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**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana

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

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-16-05

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana

Annual Financial Report  
For the Year Ended June 30, 2004

**CONTENTS (Continued)**

	<b>Statement</b>	<b>Page</b>
Independent Auditors' Report		1
Management's Discussion and Analysis		3
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	8
Statement of Activities	B	9
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)	E	12
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	14
Statement of Fiduciary Net Assets	G	15
Notes to the Financial Statements		16

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana

Annual Financial Report  
For the Year Ended June 30, 2004

**CONTENTS (Concluded)**

	<b>Schedule</b>	<b>Page</b>
Required Supplementary Information Budgetary Comparison Schedules:		
General Fund	1	28
Special Revenue Fund – Child Nutrition Program	2	30
Supplemental Information Schedules: Nonmajor Governmental Funds:		
Combining Balance Sheet	3	31
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	4	33
Nonmajor Special Revenue Funds - Budgetary Comparison Schedules:		
Title I	5	34
Other Federal Programs	6	35
State Programs	7	36
Local Programs	8	37
Schedule of Compensation Paid Board Members	9	38



**Member**

American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Michael B. Bruno, CPA  
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Paul K. Andoh, Sr., CPA

**INDEPENDENT AUDITORS' REPORT**

To the Members of the  
**St. Helena Parish School Board**  
Greensburg, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **St. Helena 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 management of the **School Board**. 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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the **School Board**, as of June 30, 2004, and the respective changes in financial position, thereof 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 December 14, 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 audit. Also, that report identified reportable conditions which are considered to be material weaknesses.

The management's discussion and analysis on pages 3 to 7 and budgetary comparison on pages 28 to 30 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. 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 on it.

**INDEPENDENT AUDITORS' REPORT  
(CONTINUED)**

To the Members of the  
**St. Helena Parish School Board**  
Greensburg, Louisiana  
Page 2

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the **School Board's** basic financial statements. The combining nonmajor fund financial statements, nonmajor special revenue funds budgetary comparison schedules and the schedule of compensation paid to board members are presented for purposes of additional analysis and are not a required part of the basic financial statements of the **School Board**. The nonmajor special revenue funds – governmental funds budgetary comparison schedule and the schedule of compensation paid to board members have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 14, 2004

**ST. HELENA PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2004**

As management of the St. Helena Parish School Board (School Board) we offer readers of the School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2004. The emphasis of discussions about these statements will be on current year data.

**Financial Highlights**

- The School Board's expenditures exceeded its revenues in the General Fund by \$186,824, which resulted in the School Board reporting a deficit of \$137,156 at June 30, 2004. This occurred mainly because of various unanticipated expenditures during the fiscal year.
- The fund balance of the combined governmental funds decreased by \$177,498 during the year ended June 30, 2004.
- The St. Helena Parish School Board total debt increased by \$274,356 (30%) during the current fiscal year. The key factor in this increase was the issuance of \$435,000 in certificates of indebtedness.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School Board's basic financial statements. The School Board's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**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 a 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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 8 and 9 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over 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 are categorized as governmental funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported 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 financing requirements.

**ST. HELENA PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2004**

Because 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School Board maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund - child nutrition program, and the capital projects fund, all of which are considered to be major funds. Data from the other governmental funds, mainly numerous funds within the special revenue fund and the debt service fund are combined into a single, aggregated presentation.

The School Board adopts an annual budget for its general fund and special revenue funds. Budgetary comparison statements have been provided for the general fund and special revenue fund - child nutrition program to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 10 - 15 of this report.

**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. The notes to the financial statements can be found on pages 16 - 27 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the School Board's budgetary comparison schedules for its major governmental funds. The required supplementary information can be found on pages 28 - 38 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School Board, assets exceeded liabilities by \$2,043,442 at the close of the 2004 fiscal year.

**ST. HELENA PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2004**

The following is a summary of the School Board's net assets at June 30, 2004 and 2003:

	<b>2004</b>	<b>2003</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 61,433	\$ 982,867
Receivables	1,156,755	816,372
Inventory	10,754	16,256
Prepaid expenses	25,437	-
Capital assets (net of accumulated depreciation):		
Land	109,259	109,259
Buildings	2,278,768	1,816,236
Furniture and equipment	445,083	407,444
<b>TOTAL ASSETS</b>	<b>4,087,489</b>	<b>4,148,434</b>
<b>LIABILITIES</b>		
Accounts, salaries, and other payables	535,527	905,997
Deferred revenue	-	4,283
Long-term liabilities:		
Due within one year	253,599	199,865
Due in more than one year	1,254,921	1,085,108
<b>TOTAL LIABILITIES</b>	<b>2,044,047</b>	<b>2,195,253</b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	2,833,110	2,332,939
Restricted for:		
Debt service	15,151	16,905
Other purposes	840,857	855,944
Unrestricted	(1,645,676)	(1,252,607)
<b>TOTAL NET ASSETS</b>	<b>\$ 2,043,442</b>	<b>\$ 1,953,181</b>

By far the largest portion of the School Board's net assets reflects its investment in capital assets (e.g., land, buildings, furniture, and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the School Board's net assets represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the School Board is able to report positive balances in two of the three categories of net assets.



**ST. HELENA PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2004**

The following is a summary of the School Board's changes in net assets at June 30, 2004 and 2003:

<b>ST. HELENA PARISH SCHOOL BOARD Changes in Net Assets</b>	<u>2004</u>	<u>2003</u>
Revenues:		
Charges for services	\$ 25,443	\$ 23,532
Operating grants and contributions	2,775,026	2,114,617
General revenues:		
Ad Valorem taxes	572,710	637,920
Sales and use taxes	1,067,659	896,562
Minimum Foundation Program	6,399,376	6,049,088
Others	184,140	385,390
Total revenues	<u>11,024,354</u>	<u>10,107,109</u>
Expenses:		
Instruction:		
Regular programs	2,478,556	2,652,986
Special programs	1,281,291	1,078,749
Vocational programs	241,775	277,511
All other programs	1,550,019	1,061,697
Support services:		
Student services	341,469	399,053
Instructional staff support	699,365	541,426
General administration	397,607	404,082
School administration	635,436	520,957
Business services	320,834	223,290
Plant services	823,116	625,249
Student transportation services	939,640	979,302
Central services	86,830	72,185
Food services	750,357	734,227
Community service programs	1,800	2,350
Facility acquisition and construction	126,812	-
Debt service:		
Interest on long-term debt	37,599	56,895
Legal services	601	-
Depreciation - unallocated	212,121	-
Total expenses	<u>10,925,228</u>	<u>9,629,959</u>
Increase in net asset	99,126	477,150
Net assets, beginning of year, as restated	<u>1,944,316</u>	<u>1,467,166</u>
Net assets, end of year	<u>\$ 2,043,442</u>	<u>\$ 1,944,316</u>

**ST. HELENA PARISH SCHOOL BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2004**

**Capital Asset and Debt Administration**

**Capital assets.** The School Board's investment in capital assets for its governmental activities as of June 30, 2004, amounts to \$2,833,110 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and furniture and fixtures. The total increase in the School Board's investment in capital assets for the current fiscal year was \$500,171 or 24.5 percent for the governmental activities. The increase is mainly attributable to renovation projects and facility improvements undertaken as part of a performance-based energy efficiency contract funded with the proceeds of the \$435,000 Certificates of Indebtedness, Series 2003.

**ST. HELENA PARISH SCHOOL BOARD'S  
Capital Assets (Net of accumulated depreciation)**

Land	\$ 109,259
Buildings and improvements	2,278,768
Furniture and equipment	<u>445,083</u>
Total	<u>\$ 2,833,110</u>

Additional information on the School Board's capital assets can be found in note 7 on page 23 of this report.

**Long-term debt.** At the end of the current fiscal year, the School Board had total debt outstanding of \$1,194,958, all of which is backed by the full faith and credit of the St. Helena Parish School Board. This represents an increase of \$274,356 (30%) during the current fiscal year. The key factor in this increase was the issuance of \$435,000 in certificates of indebtedness.

**Request for Information**

This financial report is designed to provide a general overview of the St. Helena Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Amy Holland, Business Manager, St. Helena Parish School Board, Post Office Box 540, Greensburg, Louisiana 70441.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**Statement of Net Assets**  
**June 30, 2004**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 61,433
Receivables	1,156,755
Inventory	10,754
Prepaid expenses	25,437
Capital assets (net of accumulated depreciation):	
Land	109,259
Buildings	2,278,768
Furniture and equipment	<u>445,083</u>
<b>TOTAL ASSETS</b>	<u>4,087,489</u>
<b>LIABILITIES</b>	
Accounts, salaries, and other payables	535,527
Long-term liabilities:	
Due within one year	253,599
Due in more than one year	<u>1,254,921</u>
<b>TOTAL LIABILITIES</b>	<u>2,044,047</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	2,833,110
Restricted for:	
Debt service	15,151
Other purposes	840,857
Unrestricted	<u>(1,645,676)</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 2,043,442</u>

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

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**Statement of Activities**  
**For the Year Ended June 30, 2004**

	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
	Expenses	Charges for Services	
<b>FUNCTIONS/PROGRAMS</b>			
Governmental activities:			
Instruction:			
Regular programs	\$ 2,478,556	\$ -	\$ 1,300
Special programs	1,281,291	-	217,375
Vocational programs	241,775	-	22,918
All other programs	1,550,019	-	1,279,715
Support services:			
Student services	341,469	-	38,693
Instructional staff support	699,365	-	312,390
General administration	397,607	-	-
School administration	635,436	-	7,359
Business services	320,834	-	4,577
Plant services	823,116	-	114,045
Student transportation services	939,640	-	15,066
Central services	86,830	-	63,883
Food services	750,357	25,443	660,005
Community service programs	1,800	-	-
Facility acquisition and construction	126,812	-	37,700
Debt service:			
Interest on long-term debt	37,599	-	-
Legal services	601	-	-
Depreciation - unallocated	212,121	-	-
<i>Total Governmental Activities</i>	<u>\$ 10,925,228</u>	<u>\$ 25,443</u>	<u>\$ 2,775,026</u>
General Revenues:			
Taxes:			
Property taxes			572,710
Sales and use taxes			1,067,659
State revenue sharing			34,676
Grants and contributions not restricted to specific purposes:			
Minimum Foundation Program			6,399,376
Interest and investment earnings			6,477
Miscellaneous			142,987
Total general revenues			<u>8,223,885</u>
Change in Net Assets			99,126
Net Assets - July 1, 2003, as restated (Note 12)			<u>1,944,316</u>
Net Assets - June 30, 2004			<u>\$ 2,043,442</u>

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

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**GOVERNMENTAL FUNDS**  
**Balance Sheet**  
**June 30, 2004**

	General Fund	Special Revenue Fund	Capital Projects Fund	Other Governmental Funds	Total
		Child Nutrition Program			
<b>ASSETS</b>					
Cash and cash equivalents	\$ 67,495	\$ 285,647	\$ 400,344	\$ (692,053)	\$ 61,433
Receivables	172,764	-	43,357	940,634	1,156,755
Interfund receivables	6,750	20,841	-	-	27,591
Prepaid expenses	25,437	-	-	-	25,437
Inventory	-	10,754	-	-	10,754
<b>TOTAL ASSETS</b>	<b>\$ 272,446</b>	<b>\$ 317,242</b>	<b>\$ 443,701</b>	<b>\$ 248,581</b>	<b>\$ 1,281,970</b>
<b>LIABILITIES AND FUND BALANCES (Deficit)</b>					
Liabilities:					
Accounts, salaries, and other payables	\$ 409,602	\$ 23,230	\$ 8,672	\$ 94,023	\$ 535,527
Interfund payables	-	-	-	27,591	27,591
<b>TOTAL LIABILITIES</b>	<b>409,602</b>	<b>23,230</b>	<b>8,672</b>	<b>121,614</b>	<b>563,118</b>
Fund balances:					
Reserved for:					
Debt service	-	-	-	15,151	15,151
Inventory	-	10,754	-	-	10,754
Unreserved:					
Designated for:					
General Fund	(137,156)	-	-	-	(137,156)
Special Revenue Fund	-	283,258	-	111,816	395,074
Capital Projects Fund	-	-	435,029	-	435,029
<b>TOTAL FUND BALANCES (Deficit)</b>	<b>(137,156)</b>	<b>294,012</b>	<b>435,029</b>	<b>126,967</b>	<b>718,852</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 272,446</b>	<b>\$ 317,242</b>	<b>\$ 443,701</b>	<b>\$ 248,581</b>	<b>\$ 1,281,970</b>

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

ST. HELENA PARISH SCHOOL BOARD  
Greensburg, Louisiana  
Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2004

<b>Total Fund Balances at June 30, 2004 - Governmental Funds</b>		<b>\$ 718,852</b>
Cost of capital assets at June 30, 2004	\$ 7,034,894	
Less: Accumulated depreciation as of June 30, 2004:		
Buildings	(2,724,083)	
Movable property	<u>(1,477,701)</u>	2,833,110
Elimination of interfund assets and liabilities:		
Due from other funds	(27,591)	
Due to other funds	<u>27,591</u>	-
Long-term liabilities at June 30, 2004:		
Compensated absences payable	(251,293)	
Claims and judgments	(62,269)	
Certificates of Indebtedness payable	(1,145,000)	
Environmental Protection Agency loan payable	<u>(49,958)</u>	<u>(1,508,520)</u>
<b>Net Assets at June 30, 2004 - Governmental Activities</b>		<b><u><u>\$ 2,043,442</u></u></b>

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

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**GOVERNMENTAL FUNDS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2004**

	Special Revenue Fund		Capital Projects Fund	Other Governmental Funds	Total
	General Fund	Child Nutrition Program			
<b>REVENUES</b>					
Local sources:					
Taxes:					
Ad valorem	\$ 421,686	\$ -	\$ 151,024	\$ -	\$ 572,710
Sales and use	-	-	266,908	800,751	1,067,659
Interest earnings	3,860	209	1,236	1,172	6,477
Charges for services	-	25,443	-	-	25,443
Other	12,998	1,838	-	1,550	16,386
State sources:					
Minimum Foundation Program	6,399,376	-	-	-	6,399,376
Revenue sharing	34,676	-	-	-	34,676
Restricted grants-in-aid	52,145	-	-	533,196	585,341
Federal grants	-	604,682	-	1,711,604	2,316,286
<b>Total revenues</b>	<b>6,924,741</b>	<b>632,172</b>	<b>419,168</b>	<b>3,048,273</b>	<b>11,024,354</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	2,457,227	-	-	230,950	2,688,177
Special programs	951,361	-	-	335,968	1,287,329
Vocational programs	202,147	-	-	39,628	241,775
All other programs	183,133	-	-	1,366,885	1,550,018
Support services:					
Pupil support services	286,841	-	-	54,627	341,468
Instructional staff support	351,658	-	-	351,733	703,391
General administration	349,023	-	25,880	35,965	410,868
School administration	590,941	-	-	44,495	635,436
Business services	302,906	-	-	25,211	328,117
Plant services	605,129	-	59,440	159,837	824,406
Student transportation services	810,769	-	-	128,871	939,640
Central services	20,342	-	-	66,488	86,830
School food services	11,499	640,994	-	97,864	750,357
Community service programs	1,800	-	-	-	1,800
Capital outlay	28,116	-	582,579	37,700	648,395
Debt service:					
Principal retirement	-	-	-	160,644	160,644
Legal services	-	-	601	-	601
Interest	-	-	-	37,599	37,599
<b>Total expenditures</b>	<b>7,152,892</b>	<b>640,994</b>	<b>668,500</b>	<b>3,174,465</b>	<b>11,636,851</b>

(Continued)

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

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**GOVERNMENTAL FUNDS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)**  
**For the Year Ended June 30, 2004**

	General Fund	Special Revenue Fund Child Nutrition Program	Capital Projects Fund	Other Governmental Funds	Total
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	\$ (228,151)	\$ (8,822)	\$ (249,332)	\$ (126,192)	\$ (612,497)
<b>OTHER FINANCING SOURCES (Uses):</b>					
<i>Proceeds of certificates of indebtedness</i>	-	-	435,000	-	435,000
Operating transfers in	77,744	20,841	-	196,489	295,074
Operating transfers out	(36,417)	-	(180,913)	(77,745)	(295,075)
Total other financing sources (uses)	41,327	20,841	254,087	118,744	434,999
<b>NET CHANGES IN FUND BALANCES (Deficit)</b>	(186,824)	12,019	4,755	(7,448)	(177,498)
<b>FUND BALANCES - JULY 1, 2003, as restated (NOTE12)</b>	49,668	281,993	430,274	134,415	896,350
<b>FUND BALANCES (Deficit) - JUNE 30, 2004</b>	<u>\$ (137,156)</u>	<u>\$ 294,012</u>	<u>\$ 435,029</u>	<u>\$ 126,967</u>	<u>\$ 718,852</u>

(Concluded)

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



**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**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**

**Net changes in fund balances - governmental funds (Statement E)** **\$ (177,498)**

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 current period:

Depreciation expense	\$ (212,121)	
Capital outlays	712,293	
Net adjustment		500,172

Certificates of indebtedness proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the long-term liabilities in the statement of net assets.

Debt issued - Certificates of Indebtedness, Series 2003	(435,000)	
Repayment:		
Certificate of Indebtedness principal	154,000	
Environmental Protection Agency loan principal	6,643	
Combined adjustment		(274,357)

In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used exceeded the amounts earned by \$50,809.

50,809

**Change in net assets of governmental activities (Statement B)** **\$ 99,126**

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

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**Statement of Fiduciary Net Assets**  
**June 30, 2004**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 513,910
<b>TOTAL ASSETS</b>	<b>\$ 513,910</b>
 <b>LIABILITIES</b>	
Accounts, salaries, and other payables	\$ 534
Payroll withholdings payable	495,223
Due to students	18,153
<b>TOTAL LIABILITIES</b>	<b>\$ 513,910</b>

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

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2004

**INTRODUCTION**

The St. Helena Parish School Board was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within St. Helena Parish. The School Board is authorized by 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 six (6) members who are elected from six (6) districts for terms of four years.

The School Board operates three (3) schools within the Parish. Student enrollment as of October 2003 was approximately 1,330. The School Board employs approximately 200 persons, approximately 130 of whom are directly involved in the instructional process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation, and food service. 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

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

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

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

**C. FUNDS**

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

Funds of the School Board are classified into two categories: governmental and fiduciary, as follows:

**Governmental Funds**

Governmental funds account for all or most of the School Board's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

**General Fund** - the primary operating fund of the School Board and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to School Board policy.

**Special Revenue Funds** - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, or designated by the School Board to be accounted for separately.

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

**Capital Projects Funds** - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The only fund accounted for in this category by the School Board is the agency fund. The School Board employs two separate agency funds, one fund accounts for the transactions of the student activity accounts maintained at the schools, and another to account for voluntary and mandatory payroll withholdings.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)**

The *Statement of Net Assets (Statement A)* and the *Statement of Activities (Statement B)* display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

**Allocation of Indirect Expenses** - The School Board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Fund Financial Statements (FFS)**

**Governmental funds** are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

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

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Sales and use tax revenues are considered "measurable" when the underlying transaction occurs and meets the availability criteria.

Interest earnings are recorded when the investments have matured and the interest is available.

Revenues from rentals, leases, and oil royalties are recorded when earned.

Substantially all other revenues are recorded when received.

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave, and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

**Other Financing Sources (Uses)**

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

**Deferred Revenues**

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

**E. BUDGETS**

The School Board adopts an annual budget for its general fund and special revenue funds. The budgets are prepared on the modified accrual basis of accounting. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Encumbered appropriations at year end that have been approved by the School Board are generally expended during the next fiscal year's operations, assuming that the underlying liability is ultimately incurred. Budgeted amounts are as originally adopted or as amended by the School Board. Legally, the School Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

Special Revenue Funds' budgets are adopted on a modified accrual basis. Grant funds are included in Special Revenue Funds, and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are reappropriated at the beginning of the following year. Unencumbered appropriations of certain nongrant-oriented Special Revenue Funds lapse at the end of the fiscal year.

**F. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. The School Board maintains three checking accounts, exclusive of the individual schools' bank accounts.

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

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

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

**H. INVENTORIES**

*Inventory of the Child Nutrition Program Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA.*

**I. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the useful lives. Useful lives vary from 5 to 20 years for equipment, 10 to 20 years for building and land improvements, and 25 to 50 years for buildings.

**J. COMPENSATED ABSENCES**

All twelve (12) month full-time employees earn from 10 to 20 days of vacation (annual) leave per year. However, only 10 days of accumulated vacation leave may be carried over at the end of the fiscal year.

All employees hired for the school year or longer shall be granted a minimum of ten (10) days of sick leave per year because of personal illness or other emergencies without loss of pay. Such leave, when not used, shall be allowed to accumulate to the credit of the employee without limitation. Upon retirement or death, the School Board shall pay the employee or his/her heirs or assigns, for any unused sick leave, not to exceed twenty-five (25) days. Such pay shall be at the daily rate of pay paid to the employee at the time of his/her retirement or death.

The entire compensated absence liability is reported on the government-wide financial statements.

**K. RESTRICTED NET ASSETS**

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

**L. FUND EQUITY**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**M. INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

**N. SALES TAXES**

The School Board is authorized to collect, within St. Helena Parish, one and one-half percent sales and use taxes that are dedicated to the payment of salaries and related benefits of all school employees. Also, the School Board is authorized to collect, within St. Helena Parish, one-half percent sales and use taxes that are dedicated to pay for capital improvements of public schools within the parish.

**O. ESTIMATES**

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

**2. DEFICIT FUND EQUITY**

The General Fund has a deficit fund balance of \$137,156 as of June 30, 2004. The School Board plans to implement staff restructuring and expenditure reduction strategies and thereby eliminate the deficit within three (3) years.

**3. LEVIED TAXES**

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
Constitutional Tax	3.38	3.38	Not Applicable
Special Tax - Maintenance and Construction	5.00	5.00	2006
Special Tax - Support and Maintenance of Buildings	9.48	9.48	2013

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



**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

**4. CASH AND CASH EQUIVALENTS**

At June 30, 2004, the School Board has cash and cash equivalents (book balances) totaling \$575,343 as follows:

Demand deposits	\$ 781,053
Interest-bearing demand deposits	<u>(205,710)</u>
Total	<u>\$ 575,343</u>

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

At June 30, 2004, the School Board has \$1,152,993 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance and \$1,987,161 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

**5. RECEIVABLES**

Accounts receivable represents amounts due from various Federal and State program and grants for reimbursement of expenditures. All amounts are expected to be collected in the subsequent period.

**6. INTERFUND RECEIVABLES/PAYABLES**

During the year ended June 30, 2004, the School Board went from individual bank accounts for each fund, to a consolidated cash account which maintains all funds except the payroll clearing account. Therefore, as result of interfund loans between funds, the School Board had individual fund interfund receivable and payables as of June 30, 2004, as follows:

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

	Interfund Receivables	Interfund Payables
General Fund	\$ 6,750	\$ -
Special Revenue Fund - Child Nutrition Program	20,841	-
	<u>27,591</u>	<u>-</u>
Other Governmental Funds:		
Special Revenue Fund:		
Title I	-	15,438
Title II	-	5,536
Title IV Safe and Drug-Free School & Communities	-	54
Title V	-	187
Special Education - IDEA	-	4,467
Special Education - Preschool	-	354
Special Revenue - Federal Grants	-	1,555
Total Other Governmental Funds	<u>-</u>	<u>27,591</u>
 Total All Funds	 <u>\$ 27,591</u>	 <u>\$ 27,591</u>

**7. CAPITAL ASSETS**

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

	Land	Buildings and Improvements	Furniture and Equipment	Total
Cost at June 30, 2003	\$ 109,259	\$ 4,481,268	\$ 1,732,074	\$ 6,322,601
Additions	-	521,583	190,710	712,293
Deletions	-	-	-	-
Cost at June 30, 2004	<u>109,259</u>	<u>5,002,851</u>	<u>1,922,784</u>	<u>7,034,894</u>
 Accumulated depreciation, June 30, 2003	-	2,665,032	1,324,631	3,989,663
Additions	-	59,051	153,070	212,121
Deductions	-	-	-	-
Accumulated depreciation, June 30, 2004	<u>-</u>	<u>2,724,083</u>	<u>1,477,701</u>	<u>4,201,784</u>
 Capital assets, net of accumulated depreciation, at June 30, 2004	 <u>\$ 109,259</u>	 <u>\$ 2,278,768</u>	 <u>\$ 445,083</u>	 <u>\$ 2,833,110</u>

**8. RETIREMENT SYSTEMS**

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers'

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

*Plan Description.* The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

*Funding Policy.* Plan members are required to contribute 8.0%, 9.1%, and 5.0% of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.8% of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2004, 2003 and 2002, were \$609,109, \$571,861, and \$607,495, 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 (225) 925-6484.

*Funding Policy.* Plan members are required to contribute 7.5% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 8.5% of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSERS for the year ended June 30, 2004 was \$47,705. The School Board was not required to make contributions to the LSERS for the years ended June 30, 2003 and 2002.

**9. POST EMPLOYMENT BENEFITS**

In accordance with state statutes, the School Board provides certain post employment health care and life insurance benefits to its retired employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through a state-operated group insurance program and various insurance companies whose monthly premiums are paid jointly by the employee and the School Board. The School

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

Board recognizes the cost of providing these benefits to retirees (School Board's portion of premiums) as an expenditure when paid during the year. For the year ended June 30, 2004, the costs of these retirees' benefits totaled \$530,764 for 103 retirees.

**10. LEASES**

The School Board had no capital or operating leases as of June 30, 2004.

**11. LONG-TERM OBLIGATIONS**

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

	Compensated Absences	Claims and Judgments	\$1,525,000 Certificates of Indebtedness	Environmental Protection Agency Loan	\$435,000 Certificates of Indebtedness	Total
Long-term obligations at July 1, 2003	\$ 302,102	\$ 62,269	\$ 864,000	\$ 56,602	\$ -	\$ 1,284,973
Additions	-	-	-	-	435,000	435,000
Deductions	50,809	-	154,000	6,644	-	211,453
Long-term obligations at June 30, 2004	<u>\$ 251,293</u>	<u>\$ 62,269</u>	<u>\$ 710,000</u>	<u>\$ 49,958</u>	<u>\$ 435,000</u>	<u>\$ 1,508,520</u>

The following is a summary of the current (due in one year or less ) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2004:

	Compensated Absences	Claims and Judgments	\$1,525,000 Certificates of Indebtedness	Environmental Protection Agency Loan	\$435,000 Certificates of Indebtedness	Total
Current	\$ 30,155	\$ -	\$ 163,000	\$ 6,644	\$ 53,800	\$ 253,599
Long-Term	221,138	62,269	547,000	43,314	381,200	1,254,921
Total	<u>\$ 251,293</u>	<u>\$ 62,269</u>	<u>\$ 710,000</u>	<u>\$ 49,958</u>	<u>\$ 435,000</u>	<u>\$ 1,508,520</u>

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

The payments due under the terms of the notes payable as of June 30<sup>th</sup> are scheduled to occur as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2005	\$ 223,444	\$ 34,949	\$ 258,393
2006	217,045	28,837	245,882
2007	228,644	22,782	251,426
2008	241,745	16,390	258,135
2009	50,244	9,621	59,865
2010 - 2012	233,836	21,342	255,178
	<u>\$ 1,194,958</u>	<u>\$ 133,921</u>	<u>\$ 1,328,879</u>

**12. PRIOR PERIOD ADJUSTMENTS**

Beginning net assets/fund balances at June 30, 2003, were restated as follows:

	<u>Net Asset Government-Wide Financial Statements</u>	<u>Fund Balances Fund Financial Statements</u>	
		<u>General Fund</u>	<u>Special Revenue Fund</u>
Net assets/Fund balance at June 30, 2003, as previously reported	\$ 1,953,181	\$ 32,366	\$ 425,670
To record prior year revenues/expenditures	(26,781)	(26,781)	-
To record prior year receivable/payables	17,916	23,182	(5,266)
Changes in fund classification, Special Revenue Fund to General Fund	-	20,901	(20,901)
Net assets/Fund balance at July 1, 2003, as restated	<u>\$ 1,944,316</u>	<u>\$ 49,668</u>	<u>\$ 399,503</u>

**ST. HELENA PARISH SCHOOL BOARD**  
Greensburg, Louisiana  
Notes to the Financial Statements (Continued)

**13. CHANGES IN AGENCY FUND  
DEPOSITS DUE TO STUDENTS**

A summary of changes in agency fund deposits due to students follows:

School	Beginning Balance July 1, 2003	Additions	Deductions	Ending Balance June 30, 2004
St. Helena Central Elementary School	\$ 6,462	\$ 38,796	\$ 39,567	\$ 5,691
St. Helena Central Middle School	1,609	25,361	23,661	3,309
St. Helena Central High School	10,855	116,451	118,153	9,153
<b>Total</b>	<b>\$ 18,926</b>	<b>\$ 180,608</b>	<b>\$ 181,381</b>	<b>\$ 18,153</b>

**14. RELATED PARTY TRANSACTIONS**

There were no related party transactions that would require disclosure in the accompanying financial statements.

**15. CONTINGENT LIABILITIES**

At June 30, 2004, the School Board is involved in seven (7) lawsuits, which are not covered by insurance. Two of these lawsuits, totaling \$62,269 have been recorded as a liability. The School Board's legal advisor is unable to determine or estimate the ultimate resolution of the remaining lawsuits.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. During the year ended June 30, 2002, the Louisiana Department of Education (LDOE) conducted compliance reviews of several grant programs. A draft report disclosing findings and questioned costs was received by the School Board subsequent to June 30, 2004. However, as of the audit report date, LDOE is awaiting responses to its findings and therefore, any liability as result of disallowed costs has not been determined.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**GENERAL FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 430,000	\$ 430,000	\$ 421,686	\$ (8,314)
Interest earnings	6,000	6,000	3,860	(2,140)
Other	37,000	37,380	12,998	(24,382)
Total local sources	<u>473,000</u>	<u>473,380</u>	<u>438,544</u>	<u>(34,836)</u>
State sources:				
Minimum Foundation Program	6,200,275	6,200,275	6,399,376	199,101
Other	91,751	91,751	86,821	(4,930)
Total state sources	<u>6,292,026</u>	<u>6,292,026</u>	<u>6,486,197</u>	<u>194,171</u>
Federal programs	94,847	-	-	-
Total revenues	<u>6,859,873</u>	<u>6,765,406</u>	<u>6,924,741</u>	<u>159,335</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	2,482,506	2,482,506	2,457,227	(25,279)
Special education programs	815,559	815,559	951,361	135,802
Vocational programs	192,419	192,419	202,147	9,728
All other programs	199,058	104,591	183,133	78,542
Support services:				
Pupil support services	288,148	288,148	286,841	(1,307)
Instructional staff services	363,552	363,552	351,658	(11,894)
General administration	348,936	348,936	349,023	87
School administration	567,883	567,883	590,941	23,058
Business services	255,545	255,545	302,906	47,361
Operation of maintenance of plant services	567,489	567,489	605,129	37,640
Student transportation services	699,124	699,124	810,769	111,645
Central services	24,200	24,200	20,342	(3,858)
Food services operations	11,289	11,289	11,499	210
Community services operations	2,150	2,150	1,800	(350)
Facilities acquisition and construction services	38,000	38,000	28,116	(9,884)
Total expenditures	<u>6,855,858</u>	<u>6,761,391</u>	<u>7,152,892</u>	<u>391,501</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>4,015</u>	<u>4,015</u>	<u>(228,151)</u>	<u>(232,166)</u>

(Continued)

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**GENERAL FUND**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>OTHER FINANCING SOURCES (Uses)</b>				
Operating transfers in	\$ 53,000	\$ 53,000	\$ 77,744	\$ 24,744
Operating transfers out	(27,485)	(27,485)	(36,417)	(8,932)
Total other financing sources	<u>25,515</u>	<u>25,515</u>	<u>41,327</u>	<u>15,812</u>
<b>NET CHANGES IN FUND BALANCE</b>	29,530	29,530	(186,824)	(216,354)
<b>FUND BALANCE - JULY 1, 2003, as restated</b>	<u>32,366</u>	<u>32,366</u>	49,668	17,302
<b>FUND BALANCE - JUNE 30, 2004</b>	<u>\$ 61,896</u>	<u>\$ 61,896</u>	<u>\$ (137,156)</u>	<u>\$ (199,052)</u>

(Concluded)

See accompanying independent auditors' report.



**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**SPECIAL REVENUE FUND - CHILD NUTRITION PROGRAM**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
<i>Local sources:</i>				
Interest earnings	\$ 700	\$ 700	\$ 209	\$ (491)
Other	23,020	23,020	27,281	4,261
Total local sources	<u>23,720</u>	<u>23,720</u>	<u>27,490</u>	<u>3,770</u>
Federal programs	705,825	705,825	604,682	(101,143)
Total revenues	<u>729,545</u>	<u>729,545</u>	<u>632,172</u>	<u>(97,373)</u>
<b>EXPENDITURES</b>				
<i>Current:</i>				
Food services operations	700,727	700,727	640,994	(59,733)
Total expenditures	<u>700,727</u>	<u>700,727</u>	<u>640,994</u>	<u>(59,733)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<u>28,818</u>	<u>28,818</u>	<u>(8,822)</u>	<u>(37,640)</u>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	20,841	20,841	20,841	-
Total other financing sources	<u>20,841</u>	<u>20,841</u>	<u>20,841</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCE</b>				
	49,659	49,659	12,019	(37,640)
<b>FUND BALANCE - JULY 1, 2003</b>				
	<u>281,994</u>	<u>281,994</u>	<u>281,993</u>	<u>(1)</u>
<b>FUND BALANCE - JUNE 30, 2004</b>				
	<u>\$ 331,653</u>	<u>\$ 331,653</u>	<u>\$ 294,012</u>	<u>\$ (37,641)</u>

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet**  
**June 30, 2004**

	<b>SPECIAL REVENUE FUNDS</b>						
	<b>Title I</b>	<b>Title II</b>	<b>Title IV</b>	<b>Title V</b>	<b>Special Education IDEA</b>	<b>Special Education Preschool</b>	<b>One-Cent Sales Tax</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ (230,541)	\$ (90,325)	\$ (2,700)	\$ (2,929)	\$ (51,287)	\$ (10,605)	\$ (32,735)
Receivables	270,871	102,652	2,754	3,116	74,587	10,959	33,900
<b>TOTAL ASSETS</b>	<b>\$ 40,330</b>	<b>\$ 12,327</b>	<b>\$ 54</b>	<b>\$ 187</b>	<b>\$ 23,300</b>	<b>\$ 354</b>	<b>\$ 1,165</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts, salaries, and other payables	\$ 22,382	\$ 6,791	\$ -	\$ -	\$ 8,941	\$ -	\$ 480
Interfund payables	15,438	5,536	54	187	4,467	354	-
<b>TOTAL LIABILITIES</b>	<b>37,820</b>	<b>12,327</b>	<b>54</b>	<b>187</b>	<b>13,408</b>	<b>354</b>	<b>480</b>
Fund balances:							
Reserved for:							
Debt service	-	-	-	-	-	-	-
Unreserved:							
Designated for:							
Special Revenue Fund	2,510	-	-	-	9,892	-	685
<b>TOTAL FUND BALANCES</b>	<b>2,510</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,892</b>	<b>-</b>	<b>685</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 40,330</b>	<b>\$ 12,327</b>	<b>\$ 54</b>	<b>\$ 187</b>	<b>\$ 23,300</b>	<b>\$ 354</b>	<b>\$ 1,165</b>

See accompanying independent auditors' report.

SPECIAL REVENUE FUNDS								
One-Half Cent Sales Tax	Adult Education (Federal)	Adult Education (State)	Other State Grants	Other Federal Grants	Summer Food Program	Other Local Grants	Debt Service Fund	Total
\$ 49,280	\$ (25,938)	\$ (1,320)	\$ (159,256)	\$ (152,025)	\$ 2,606	\$ 571	\$ 15,151	\$ (692,053)
16,950	26,158	1,320	229,539	164,173	3,655	-	-	940,634
<u>\$ 66,230</u>	<u>\$ 220</u>	<u>\$ -</u>	<u>\$ 70,283</u>	<u>\$ 12,148</u>	<u>\$ 6,261</u>	<u>\$ 571</u>	<u>\$ 15,151</u>	<u>\$ 248,581</u>
\$ 6	\$ 220	\$ -	\$ 43,447	\$ 6,519	\$ 5,237	\$ -	\$ -	\$ 94,023
-	-	-	-	1,555	-	-	-	27,591
<u>6</u>	<u>220</u>	<u>-</u>	<u>43,447</u>	<u>8,074</u>	<u>5,237</u>	<u>-</u>	<u>-</u>	<u>121,614</u>
-	-	-	-	-	-	-	15,151	15,151
66,224	-	-	26,836	4,074	1,024	\$ 571	-	111,816
66,224	-	-	26,836	4,074	1,024	571	15,151	126,967
<u>\$ 66,230</u>	<u>\$ 220</u>	<u>\$ -</u>	<u>\$ 70,283</u>	<u>\$ 12,148</u>	<u>\$ 6,261</u>	<u>\$ 571</u>	<u>\$ 15,151</u>	<u>\$ 248,581</u>

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2004**

	<b>SPECIAL REVENUE FUNDS</b>					<b>Total</b>
	<b>Title I</b>	<b>Other Federal Programs</b>	<b>State Programs</b>	<b>Local Programs</b>	<b>Debt Service Fund</b>	
<b>Revenues</b>						
Local sources:						
Sales and use taxes	\$ -	\$ -	\$ -	\$ 800,751	\$ -	\$ 800,751
Interest earnings	-	-	-	1,172	-	1,172
Other	-	-	-	1,550	-	1,550
Total local sources	-	-	-	803,473	-	803,473
State sources:						
Other	-	-	533,196	-	-	533,196
Total state sources	-	-	533,196	-	-	533,196
Federal programs	738,528	973,076	-	-	-	1,711,604
Total revenues	738,528	973,076	533,196	803,473	-	3,048,273
<b>Expenditures</b>						
Instruction:						
Regular programs	-	1,300	-	229,650	-	230,950
Special education programs	-	210,045	7,330	118,593	-	335,968
Vocational programs	-	22,918	-	16,710	-	39,628
All other programs	482,656	369,313	427,746	87,170	-	1,366,885
Support services:						
Pupil support services	-	35,884	2,808	15,935	-	54,627
Instructional staff services	162,090	105,539	43,782	40,322	-	351,733
General administration	-	-	-	35,965	-	35,965
School administration	-	-	7,360	37,136	-	44,496
Business services	4,146	431	-	20,634	-	25,211
Plant services	24,586	89,107	352	45,792	-	159,837
Student transportation services	-	1,047	14,018	113,805	-	128,870
Central services	19,016	43,690	1,177	2,605	-	66,488
Operation of non-instructional services:						
School food services	-	19,011	-	78,853	-	97,864
Facility acquisition and construction services	-	37,700	-	-	-	37,700
Debt service:						
Principal retirement	-	-	-	-	160,644	160,644
Interest	-	-	-	-	37,599	37,599
Total expenditures	692,494	935,985	504,573	843,170	198,243	3,174,465
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	46,034	37,091	28,623	(39,697)	(198,243)	(126,192)
<b>OTHER FINANCING SOURCES (Uses)</b>						
Operating transfers in	-	-	-	-	196,489	196,489
Operating transfers out	(43,524)	(32,434)	(1,787)	-	-	(77,745)
Total other financing sources (uses)	(43,524)	(32,434)	(1,787)	-	196,489	118,744
<b>NET CHANGES IN FUND BALANCES</b>	2,510	4,657	26,836	(39,697)	(1,754)	(7,448)
<b>FUND BALANCES - JULY 1, 2003, as restated</b>	-	10,333	-	107,177	16,905	134,415
<b>FUND BALANCES - JUNE 30, 2004</b>	\$ 2,510	\$ 14,990	\$ 26,836	\$ 67,480	\$ 15,151	\$ 126,967

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS - Title I**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Federal sources:				
Federal programs	\$ 697,452	\$ 981,016	\$ 738,528	\$ (242,488)
<b>EXPENDITURES</b>				
Current:				
Instruction:				
All other programs	485,848	718,957	482,656	(236,301)
Support services:				
Instructional staff services	107,284	112,284	162,090	49,806
Business services	5,000	5,000	4,146	(854)
Plant services	57,550	87,550	24,586	(62,964)
Central services	-	-	19,016	19,016
Total expenditures	655,682	923,791	692,494	(231,297)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>41,770</u>	<u>57,225</u>	<u>46,034</u>	<u>(11,191)</u>
<b>OTHER FINANCING SOURCES (Uses)</b>				
Operating transfers out	(41,770)	(57,225)	(43,524)	13,701
Total other financing sources (uses)	(41,770)	(57,225)	(43,524)	13,701
<b>NET CHANGES IN FUND BALANCE</b>	-	-	2,510	2,510
<b>FUND BALANCE - JULY 1, 2003</b>	-	-	-	-
<b>FUND BALANCE - JUNE 30, 2004</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,510</u>	<u>\$ 2,510</u>

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS - Other Federal Programs**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Federal sources:				
Federal programs	\$ 653,750	\$ 992,257	\$ 973,076	\$ (19,181)
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	-	26,218	1,300	24,918
Special education programs	207,150	248,389	210,045	38,344
Vocational programs	33,173	37,130	22,918	14,212
All other programs	247,392	363,314	369,313	(5,999)
Support services:				
Pupil support services	26,447	32,336	35,884	(3,548)
Instructional staff services	81,062	166,243	105,539	60,704
Business services	-	3,500	431	3,069
Plant services	6,300	29,600	89,107	(59,507)
Student transportation services	-	-	1,047	(1,047)
Central services	22,592	39,210	43,690	(4,480)
School food services	-	-	19,011	(19,011)
Facilities acquisition and construction services	-	-	37,700	(37,700)
Total expenditures	624,116	945,940	935,985	9,955
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	29,634	46,317	37,091	(9,226)
<b>OTHER FINANCING SOURCES (Uses)</b>				
Operating transfers out	(29,634)	(46,317)	(32,434)	13,883
Total other financing sources (uses)	(29,634)	(46,317)	(32,434)	13,883
<b>NET CHANGES IN FUND BALANCE</b>	-	-	4,657	4,657
<b>FUND BALANCE - JULY 1, 2003</b>	-	-	10,333	10,333
<b>FUND BALANCE - JUNE 30, 2004</b>	\$ -	\$ -	\$ 14,990	\$ 14,990

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS - State Programs**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
State sources:				
State programs	\$ 383,302	\$ 492,480	\$ 533,196	\$ 40,716
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	-	67,500	-	(67,500)
Special education programs	7,693	7,693	7,330	(363)
All other programs	370,044	402,603	427,746	25,143
Support services:				
Pupil support services	-	-	2,808	2,808
Instructional staff services	5,565	5,259	43,782	38,523
School administration	-	-	7,360	7,360
Plant services	-	-	352	352
Student transportation services	-	9,425	14,018	4,593
Central services	-	-	1,177	1,177
Total expenditures	383,302	492,480	504,573	12,093
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	-	-	28,623	28,623
<b>OTHER FINANCING SOURCES (Uses)</b>				
Operating transfers out	-	-	(1,787)	(1,787)
Total other financing sources (uses)	-	-	(1,787)	(1,787)
<b>NET CHANGES IN FUND BALANCE</b>	-	-	26,836	26,836
<b>FUND BALANCE - JULY 1, 2003</b>	17,502	17,502	-	-
<b>FUND BALANCE - JUNE 30, 2004</b>	\$ 17,502	\$ 17,502	\$ 26,836	\$ 26,836

See accompanying independent auditors' report.

**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS - Local Programs**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Local sources:				
Sales and use taxes	\$ 681,500	\$ 681,500	\$ 800,751	\$ 119,251
Interest earnings	-	-	1,172	1,172
Other	-	-	1,550	1,550
Total local sources	<u>681,500</u>	<u>681,500</u>	<u>803,473</u>	<u>121,973</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	186,905	186,905	229,650	42,745
Special education programs	99,576	99,576	118,593	19,017
Vocational programs	15,559	15,559	16,710	1,151
All other programs	65,346	65,346	87,170	21,824
Support services:				
Pupil support services	12,447	12,447	15,935	3,488
Instructional staff services	32,155	33,105	40,322	7,217
General administration	29,173	29,173	35,965	6,792
School administration	28,056	28,056	37,136	9,080
Business services	13,484	13,484	20,634	7,150
Plant services	42,061	42,061	45,792	3,731
Student transportation services	83,317	83,317	113,805	30,488
Central services	-	-	2,605	2,605
Food services operations	58,302	58,302	78,853	20,551
Total expenditures	<u>666,381</u>	<u>667,331</u>	<u>843,170</u>	<u>175,839</u>
<b>NET CHANGES IN FUND BALANCE</b>	15,119	14,169	(39,697)	(53,866)
<b>FUND BALANCE - JULY 1, 2003</b>	<u>107,176</u>	<u>107,176</u>	<u>107,177</u>	-
<b>FUND BALANCE - JUNE 30, 2004</b>	<u>\$ 122,295</u>	<u>\$ 121,345</u>	<u>\$ 67,480</u>	<u>\$ (53,866)</u>

See accompanying independent auditors' report.



**ST. HELENA PARISH SCHOOL BOARD**  
**Greensburg, Louisiana**  
**Schedule of Compensation Paid Board Members**  
**For the Year Ended June 30, 2004**

This 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. The compensation of 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 method of compensation. Under this method, each member of the School Board receives \$800.00 per month, and the president receives \$900 per month for performing the duties of the office.

	Amount
Baker, James E., President	10,800
Galmon, Edward A.	9,600
Jackson, Lawrence	9,600
Lee, Willie G.	9,600
Philips, Linda G.	9,600
Travis, Alton P.	9,600
Total	58,800

See accompanying independent auditors' report.

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**ST. HELENA PARISH SCHOOL BOARD**  
**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON**  
**APPLYING AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED JUNE 30, 2004**

## TABLE OF CONTENTS

	<u>PAGE</u>
AGREED-UPON PROCEDURES REPORT .....	1
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514-PERFORMANCE AND STATISTICAL DATA):	7
Schedule I - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources .....	9
Schedule II - Education Levels of Public School Staff .....	10
Schedule III - Number and Type of Public Schools .....	11
Schedule IV - Experience of Public Principals and Full-time Classroom Teachers .....	12
Schedule V - Public School Staff Data .....	13
Schedule VI - Class Size Characteristics .....	14
Schedule VII - Louisiana Educational Assessment Program (LEAP) for the 21 <sup>st</sup> Century .....	15
Schedule VIII - The Graduation Exit Exam .....	16
Schedule IX - The IOWA Tests .....	17



**Member**

American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Michael B. Bruno, CPA  
Alcide J. Tervalon, Jr., CPA  
Waldo J. Moret, Jr., CPA  
Paul K. Andoh, Sr., CPA

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES**

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To the Board of Directors  
**St. Helena Parish School Board**

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **St. Helena Parish School Board (the School Board)** and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. 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.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS**

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

***General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources (SCHEDULE I)***

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

No differences noted.

***Education Levels of Public School Staff (SCHEDULE II)***

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (SCHEDULE IV) to the combined total number of full-time classroom teachers per this schedule and to **the School Board's** supporting payroll records as of October 1, 2003.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS, CONTINUED**

***Education Levels of Public School Staff (SCHEDULE II), Continued***

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

No differences noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2003 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

No differences noted.

***Number and Type of Public Schools (SCHEDULE III)***

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.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS, CONTINUED**

***Experience of Public Principals and Full-time Classroom Teachers (SCHEDULE IV)***

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2003 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.

No differences noted.

***Public School Staff Data (SCHEDULE V)***

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.

No differences noted.

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

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS, CONTINUED**

***Class Size Characteristics (SCHEDULE VI)***

9. We obtained a list of classes by school, school type and class size as reported on the schedule. We then traced a random sample of 10 classes to the October 1, 2003 roll books for those classes and determined if the class was properly classified on the schedule.

At the elementary school, twenty-two (22) students were reported by **the School Board** for one (1) class in the 21-26 class range, however, according to the teacher's roll book for that class, twenty-three (23) students should have been reported as of October 1, 2003. The presented schedule has been corrected to reflect the proper classification.

***Louisiana Educational Assessment Program (LEAP) for  
the 21<sup>st</sup> Century (SCHEDULE VII)***

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

No differences noted.

***The Graduation Exit Exam for the 21<sup>st</sup> Century (SCHEDULE VIII)***

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

No differences noted.



**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS, CONTINUED**

**The Iowa Tests (SCHEDULE IX)**

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

No differences noted.

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.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 14, 2004

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -**  
**PERFORMANCE AND STATISTICAL DATA)**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

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**SCHEDULE I - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum, Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**SCHEDULE II - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph.D. or Ed.D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE III - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE IV - Experience of Public Principals and Full-time Classroom Teachers**

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -**  
**PERFORMANCE AND STATISTICAL DATA, CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

---

**SCHEDULE V - Public School Staff Data**

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE VI - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20; 21-26, 27-33, and 34+students. This data is currently reported to the Legislature in the Annual School Report (ASR).

**SCHEDULE VII - Louisiana Educational Assessment Program (LEAP)**

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**SCHEDULE VIII - The Graduation Exit Exam**

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**SCHEDULE IX - The IOWA Tests**

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

**St. Helena Parish School Board  
General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2004**

**General Fund Instructional and Equipment Expenditures**

## General Fund Instructional Expenditures:

## Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$2,298,244	
Other Instructional Staff Activities	261,988	
Employee Benefits	850,277	
Purchased Professional and Technical Services:	26,325	
Instructional Materials and Supplies	15,893	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$3,452,727

Other Instructional Activities -

Pupil Support Activities	\$309,569	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	\$309,569

Instructional Staff Services	\$347,896	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	\$347,896

Total General Fund Instructional Expenditures \$4,110,192

Total General Fund Equipment Expenditures \$ 37,534

**Certain Local Revenue Sources**

## Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 114,676
Renewable Ad Valorem Tax	491,273
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	31,969
Sales and Use Taxes	896,562
Total Location Taxation Revenue	\$ 1,534,480

## Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 228
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	\$ 228

## State Revenue in Lieu of Taxes:

Revenue Sharing-Constitutional Tax	\$ 34,959
Revenue Sharing-Other Taxes	-
Revenue Sharing-Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ 34,959

Nonpublic Textbook Revenue	\$ -
Nonpublic Transportation Revenue	\$ -

See accompanying independent accountants' report on applying agreed-upon procedures.

St. Helena Parish School Board  
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	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	33	56%	26	87%	0	0%	0	0%
Master's Degree	12	20%	4	13%	3	50%	0	0%
Master's Degree + 30	13	22%	0	0%	3	50%	0	0%
Specialist in Education	1	2%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>59</b>	<b>100%</b>	<b>30</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

See accompanying independent accountants' report on applying agreed-upon procedures.

**St. Helena Parish School Board  
Number and Type of Public Schools  
For the Year Ended June 30, 2004**

<u>Type</u>						<u>Number</u>
Elementary						1
Middle/Jr. High						1
Secondary						1
Combination						0
<b>Total</b>						<b><u>3</u></b>

See accompanying independent accountants' report on applying agreed-upon procedures.

**St. Helena Parish School Board**  
**Experience of Public Principals and Full-Time Classroom Teachers**  
**As of October 1, 2003**

	0-1 Yr	2-3 Yrs	4-10 Yrs	11-14 Yrs	15-19 Yrs	20-24 Yrs	25+ Yrs	Total
Assistant Principals	0	0	1	1	1	0	0	3
Principals	2	0	0	0	0	0	1	3
Classroom Teachers	7	11	26	5	10	7	23	89
<b>Total</b>	<b>9</b>	<b>11</b>	<b>27</b>	<b>6</b>	<b>11</b>	<b>7</b>	<b>24</b>	<b>95</b>

See accompanying independent accountants' report on applying agreed-upon procedures.

St. Helena Parish School Board  
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	\$28,919	\$27,821
Average Classroom Teachers' Salary Excluding Extra Compensation	\$27,725	\$27,821
	89	83

See accompanying independent accountants' report on applying agreed-upon procedures.



St. Helena Parish School Board  
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	100%	17	100%	20	50%	3	0%	0
Elementary Activity Classes	0%	0	0%	0	50%	3	0%	0
Middle/Jr High	100%	28	100%	39	79%	37	0%	0
Middle/Jr High Activity Classes	0%	0	0%	0	21%	10	0%	0
High	87%	40	92%	23	97%	36	0%	0
High Activity Classes	13%	6	8%	2	3%	1	100%	3
Combination	0%	0	0%	0	0%	0	0%	0
Combination Activity Classes	0%	0	0%	0	0%	0	0%	0

See accompanying independent accountants' report on applying agreed-upon procedures.

St. Helena Parish School Board  
Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
Grade 4												
Advanced	3	3%	1	1%	3	3%	2	2%	3	3%	2	2%
Mastery	18	18%	13	13%	16	16%	13	13%	13	13%	10	10%
Basic	39	38%	45	45%	38	38%	38	38%	42	42%	38	38%
Approaching Basic	22	22%	26	26%	29	29%	23	23%	23	23%	25	25%
Unsatisfactory	19	19%	15	15%	14	14%	24	24%	19	19%	25	25%
Total	101	100%	100	100%	100	100%	100	100%	100	100%	100	100%

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
Students												
Grade 8												
Advanced	1	1%	1	1%	1	1%	1	1%	0	0%	1	1%
Mastery	16	16%	14	14%	15	15%	10	10%	8	8%	9	9%
Basic	33	33%	34	33%	34	35%	42	42%	41	41%	44	43%
Approaching Basic	27	27%	32	32%	29	29%	27	27%	28	28%	25	25%
Unsatisfactory	23	23%	20	20%	20	20%	20	20%	22	23%	22	22%
Total	100	100%	101	100%	99	100%	100	100%	99	100%	101	100%

See accompanying independent accountants' report on applying agreed-upon procedures.

St. Helena Parish School Board  
The Graduation Exit Exam for the 21st Century  
For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced	0	0%	0	0%	0	0%	0	0%	1	1%	1	1%
Mastery	0	0%	2	2%	2	2%	1	1%	4	5%	4	4%
Basic	20	17%	22	27%	22	24%	40	36%	32	40%	35	33%
Approaching Basic	40	33%	28	35%	31	34%	20	18%	18	22%	23	22%
Unsatisfactory	61	50%	29	36%	36	40%	52	46%	26	32%	42	40%
<b>Total</b>	<b>121</b>	<b>100%</b>	<b>81</b>	<b>100%</b>	<b>91</b>	<b>100%</b>	<b>113</b>	<b>101%</b>	<b>81</b>	<b>100%</b>	<b>105</b>	<b>100%</b>

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
<b>Grade 11</b>												
Advanced	0	0%	0	0%	0	0%	0	0%	1	1%	0	0%
Mastery	4	3%	2	2%	7	9%	0	0%	4	5%	0	0%
Basic	27	23%	22	27%	26	35%	53	45%	32	40%	32	43%
Approaching Basic	45	39%	28	35%	19	26%	34	29%	18	22%	19	26%
Unsatisfactory	41	35%	29	36%	22	30%	30	26%	26	32%	23	31%
<b>Total</b>	<b>117</b>	<b>100%</b>	<b>81</b>	<b>100%</b>	<b>74</b>	<b>100%</b>	<b>117</b>	<b>100%</b>	<b>81</b>	<b>100%</b>	<b>74</b>	<b>100%</b>

See accompanying independent accountants' report on applying agreed-upon procedures.

St. Helena Parish School Board  
The IOWA Tests  
For the Year Ended June 30, 2004

	Composite		
	2004	2003	2002
<b>Test of Basic Skills (ITBS)</b>			
Grade 3	57	55	50
Grade 5	57	56	51
Grade 6	46	44	51
Grade 7	48	48	47
<b>Tests of Educational Development (ITED)</b>			
Grade 9	48	47	48

NOTE: 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.

See accompanying independent accountants' report on applying agreed-upon procedures.

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**ST. HELENA PARISH SCHOOL BOARD  
GREENSBURG, LOUISIANA**

**FEDERAL GRANTS  
FINANCIAL AND COMPLIANCE AUDIT  
TOGETHER WITH INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED JUNE 30, 2004**

## TABLE OF CONTENTS

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	<u>PAGE</u>
<b><u>SINGLE AUDIT REPORTS</u></b>	
Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....	1
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 .....	4
Schedule of Expenditures of Federal Awards .....	8
Notes to the Schedule of Expenditures of Federal Awards .....	10
Schedule of Findings and Questioned Costs .....	11
Schedule of Prior Year Audit Findings.....	16



Member  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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Alcide J. Tervalon, Jr., CPA  
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Paul K. Andoh, Sr., CPA

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

---

To the Members of the  
**St. Helena Parish School Board**  
Greensburg, Louisiana

We have audited the financial statements of **St. Helena Parish School Board (the School Board)**, as of and for the year ended June 30, 2004, and have issued our report thereon dated December 14, 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 an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 04-2. We also noted certain immaterial instances of noncompliance that we have reported to management of **the School Board** in a separate letter dated December 14, 2004.

**INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS  
(CONTINUED)**

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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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect **the School Board's** ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 04-1 and 04-2.

*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. Our considerations of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 04-1 and 04-2 to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management of **the School Board** in a separate letter dated December 14, 2004.*



**INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS  
(CONTINUED)**

---

This report is intended solely for the information and use of the **School Board**, its management, the Legislative Auditor's Office, and federal awarding agencies and pass-through entities, such as the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 14, 2004



Member  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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

---

To the Members of the  
**St. Helena Parish School Board**  
Greensburg, Louisiana

Compliance

We have audited the compliance of **St. Helena 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 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 **the School Board's** management. Our responsibility is to express an opinion on **the School Board's** compliance based on our audit.

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)**

---

Compliance, Continued

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 of **the School Board's** compliance with those requirements.

In our opinion, **the School Board** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of **the School Board** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered **the School Board's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)**

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Internal Control Over Compliance, Continued

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 December 14, 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 basic 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.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)**

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This report is intended solely for the information and use of **the School Board**, its management, the Legislative Auditor's Office, and federal awarding agencies and pass-through entities, such as the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 14, 2004

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

<u>FEDERAL GRANTOR/PASS THROUGH GRANTOR PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<b>U.S. DEPARTMENT OF AGRICULTURE:</b>			
Child Nutrition Cluster:			
Passed Through State Department of Education:			
Summer Food Program	10.559	N/A	\$ 19,011
School Breakfast Program	10.553	N/A	164,537
School Lunch Program	10.555	N/A	<u>408,387</u>
Total Child Nutrition Cluster			591,935
Passed Through State Department of Education:			
Food Distribution	10.550	N/A	<u>31,308</u>
Total U.S. Department of Agriculture			<u>623,243</u>
<b>U.S. DEPARTMENT OF EDUCATION:</b>			
Passed Through State Department of Education:			
IASA Title I FY2004	84.010A	04-T1-46	568,342
IASA Title I FY2003	84.010A	03-T1-46	73,025
IASA Title I FY2003 Carryover	84.010A	03-T1-46-C	84,557
IASA Title I FY2002 Carryover	84.010A	02-T1-46-C	10,094
IASA Title II	84.367A	04-50-46	159,014
IASA Title II	84.367A	03-50-46	7,724
IASA Title II	84.367A	02-50-46-C	1,704
IASA Title II	84.367A	03-50-46-C	2,564
IASA Title IV	84.186A	04-70-46	11,949
IASA Title IV	84.186A	03-70-46	4,391
IASA Title V	84.298A	03-80-46-C	2,836
IASA Title V	84.298A	03-80-46	2,766
IASA Title V	84.298A	04-80-46	5,758
Adult Basic Education	84.002A	280721-46	<u>26,158</u>
Sub-total			<u>960,882</u>

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2004**

<u>FEDERAL GRANTOR/PASS THROUGH GRANTOR PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<b>U.S. DEPARTMENT OF EDUCATION:</b>			
Passed Through State Department of Education, Continued:			
IDEA P.L. 101-476-Supplemental	84.027A	28-03-B8-46	\$ 21,201
IDEA P.L. 101-476	84.027A	04-B1-46	159,104
IDEA P.L. 101-476	84.027A	03-B1-46-C	58,093
IDEA P.L. 101-476	84.027A	02-B1-46-C	35,475
IDEA P.L. 101-476	84.027A	03-B1-46	56,855
IDEA Section 619 Preschool	84.173A	28-04-P1-46	5,049
IDEA Section 619 Preschool	84.173A	02-P1-46-C	7,878
IDEA Section 619 Preschool	84.173A	03-P1-46	3,930
IDEA Section 619 Preschool	84.173A	03-P1-46-C	5,909
Vocation Education-Basic Grant-Carl Perkins	84.048	280402-46	22,918
<i>Class Size Reduction</i>	84.340A	02-01-46-C	1,384
Enhancing Education Through Technology	84.318X	280349-C	782
Enhancing Education Through Technology	84.318X	280-0449-46	7,328
Enhancing Education Through Technology	84.318X	0349-46	6,233
Rural Education Achievement Program	84.358B	04-RE-46	13,423
Rural Education Achievement Program	84.358B	03-RE-46	7,446
Erate	N/A	N/A	114,638
Voyager	84.215K	#603200	114,925
<i>Total U.S. Department of Education</i>			<u>1,603,453</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>			
Passed thru State Dept. of Education:			
Starting Points Preschool Program - TANF	93.558	0338-46	54,643
Pre-GED /Skills Options Program	93.558	280436-46	27,329
<i>Total U.S. Department of Health and Human Services</i>			<u>81,972</u>
<b>Total</b>			<u><u>\$ 2,308,668</u></u>

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**ST. HELENA PARISH SCHOOL BOARD**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
June 30, 2004

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**NOTE 1 - General:**

The accompanying Schedule of Expenditures of Federal Awards (**the Schedule**) presents the activity of all federal award programs of **St. Helena 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 passed through other government agencies are included on the Schedule.

**NOTE 2 - Basis of Accounting:**

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

The preparation of the Schedule of Expenditures of Federal Awards in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. Actual results could differ from those estimates.

**NOTE 3 - 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.

**NOTE 4 - EPA Loan:**

**The School Board** has outstanding loans from the Environmental Protection Agency totaling \$49,958 as of June 30, 2004.

**NOTE 5 - Contingencies:**

**The School Board** is the recipient of funds from various state and federal agencies. The administration of the programs funded by these agencies are under the control of **the School Board** and are subject to audits and reviews by the agencies or their designees. Any grants or awards found to be not properly spent in accordance with the terms, conditions and regulations may be subject to recapture.



**ST. HELENA PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004**

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**Section I - 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: yes Material weakness: yes.
- C. Noncompliance which is material to the financial statements: yes.
- D. Reportable conditions in internal control over major programs: no Material weaknesses: no.
- 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:
    - Improving America's School Act (IASA) - Title I (CFDA No. 84:010)
  - United States Department of Agriculture:
    - School Breakfast Program (CFDA No. 10.553)
    - School Lunch Program (CFDA No. 10.555)
    - Summer Food Service Program (CFDA No. 10.559)
- 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: no.

**ST. HELENA PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004  
(CONTINUED)**

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**Section II - Findings Relating to the Financial Statements Reported  
in Accordance with Government Auditing Standards**

**04-1 School Activity Accounts**

Criteria

The **School Board's** School Activity Fund Procedures Manual provides policies and procedures for the receipt and disbursement of School Activity Funds.

Condition

During our audit, we noted the following deficiencies with stated procedures in the **School Board's** "School Activity Fund Procedures Manual":

- o Pre-number receipts were not always used to document the receipt of monies;
- o *Collection logs were not adequately maintained; and*
- o Documentation to support disbursements was not always maintained.

Effect

Weakened internal controls increases the potential risk for fraudulent activity.

Cause

**The School Board** has not adhered to its established school activity fund account procedures.

**ST. HELENA PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004  
(CONTINUED)**

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**Section II - Findings Relating to the Financial Statements Reported  
in Accordance with Government Auditing Standards , Continued**

**04-1 School Activity Accounts, Continued**

Recommendation

As in the prior year, we continue to recommend that **the School Board** adhere to its school activity accounts procedures, which is consistent with the School Activity Accounts Manual published by the Louisiana Legislative Auditor, to ensure school activity accounts are properly controlled and administered.

**ST. HELENA PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004  
(CONTINUED)**

---

**Section II - Findings Relating to the Financial Statements Reported  
in Accordance with Government Auditing Standards , Continued**

**04-2 Submission of Audit Report**

Criteria

LSA-RS 24:514 requires audit reports to be completed and submitted to the State of Louisiana Legislative Auditor within six (6) months after year end.

Condition and Context

The June 30, 2004 audited financial statements were not submitted within the previously described time frame.

Effect

**The School Board** has not complied with State laws regarding the time frame for audit report submission.

Cause

**The School Board** changed its accounting system during the middle of the fiscal year to upgrade financial reporting capabilities. Implementing the new accounting system caused the year end financial statements to be prepared untimely.

Recommendation

We recommend that **the School Board** review its financial reporting procedures to ensure that audit engagements are submitted to the State of Louisiana Legislative Auditor within the required time frame.

**ST. HELENA PARISH SCHOOL BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004**

---

**Section III - Findings and Questioned Costs Related to Federal Awards**

No matters reported.

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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**Section I - Internal Control and Compliance Material  
to the Financial Statements**

**03-1 Insurance Coverage**

We recommended that **the School Board** purchase commercial insurance or consider the use of any other type of risk financing to reduce the risks of loss that may arise from torts; act of God; injuries to employees; theft of; damage to and destruction of assets, etc.

Current Status

Resolved.

**03-2 Financial Reporting**

We recommended that procedures be reviewed and updated as necessary to ensure that internal financial statements are prepared monthly and on a timely basis.

Current Status

Partially resolved. During the fiscal year, the management of **the School Board** has provided the board with timely financial information, as requested. However, the year end financial statements were untimely prepared because of certain problems that resulted from a change in **the School Board's** accounting system during mid-year. See current year audit finding 04-2.

**03-3 Approved Budgets**

We recommended that **the School Board** revise its budget preparation and adoption procedures to ensure that all budgets for the General Fund and Special Revenue Funds are prepared and adopted, as required by State laws.

Current Status

Resolved.

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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**Section I - Internal Control and Compliance Material  
to the Financial Statements \_\_\_\_\_, Continued**

**03-4 School Activity Accounts**

We recommended that **the School Board** adhere to its school activity accounts procedures, which is consistent with the School Activity Accounts Manual published by the Louisiana Legislative Auditor, to ensure school activity accounts are properly controlled and administered. We also recommended that procedures be established that require the periodic internal auditing of the activity accounts.

Current Status

Unresolved. See current year finding 04-1.

**03-5 Submission of Audit Report**

We recommended that **the School Board** review its financial reporting procedures to ensure that audit engagements are submitted to the State of Louisiana Legislative Auditor within the required time frame.

Current Status

Unresolved. See current year finding 04-2.

**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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**Section II Findings and Questioned Costs**  
**Related to Federal Awards**

**03-6 Insurance Coverage**

We recommended that **the School Board** purchase commercial insurance or consider other methods of risk financing to reduce the risk of loss resulting from not being adequately insured.

Current Status

Resolved.

**03-7 Financial Reporting**

We recommended that **the School Board** evaluate current procedures and revise them as necessary to ensure that financial statements are prepared monthly for management and Board level reviews.

Current Status

Partially resolved. During the fiscal year, the management of **the School Board** has provided the board with timely financial information, as requested. However, the year end financial statements were untimely prepared because of certain problems that resulted from a change **in the School Board's** accounting system during mid-year. See current year audit finding 04-2.

**03-8 Cost Principles - Periodic Certifications**

**The School Board** should adhere to its policy requiring the Title I supervisor to maintain compliance with the applicable sections of A-87. In addition, **the School Board** should ensure that each Federal program supervisor should establish a policy and procedure to obtain the required certifications in the appropriate formats and establish a control (for example, a reporting control to the Finance Department stating that all certifications were completed).

Current Status

Resolved.



**ST. HELENA PARISH SCHOOL BOARD**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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**Section III - Management Letter**

See the status of prior year management letter comments reported to management in a separate letter dated December 14, 2004.



Member  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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Michael B. Bruno, CPA  
Alcide J. Tervalon, Jr., CPA  
Waldo J. Moret, Jr., CPA  
Paul K. Andoh, Sr., CPA

## INDEPENDENT AUDITORS' COMMENTS TO MANAGEMENT

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To the Members of the  
**St. Helena Parish School Board**  
Greensburg, Louisiana

We have audited the financial statements of **St. Helena Parish School Board (the School Board)** for the year ended June 30, 2004 and have issued our report thereon dated December 14, 2004.

During our audit, we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal controls or result in other operating efficiencies and are listed in Appendix A to this report.

Additionally, the status of the comments from our prior year letter to you dated December 18, 2003 is included in Appendix B. While we recognize that a number of our observations and comments, both from the current year and our prior year's letter, require additional financial resources which may not be currently available, we believe that they still warrant continued consideration by management.

This report is intended solely for the information and use of **the School Board**, its management, the Legislative Auditor's Office, federal awarding agencies and pass-through entities, such as the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 14, 2004

**ST. HELENA PARISH SCHOOL BOARD  
CURRENT YEAR MANAGEMENT LETTER COMMENTS**

---

**04-1 BANK RECONCILIATION**

As we noted in prior year, **the School Board** did not timely prepare monthly bank reconciliations for the payroll account for the year ended June 30, 2004.

Again, we recommend that **the School Board** require that bank reconciliations are prepared timely on a monthly basis to ensure that cash recorded in the general ledger is correct and that effective internal controls are being maintained.

**04-2 PHYSICAL FIXED ASSET INVENTORY**

Although **the School Board** had physically counted fixed assets at or near the end of the 2004 school year, the entire inventory process had not been completed by the end of our audit by resolving all noted inventory discrepancies. Some of the noted inventory discrepancies that required further investigation or research were to support assets (1) transferred to other locations, (2) retired, and (3) unaccounted for at designated locations.

We recommend that **the School Board** not only perform a comprehensive physical inventory of fixed assets annually, but to timely resolve any discrepancy noted relative to the proper location and retirement of fixed assets.

**04-3 ACCOUNTING MANUAL**

**The School Board** has developed formal accounting procedures in the areas of purchasing, disbursements and payroll. However, written procedures for the budget process, payroll, capital assets, cash and investments, and computer controls have yet to be developed. This condition appears to be primarily due to the continued lack of available personnel needed for completing the manual.

We recommend that **the School Board** continue its efforts to develop a well organized and detailed accounting procedures manual.

**ST. HELENA PARISH SCHOOL BOARD  
CURRENT YEAR MANAGEMENT LETTER COMMENTS**

---

**04-4 CASH DISBURSEMENTS**

**The School Board** did not have supporting documents for all of its cash disbursements. *Two (2) out of twenty-five (25) cash disbursements in our Child Nutrition test work were not supported with source documentation.*

We recommend that **the School Board** implement a policy that prohibits any cash disbursement without an authorized invoice.

**04-5 DEFICIT SPENDING**

During the current fiscal year **the School Board** in its General Fund incurred deficit spending of \$228,151 *before operating transfers in and out. This condition resulted in the General Fund having a deficit fund balance of \$137,156 as of June 30, 2004.*

We recommend that **the School Board** develop a detail written plan for elimination of the deficit and during the June 30, 2005 fiscal year monitor the budget and take the necessary actions to prevent excess expenditures in all funds.

**ST. HELENA PARISH SCHOOL BOARD  
STATUS OF PRIOR YEAR'S MANAGEMENT LETTER COMMENTS**

---

**03-1 BANK RECONCILIATION**

**The School Board** did not timely prepare monthly bank reconciliations for the payroll account for the year ended June 30, 2003.

Current Status

Unresolved. See current year comment 04-1.

**03-2 PHYSICAL FIXED ASSET INVENTORY**

We recommended that **the School Board** conduct an annual fixed asset inventory according to **the School Board's** fixed asset procedures. Also, based on the results of the inventory, **the School Board** should adjust its fixed assets records.

Current Status

Unresolved. See current year comment 04-2.

**03-3 ACCOUNTING MANUAL**

We recommended that **the School Board** continue its efforts to develop a well organized and detailed accounting procedures manual.

Current Status

Unresolved. See current year comment 04-3.



Children First!!!

## St. Helena Parish School System

354 Sitman St. \* Post Office Box 540  
Greensburg, LA 70441

**J. Wayne Meadows**  
Interim Superintendent

Office: (225) 222-4349  
(225) 222-6106  
Fax #: (225) 222-4937

February 9, 2005

Mr. Larry Jones, CPA  
Bruno & Tervalon, LLP  
4298 Elysian Fields Avenue  
New Orleans, Louisiana 70122

Dear Mr. Jones:

Pursuant to your request, the following are our responses of the audit findings and management letter comments as disclosed in the audit of St. Helena Parish School Board for the year ended June 30, 2004.

### **Section II - Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards**

#### **04-1 School Activity Accounts**

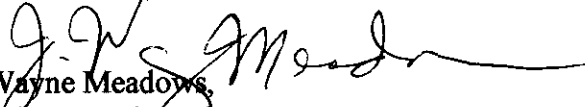
**Management's Response:** We concur with the findings and recommendation. All St. Helena Parish School System principals and other account managers are scheduled for a workshop regarding School Activity Accounts procedures with the following agenda items to be addressed: a) Policy and Procedure, b) Use of pre-numbered receipts, c) Collection logs, and d) Supporting documents on disbursements.

#### **04-2 Submission of Audit Report**

**Management's Response:** We concur with the findings and recommendation. St. Helena Parish School System has new software that allows timely fiscal statements on all board accounts.

If you have any further questions or concerns please do not hesitate to contact me at (225) 222-6861 or (225) 222-6106.

Sincerely,

  
J. Wayne Meadows  
Interim Superintendent

JWM: lbr



*Children First!!!*

## **St. Helena Parish School System**

**354 Sitman St. \* Post Office Box 540  
Greensburg, LA 70441**

**J. Wayne Meadows**  
**Interim Superintendent**

**Office: (225) 222-4349**  
**(225) 222-6106**  
**Fax #: (225) 222-4937**

February 11, 2005

Mr. Larry Jones, CPA  
Bruno & Tervalon, LLP  
4298 Elysian Fields Avenue  
New Orleans, Louisiana 70122

Dear Mr. Jones:

Pursuant to your request, the following are our responses of the audit findings and management letter comments as disclosed in the audit of St. Helena Parish School Board for the year ended June 30, 2004.

**04-2            Physical Fixed Asset Inventory**

**Management's Response:** We concur with findings and recommendation. In addition, we anticipate finalizing fixed asset inventory procedures and we will conduct a comprehensive fixed asset inventory. We intend to periodically review and update the inventory list.

**04-3            Accounting Manual**

**Management's Response:** We concur with findings and recommendation. We will continue to update and revise the manual through Revised Statutes and Board recommendations.

**04-4            Cash Disbursements**

**Management's Response:** We concur with findings and recommendation. St. Helena Parish School System has a policy and procedure in place to address this situation. We will take all necessary steps to insure that proper documentation is submitted before any cash disbursements are made.




**04-5 Deficit Spending**

**Management's Response:** We concur with findings and recommendation. St. Helena Parish School System will develop a plan to work toward elimination of this deficit with a 3 year maximum time limit.

If you have any further questions or concerns please do not hesitate to contact me at (225) 222-6861 or (225) 222-4349.

Sincerely,



J. Wayne Meadows,  
Interim Superintendent

JWM: lbr