	-	-	1,141,573	1,144,574
Unreserved, designated	2,646,528	-	-	-	-	2,646,528	2,624,265
Unreserved, undesignated reported in:							
General funds	4,975,675	-	-	-	-	4,975,675	5,469,672
Special revenue funds	-	10,350	736,004	-	10,058	756,412	754,665
Total fund balance	8,763,776	10,350	751,954	21,714,423	700,809	31,941,312	10,255,420
Contingencies							
Total liabilities and fund balance \$	10,927,761	818,739	947,398	21,716,594	3,150,096	37,560,588	13,615,152

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Statement D

Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Assets

June 30, 2004

Total fund balances – governmental funds	\$	31,941,312
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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 costs of those 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.

Cost of capital assets	\$ 27,049,780	
Accumulated depreciation	<u>(12,359,457)</u>	14,690,323

Elimination of interfund assets and liabilities

Interfund assets	(2,271,512)	
Interfund liabilities	<u>2,271,512</u>	-

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets	<u>2,109,622</u>	2,109,622
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Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed “available” to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

	<u>286,382</u>	286,382
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Accrual basis recognition of interest expenditures

	<u>345,605</u>	(345,605)
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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.

Balance at June 30, 2004 are:

Bonds payable	(24,215,000)	
Compensated absences	<u>(4,242,992)</u>	<u>(28,457,992)</u>

Net assets – governmental activities	\$	<u>20,224,042</u>
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See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Statement of Revenues, Expenditures, and Changes in
Fund Balances - All Governmental Fund Types

Year ended June 30, 2004

with comparative totals for the year ended June 30, 2003

	Major Fund Types				Non-Major Fund Type	Total	
	General	Title I	School Lunch	Tax District #4		2004	2003
Revenues:							
Local sources:							
Taxes:							
Ad valorem	\$ 950,965	-	-	-	1,912,684	2,863,649	1,828,884
Sales and use	3,431,519	-	-	-	-	3,431,519	3,371,820
Interest earnings	247,363	1,348	18,992	388,182	20,395	676,280	580,188
Food services	-	-	229,517	-	34	229,551	212,290
Other	608,801	-	-	-	-	608,801	567,009
State sources:							
Minimum Foundation	21,960,896	-	271,395	-	-	22,232,291	21,374,672
Other	1,236,798	-	-	-	2,407	1,239,205	1,193,938
Federal sources:							
Restricted grants-in-aid	29,800	1,620,081	2,031,039	-	4,772,049	8,452,969	7,925,615
Other - commodities	-	-	138,251	-	83	138,334	149,231
Total revenues	28,466,142	1,621,429	2,689,194	388,182	6,707,652	39,872,599	37,203,647
Expenditures:							
Instruction:							
Regular programs	13,251,339	-	-	-	-	13,251,339	12,689,755
Special programs	5,379,709	1,103,519	-	-	2,708,166	9,191,394	8,711,268
Adult and continuing education programs	100,025	-	-	-	-	100,025	129,492
Support services:							
Student services	1,206,919	24,976	-	-	137,853	1,369,748	1,237,895
Instructional staff support	1,075,844	305,238	-	-	183,352	1,564,434	1,705,091
General administration	773,895	30,553	1,640,977	-	121,031	2,566,456	2,354,602
School administration	1,781,456	-	-	-	616	1,782,072	1,798,318
Business services	325,497	-	-	-	-	325,497	298,708
Plant services	2,385,994	66,723	57,147	-	28,411	2,538,275	2,406,337
Student transportation services	2,775,393	934	-	-	3,117	2,779,444	2,586,773
Food services	-	-	990,592	-	17,983	1,008,575	1,008,379
Construction and land improvement	34,373	-	-	1,646,384	1,589,342	3,270,099	1,376,516
Community service programs	-	12,458	-	-	-	12,458	4,840
Debt service:							
Principal retirement	-	-	-	-	820,000	820,000	1,345,000
Interest and bank charges	-	-	-	27,375	583,626	611,001	191,721
Total expenditures	29,090,444	1,544,401	2,688,716	1,673,759	6,193,497	41,190,817	37,844,695
Excess (deficiency) of revenues over expenditures	(624,302)	77,028	478	(1,285,577)	514,155	(1,318,218)	(641,048)
Other financing sources (uses):							
Sale of fixed assets/insurance proceeds	4,110	-	-	-	-	4,110	14,729
Bond proceeds	-	-	-	23,000,000	-	23,000,000	-
Operating transfers in (note 6)	145,457	-	-	-	-	145,457	172,834
Operating transfers out (note 6)	-	(82,063)	-	-	(63,394)	(145,457)	(172,834)
Total other financing sources (uses)	149,567	(82,063)	-	23,000,000	(63,394)	23,004,110	14,729
Excess (deficiency) of revenues and other sources over expenditures and other uses	(474,735)	(5,035)	478	21,714,423	450,761	21,685,892	(626,319)
Fund balances at beginning of year	9,238,511	15,385	751,476	-	250,048	10,255,420	10,881,739
Fund balances at end of year	\$ 8,763,776	10,350	751,954	21,714,423	700,809	31,941,312	10,255,420

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Statement F

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

Total net changes in fund balances – governmental funds	\$	21,685,892
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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 depreciation exceeds capital outlays in the project.

Capital outlays	\$	3,941,404	
Loss on retirements		(20,551)	
Depreciation expense		<u>(903,262)</u>	3,017,591

New bond issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal and capital leases is expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal repayments		820,000	
Proceeds from new bond issues		<u>(23,000,000)</u>	(22,180,000)

Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

		<u>76,382</u>	76,382
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Change in accrual basis recognition of prepaid expenditures

		<u>(300,042)</u>	(300,042)
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Change in accrual basis recognition of interest expenditures

		<u>(313,624)</u>	(313,624)
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In the Statement of Activities, certain operating expenses-compensated absences 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 earned exceeded the amounts used by \$96,099.

		<u>(96,099)</u>	(96,099)
--	--	-----------------	----------

All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

		<u>129,595</u>	<u>129,595</u>
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Change in net assets of governmental activities

	\$	<u><u>2,019,694</u></u>
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See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Proprietary Fund Type - Internal Service Fund
 Statement of Net Assets

June 30, 2004 and 2003
 with comparative totals for June 30, 2003

	2004	2003
Assets:		
Current assets - cash and cash equivalents	\$ <u>2,338,017</u>	<u>2,341,022</u>
Total assets	\$ <u><u>2,338,017</u></u>	<u><u>2,341,022</u></u>
Liabilities and Net Assets:		
Current liabilities - other liabilities	\$ <u>228,395</u>	<u>360,995</u>
Net Assets:		
Retained earnings, reserved	<u>2,109,622</u>	<u>1,980,027</u>
Total liabilities and net assets	\$ <u><u>2,338,017</u></u>	<u><u>2,341,022</u></u>

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Proprietary Fund Type - Internal Service Fund
Statement of Revenues, Expenses, and Changes in Net Assets

Year ended June 30, 2004
with comparative totals for the year ended June 30, 2003

	<u>2004</u>	<u>2003</u>
Operating revenues - premiums	\$ <u>50,010</u>	<u>50,000</u>
Operating expenses:		
Worker's compensation benefits	(47,706)	254,933
Claims administration fees	3,500	3,500
Excess insurance premium payments	17,819	16,352
Other expenses	<u>8,205</u>	<u>2,688</u>
Total operating expenses	<u>(18,182)</u>	<u>277,473</u>
Operating income	68,192	(227,473)
Nonoperating revenues - interest	<u>61,403</u>	<u>120,101</u>
Net income (loss)	129,595	(107,372)
Net assets at beginning of year	<u>1,980,027</u>	<u>2,087,399</u>
Net assets at end of year	\$ <u><u>2,109,622</u></u>	<u><u>1,980,027</u></u>

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Proprietary Fund Type - Internal Service Fund
Statement of Cash Flows

Year ended June 30, 2004
with comparative totals for the year ended June 30, 2003

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Premiums	\$ 50,010	50,000
Operating expenses	<u>(114,418)</u>	<u>(67,759)</u>
Net cash used in operating activities	(64,408)	(17,759)
Cash flows from investing activities - interest earned	<u>61,403</u>	<u>120,101</u>
Net increase in cash and cash equivalents	(3,005)	102,342
Cash and cash equivalents at beginning of year	<u>2,341,022</u>	<u>2,238,680</u>
Cash and cash equivalents at end of year	\$ <u><u>2,338,017</u></u>	<u><u>2,341,022</u></u>
Reconciliation of operating loss to net cash used in operating activities - operating income	\$ 68,192	(227,473)
Adjustments to reconcile operating income to net cash used in operating activities - change in liabilities	<u>(132,600)</u>	<u>209,714</u>
Net cash used in operating activities	\$ <u><u>(64,408)</u></u>	<u><u>(17,759)</u></u>

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Agency/Fiduciary Fund
 Statements of Fiduciary Assets and Liabilities - School Activity Funds

June 30, 2004
 with comparative totals for June 30, 2003

Assets:	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ <u>647,879</u>	<u>578,484</u>
Total assets	\$ <u><u>647,879</u></u>	<u><u>578,484</u></u>
Liabilities:		
Interfund payable	\$ 2,682	2,682
Deposits due others	<u>645,197</u>	<u>575,802</u>
Total liabilities	\$ <u><u>647,879</u></u>	<u><u>578,484</u></u>

See accompanying notes to financial statements.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

1. Summary Of Significant Accounting Policies
 - A. Reporting Entity
 - B. Basis of Presentation – Fund Accounting
 - C. Basis of Accounting – Measurement Focus
 - D. Budgetary Data
 - E. Encumbrances
 - F. Cash and Cash Equivalents
 - G. Intergovernmental Receivables
 - H. Short-Term Interfund Receivables/Payables
 - I. Inventories
 - J. Capital Assets
 - K. Long-Term Obligations
 - L. Compensated Absences
 - M. Pension Plans
 - N. Restricted Net Assets – Government-wide Financial Statements
 - O. Reserves and Designations of Fund Balance – Fund Financial Statements
 - P. Interfund Transactions
 - Q. Sales Taxes
 - R. Claims and Judgments
 - S. Comparative Data and Total Columns on Combined Statements
2. Cash And Cash Equivalents
3. Ad Valorem Taxes
4. Receivables
5. Capital Assets
6. Interfund Receivables, Payables And Transfers
7. Accounts, Salaries And Salary Related Accruals, And Other Payables
8. Changes In Agency Fund - Deposits Due Others
9. Long-Term Obligations
10. Reservation And Designations Of Fund Balance
11. Self-Insurance Program
12. Pension Plans
13. Postemployment Health Care And Life Insurance Benefits
14. Excess Of Expenditures Over Appropriations
15. Contingencies

**WASHINGTON PARISH SCHOOL BOARD
FRANKLINTON, LOUISIANA**

Notes to Financial Statements

June 30, 2004

(1) Summary of Significant Accounting Policies

The Washington Parish School Board (the School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Washington 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 nine members who are elected from nine districts for concurrent terms of four years.

The School Board operates 12 schools within the parish with a total enrollment of 4,819 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.

(a) Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity for financial statements is the exercise of oversight responsibility over such agencies by elected officials. This could include the appointment of management by elected officials, the accountability of management to elected officials for fiscal matters, and the ability of elected officials to significantly influence operations, such as reviewing and approving budgetary requests and amendments. One manifestation of the oversight responsibility is financial interdependency between the governmental unit and an agency, including responsibility for funding deficits and operating deficiencies, control of surplus funds, and governing the process of collecting and disbursing funds.

There may be circumstances where factors other than oversight are so significant in the relationship between a particular agency and a reporting entity that exclusion of the agency from the reporting entity's financial statements would be misleading. The scope of public service is one such factor that includes the following aspects:

- (1) Whether the activity is for the benefit of the reporting entity and/or its residents.
- (2) Whether the activity is conducted within the geographic boundaries of the reporting entity and is generally available to the citizens of that entity.

Several agencies, although meeting the criterion for scope of public service, are not included in the financial statements of the School Board because there is no oversight responsibility by elected School Board officials and no financial interdependency with the School Board. These agencies, such as the parish police jury, independently elected parish officials and municipalities within the parish, are separate taxing entities established by Louisiana law.

Similarly, the School Board is not included in any other reporting entity since School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

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The accounting policies of the Washington Parish School Board conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

(b) Basis of Presentation - Fund Accounting

The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the financial statements. The following fund types are used by the School Board:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use, and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. All governmental funds are accounted for on a spending measurement focus, that is the measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. The General Fund receives most of the resources derived by the School Board from local sources (principally ad valorem and sales taxes) and state sources (principally the State Equalization funding). General fund expenditures represent the cost of general school system operations and individual functional categories of instructional and support services. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Project Funds - The Capital Projects Funds are used for the receipt and disbursement of proceeds of bond issues and other special or designated revenues, such as insurance, used for the acquisition or construction of major capital facilities, renovations and major repairs. The School Board's Capital Projects Funds are used to account for the insurance and bond proceeds received as a result of a fire and the necessary repairs to Varnado High School.

Proprietary Fund Type

The Proprietary Fund is used to account for the School Board's ongoing organizations and activities which are similar to those often found in the private sector. The Proprietary Fund is accounted for on a capital maintenance measurement focus, that is the measurement focus is

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based upon determination of net income. The School Board applies all applicable FASB pronouncements issued on or before November 30, 1989, in accounting and reporting for its propriety fund operations unless those pronouncements conflict with or contradict GASB pronouncements. Operating revenues and expenses generally result from providing services and delivering goods in connection with the a propriety fund's primary ongoing operations. The School Board's proprietary fund type is limited to one internal service fund for the workers' compensation insurance program. Premium revenues and related costs of providing the program are operating activities. All other items are considered non-operating.

Fiduciary Fund Type

The Fiduciary Fund is used to account for assets held by the School Board in a trustee or agency capacity. The School Board's only agency fund is the School Activity Agency Fund, which is used to account for assets held by the School Board as an agent for the individual schools and school organizations. Agency Funds are custodial in nature and do not involve measurement of results of operations.

(c) ***Basis of Accounting-Measurement focus***

Government-Wide Financial Statements (GWFS)

The School Board adopted GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, in its 2002-2003 fiscal year.

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 Assets and Liabilities 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 the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes (ad valorem) are recognized as revenue in the year they are levied and grant revenues are recognized as soon as all eligibility requirements are met.

Internal Activities The workers' compensation and risk management funds provide services to the governmental funds. Accordingly, these funds were rolled up into the governmental activities. Pursuant to GASB 34, 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 food sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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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. Other indirect expenses are not allocated.

Fund Financial Statements (FFS)

Fund financial statements report detailed information about the School Board. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported are the General Fund, Title I Special Revenue Fund and School Lunch Special Revenue Fund.

The General Fund is used to account for the day-to-day operations for the School Board. The Title I and School Lunch Special Revenue Funds are used to account for the collection of the revenues for specific programmatic purposes. Non-major funds are aggregated and presented in a single column. The internal service fund is presented in the proprietary fund statements.

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The School Board applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 in accounting and reporting its proprietary fund operations unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements.

The governmental and fiduciary fund types (agency fund) are reported in the financial statements on the accrual basis of accounting. Under the accrual basis, revenues are recorded when they earned. Revenues not considered earned are recorded as deferred revenues. The following practices in recording revenues and expenditures have been used for the governmental funds.

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Revenues

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. For this purpose, the Board considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on November 15 of each year, and become delinquent on December 31. An enforceable lien attaches to the property as of November 15. The taxes were levied by the School Board on August 7, 2003. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the Washington Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School Board considers them available (60 days) to finance current year obligations and are collected by the Washington Parish Tax Collector. Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Deferred Revenues

Deferred revenues arise when resources are received before the School Board has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures or when there is an inventory of donated food commodities at year end. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized. Deferred revenues also arise when taxes paid under protest are collected; such amounts are recorded in when the settlement is finalized.

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(d) Budgetary Data

The proposed budgets for fiscal year 2004 were completed and made available for public inspection at the School Board office on September 11, 2003. A public hearing was held on September 11, 2003 for suggestions and comments from taxpayers. The proposed fiscal year 2004 budgets were formally adopted by the School Board on September 11, 2003. The legally required budgets, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds were published in the official journal ten days prior to the public hearings.

The budgets were prepared on a modified accrual basis, consistent with generally accepted accounting principles (GAAP). Special Revenue funds are budgeted by program.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device. Appropriations which are not expensed lapse at the end of the year.

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five per cent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five per cent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget were not material.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds as a management control device. However, at year end, all encumbrances lapse and must be budgeted in the subsequent year.

(f) 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. These deposits are recorded at cost which approximates market. 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.

For purposes of the statement of cash flows, the School Board considers all highly-liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

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(g) Intergovernmental Receivables

Intergovernmental receivables consist of receivables for reimbursement of expenditures under various state and federal programs and grants. All amounts are expected to be collected within the next twelve months.

(h) Short-Term Interfund Receivables/Payables

Short-term interfund loans are classified as interfund receivables/payables.

(i) Inventories

All purchased inventories are valued at cost (first-in, first-out); commodities are assigned values based on information provided by the U.S. Department of Agriculture. Inventories in the School Lunch Special Revenue Fund consist of food and supplies. The commodities are recorded as revenue and expenditures when consumed.

(j) Capital Assets

Land, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their estimated market value on the date of donation. Approximately 95 per cent of capital assets are valued at historical cost, while the remaining 5 per cent are valued at estimated cost, based on the historical cost of like items. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). 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:

<u>Assets</u>	<u>Years</u>
Land	-
<i>Buildings and Improvements:</i>	
Fixed Buildings and Improvements	40
Trailers and Outside Buildings	25
Roof Renovations	20
<i>Furniture & equipment:</i>	
Heavy Equipment	10
Office Equipment	5
Furniture and Fixtures	5
Computers, Electronics, and Video Equipment	3

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(k) Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, when material, are reported as deferred charges and amortized over the term of the related debt.

(l) Compensated Absences

All 12-month employees earn from 6 to 24 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated to a maximum of 10 days at the end of each calendar year.

Teachers and other 9-month employees earn 10 days of sick leave each year. All 12-month employees earn up to 12 days sick leave each year, depending on their length of service with the School Board. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days and unused vacation leave up to 10 days is paid to employees (or their heirs) at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for certain medical purposes and for professional and cultural improvement. An employee with a teacher's certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid. The cost of current leave privileges is recognized as current year expenditures in the governmental funds when leave is actually taken.

(m) Pension Plans

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements.

(n) Restricted Net Assets – Government-Wide Financial Statements

For 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 School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

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(o) *Reserves and Designations – Fund Financial Statements*

Use of the term "reserve" in describing governmental fund "Fund Balances" and proprietary fund "Retained Earnings" indicates that a portion of the fund balance or retained earnings is not available to appropriate for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

Inventory - This amount represents the portion of fund balance reserved in the Special Revenue fund for purchased inventory. It is reserved which indicates that the balance does not constitute available expendable resources even though purchased inventory is a component of net current assets.

Capital Projects - This amount consists primarily of dedicated bond proceeds for repairs to Varnado High School.

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

Reserved, Other - This reservation reflects Board-approved (ordinance) amounts dedicated to the schools and school libraries.

Use of the term "designated" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of these designations are for schools, construction and other purposes.

(p) *Interfund Transactions*

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

(q) *Sales Taxes*

On October 4, 1966, the voters of Washington Parish approved a one percent parishwide sales and use tax to be levied for the Washington Parish School Board and the City of Bogalusa School Board. The proceeds of the tax are allocated on the basis of 45 percent to the Washington Parish School Board and 55 percent to the City of Bogalusa School Board.

The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated for payment of salaries of teachers, other school personnel, and for other operating expenditures.

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On April 4, 1981, the voters of Washington Parish approved a one percent sales and use tax to be levied only for the use of the Washington Parish School Board. The proceeds, after payment of necessary costs and expenses of collecting the tax, are dedicated to the general operation and maintenance of the schools in the parish, including the payment of salaries and fringe benefits of all school board employees, to acquire land and buildings, make other capital improvements to the schools in the parish, and to fund bonds for the purpose of making capital improvements as mentioned previously. Sales and use taxes are collected and remitted to the School Board by the Washington Parish Sheriff's Office. The sales and use taxes collected in June on behalf of the Washington Parish School Board are remitted to the School Board by July 30.

(r) Claims and Judgments

The School Board accounts for its workmen's compensation self-insurance program in its internal service fund. The liabilities for claims and judgments are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported as well as incremental claim adjustment expenses. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

(s) Comparative Data and Total Columns on Statements

Comparative total data for the prior year has been presented in the basic financial statements in order to provide an understanding of changes in the School Board's financial position and operations of these funds. However, comparative data (i.e., presentation of prior year total by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. In the fund financial statements, interfund elimination's have not been made in the aggregation of this data.

(2) Cash and Cash Equivalents

At June 30, 2004, the School Board had cash and cash equivalents as follows:

Money market and bank accounts	\$ 34,901,177
LAMP	19,741
	<u>\$ 34,920,918</u>

Unrestricted cash and cash equivalents of \$12,552,560, restricted cash and cash equivalents of \$21,720,479 and Fiduciary Fund cash and cash equivalents of \$647,879 comprise total cash and cash equivalents of \$34,920,918. Under state law, the bank balances of money market, bank accounts and time certificates of deposit, which totaled \$37,236,306 as of June 30, 2004, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent (category 1 GASB classification). At June 30, 2004, the School Board was in compliance with this policy.

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LAMP represents those assets held in the Louisiana Asset Management Pool (LAMP), a local government investment pool which is not categorized under GASB Codification Section 150.164 because the investment is in a pooled fund and thereby not evidenced by securities that exist in physical or book entry form. LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to provide immediate access to participants.

(3) Ad Valorem Taxes

The School Board levies ad valorem taxes on real, business, and public personal property located within Washington Parish's boundaries. Property taxes on real and business personal property are levied by the School Board based on property values assessed by the Washington Parish Tax Assessor and approved by the State of Louisiana Tax Commission. Public personal property tax is also levied by the School Board based on property value assessed and approved by the State of Louisiana Tax Commission.

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

Property Tax Calendar

Assessment date	January 1
Levy date	Not later than June 15
Total taxes are due	November 15
Penalties and interest are added	After December 31
Lien date	January 1
Tax sale - delinquent property	First Wednesday in May

The maximum bonded indebtedness is limited to 50% of the assessed property valuation. The tax roll is not prepared by the tax assessor until November of each year; therefore, the amount of property taxes to be collected within the next year is not known. As a result, no property tax receivable for calendar year 2004 taxes is included on the accompanying balance sheet. The School Board records property taxes when received.

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The distribution of the School Board's levy (tax rate per \$1,000 assessed value) to its funds was as follows:

	Authorized Millage	Levied Millage
Parish-wide taxes:		
Constitutional	3.91	3.91
General operational	5.12	5.12
Maintenance and operation	5.12	5.12
Maintenance and operation	4.83	4.83
District taxes - Angie School District	5.12	5.12
	Authorized Millage	Levied Millage
	Low	High
District taxes – bond and interest	5.12	46.50
	Low	High
	5.12	46.50

(4) Receivables

Receivables at June 30, 2004 are as follows:

	General Fund	Special Revenue Funds	Total
Intergovernmental – state grants including pass-through Federal grant reimbursements	\$ 501,106	2,811,892	3,312,998

(5) Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2004 is as follows:

	Land and Land Improvements	Buildings and Improvements	Equipment and Fixtures	Total
Cost at June 30, 2003	\$ 411,356	\$ 17,815,077	\$ 5,133,835	\$ 23,360,268
Additions	1,171,189	1,683,864	701,204	3,556,257
Deletions	-	-	450,618	450,618
Cost at June 30, 2004	\$ 1,582,545	\$ 19,498,941	\$ 5,384,421	\$ 26,465,907
Accumulated depreciation at June 30, 2003	\$ -	8,267,846	3,618,416	11,886,262
Additions (* see below)	-	396,244	507,018	903,262
Deletions	-	-	430,067	430,067
Accumulated depreciation at June 30, 2004	\$ -	\$ 8,664,090	\$ 3,695,367	\$ 12,359,457
Capital assets, net of depreciation at June 30, 2004	\$ 1,582,545	\$ 10,834,851	\$ 1,689,054	\$ 14,106,450

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Construction-in-progress consisting of school improvements as of June 30, 2004, totaled \$583,873.

Depreciation expense for the year ended June 30, 2004, by function, is as follows:

Regular Education	\$ 127,144
Special Education	171,827
Other Educational Programs	30,414
General Administrative Services	36,573
School Administrative Services	84,595
Plant Operation and Maintenance	413,947
Student Transportation Services	1,050
Food Service	<u>37,712</u>
	\$ <u>903,262</u>

(6) Interfund Receivables, Payables and Transfers

Individual fund interfund receivable and payable balances at June 30, 2004 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenues Funds:	
	NCLB - Title I	\$ 645,461
	NCLB - Title II	135,001
	NCLB - Title IV	25,096
	NCLB - Title V	28,759
	NCLB - Title VI	2
	Special Federal Funds	418,207
	IDEA (Special Education)	<u>311,867</u>
		<u>1,564,393</u>
	Capital Projects Fund – School Renovation	<u>707,119</u>
	Total Governmental Funds	<u>2,271,512</u>
	School Activity Agency Funds - Varnado High School	<u>2,682</u>
	Total	\$ <u>2,274,194</u>

Individual fund interfund transfers for the year ended June 30, 2004 were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
Special Revenues Funds:		
Title I	General Fund	82,063
Title IV	General Fund	1,091
Special Federal	General Fund	268
IDEA	General Fund	<u>62,035</u>
	Total	\$ <u>145,457</u>

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(7) Accounts, Salaries and Salary Related Accruals, and Other Payables

Payables of \$2,311,343 at June 30, 2004 are as follows:

	General Fund	Special Revenue Funds	Capital Projects Funds	Total
Salaries and related withholdings and accruals	\$ 1,428,325	348,524	-	1,776,849
Accounts and other payables	279,529	95,054	159,911	534,494
	\$ 1,707,854	443,561	159,911	2,311,343

(8) Changes in Agency Fund - Deposits Due Others

The changes in school activity accounts for the year ended June 30, 2004, are as follows:

	Balance at beginning of year	Additions	Reductions	Balance at end of year
School activity accounts	\$ 575,802	2,367,027	2,297,632	645,197

(9) Long-Term Obligations

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

	Bonded debt	Compensated absences	Total
Long-term obligations at July 1, 2003	\$ 2,035,000	4,146,983	6,181,983
Deductions	(820,000)	(52,730)	(872,730)
Additions	23,000,000	148,739	23,148,739
Long-term obligations at June 30, 2004	\$ 24,215,000	4,242,992	28,457,992
Due within one year	\$ 855,000	65,845	920,845

All School Board bonds outstanding at June 30, 2004, in the amount of \$24,215,000, are general obligation bonds with final maturities from 2004 to 2023 and interest rates from 3.0 to 9.0 percent.

**WASHINGTON PARISH SCHOOL BOARD
FRANKLINTON, LOUISIANA**

Notes to Financial Statements

June 30, 2004

The individual issues are as follows:

<u>Bond issue</u>	<u>Original issue</u>	<u>Interest rates</u>	<u>Final payment due</u>	<u>Interest to maturity</u>	<u>Principal outstanding</u>
Varnado School District - 1998	\$ 1,250,000	4.30% - 9.00%	March 2018	\$ 373,840	1,020,000
Mt. Hermon School District - 1998	\$ 1,150,000	4.25% - 9.00%	March 2018	349,825	920,000
Tax District #4 - 2003	\$ 23,000,000	3.00% - 5.00%	March 2023	<u>10,720,761</u>	<u>22,275,000</u>
				<u>\$ 11,444,426</u>	<u>24,215,000</u>

The proceeds of the bonds have been or will be used for capital expenditures. 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 \$683,024 in the debt service funds for future debt requirements, which are as follows:

<u>Year ending June 30</u>	<u>Principal Payments</u>	<u>Interest payments</u>	<u>Total</u>
2005	\$ 855,000	1,036,813	1,891,813
2006	900,000	992,964	1,892,964
2007	935,000	955,959	1,890,959
2008	985,000	918,244	1,903,244
2009	1,030,000	869,771	1,899,771
2010-2014	5,905,000	3,611,845	9,516,845
2015-2019	7,220,000	2,327,120	9,547,120
2020-2023	<u>6,385,000</u>	<u>731,710</u>	<u>7,116,710</u>
	<u>\$ 24,215,000</u>	<u>11,444,426</u>	<u>35,659,426</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, which includes both homestead exempt property and nonexempt property. At June 30, 2004, the statutory limit was \$59,490,100, outstanding bonded debt net of debt service funds totaled \$23,531,976 and the legal debt margin is \$35,958,124.

The School Board is in compliance with all significant limitations and restrictions set forth in the individual bond indentures.

At June 30, 2004, employees of the School Board have accumulated \$4,242,992 of compensated absences benefits. General and Special Revenue Fund expenditures are recorded when incurred.

**WASHINGTON PARISH SCHOOL BOARD
FRANKLINTON, LOUISIANA**

Notes to Financial Statements

June 30, 2004

(10) Reservation and Designations of Fund Balance

The General Fund's reserved and designated fund balances as of June 30, 2004 are as follows:

Reserved fund balance:	
Reserved for schools	\$ 601,459
Reserved for schools' libraries	16,465
Reserved by Board for property insurance deductible	<u>523,649</u>
	<u>\$ 1,141,573</u>
Designated fund balance	<u>\$ 2,646,528</u>

(11) Self-Insurance Program

On July 1, 1990, the School Board established a Self-Insurance Program (an internal service fund) to account for and finance its uninsured risk of loss in regard to workers' compensation insurance. Under the terms of an excess workers' compensation insurance agreement with a private insurance company, which became effective July 1, 2002, the School Board's maximum liability per occurrence is \$175,000. The School Board purchases commercial insurance with an excess limit of \$1,000,000 for claims in excess of coverage provided by the program. As of June 30, 2004, the School Board reported a claims liability of \$228,394 in the internal service fund. All funds of the School Board participate in the program and make payments to the internal service fund in amounts needed to pay current-year claims and to establish a reserve for catastrophic losses. The School Board is subject to a variety of risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions and natural disasters for which the School Board carries commercial insurance. Settlements have not exceeded coverage amounts in the past three years.

At June 30, 2004, there are no long-term obligations arising from the Self-Insurance Program, and the program has retained earnings of \$2,109,622. Changes in the fund's claims liability amount in previous years are as follows:

Fiscal Year	Balance at Beginning of Year	Current-year claims and changes in estimates	Claim payments	Balance at End of Year
2002-03	\$ 151,281	255,057	(45,343)	360,995
2003-04	\$ 360,995	(30,078)	(102,522)	228,395

(12) Pension Plans

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers are members of the Louisiana School Employees' Retirement System.

WASHINGTON PARISH SCHOOL BOARD
FRANKLINTON, LOUISIANA

Notes to Financial Statements

June 30, 2004

These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information, as required by the Governmental Accounting Standards Board Statement No. 27, relative to each plan follows:

(a) *Teachers' Retirement System of Louisiana (TRS)*

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

Funding policy - Plan members are required to contribute 8.0 percent and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.8 percent of annual covered payroll for both membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2004, 2003 and 2002 were \$2,351,798, \$2,146,271, and \$2,094,652, respectively, equal to the required contributions for each year.

(b) *Louisiana School Employees' Retirement System (LSERS)*

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

Funding Policy - Plan members are required to contribute 7.5 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 8.5 percent of annual covered payroll. Under the provisions of Louisiana Revised Statute (LSA-R.S.) 11:102(B)(2)(b)(ii), employer contributions may be funded in whole or part from the Employer Credit Account. For year 2003 and 2002, there were sufficient funds in the Employer Credit Account that was used to pay the employer contributions. Therefore, the School Board was not required to remit employer contributions to LSERS at June 30, 2004. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

**WASHINGTON PARISH SCHOOL BOARD
FRANKLINTON, LOUISIANA**

Notes to Financial Statements

June 30, 2004

The School Board was not required to provide contributions to the LSERS for the years ending June 30, 2003, 2002, and 2001.

(13) Post-retirement Health Care Benefits

The Washington Parish School Board provides certain continuing health care and life insurance benefits for its retired employees as provided by Louisiana Revised Statute (LSA-R.S.) 17:1223. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (School Board's portion of premiums) as an expenditure when the monthly healthcare benefit premiums are due. In 2004, healthcare benefit premiums totaled \$3,441,500 of which \$1,063,554 represented the employees' portion with the remaining amount funded by School Board revenues. Also included in the total amount is the cost of retiree benefits totaling \$1,571,196 for 308 retirees.

(14) Excess of Expenditures Over Appropriations

For those funds for which a budget-to-actual comparison was made, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	<u>Expenditures</u>		<u>Unfavorable Variance</u>
	<u>Budget</u>	<u>Actual</u>	
General Fund -			
Instruction:			
Regular programs	\$ 12,945,308	13,251,339	306,031
Adult and continuing education programs	66,859	100,025	33,166
Support services:			
Instructional Staff Support	1,032,727	1,075,844	43,117
Plant Services	2,237,091	2,385,994	148,903
Student Transportation Services	2,767,281	2,775,393	8,112
School Lunch Fund -			
Support services:			
General administration	1,575,872	1,640,977	65,105

(15) Contingencies

The School Board participates in a number of state and federally-assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits, will not be material.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Required Supplementary Information - Other

BUDGETARY COMPARISON SCHEDULES

- General Fund
- Title I

The Title I Special Revenue Fund is part of the No Child Left Behind Act (NCLB) funds, which are federally funded programs promulgated by Public Law (PL) 103-382 which consolidated fourteen programs. NCLB's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies.

- School Lunch

The School Lunch Special Revenue Fund, including the Breakfast program, is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

- Tax District #4

Tax District #4 fund accumulates monies for construction and improvements in the Franklinton, Enon, Pine, and Thomas communities. The bond is financed by a special property tax levy on property within the territorial limits of the appropriate school districts. As a capital projects funds, a budget is not required.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

General Fund
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2004

	Budgeted Amounts Final	Actual	Variance from Budget
Revenues:			
Local sources:			
Taxes:			
Ad valorem	\$ 905,476	950,965	45,489
Sales and use	3,363,877	3,431,519	67,642
Interest earnings	119,700	247,363	127,663
Other	599,155	608,801	9,646
State sources:			
Equalization	21,878,767	21,960,896	82,129
Other	923,193	1,236,798	313,605
Federal sources:			
Restricted grants-in-aid	35,292	29,800	(5,492)
Total revenues	27,825,460	28,466,142	640,682
Expenditures:			
Instruction:			
Regular programs	12,945,308	13,251,339	(306,031)
Special programs	5,457,843	5,379,709	78,134
Adult and continuing education programs	66,859	100,025	(33,166)
Total instructional expenditures	18,470,010	18,731,073	(261,063)
Support services:			
Student services	1,228,613	1,206,919	21,694
Instructional staff support	1,032,727	1,075,844	(43,117)
General administration	1,187,369	773,895	413,474
School administration	1,886,001	1,781,456	104,545
Business services	337,492	325,497	11,995
Plant services	2,237,091	2,385,994	(148,903)
Student transportation services	2,767,281	2,775,393	(8,112)
Total support services expenditures	10,676,574	10,324,998	351,576
Construction	48,150	34,373	13,777
Total expenditures	29,194,734	29,090,444	104,290
Deficiency of revenues over expenditures	(1,369,274)	(624,302)	744,972
Other financing sources:			
Sale of fixed assets	-	4,110	4,110
Operating transfers in	95,000	145,457	50,457
Total other financing sources (uses)	95,000	149,567	54,567
Deficiency of revenues and other financing sources over expenditures	(1,274,274)	(474,735)	799,539
Fund balances at beginning of year	9,238,511	9,238,511	-
Fund balances at end of year	\$ 7,964,237	8,763,776	799,539
See accompanying independent auditors' report.			

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Title I
Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2004

	Budgeted Amounts Final	Actual	Variance from Budget
Revenues:			
Local sources:			
Interest earnings	\$ -	1,348	1,348
Federal sources:			
Restricted grants-in-aid	2,745,866	1,620,081	(1,125,785)
Total revenues	<u>2,745,866</u>	<u>1,621,429</u>	<u>(1,124,437)</u>
Expenditures:			
Instruction:			
Special programs	1,786,822	1,103,519	683,303
Total instructional expenditures	<u>1,786,822</u>	<u>1,103,519</u>	<u>683,303</u>
Support services:			
Student services	38,416	24,976	13,440
Instructional staff support	565,474	305,238	260,236
General administration	49,950	30,553	19,397
Plant services	127,109	66,723	60,386
Student transportation services	3,777	934	2,843
Total support services expenditures	<u>784,726</u>	<u>428,424</u>	<u>356,302</u>
Community service programs	<u>36,874</u>	<u>12,458</u>	<u>24,416</u>
Total expenditures	<u>2,608,422</u>	<u>1,544,401</u>	<u>1,064,021</u>
Excess of revenues over expenditures	<u>137,444</u>	<u>77,028</u>	<u>(60,416)</u>
Other financing uses:			
Operating transfers out	<u>(137,452)</u>	<u>(82,063)</u>	<u>55,389</u>
Total other financing uses	<u>(137,452)</u>	<u>(82,063)</u>	<u>55,389</u>
Deficiency of revenues over expenditures and other financing uses	(8)	(5,035)	(5,027)
Fund balances at beginning of year	<u>15,385</u>	<u>15,385</u>	<u>-</u>
Fund balances at end of year	<u>\$ 15,377</u>	<u>10,350</u>	<u>(5,027)</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

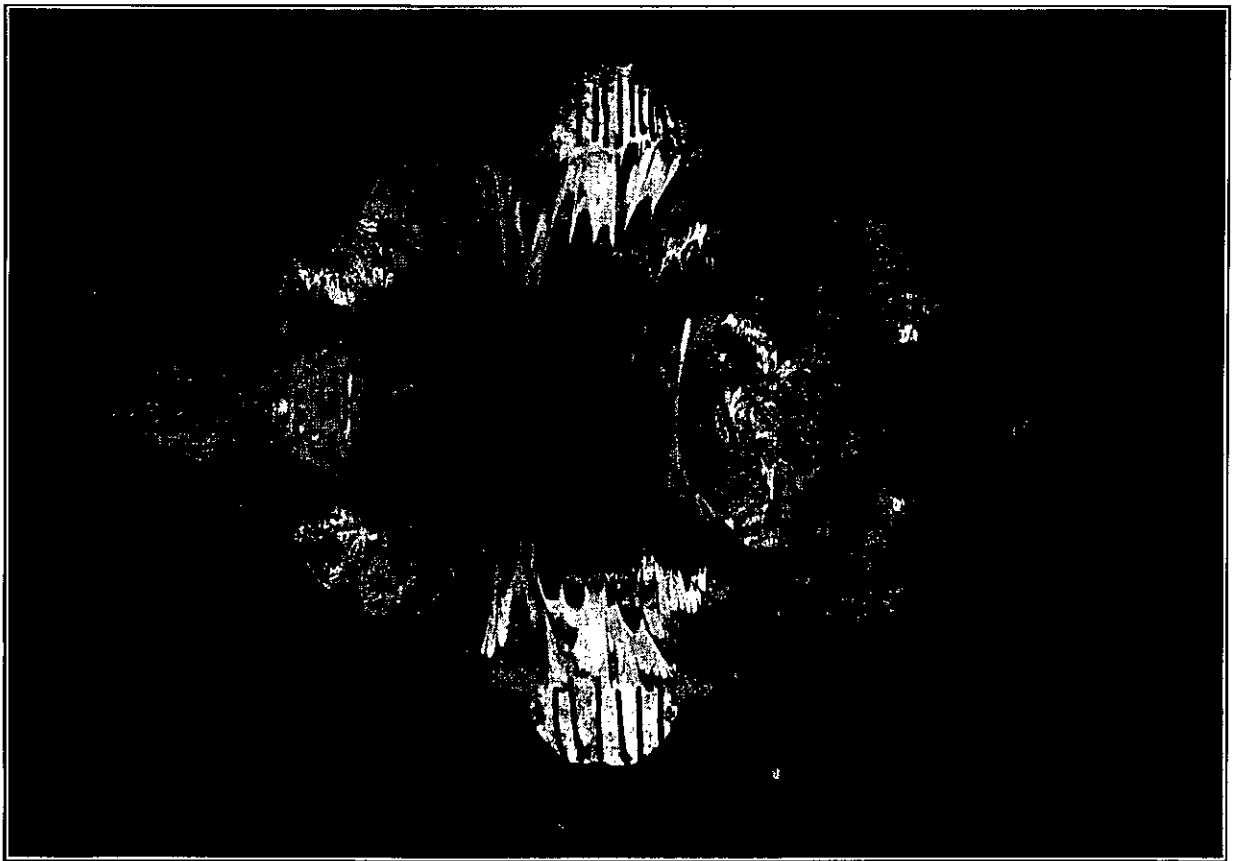
School Lunch
 Budget Comparison Schedule (GAAP Basis)

Year ended June 30, 2004

	<u>Budgeted Amounts Final</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Local sources:			
Interest earnings	\$ 15,000	18,992	3,992
Food services	223,000	229,517	6,517
State sources:			
Minimum Foundation	275,348	271,395	(3,953)
Federal sources:			
Restricted grants-in-aid	2,098,271	2,031,039	(67,232)
Other - commodities	148,000	138,251	(9,749)
Total revenues	<u>2,759,619</u>	<u>2,689,194</u>	<u>(70,425)</u>
Expenditures:			
Support services:			
General administration	1,575,872	1,640,977	(65,105)
Plant services	148,000	57,147	90,853
Food services	1,023,000	990,592	32,408
Total support services expenditures	<u>2,746,872</u>	<u>2,688,716</u>	<u>58,156</u>
Construction	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>2,748,872</u>	<u>2,688,716</u>	<u>60,156</u>
Excess of revenues over expenditures	<u>10,747</u>	<u>478</u>	<u>(10,269)</u>
Excess of revenues over expenditures	<u>10,747</u>	<u>478</u>	<u>(10,269)</u>
Fund balances at beginning of year	<u>751,476</u>	<u>751,476</u>	<u>-</u>
Fund balances at end of year	<u>\$ 762,223</u>	<u>751,954</u>	<u>(10,269)</u>

See accompanying independent auditors' report.

**COMBINING NONMAJOR GOVERNMENTAL FUNDS –
BY FUND TYPE**



Fish
Brittany Hodges
3rd Grade
Mount Hermon School

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Governmental Funds
Combining Balance Sheet - By Fund Type

June 30, 2004

Assets	Special Revenue	Debt Service	Capital Projects	Total
Cash and cash equivalents	\$ 55,752	982,372	3,885	1,042,009
Receivables	1,137,815	101,571	864,859	2,104,245
Inventory, at cost	3,842	-	-	3,842
	<u>1,197,409</u>	<u>1,083,943</u>	<u>868,744</u>	<u>3,150,096</u>
Total assets	\$ 1,197,409	1,083,943	868,744	3,150,096
 Liabilities and Equity				
Liabilities:				
Accounts, salaries, and other payables	\$ 187,256	-	157,740	344,996
Interfund payables	918,932	-	707,119	1,626,051
Deferred revenues	77,321	400,919	-	478,240
	<u>1,183,509</u>	<u>400,919</u>	<u>864,859</u>	<u>2,449,287</u>
Total liabilities	1,183,509	400,919	864,859	2,449,287
 Equity:				
Fund balances:				
Reserved for inventory	3,842	-	-	3,842
Reserved for debt service	-	683,024	-	683,024
Reserved for capital projects	-	-	3,885	3,885
Unreserved - designated	10,058	-	-	10,058
	<u>13,900</u>	<u>683,024</u>	<u>3,885</u>	<u>700,809</u>
Total equity	13,900	683,024	3,885	700,809
Total liabilities and equity	\$ 1,197,409	1,083,943	868,744	3,150,096

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2004

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Local sources:				
Taxes:				
Ad valorem	\$ 12,914	1,899,770	-	1,912,684
Interest earnings	663	19,646	86	20,395
Food services	34	-	-	34
State sources:				
Other	2,407	-	-	2,407
Federal sources:				
Restricted grants-in-aid	3,188,271	-	1,583,778	4,772,049
Other - commodities	83	-	-	83
Total revenues	<u>3,204,372</u>	<u>1,919,416</u>	<u>1,583,864</u>	<u>6,707,652</u>
Expenditures:				
Instruction:				
Special programs	2,708,166	-	-	2,708,166
Support services:				
Student services	137,853	-	-	137,853
Instructional staff support	183,352	-	-	183,352
General administration	49,896	71,135	-	121,031
Business services	616	-	-	616
Plant services	28,411	-	-	28,411
Student transportation services	3,117	-	-	3,117
Food services	17,983	-	-	17,983
Construction and land improvement	5,564	-	1,583,778	1,589,342
Debt service:				
Principal retirement	-	820,000	-	820,000
Interest and bank charges	-	583,626	-	583,626
Total expenditures	<u>3,134,958</u>	<u>1,474,761</u>	<u>1,583,778</u>	<u>6,193,497</u>
Excess of revenues over expenditures	<u>69,414</u>	<u>444,655</u>	<u>86</u>	<u>514,155</u>
Other financing uses:				
Operating transfers out	(63,394)	-	-	(63,394)
Total other financing uses	<u>(63,394)</u>	<u>-</u>	<u>-</u>	<u>(63,394)</u>
Excess of revenues over expenditures and other uses	<u>6,020</u>	<u>444,655</u>	<u>86</u>	<u>450,761</u>
Fund balances at beginning of year	7,880	238,369	3,799	250,048
Fund balances at end of year	<u>\$ 13,900</u>	<u>683,024</u>	<u>3,885</u>	<u>700,809</u>

See accompanying independent auditors' report.

**NON-MAJOR FUNDS - SPECIAL REVENUE
FUNDS**

NO CHILD LEFT BEHIND

No Child Left Behind Act (NCLB) is a federally funded program (includes previous referred to Improving America's School Act Fund). NCLB's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies.

LA4 FEDERAL

During 2003, the School Board received federal funding through the State of Louisiana to expand its preK-4 year old programs throughout the system.

SPECIAL FEDERAL FUND

During fiscal year 1995, the School Board established this fund to account for federal grants previously recovered in the General Fund. The programs included in this fund, all of which are federally financed, include Vocational Education, Adult Basic Education, Starting Points, America Reads, EETT, Louisiana Learn, Comprehensive School Reform Program and Rural Education Achievement Program.

IDEA SPECIAL EDUCATION FUND

Individuals with Disabilities Education Act (IDEA), Public Law (PL) 101-476, is a federally financed program of free public education in the least restrictive environment for children with exceptionalities.

ANGIE SCHOOL DISTRICT FUND

The Angie School District Fund accounts for a 5.12 mill ad valorem tax assessed on property within the Angie School District to improve, maintain, and operate schools within the district. The majority of financing is provided by ad valorem tax and state revenue sharing.

SUMMER FEEDING PROGRAM

The Summer Feeding Program is a program that provides nourishing meals to students in summer school sessions.

Living with a
Franklinton, Louisiana
Nonmajor Special Revenue Funds
Combining Balance Sheets

June 30, 2004

Assets	Improving America's Schools Act		Title VI	LA4 Federal	Special Federal	IDEA Special Education	Angle School District	Summer Feeding Program	Total
	Title II	Title IV							
Cash and cash equivalents	\$ 1,904	-	-	31,006	-	(759)	15,952	7,647	55,752
Receivables	163,607	27,557	28,796	98,486	468,385	350,923	61	-	1,137,815
Inventory, at cost	-	-	-	-	-	-	-	3,842	3,842
Total assets	\$ 165,511	27,557	28,796	129,492	468,385	350,164	16,013	11,489	1,197,409
Liabilities and Equity									
Liabilities:									
Accounts, salaries, and other payables	\$ 30,510	2,461	-	65,044	49,758	39,415	68	-	187,256
Interfund payables	135,001	25,096	28,759	-	418,207	311,867	-	-	918,932
Deferred revenues	-	-	37	64,448	420	-	-	12,416	77,321
Total liabilities	165,511	27,557	28,796	129,492	468,385	351,282	68	12,416	1,183,509
Equity:									
Fund balances:									
Reserved for inventory	-	-	-	-	-	-	-	3,842	3,842
Unreserved - designated	-	-	-	-	-	(1,118)	15,945	(4,769)	10,058
Total equity	-	-	-	-	-	(1,118)	15,945	(927)	13,900
Total liabilities and equity	\$ 165,511	27,557	28,796	129,492	468,385	350,164	16,013	11,489	1,197,409

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Special Revenue Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2004

	Title II	No Child Left Behind Act Title IV	Title V	Title VI	LAA Federal	Special Federal	IDEA Special Education	Angle School District	Summer Feeding Program	Total
Revenues:										
Local sources:										
Ad valorem taxes	-	-	-	-	-	-	-	12,914	-	12,914
Interest earnings	-	-	-	-	-	-	363	300	-	663
Food services	-	-	-	-	-	-	-	-	34	34
State sources:										
Other	-	-	-	-	-	-	-	2,407	-	2,407
Federal sources:										
Restricted grants-in-aid	391,972	60,597	30,854	78	927,367	1,010,465	706,961	-	59,977	3,188,271
Other - commodities	-	-	-	-	-	-	-	-	83	83
Total revenues	391,972	60,597	30,854	78	927,367	1,010,465	707,324	15,621	60,094	3,204,372
Expenditures:										
Instruction - special programs	370,264	59,506	30,087	78	873,404	1,010,197	364,630	-	-	2,708,166
Support services:										
Student services	-	-	-	-	-	-	137,853	-	-	137,853
Instructional staff support	21,329	-	739	-	53,014	-	108,270	-	-	183,352
General administration	379	-	28	-	949	-	5,821	444	42,275	49,896
School administration	-	-	-	-	-	-	-	616	-	616
Plant services	-	-	-	-	-	-	27,573	838	-	28,411
Student transportation services	-	-	-	-	-	-	3,117	-	-	3,117
Food services	-	-	-	-	-	-	-	-	17,983	17,983
Construction	-	-	-	-	-	-	-	5,564	-	5,564
Total expenditures	391,972	59,506	30,854	78	927,367	1,010,197	647,264	7,462	60,258	3,134,958
Excess (deficiency) of revenues over expenditures	-	1,091	-	-	-	268	60,060	8,159	(164)	69,414
Other financing uses:										
Operating transfers out	-	(1,091)	-	-	-	(268)	(62,035)	-	-	(63,394)
Total other financing uses	-	(1,091)	-	-	-	(268)	(62,035)	-	-	(63,394)
Excess (deficiency) of revenues over expenditures and other financing uses	-	-	-	-	-	-	(1,975)	8,159	(164)	6,020
Fund balances at beginning of year	-	-	-	-	-	-	857	7,786	(763)	7,880
Fund balances at end of year	-	-	-	-	-	-	(1,118)	15,945	(927)	13,900

See accompanying independent auditor's report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Title II Special Revenue Fund
 Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	\$ 781,060	391,972	(389,088)
Total revenues	<u>781,060</u>	<u>391,972</u>	<u>(389,088)</u>
Expenditures:			
Instruction - special programs	779,176	370,264	408,912
Support services:			
Instructional staff support	1,249	21,329	(20,080)
General administration	635	379	256
Total support services expenditures	<u>1,884</u>	<u>391,972</u>	<u>(19,824)</u>
Total expenditures	<u>781,060</u>	<u>391,972</u>	<u>389,088</u>
Excess of revenues over expenditures	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Title IV Special Revenue Fund
 Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	77,816	60,597	(17,219)
Total revenues	<u>77,816</u>	<u>60,597</u>	<u>(17,219)</u>
Expenditures:			
Instruction - special programs	76,290	59,506	16,784
Total support services expenditures	<u>76,290</u>	<u>59,506</u>	<u>16,784</u>
Total expenditures	<u>76,290</u>	<u>59,506</u>	<u>16,784</u>
Excess of revenues over expenditures	<u>1,526</u>	<u>1,091</u>	<u>(435)</u>
Other financing uses:			
Operating transfers out	<u>(1,526)</u>	<u>(1,091)</u>	<u>435</u>
Total other financing uses	<u>(1,526)</u>	<u>(1,091)</u>	<u>435</u>
Excess of revenues over expenditures and other financing uses	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Title V Special Revenue Fund
Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	\$ 31,615	30,854	(761)
Total revenues	<u>31,615</u>	<u>30,854</u>	<u>(761)</u>
Expenditures:			
Instruction - special programs	30,825	30,087	738
Support services:			
Instructional staff support	739	739	-
General administration	51	28	23
Total support services expenditures	<u>790</u>	<u>30,854</u>	<u>23</u>
Total expenditures	<u>31,615</u>	<u>30,854</u>	<u>761</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Title VI Special Revenue Fund
Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	\$ 78	78	-
Total revenues	<u>78</u>	<u>78</u>	<u>-</u>
Expenditures:			
Instruction - special programs	<u>78</u>	<u>78</u>	<u>-</u>
Total support services expenditures	<u>78</u>	<u>78</u>	<u>-</u>
Total expenditures	<u>78</u>	<u>78</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

LA 4 Federal Special Revenue Fund
Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	\$ 925,000	927,367	2,367
Total revenues	<u>925,000</u>	<u>927,367</u>	<u>2,367</u>
Expenditures:			
Instruction - special programs	852,083	873,404	(21,321)
Support services:			
Instructional staff support	71,417	53,014	18,403
General administration	1,500	949	551
Total support services expenditures	<u>72,917</u>	<u>927,367</u>	<u>18,954</u>
Total expenditures	<u>925,000</u>	<u>927,367</u>	<u>(2,367)</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Special Federal Special Revenue Fund
 Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Federal sources:			
Restricted grants-in-aid	386,661	1,010,465	(623,804)
Total revenues	<u>386,661</u>	<u>1,010,465</u>	<u>(623,804)</u>
Expenditures:			
Instruction - special programs	386,661	1,010,197	(623,536)
Total expenditures	<u>386,661</u>	<u>1,010,197</u>	<u>(623,536)</u>
Excess of revenues over expenditures	<u>-</u>	<u>268</u>	<u>268</u>
Other financing uses:			
Operating transfers out	-	(268)	(268)
Total other financing uses	<u>-</u>	<u>(268)</u>	<u>(268)</u>
Excess of revenues over expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

IDEA Special Education Special Revenue Fund
Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Local sources:			
Interest earnings	\$ -	363	363
Federal sources:			
Restricted grants-in-aid	957,471	706,961	(250,510)
Total revenues	<u>957,471</u>	<u>707,324</u>	<u>(250,147)</u>
Expenditures:			
Instruction - special programs			
Support services:	601,775	364,630	237,145
Student services	129,554	137,853	(8,299)
Instructional staff support	95,537	108,270	(12,733)
General administration	9,000	5,821	3,179
School administration	10,351	-	10,351
Plant services	24,500	27,573	(3,073)
Student transportation services	24,500	3,117	21,383
Construction	12,000	-	12,000
Total expenditures	<u>907,217</u>	<u>647,264</u>	<u>259,953</u>
Excess of revenues over expenditures	<u>50,254</u>	<u>60,060</u>	<u>9,806</u>
Other financing uses:			
Operating transfers out	(74,754)	(62,035)	12,719
Total other financing uses	<u>(74,754)</u>	<u>(62,035)</u>	<u>12,719</u>
Excess of revenues over expenditures and other financing uses	(24,500)	(1,975)	22,525
Fund balances at beginning of year	857	857	-
Fund balances at end of year	<u>\$ (23,643)</u>	<u>(1,118)</u>	<u>22,525</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Angie School District Special Revenue Fund
 Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Local sources:			
Ad valorem taxes	\$ 12,600	12,914	314
Interest earnings	150	300	150
State sources:			
Other	2,440	2,407	(33)
Total revenues	<u>15,190</u>	<u>15,621</u>	<u>431</u>
Expenditures:			
Support services:			
General administration	560	444	116
School administration	75	616	(541)
Plant services	7,948	838	7,110
Constructin	13,264	5,564	7,700
Total support services expenditures	<u>21,847</u>	<u>7,462</u>	<u>14,385</u>
Total expenditures	<u>21,847</u>	<u>7,462</u>	<u>14,385</u>
Excess (deficiency) of revenues over expenditures	<u>(6,657)</u>	<u>8,159</u>	<u>14,816</u>
Fund balances at beginning of year	<u>7,786</u>	<u>7,786</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,129</u>	<u>15,945</u>	<u>14,816</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Summer Feeding Program Special Revenue Fund
Schedule of Revenues, Expenditures and changes in Fund Balance - Budget and Actual

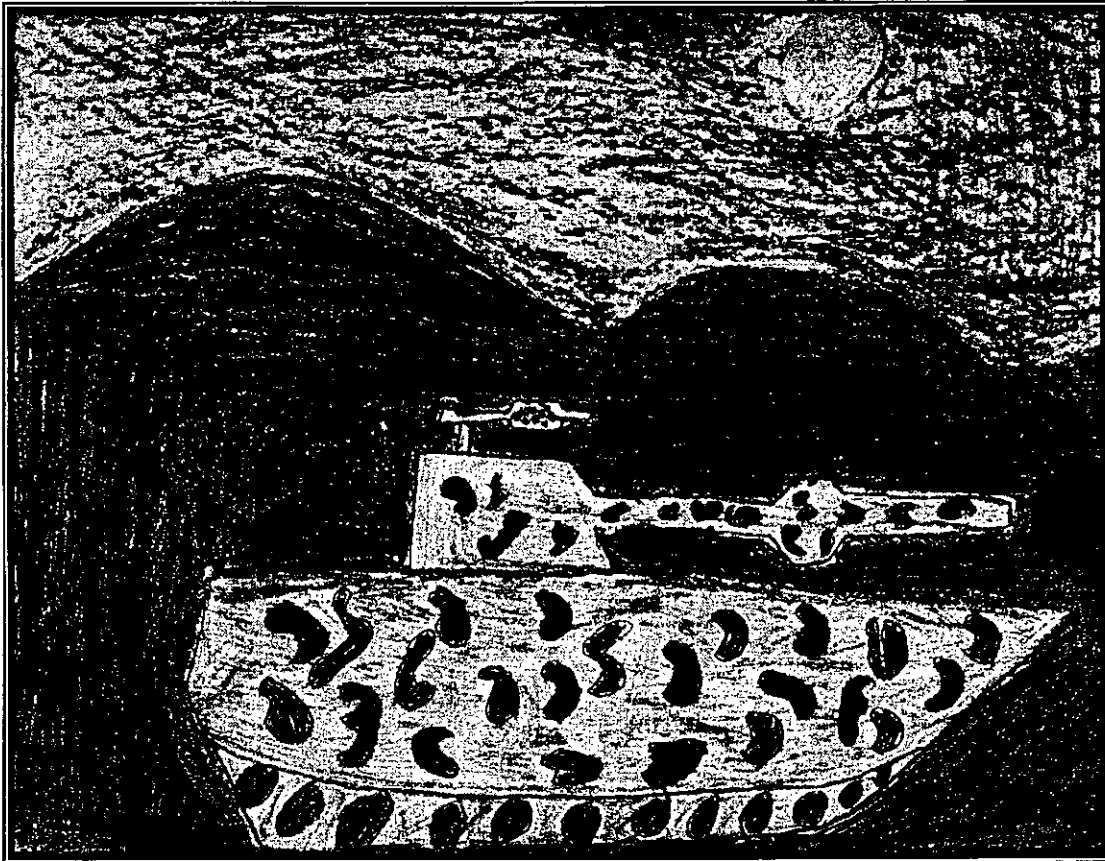
Year ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance from Budget</u>
Revenues:			
Local sources:			
Food services	10	34	24
Federal sources:			
Restricted grants-in-aid	97,287	59,977	(37,310)
Other - commodities	2,000	83	(1,917)
Total revenues	<u>99,297</u>	<u>60,094</u>	<u>(39,203)</u>
Expenditures:			
Support services:			
General administration	58,992	42,275	16,717
Food services	36,000	17,983	18,017
Total support services expenditures	<u>94,992</u>	<u>60,258</u>	<u>34,734</u>
Total expenditures	<u>94,992</u>	<u>60,258</u>	<u>34,734</u>
Excess (deficiency) of revenues over expenditures	<u>4,305</u>	<u>(164)</u>	<u>(4,469)</u>
Fund balances at beginning of year	<u>(763)</u>	<u>(763)</u>	<u>-</u>
Fund balances at end of year	<u>\$ 3,542</u>	<u>(927)</u>	<u>(4,469)</u>

See accompanying independent auditors' report.

NON-MAJOR FUNDS - DEBT SERVICE FUNDS

The Varnado, Mt. Hermon and Franklinton-Enon School District and Tax District #4's Debt Service Funds accumulate monies for the payment of remaining bond issues and/or improvements to those districts. The bond issues are financed by a special property tax levy on property within the territorial limits of the appropriate school districts.



Tank
Donovan Alonzo
3rd Grade
Franklinton Elementary School

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Debt Service Funds

Combining Balance Sheets

June 30, 2004

	Varnado High School	Mt. Hermon High School	Franklinton Enon School District	Tax District #4	Total
Assets					
Cash and cash equivalents	\$ 62,251	67,324	248,265	604,532	982,372
Receivables	4,692	501	80,976	15,402	101,571
Total assets	\$ 66,943	67,825	329,241	619,934	1,083,943
Liabilities and Equity					
Liabilities:					
Deferred revenue	\$ 10,792	-	194,253	195,874	400,919
Total liabilities	10,792	-	194,253	195,874	400,919
Equity:					
Fund balances:					
Reserved for debt service	56,151	67,825	134,988	424,060	683,024
Total equity	56,151	67,825	134,988	424,060	683,024
Total liabilities and equity	\$ 66,943	67,825	329,241	619,934	1,083,943

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Debt Service Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2004

	<u>Varnado School District</u>	<u>Mt. Hermon School District</u>	<u>Franklinton Enon School District</u>	<u>Tax District #4</u>	<u>Total</u>
Revenues:					
Local sources:					
Ad valorem taxes	\$ 107,222	102,370	1,953	1,688,225	1,899,770
Interest earnings	1,413	1,435	6,583	10,215	19,646
Total revenues	<u>108,635</u>	<u>103,805</u>	<u>8,536</u>	<u>1,698,440</u>	<u>1,919,416</u>
Expenditures:					
Support services - general administration	3,679	3,697	-	63,759	71,135
Debt service:					
Principal retirement	50,000	45,000	-	725,000	820,000
Interest and bank charges	51,737	46,268	-	485,621	583,626
Total expenditures	<u>105,416</u>	<u>94,965</u>	<u>-</u>	<u>1,274,380</u>	<u>1,474,761</u>
Excess of revenues over expenditures	3,219	8,840	8,536	424,060	444,655
Fund balances at beginning of year	<u>52,932</u>	<u>58,985</u>	<u>126,452</u>	<u>-</u>	<u>238,369</u>
Fund balances at end of year	<u>\$ 56,151</u>	<u>67,825</u>	<u>134,988</u>	<u>424,060</u>	<u>683,024</u>

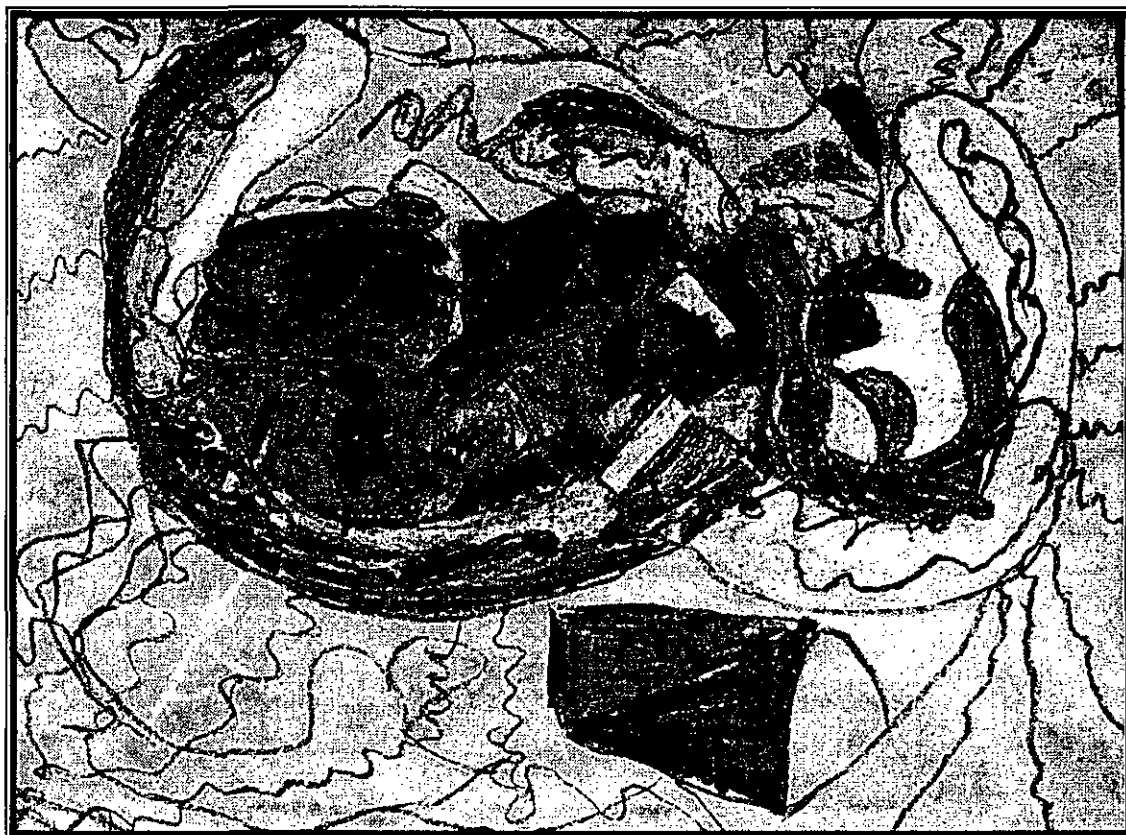
See accompanying independent auditors' report.

NON-MAJOR FUNDS - CAPITAL PROJECTS FUNDS

The Varnado High School and Varnado High School Reconstruction Funds accumulate monies for the reconstruction and improvement to Varnado High School as a result of a fire. The bond issue is financed by a special property tax levy on property within the territorial limits of the appropriate school districts.

The Mt. Hermon High School fund accumulates monies for construction and improvements to Mt. Hermon High School. The bond is financial by a special property tax levy on property within the territorial limits of the Mt. Hermon school district.

The School Renovation fund accounts for grant resources received for roofing repairs throughout the system.



Multi Media
Darbie Smith
3rd Grade
Franklinton Elementary School

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Capital Projects Funds

Combining Balance Sheets

June 30, 2004

	Varnado High School	Mt. Hermon High School	School Renovation	Total
Assets				
Cash and cash equivalents	\$ 36	3,849	-	3,885
Receivables	-	-	864,859	864,859
	<u>36</u>	<u>3,849</u>	<u>864,859</u>	<u>868,744</u>
Liabilities and Equity				
Liabilities:				
Accounts and other payable	\$ -	-	157,740	157,740
Interfund payables	-	-	707,119	707,119
	<u>-</u>	<u>-</u>	<u>864,859</u>	<u>864,859</u>
Equity:				
Fund balances:				
Reserved for capital projects	36	3,849	-	3,885
	<u>36</u>	<u>3,849</u>	<u>-</u>	<u>3,885</u>
	<u>36</u>	<u>3,849</u>	<u>864,859</u>	<u>868,744</u>
	<u>36</u>	<u>3,849</u>	<u>864,859</u>	<u>868,744</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Nonmajor Capital Projects Funds

Combining Schedules of Revenues, Expenditures, and Changes in Fund Balance

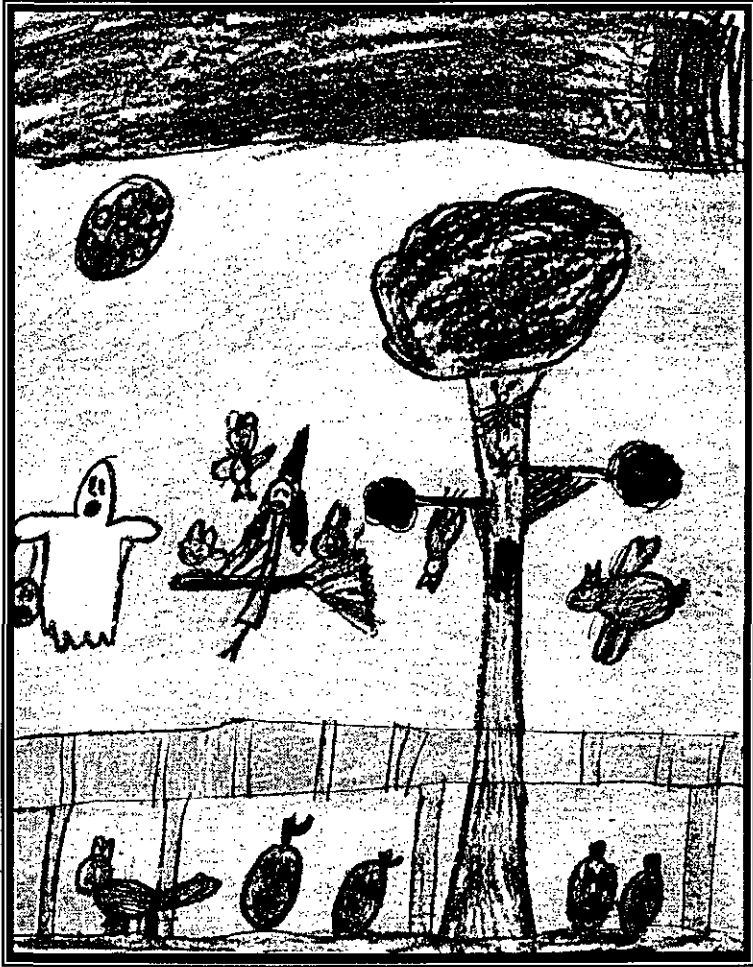
Year ended June 30, 2004

	<u>Varnado High School</u>	<u>Mt. Hermon High School</u>	<u>School Renovation</u>	<u>Total</u>
Revenues:				
Local sources - interest earnings	\$ 1	85		86
Federal sources - restricted grants-in-aid	-	-	1,583,778	1,583,778
Total revenues	<u>1</u>	<u>85</u>	<u>1,583,778</u>	<u>1,583,864</u>
Expenditures:				
Bond issuance costs	-	-	-	-
Construction	-	-	1,583,778	1,583,778
Total expenditures	<u>-</u>	<u>-</u>	<u>1,583,778</u>	<u>1,583,778</u>
Excess of revenues over expenditures	<u>1</u>	<u>85</u>	<u>-</u>	<u>86</u>
Fund balances at beginning of year	<u>35</u>	<u>3,764</u>	<u>-</u>	<u>3,799</u>
Fund balances at end of year	<u>\$ 36</u>	<u>3,849</u>	<u>-</u>	<u>3,885</u>

See accompanying independent auditors' report.

**FIDUCIARY FUND - SCHOOL ACTIVITY
AGENCY FUND**

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



Ghost
Bailey Fournier
2nd Grade
Franklinton Primary School

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Agency/Fiduciary Fund
 Schedule of Changes in Assets and Liabilities - School Activity Funds

Year ended June 30, 2004

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2004</u>
Assets:				
Cash and cash equivalents	\$ 578,484	2,367,027	2,297,632	647,879
Total assets	<u>\$ 578,484</u>	<u>2,367,027</u>	<u>2,297,632</u>	<u>647,879</u>
Liabilities:				
Interfund payable	\$ 2,682	-	-	2,682
Deposits due others	575,802	2,367,027	2,297,632	645,197
Total liabilities	<u>\$ 578,484</u>	<u>2,367,027</u>	<u>2,297,632</u>	<u>647,879</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Agency/Fiduciary Fund

Schedule of Changes in Deposits - By School
Cash Balances

Year ended June 30, 2004

<u>School</u>	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>
Angie Junior High School	\$ 17,213	85,162	77,939	24,436
Enon Elementary School	47,444	164,252	149,357	62,339
Franklinton Primary School	38,352	164,438	155,703	47,087
Franklinton Elementary School	38,301	158,150	157,026	39,425
Franklinton Junior High School	47,384	200,052	185,205	62,231
Franklinton High School	88,151	595,658	578,099	105,710
Mt. Hermon High School	78,548	251,218	237,811	91,955
Pine High School	94,277	378,025	380,677	91,625
Thomas Junior High School	67,045	136,159	137,271	65,933
Varnado Elementary School	6,485	43,055	39,573	9,967
Varnado High School	42,073	151,577	158,830	34,820
Wesley Ray Elementary School	11,182	39,282	40,142	10,322
Adult Education Center	2,029	-	-	2,029
	<u>\$ 578,484</u>	<u>2,367,028</u>	<u>2,297,633</u>	<u>647,879</u>

Note: As of June 30, 2004, Varnado High School had payables to the General Fund \$2,682. The total Agency Fund's deposits due others is \$645,197.

See accompanying independent auditors' report.

**Schedule of Compensation Paid
to School Board Members**

The Schedule of Compensation Paid to School Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, and the president receives \$700 per month for performing the duties of his office.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Other Supplemental Information

Schedule of Compensation Paid to Board Members

Year ended June 30, 2004

Richard N. Thomas, President	\$	8,400
Karl L. Bickham, Jr.		7,200
Hayward D. Boone		7,200
Bruce L. Brown		7,200
Holly M. James		7,200
Freddie H. Jefferson		7,200
Susanne Jones		7,200
Dan Slocum		7,200
Matthew Tate		7,200
		<hr/>
	\$	<u>66,000</u>

See accompanying independent auditors' report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

STATISTICAL INFORMATION

Table 1

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Government-wide Expenses by Function

	<u>June 30,</u> <u>2004</u>	<u>June 30,</u> <u>2003</u>
Governmental Activities:		
Instruction:		
Regular programs	\$ 13,132,568	12,839,780
Special programs	9,221,381	8,492,946
Adult and continuing education programs	84,728	169,809
Support services:		
Student services	1,374,750	1,248,320
Instructional staff support	1,566,910	1,714,404
General administration	2,865,786	2,554,914
School administration	1,843,172	1,791,951
Business services	326,752	301,280
Plant services	2,740,032	2,719,685
Student transportation services	2,786,997	2,600,681
Food services	989,312	949,644
Construction and land improvement	29,900	6,476
Community service programs	12,458	4,840
Interest on long-term debt	897,250	161,657
Total governmental activities	\$ <u>\$37,871,996</u>	<u>\$35,556,387</u>

Note: The above information is available only for the years shown.

Table 2

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Government-wide Revenues

	<u>June 30,</u> <u>2004</u>	<u>June 30,</u> <u>2003</u>
Program Revenues:		
Charges for services	\$ 229,551	212,290
Operating grants and contributions	6,869,191	7,925,615
Capital grants and contributions	1,722,112	149,231
General Revenues:		
Ad valorem taxes	2,863,649	1,828,884
Sales and use taxes	3,507,901	3,371,489
State revenue sharing	1,239,205	1,193,938
Minimum foundation program	22,232,291	21,374,672
Other general revenues	<u>1,227,790</u>	<u>1,282,027</u>
Total governmental activities	<u>\$ 39,891,690</u>	<u>37,338,146</u>

Note: The above information is available only for the years shown.

Table 3

WASHINGTON PARISH SCHOOL BOARD
 Franklinton, Louisiana
 General Fund Expenditures by Function
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Instruction				Support Services				Construction and Land Improvements	Total		
	Regular Education Programs	Special Education Programs	Adult and Continuing Education Programs	Student Support Services	Instructional Staff Support	General Administration	School Administration	Business Administration			Plant Services	Student Transportation
1995	\$ 9,770,383	\$ 2,779,885	\$ 149,166	\$ 769,961	\$ 343,740	\$ 510,405	\$ 1,068,855	\$ 177,085	\$ 1,543,121	\$ 2,176,542	\$ -	\$ 19,289,143
1996	9,892,679	2,702,982	119,583	792,718	355,212	531,981	1,014,433	172,092	1,507,460	2,169,088	-	19,258,228
1997	10,159,021	3,147,771	142,761	775,324	357,949	675,369	1,137,364	202,415	1,638,421	2,346,433	-	20,582,828
1998	10,917,583	3,302,676	145,608	758,060	377,386	535,319	1,279,377	230,000	1,689,361	2,374,908	-	21,610,278
1999	11,120,645	3,406,908	125,472	744,283	399,429	553,471	1,388,161	232,806	1,665,326	2,358,168	-	21,994,669
2000	11,774,516	3,776,841	123,331	765,300	416,074	663,353	1,492,834	248,216	1,873,466	2,390,742	-	23,524,673
2001	11,702,917	3,742,545	158,333	908,341	468,025	651,365	1,429,860	246,635	1,953,723	2,367,887	-	23,629,631
2002	12,739,997	4,239,751	189,797	1,015,543	935,946	606,825	1,821,894	309,904	1,990,615	2,544,375	14,490	26,409,137
2003	12,689,755	5,225,659	129,492	1,098,235	1,002,612	775,526	1,798,318	298,708	2,228,189	2,579,992	25,080	27,851,566
2004	13,251,339	5,379,709	100,025	1,206,919	1,075,843	773,895	1,781,454	325,497	2,385,995	2,775,392	34,373	29,090,441

Table 4

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

General Fund Revenues by Source
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Local Sources					State Sources				Federal Sources	Total
	Ad Valorem Taxes	Sales Taxes	Earnings On Investments			Equalization	Other	Federal Sources			
			Other	Other	Other						
1995	\$ 597,576	\$ 2,530,362	\$ 167,865	\$ 132,059	\$ 14,672,534	\$ 1,293,113	\$ 109	\$ 19,393,618			
1996	653,677	2,693,424	178,473	96,796	14,961,589	919,760	107	19,503,826			
1997	785,456	2,745,637	174,880	124,450	16,271,981	854,978	22,204	20,979,586			
1998	818,000	2,998,430	212,253	145,533	17,220,994	1,179,512	18,086	22,592,808			
1999	797,864	3,127,296	281,338	243,278	17,729,724	1,033,846	15,895	23,229,241			
2000	932,908	3,227,744	333,361	371,857	18,355,469	911,039	21,042	24,153,420			
2001	858,945	3,240,777	503,270	347,419	19,536,934	1,108,026	33,684	25,629,055			
2002	853,708	3,470,450	508,596	579,298	20,294,028	960,750	24,911	26,691,741			
2003	973,901	3,371,820	499,225	567,009	21,099,324	1,191,499	35,292	27,738,070			
2004	950,965	3,431,519	247,363	608,801	21,960,896	1,236,798	29,800	28,466,142			

Table 5

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Tax Levy		Current Year Tax Levy Collections (1)		Total Tax Collections (1)		Percentage of Total Current Year Collections to Tax Levy		Current Year Outstanding Taxes		Percentage of Current Year Outstanding Taxes to Tax Levy	
	\$		\$		\$		%		\$		%	
1995	\$	1,338,337	\$	1,159,232	\$	1,161,596	86.62%		\$	179,105	86.62%	13.38%
1996		1,500,292		1,321,309		1,322,914	88.07%			178,983	88.07%	11.93%
1997		1,745,707		1,641,817		1,644,393	94.05%			103,890	94.05%	5.95%
1998		1,588,728		1,344,333		1,347,778	84.62%			244,395	84.62%	15.38%
1999		1,752,769		1,594,894		1,676,101	90.99%			157,875	90.99%	9.01%
2000		1,787,913		1,603,962		1,628,597	89.71%			183,951	89.71%	10.29%
2001		1,765,032		1,540,902		1,550,219	87.30%			224,130	87.30%	12.70%
2002		1,814,542		1,560,921		1,612,929	86.02%			253,621	86.02%	13.98%
2003		1,800,852		1,708,451		1,717,552	94.87%			92,401	94.87%	5.13%
2004		3,087,580		2,776,084		2,776,626	89.91%			311,496	89.91%	10.09%

(1) Source: Washington Tax Collector's Office

Table 6

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Real Estate	Commercial and Other Property	Total Assessed Value	Homestead Exemption Value	Total Assessed Value Taxed	Total Estimated Actual Value	Percentage of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Assessed Value	Value	Value	Value	Value	Actual Value
1995	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1996	\$ 50,687,870	\$ 47,460,030	\$ 98,147,900	\$ 32,914,720	\$ 65,233,180	n/a	n/a
1997	57,595,940	55,371,260	112,967,200	35,039,480	77,927,720	n/a	n/a
1998	59,118,140	56,763,690	115,881,830	35,966,680	79,915,150	n/a	n/a
1999	61,323,960	58,622,960	119,946,920	37,555,570	82,391,350	n/a	n/a
2000	64,594,900	58,748,740	123,343,640	39,042,670	84,300,970	n/a	n/a
2001	77,798,580	70,148,450	147,947,030	47,815,570	100,131,460	n/a	n/a
2002	80,623,240	77,539,720	158,162,960	48,899,580	109,263,380	n/a	n/a
2003	82,511,580	81,552,370	164,063,950	49,702,230	114,361,720	n/a	n/a
2004	85,745,550	83,189,890	168,935,440	49,955,240	118,980,200	n/a	n/a

Note: The above information is available only for the years and columns shown.

Source: Washington Parish Assessor's Office

Table 7

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Property Tax Rates (per \$1,000 of Assessed Valuation)
All Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	School Board Millage	Other Governments (Parishwide)				Other Governments (Special Districts)				LTC Assessment Fee	Jail Bond
		Parish Council Millage	Law Enforcement Millage	Assessor Millage	Bogalusa City Schools	FLA Parishes Juvenile	Fire Districts	Hospital Tax	Forestry Tax per acre		
1995	84.10	31.29	10.96	5.37	50.78	0.0	135.46	24.40	0.08	0.25	1.25
1996	84.10	31.29	10.96	5.00	50.78	0.0	148.46	20.00	0.08	0.25	1.25
1997	79.10	31.29	10.96	5.37	50.81	3.0	183.21	18.92	0.08	0.25	1.25
1998	71.10	31.29	10.96	5.37	50.81	3.0	183.21	18.92	0.08	0.25	1.25
1999	126.43	31.29	10.96	5.37	50.81	3.0	170.71	18.92	0.08	0.25	1.25
2000	125.10	31.29	10.96	5.37	50.81	3.0	171.24	14.20	0.08	0.25	0.50
2001	109.10	31.29	10.96	5.37	50.81	3.0	152.58	13.97	0.08	0.25	0.50
2002	110.10	31.47	10.96	5.37	50.01	3.0	150.01	13.97	0.08	0.25	0.50
2003	109.10	51.29	10.96	5.37	50.01	3.0	160.81	13.97	0.08	0.25	0.00
2004	136.60	51.29	10.96	5.37	62.81	3.0	161.09	13.97	0.08	0.25	0.00

Source: Respective Taxing Jurisdiction

Table 8

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Principal Taxpayers
June 30, 2004
(Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2004 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Florida Gas Transmission	Utility	\$6,738,090	3.99%
Southern Natural Gas Co.	Utility	4,375,590	2.59%
Washington-St Tammany Elec. Coop	Utility	3,362,060	1.99%
Bell South Telecommunications	Communications	2,445,510	1.45%
Entergy Louisiana, Inc.	Utility	1,847,870	1.09%
Central Louisiana Electric	Utility	1,745,260	1.03%
Weyerhaeuser Company	Manufacturing	908,550	0.54%
Miles, Joe N. & Sons, Inc.	Lumber compmay	1,153,160	0.68%
Entergy Gulf States, Inc.	Utility	895,280	0.53%
Weyerhaeuser Company	Manufacturing	941,960	0.56%
		<u>\$24,413,330</u>	<u>14.45%</u>

Source: Washington Parish Assessor's Office

Table 9

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Computation of Legal Debt Margin
June 30, 2004
(Unaudited)

Assessed valuations:		
Taxable assessed value		\$118,980,200
Add back:		
Exempt property		<u>49,955,240</u>
Total assessed value		<u>\$168,935,440</u>
Legal debt margin:		
Debt limitation-50 percent of total taxable assessed value		\$59,490,100
Less:		
Debt applicable to limitation:		
Total general obligation bonded debt	\$24,215,000	
Less: Amount available for repayment of general obligation bonds	<u>683,024</u>	
Total general obligation debt applicable to limitation		<u>23,531,976</u>
Legal debt margin		<u>\$35,958,124</u>

Table 10

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

State Support and Local Support
 Per Student
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Number of Students	State Support		Total Expenditures		Total Cost per Student		Local Support	
		Support(1)	Support per Student	Expenditures(1)	Student	Cost per Student	Support(1)	Support per Student	
1995	5,136	\$ 16,294,065	3,173	\$ 23,263,771	\$ 4,530	\$ 3,623,955	\$ 706		
1996	5,173	16,209,624	3,134	23,674,824	4,577	3,734,145	722		
1997	4,934	17,455,302	3,538	24,979,600	5,063	4,020,721	815		
1998	4,794	18,728,696	3,907	26,153,045	5,455	4,376,345	913		
1999	4,578	19,041,226	4,159	26,779,790	5,850	4,680,868	1,022		
2000	4,572	19,544,179	4,275	28,449,905	6,223	5,132,622	1,123		
2001	4,592	20,879,896	4,547	28,913,782	6,297	5,252,240	1,144		
2002	4,495	21,501,130	4,783	31,673,151	7,046	5,695,409	1,267		
2003	4,530	22,568,610	4,982	33,419,793	7,377	5,670,732	1,252		
2004	4,819	23,471,496	4,871	30,634,845	6,357	5,502,116	1,142		

(1) Consists of General Fund and Special Revenue Funds.

Table 11

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Ratio of Net General Obligation Debt
To Assessed Value and Net
Bonded Debt per Capita and Per Student
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population(1)	Number of Students	Assessed Value(2)	Gross Bonded Debt(3)	Less		Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita	Net Bonded Debt per Student
					Debt Service Fund(4)	Debt				
1995	43,185	5,136	n/a	\$ 4,825,000	\$ 614,628	\$ 4,210,372	n/a	\$97	\$820	
1996	43,185	5,173	\$ 98,147,900	4,380,000	750,367	3,629,633	3.70%	84	702	
1997	43,185	4,934	112,967,200	3,905,000	998,583	2,906,417	2.57%	67	589	
1998	43,185	4,794	115,881,830	4,660,000	992,531	3,667,469	3.16%	85	765	
1999	43,185	4,578	119,946,920	5,240,000	1,113,358	4,126,642	3.44%	96	901	
2000	43,162	4,572	123,343,640	4,655,000	1,008,247	3,646,753	2.96%	84	798	
2001	43,902	4,592	147,947,030	4,040,000	749,843	3,290,157	2.22%	75	716	
2002	43,842	4,495	158,162,960	3,380,000	751,456	2,628,544	1.66%	60	585	
2003	43,813	4,530	164,063,950	2,035,000	238,369	1,796,631	1.10%	41	397	
2004	43,947	4,819	168,935,440	24,215,000	683,024	23,531,976	13.93%	535	4,883	

(1) Source: www.census.gov/popest/counties/tables/CO-EST2003-01-

(2) From Table 6

(3) General obligation bonds

(4) Amount available for repayment of general obligation bonds

Table 12

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Percentage of Annual Debt Service Expenditures
 For General Bonded Debt to
 Total General Fund Expenditures
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Percentage of Debt Service to General Fund Expenditures
1995	\$ 425,000	\$ 326,350	\$ 751,350	\$ 19,289,143	3.90%
1996	445,000	301,032	746,032	19,258,228	3.87%
1997	475,000	275,260	750,260	20,582,828	3.65%
1998	495,000	247,431	742,431	21,610,278	3.44%
1999	575,000	310,469	885,469	21,969,863	4.03%
2000	585,000	312,072	897,072	23,524,673	3.81%
2001	615,000	273,351	888,351	23,629,631	3.76%
2002	660,000	232,583	892,583	26,409,137	3.38%
2003	1,345,000	191,721	1,536,721	27,851,566	5.52%
2004	820,000	581,053	1,401,053	29,090,444	4.82%

Table 13

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Computation of Direct and Overlapping General Bonded Debt
June 30, 2004
(Unaudited)

Jurisdiction	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
Washington Parish School Board	<u>\$24,215,000</u>	100%	<u>\$24,215,000</u>
Overlapping:			
Parish Council	<u>-</u>	100%	<u>-</u>
Total Overlapping	<u>-</u>		<u>-</u>
Total	<u>\$24,215,000</u>		<u>\$24,215,000</u>

Source: Respective government entities

Table 14

**Washington PARISH SCHOOL BOARD
Franklinton, Louisiana**

**Demographic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population(1)	Total Number of Students	Public Schools		Private Schools	
			Number of Students	Percentage of Number of Students to Total Students	Number of Students	Percentage of Number of Students to Total Students
1995	43,185	5,551	5,136	92.5	415	7.5
1996	43,185	5,592	5,173	92.5	419	7.5
1997	43,185	5,338	4,934	92.4	404	7.6
1998	43,185	5,205	4,794	92.1	411	7.9
1999	43,185	4,986	4,578	91.8	408	8.2
2000	43,162	4,961	4,572	92.2	389	7.8
2001	43,902	4,965	4,592	92.5	373	7.5
2002	43,842	4,866	4,495	92.4	371	7.6
2003	43,813	4,874	4,530	92.9	344	7.1
2004	43,947	5,161	4,819	93.4	342	6.6

(1) Source: Table 11

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Property Value and Bank Deposits
Last Ten Calendar Years
(Unaudited)

Calendar Year	Estimated Actual Property Value	Bank Deposits(1)
1994	n/a	\$ 205,603,000
1995	n/a	243,899,000
1996	n/a	273,205,000
1997	n/a	307,808,000
1998	n/a	335,602,000
1999	n/a	364,118,000
2000	n/a	387,326,000
2001	n/a	428,845,000
2002	n/a	465,870,000
2003	n/a	534,020,000

(1) Consists of deposit liabilities of major banks and savings and loan institutions domiciled in Washington Parish

Source: FDIC

Note-Does not include construction because neither the parish nor the numerous municipal governing authorities maintain this information.

Table 16

**WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana**

**Miscellaneous Statistical Data
June 30, 2004
(Unaudited)**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	265	73.41%
Master's Degree	59	16.34%
Master's + 30	34	9.42%
Education Specialist	3	0.83%
Doctorate	-	0.00%
Totals:	<u>361</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
11-14	78	21.61%
4-10	87	24.10%
11-14	40	11.08%
15-19	33	9.14%
20-24	27	7.48%
25-over	96	26.59%
Totals:	<u>361</u>	<u>100.00%</u>

Form of government: School Board President
 Area of parish: 676 square miles
 Regular School Days: 182
 Population: 43,947

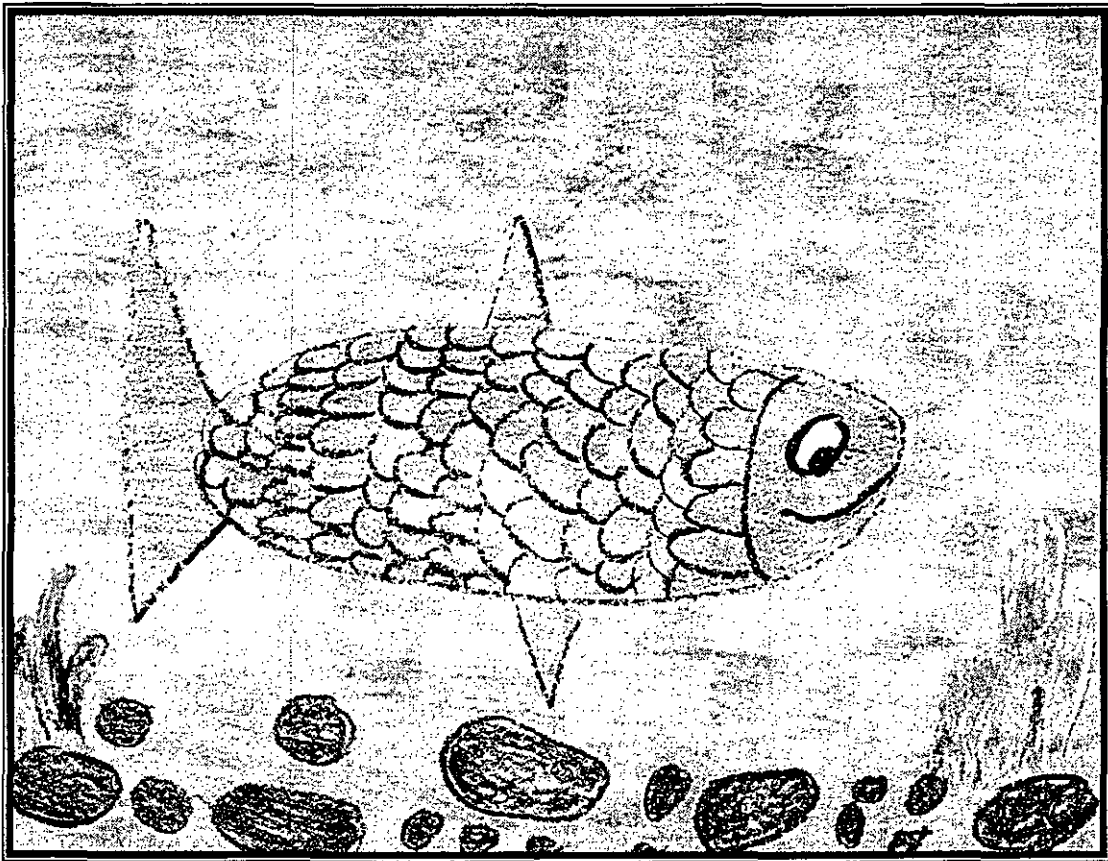
	<u>Number of Schools</u>	<u>Enrollment</u>
Elementary	6	1,603
Middle/Junior	2	1,070
Senior	3	786
Other	2	1,073
	<u>13</u>	<u>4,532</u>

SINGLE AUDIT SECTION

REQUIRED REPORTS - GOVERNMENT AUDITING STANDARDS

The following pages contain reports on the internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. These reports address the financial statements, as well as the federal financial assistance programs of the School Board.

In accordance with Office of Management and Budget Circular A-133, a Schedule of Expenditures of Federal Awards and related notes are presented.



Redfish
Kaitlyn Cooke
1st Grade
Franklinton Primary School



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Members of the
Washington Parish School Board
Franklinton, Louisiana:

We have audited the financial statements of Washington Parish School Board (the School Board), as of and for the year ended June 30, 2004, and have issued our report thereon dated November 30, 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & Netterville

November 30, 2004



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

The Members of the
Washington Parish School Board
Franklinton, Louisiana:

Compliance

We have audited the compliance of Washington Parish School Board (the School Board), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 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 its major federal programs is the responsibility of 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2004.1.

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 A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the School Board as of and for the year ended June 30, 2004, and have issued our report thereon dated November 30, 2004. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & McDeville

November 30, 2004

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2004

	Pass-Through Number	CFDA Program Number	Expenditures
United States Department of Agriculture:			
Passed-through Louisiana Department of Education:			
National School Lunch Program	-	10.555	\$ 1,398,460
Summer Food Service Program	-	10.559	59,977
School Breakfast Program	-	10.553	632,579
Passed-through Louisiana Department of Agriculture and Forestry - Food Distribution			
	-	10.550	138,334
Total United States Department of Agriculture			2,229,350
United States Department of Defense -			
Marine ROTC	-	83.998	29,800
United States Department of Education:			
Passed-through Louisiana Department of Education:			
Project Vitter		84.215K	24,838
Pre GED Skill Option Program	280436-59	93.558	33,115
Strategies to Empower People	2804EP-59	93.558	5,826
Math and Science	28-04-MP-59	84.366B	5,035
School Tech Grant	0446-59	84.318X	180,468
Reading First	28-03-RF-59	84.357A	224,298
Starting Points	435-59	93.558	27,948
Adult Education - State-Administered Program	0344-59	84.002A	68,193
No Child Left Behind - Title I	03-T1-59	84.010A	1,620,081
Handicapped State Grants - IDEA Part B	03-B1-59	84.027A	655,465
Vocational Education - Basic Grants to States	0302-59, 0202-59C	84.048	79,725
Individuals with Disabilities Education Act - Preschool	03-P1-59	84.173A	51,496
Title IV Drug-Free Schools and Communities	03-70-59	84.186A	60,597
Louisiana Learn	2801-L1-24C	84.276A	78
Title V - Innovative Education Program Strategies	03-80-59	84.298A	30,854
EETT	0349-59, 0348-59, 0346-59	84.318X	98,736
Comprehensive School Reform Program	02T659C	84.332A	150,665
LA4	059-043	93.558	927,367
School Renovation Emergency School Repairs	03-SG-59	84.352A	1,583,778
Rural Education Achievement Program	03-RE-59	84.358	109,752
Title II - Dwight D. Eisenhower Professional Development Program	03-50-59	84.367A	391,972
America Reads Grant	0308-59	94.006	1,866
Total United States Department of Education			6,332,153
Total Federal Award Expenditures			\$ 8,591,303

See accompanying independent auditor's report.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Notes to Schedule of Expenditures of Federal Awards

June 30, 2004

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of the Washington Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2004. All federal awards received directly from federal agencies are included on the schedule, as well as federal awards passed-through other government agencies.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements for the year ended June 30, 2004.

3. Relationship to Financial Statements

Federal revenues are reported in the School Board's financial statements as follows:

General Fund – Grants		\$	<u>29,800</u>
Title I			<u>1,620,081</u>
School Lunch			
Grants			2,031,039
Commodities			<u>138,251</u>
			<u>2,169,290</u>
Non-Major Funds			
Grants			4,772,049
Commodities			<u>83</u>
			<u>4,772,132</u>
		\$	<u><u>8,591,303</u></u>

Total commodities for the year ended June 30, 2004, were \$138,334.

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2004.

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2004

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: unqualified opinion
- (b) Reportable conditions in internal control were disclosed by the audit of the Financial Statements: none reported Material weaknesses: none
- (c) Noncompliance which is material to the financial statements: none
- (d) Reportable conditions in internal control over major programs: none reported Material weaknesses: none
- (e) The type of report issued on compliance for major programs: unqualified opinion
- (f) Any audit findings which are required to be reported under Section. 510(a) of OMB Circular A-133: no
- (g) Major programs:

United States Department of Education:

Passed through Louisiana Department of Education	
School Renovation Emergency School Repairs	84.352A
Handicapped State Grants - IDEA Part B ¹	84.027A
Individuals with Disabilities Education Act (IDEA) - Preschool Program ¹	84.173A
Pre GED Skill Option Program	93.558
Strategies to Empower People	93.558
Starting Points	93.558
LA4	93.558

- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
- (i) Auditee qualified as a low-risk auditee under Section.530 of OMB Circular A-133: yes
- (2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*: none
- (3) Findings and Questioned Costs relating to Federal Awards:

WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana

Schedule of Current Year Findings

Year ended June 30, 2004

Item 2004.1

Federal program and specific federal award identification:

CFDA Title: School Renovation Emergency School Repairs and TANF

CFDA Number: 84.352A and 93.558

Federal award number: None

Criteria: As required by the Davis-Bacon Act and DOL regulations (29 CFR sections 5.5, 5.6 and 5.16), the contractor should submit weekly, for each week in which any contract work is performed, a copy of the payroll and statement of compliance (certified payrolls) and should pay prevailing wages except in apprenticeship situations.

Condition: Documentation confirming compliance with these provisions for all contract employees selected was not available for the School Renovation Emergency School Repairs grant; for the TANF grant, LA4, 5 out of 9 laborers were not paid the prevailing wage.

Context: Expenditures incurred were not in accordance with grant regulations.

Questioned Costs: Questioned costs, if any, could not be determined.

Effect: The contractor violated the requirements of the Davis-Bacon Act and DOL regulations.

Cause: The grant program supervisors did not document compliance with Davis-Bacon requirements.

Recommendation: The grant program supervisors should comply with these provisions.

Response: This is a repeat finding. No corrective actions could be taken by management since contract was let in prior year. Procedures have been developed whereby Davis-Bacon will be monitored on all future contracts with federal grants.

**WASHINGTON PARISH SCHOOL BOARD
Franklinton, Louisiana**

Schedule of Prior Audit Findings

Year ended June 30, 2003

Item 2003.1

Federal program and specific federal award identification:

CFDA Title I: Improving America's School Act (IASA), Title II - Dwight D. Eisenhower

Professional Development Program and TANF

CFDA Numbers: 84.010, 84.367A and 93.558

Federal award number: None

Criteria: OMB Circular A-87, item h, subpart 4, requires that employees working on a sole single Federal award, support by periodic certifications that the employees worked solely on that program for the period covered by periodic certifications. These certifications should be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. For employees working on multiple activities or cost objectives, a distribution of their salaries or wages should be supported by personnel activity reports or equivalent documentation which meets the standards defined in the Circular; at a minimum, the reports should be made at least monthly.

Condition: No certifications were provided for the Title I, Title II and TANF programs.

Questioned Costs: Questioned costs, if any, cannot be determined.

Context: No certifications in the Title I, Title II and TANF programs were completed.

Effect: No certifications in the Title I, Title II and TANF programs were completed.

Cause: The Program Directors had knowledge of the requirements but the certifications were not required to be completed.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87.

Status: Certifications have been substantially completed. Corrective actions have occurred. Reallocation of salaries has occurred as appropriate.

Contact Person: Mr. Dennie Fowler, Superintendent

Telephone #: 1-985-839-3436

Item 2003.2

Federal program and specific federal award identification:

CFDA Title I: Improving America's School Act (IASA) and Title II - Dwight D. Eisenhower
Professional Development Program
CFDA Numbers: 84.010 and 84.367A
Federal award number: None

Criteria: Only actual costs incurred can be charged to a program (OMB Circular A-87 and the OMB Compliance Supplement).

Condition: The Program Director for Title I also administers two other Federal programs yet his salary is charged only to Title I.

Context: The full Director's salary and benefits of approximately \$60,000, is charged to the program.

Questioned Costs: Questioned costs cannot be determined as time allocation records are not available.

Effect: Title I may be overcharged for the Program Director's salary and benefits.

Cause: Salary costs are not certified as noted in Item 2003-1; salary costs should be certified by all Title I employees and charged to the appropriate programs.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87 and the OMB Compliance Supplement.

Status: See response to Finding 2003-1.

Contact Person: Mr. Dennie Fowler, Superintendent
Telephone #: 1-985-839-3436

Item 2003.3

Federal program and specific federal award identification:

CFDA Title: School Renovation Emergency School Repairs and TANF
CFDA Number: 84.352A and 93.558
Federal award number: None

Criteria: As required by the Davis-Bacon Act and DOL regulations (29 CFR sections 5.5, 5.6 and 5.16), the contractor should submit weekly, for each week in which any contract work is performed, a copy of the payroll and statement of compliance (certified payrolls) and should pay prevailing wages except in apprenticeship situations.

Condition: Documentation confirming compliance with these provisions for all contract employees selected was not available for the School Renovation Emergency School Repairs grant; for the TANF grant, LA4, 5 out of 9 laborers were not paid the prevailing wage.

Context: Expenditures incurred were not in accordance with grant regulations.

Questioned Costs: Questioned costs, if any, could not be determined.

Effect: The contractor violated the requirements of the Davis-Bacon Act and DOL regulations.

Cause: The grant program supervisors did not document compliance with Davis-Bacon requirements.

Recommendation: The grant program supervisors should comply with these provisions.

Status: Procedures have been developed where by Davis-Bacon is monitored on all future contracts with federal grants.

Contact Person: Mr. Dennie Fowler, Superintendent

Telephone #: 1-985-839-3436

Federal program and specific federal award identification:

CFDA Title: Improving America's School Act (IASA)

CFDA Number: 84.010

Federal award number: None

Criteria: OMB Circular A-87, item h, subpart 4, requires that employees working on a sole single Federal award, support by periodic certifications that the employees worked solely on that program for the period covered by periodic certifications. These certifications should be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. For employees working on multiple activities or cost objectives, a distribution of their salaries or wages should be supported by personnel activity reports or equivalent documentation which meets the standards defined in the Circular; at a minimum, the reports should be made at least monthly.

Condition: No certifications were provided for the Title I program.

Questioned Costs: Questioned costs, if any, cannot be determined.

Context: No certifications in the Title I program were completed.

Effect: No certifications in the Title I program were completed.

Cause: The Program Director had knowledge of the requirements but the certifications were not required to be completed.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87.

Management's response: In reference to the recommendation for the IASA, Title I Program Director to comply with the provisions of OMB Circular A-87 the response is as follows: See Federal Register, vol. 6, no. 95 as found in Title I, Part A, Policy Guidance #11 (6)(h)(6). In summary, since all twelve schools in Washington Parish are schoolwide, any random moment sample would be conclusive that Title I (IASA) personnel make a significant majority effort of over 99% to the Title I (IASA) program. Furthermore, since the LEA Consolidated Application for Federal Programs is inclusive of more than 2 strictly IASA funds as required by both state and federal agencies, the fact that all grant awards serve IASA students, falls under the provision of the Common Rule. Additionally, all grant awards in the Consolidated Program are within IASA (Improving America's Schools Act of 1994).

Status: See response to 2003.1

WASHINGTON PARISH SCHOOL BOARD
PERFORMANCE AND STATISTICAL DATA
FOR THE YEAR ENDED JUNE 30, 2004



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
Washington Parish School Board
Franklinton, 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 Washington Parish School Board (the School Board) and the Legislature 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) Bulletin as related to the limited procedures performed herein. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. 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)

1A. 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, and
- Total General Fund Equipment Expenditures.

We noted no exceptions.

1B. 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 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.

We noted no exceptions.

Education Levels of Public School Staff (Schedule 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 1st.

We noted the following differences:

Category	Certificated as Reported by the School Board	Reconciled Amount per P&N	Uncertificated as Reported by the School Board	Amount per P&N
Less than a Bachelor's Degree	0	0	0	0
Bachelor's Degree	236	238	29	26
Master's Degree	59	58	0	1
Master's Degree + 30	34	35	0	0
Specialist in Education	3	3	0	0
Ph.D. or Ed.D.	0	0	0	0
Total	332	334	29	27

- 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 to the combined total of principals and assistant principals per this schedule.

We noted the following differences:

Category	Certificated as Reported by the School Board	Reconciled Amount per P&N	Uncertificated as Reported by the School Board	Amount per P&N
Less than a Bachelor's Degree	0	0	0	0
Bachelor's Degree	0	0	0	0
Master's Degree	1	2	0	0
Master's Degree + 30	13	12	0	0
Specialist in Education	1	1	0	0
Ph.D. or Ed.D.	0	0	0	0
Total	15	15	0	0

- We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st 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.

We noted no exceptions.

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 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

We noted no exceptions.

Experience of Public School 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 1 and as 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.

We noted no exceptions.

Public School 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.

We noted no exceptions.

8. We recalculated the average salaries and full-time equivalents reported in the schedule. P&N noted the following exception:

P&N noted that two employees were missing from the list of teachers, therefore the average salaries included on Schedule 5 are incorrect. The exceptions are listed below:

	All Classroom Teachers per Schedule	All Classroom Teachers per P&N	Classroom Teachers Excluding ROTC and Rehired Retirees per Schedule	Classroom Teachers Excluding ROTC and Rehired Retirees per P&N
Average Salary Including Extra Compensation	33,993.00	34,047.00	33,869.00	33,971.00
Average Salary Excluding Extra Compensation	33,220.00	33,517.00	33,112.00	33,434.00
Number of Teacher Full-time Equivalents (FTE's) used in Computation of Average Salaries	361	361	355	357

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 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

We noted that seven out of the ten classes tested had discrepancies. In all but two cases, the number of students was understated on the annual school report. The total number of discrepancies resulted in an understatement of two students.

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 Washington Parish School Board.

We noted no exceptions.

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 Washington Parish School Board.

We noted no exceptions.

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 Washington Parish School Board.

We noted no exceptions.

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 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 Legislative Auditor as a public document.

Postlethwaite & Nettewill

December 21, 2004

**WASHINGTON PARISH SCHOOL BOARD
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
JULY 1, 2003 - JUNE 30, 2004**

SCHEDULE 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 11,477,106	
Other Instructional Staff Activities	1,783,598	
Employee Benefits	4,584,641	
Purchased Professional and Technical Services	43,556	
Instructional Materials and Supplies	884,055	
Instructional Equipment	138,746	
Total Teacher and Student Interaction Activities	\$ 18,911,701	

Other Instructional Activities 56,494

18,968,195

Pupil Support Activities	1,206,919	
Less: Equipment for Pupil Support Activities	-	
Net Support Activities	1,206,919	1,206,919

Instructional Staff Services	1,075,844	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	1,075,844	1,075,844

Total General Fund Instructional Expenditures \$ 21,250,958

Total General Fund Equipment Expenditures \$ 138,746

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	179,741	
Renewable Ad Valorem Taxes	692,762	
Debt Service Ad Valorem Taxes	-	
Up to 1% of Collections by the Sheriff on Taxes	78,463	
Sales and Uses Taxes	3,431,518	
Total Local Taxation Revenue	4,382,483	

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Taxes	29,112	
Revenue Sharing - Other Taxes	112,204	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes	141,316	

Non Public Textbook Revenue -

Non Public Transportation Revenue -

**Schedule 2: Education Levels of Public School Staff
As of October 1, 2003**

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	236		29		0		0	
Master's Degree	59		0		1		0	
Master's Degree +30	34		0		13		0	
Specialist in Education	3		0		1		0	
Ph. D. or Ed. D.	0		0		0		0	
Total	332		29		15		0	

Prepared by the Washington Parish School Board

**Schedule 3: Number and Type of Public Schools
For the Year Ended June 30, 2004**

Type	Number
Elementary	6
Middle / Junior High	2
Secondary	2
Combination	2
Total	12

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

**Schedule 4: 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							3	3
Principals			1		1	2	8	12
Classroom Teachers	54	24	87	40	33	27	96	361
TOTAL	54	24	88	40	34	29	107	376

Prepared by the Washington Parish School Board

Schedule 5: 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	33,993.00	33,869.00
Average Classroom Teachers Salary Excluding Extra Compensation	33,220.00	33,112.00
Number of Teacher Full-time Equivalents (FTE's) used in Computation of Average Salaries	361	355

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

**Schedule 6: 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	56.20	167		42.40	126		1.40	4		0.00	0	
Elementary Activity Classes	35.60	21		55.90	33		5.10	3		3.40	2	
Middle/Junior High	43.00	67		50.60	79		6.40	10		0.00	0	
Middle/Junior High Activity Class	25.00	6		33.30	8		8.30	2		33.30	8	
High	70.60	218		24.30	75		5.20	16		0.00	0	
High Activity Classes	69.20	27		7.70	3		10.30	4		12.80	5	
Combination	74.70	189		23.70	60		1.60	4		0.00	0	
Combination Activity Classes	44.40	16		5.60	2		16.70	6		33.30	12	

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.

Prepared by the Washington Parish School Board

**Schedule 7: Louisiana Educational Assessment Program (LEAP 21) for the 21st Century
For the Years Ended June 30, 2002-2004**

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	5	1	1	0	3	1	5	1	5	1	0	0
Mastery	52	14	39	11	54	14	29	8	44	12	33	9
Basic	144	40	153	43	165	44	141	39	142	40	176	47
Approaching Basic	97	27	106	30	105	28	95	26	100	28	99	26
Unsatisfactory	62	17	57	16	52	14	90	25	65	18	70	19
Total	360		356		379		360		356		378	

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 4												
Advanced	2	1	11	3	6	2	4	1	4	1	2	1
Mastery	28	8	27	8	41	11	33	9	26	7	26	7
Basic	163	45	153	43	195	52	163	45	182	51	202	53
Approaching Basic	125	35	139	39	102	27	99	28	102	29	108	29
Unsatisfactory	42	12	26	7	34	9	61	17	42	12	40	11
Total	360		356		378		360		356		378	

NOTE: Spring 2002, 2003 and 2004 LEAP 21 test data was used to prepare this schedule.

Prepared by the Washington Parish School Board

**Schedule 7: Louisiana Educational Assessment Program (LEAP 21) for the 21st Century
For the Years Ended June 30, 2002-2004**

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 8												
Advanced	3	1	2	1	2	1	11	3	2	1	1	0
Mastery/Proficient	31	9	52	15	32	10	24	7	7	2	3	1
Basic	146	43	137	40	128	39	192	53	175	48	136	39
Approaching Basic	107	32	122	36	131	40	62	17	110	30	112	32
Unsatisfactory	51	15	29	8	32	10	70	19	72	20	94	27
Total	338		342		325		359		366		346	

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	3	1	1	0	1	0	7	2	0	0	1	0
Mastery/Proficient	44	13	44	13	37	12	48	14	14	4	22	7
Basic	113	34	136	40	114	36	137	41	158	47	143	45
Approaching Basic	116	35	121	36	113	36	86	26	106	31	88	28
Unsatisfactory	60	18	37	11	53	17	58	17	61	18	64	20
Total	336		339		318		336		339		318	

NOTE: Spring 2002, 2003 and 2004 LEAP 21 test data was used to prepare this schedule.

Prepared by the Washington Parish School Board

**Schedule 8: The Graduation Exit Exam for the 21st Century (GEE21)
For the Years Ended June 30, 2002-2004**

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	3	1	0	0	2	1	12	4	15	4	9	2
Mastery	39	14	25	8	35	10	33	12	43	13	31	8
Basic	109	39	126	40	106	31	110	39	137	41	130	34
Approaching Basic	72	26	86	27	102	30	42	15	46	14	63	17
Unsatisfactory	58	21	76	24	99	29	84	30	93	28	144	38
Total	281		313		344		281		334		377	

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	4	2	1	0	6	2	1	0	4	2	0	0
Mastery	23	9	25	10	27	9	26	10	23	9	26	8
Basic	105	42	95	37	113	36	141	56	128	49	152	49
Approaching Basic	75	30	67	26	78	25	53	21	53	20	61	20
Unsatisfactory	45	18	72	28	87	28	31	12	52	20	72	23
Total	252		260		311		252		260		311	

NOTE: Spring 2002, 2003 and 2004 GEE 21 test data was used to prepare this schedule.

Prepared by the Washington Parish School Board

**Schedule 9: The Iowa Tests
For the Years Ended June 30, 2002-2004**

	Composite		
	2004	2003	2002
Test of Basic Skills (TBS)			
Grade 3	50	45	37
Grade 5	51	54	46
Grade 6	43	42	44
Grade 7	49	44	45
Test of Educational Development (ITED)			
Grade 9	41	43	46

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.

Prepared by the Washington Parish School Board