

2627

RECEIVED
LEGISLATIVE AUDITOR
05 FEB 28 AM 11:24

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Annual Financial Statements
With Independent Auditors' 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 3-9-05

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Annual Financial Statements
With Independent Auditors' Report
As of and For The Year Ended
June 30, 2004

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditors' Report		5
Required Supplementary Information (Part I)		
Management's Discussion and Analysis		8
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	15
Statement of Activities	B	16
Fund Financial Statements - Governmental Funds:		
Balance Sheet	C	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	19
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	20
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	22
Fiduciary - Agency Fund -		
Statement of Fiduciary Net Assets	G	23
Notes to the Financial Statements		24
Required Supplemental Information (Part II)		
Budgetary Comparison Schedule - General Fund	1	44

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
Required Supplemental Information (Part II) (Contd.)		
Supplemental Information Schedules Required by State Law (R.S. 24:514 Performance and Statistical Data):		
Independent Accountants' Report on Applying Agreed Upon Procedures		48
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	2	54
Education Levels of Public School Staff	3	55
Number and Type of Public School	4	56
Experience of Public Principals and Full-time Classroom Teachers	5	57
Public School Staff Data	6	58
Class Size Characteristics	7	59
LEAP Test Results	8	60
GEE Test Results - All Testers	9	62
Iowa Basic Skills Comparison	10	63
Other Supplemental Schedules:		
Nonmajor Governmental Funds:		
Combining Balance Sheet	11	65
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	12	66
Special Revenue Funds:		
Combining Balance Sheet	13	70
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	14	71

C O N T E N T S (C O N T D .)

	<u>Schedule</u>	<u>Page No.</u>
Other Supplemental Schedules: (Contd.)		
Nonmajor Governmental Funds: (contd.)		
Special Revenue Funds: (contd.)		
Maintenance Funds:		
Combining Balance Sheet	15	72
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	16	73
Improving America's School Acts (IASA) Funds:		
Combining Balance Sheet	17	74
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	18	75
Debt Service Funds:		
Combining Balance Sheet	19	77
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	20	78
Agency Funds:		
School Activity Agency Fund - Schedule of Changes in Deposits Due Others	21	80
Sales Tax Agency Fund - Combining Schedule of Changes in Deposits Due Others	22	81
Schedule of Compensation Paid Board Members	23	83
Independent Auditors' Reports Required by Government Auditing Standards; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and the Single Audit Act Amendments of 1996:		
Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting		85

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
Independent Auditors' Reports Required by Government <i>Auditing Standards; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and the Single Audit Act Amendments of 1996: (Contd.)</i>		
Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance		87
Schedule of Findings and Questioned Costs	24	89
Schedule of Expenditures of Federal Awards	25	93
Summary Schedule of Prior Audit Findings	26	95
Agency Corrective Action Plan		96

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

Independent Auditors' Report

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the school board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Claiborne Parish School Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish School Board as of June 30, 2004, and the respective changes in financial position for the year then ended in conformity with U. S. generally accepted accounting principles.

As described in Note 1 to the financial statements, the school board has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, as of June 30, 2004.

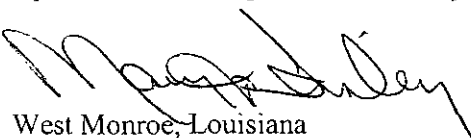
Management's discussion and analysis, the budgetary information, and the performance and statistical data on pages 8 through 12, 44 through 46, and 48 through 63, respectively are not a required part of the basic financial statements. Management's discussion and analysis and the General Fund budgetary comparison schedule are supplementary information required by the Governmental Accounting Standards Board while the performance and statistical data are required by state law. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

CLAIBORNE PARISH SCHOOL BOARD

Homer, Louisiana
Independent Auditors' Report,
June 30, 2004

My audit was performed for the purpose of forming an opinion on the financial statements of the Claiborne Parish School Board, taken as a whole. The supplemental information schedules listed in the table of contents, including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 9, 2004, on my consideration of the Claiborne Parish School Board's internal control over financial reporting and my 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 my audit.



West Monroe, Louisiana
December 9, 2004

REQUIRED SUPPLEMENTARY INFORMATION

PART I

Claiborne Parish School Board

Homer, Louisiana

Management's Discussion and Analysis

June 30, 2004

As management of the Claiborne Parish School Board, we offer readers of the Claiborne Parish School Board's financial statements this narrative overview and analysis of the financial activities of the Claiborne Parish School Board for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Claiborne Parish School Board's basic financial statements. The Claiborne Parish 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 Claiborne Parish School Board's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Claiborne Parish 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 Claiborne Parish 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 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 (for example, earned but unused sick leave).

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 Claiborne Parish 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 Claiborne Parish School Board can be divided into two categories: governmental funds and fiduciary (agency) 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.

Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 Claiborne Parish School Board maintains twelve 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, which is considered to be a major fund. Data from the other sixteen funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Claiborne Parish School Board adopts an annual appropriated budget for all funds. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary Funds. Fiduciary (agency) funds are used to account for resources for the benefit of parties outside the government. Since these resources are not available to support the Claiborne Parish School Board's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Claiborne Parish School Board's performance and statistical information submitted to the Louisiana Department of Education.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Claiborne Parish School Board exceeded liabilities by 10,665,514. The largest portion of the Claiborne Parish School Board's net assets reflects its investment in capital assets. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

Statement of Net Assets Governmental Funds

ASSETS AND OTHER DEBITS

	2003	2004
Cash and cash equivalents	3,707,698	3,614,116
Investments	14,097,195	7,947,530
Receivables	1,317,033	1,124,879
Inventory	24,238	22,333
Other assets	6,898	19,054
Capital Assets (net of accumulated depreciation)		
Land	96,923	96,923
Buildings and improvements	1,474,619	1,370,189
Furniture and equipment	925,106	1,183,313
Construction in progress	8,017,796	13,639,292
TOTAL ASSETS AND OTHER DEBITS	<u>\$29,667,506</u>	<u>\$29,017,629</u>

LIABILITIES

Accounts, salaries, and other payables	2,433,256	449,992
Salaries and related payable	na	1,580,344
Interest payable	124,137	180,449
Long-term liabilities:		
Due within one year	575,273	572,273
Due in more than one year	16,271,586	15,569,057
TOTAL LIABILITIES	<u>\$19,404,252</u>	<u>\$18,352,115</u>

NET ASSETS

Invested in capital assets, net of related debt	-5,435,556	929,308
Restricted for:		
Debt service	662,579	676,429
Unrestricted	15,036,231	9,059,777
TOTAL NET ASSETS	<u>\$10,263,254</u>	<u>\$10,665,514</u>

Financial Analysis of the Government's Funds

Claiborne Parish School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term revenue, expenditures, and balances of expendable resources. This information is used to assessing the financing requirements of our system. Unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2004, combined governmental fund balances of \$10,697,576 showed a decrease of \$6,022,230 over June 30, 2003. General Fund's balance of \$6,575,187 is a higher amount from the 2003 balance (\$5,278,593).

The contingency fund balance increased by \$6,903. (From \$542,384 on June 30, 2003 to \$549,287 in 2004) Claiborne Parish School Board anticipates this amount to continue to increase over the next years by approximately the same amount because we will not need to use our contingency fund in our yearly operations.

General Fund Budgetary Highlights

Differences between the bottom line of the original budget and the final budget were relatively small. (Beginning Budget 5,197,893 & Actual 4,846,921) Actual numbers for Special Operations Taxes and Constitutional Taxes were higher than expected, along with other sources of revenue. Expenditures were lower in areas such as Office Supplies, School Administration, Business Administration, and Materials and Supplies.

Capital Asset and Debt Administration

Capital Assets. The Claiborne Parish School Board's investment in capital assets for its governmental activities as of June 30, 2004, amounts to \$16,289,717 (net accumulated depreciation). This investment includes land, buildings and improvements, furniture and equipment, and construction in progress. The increase in capital assets for the year was \$5,689,025. There were no reductions in capital assets for the year ended June 30, 2004.

Long-Term Debt. At the end of the fiscal year, Claiborne Parish School Board had total bonded debt outstanding, in the form of general obligation bonds, of \$8,400,000 for our District 11 and \$8,100,000 for District 13. Claiborne Parish School Board long-term debt's standing is in excellent condition. Only District 11 and District 13 are left with bonded debt.

Economic Factors and Next Year's Budgets

The Claiborne Parish Schools financial plan for this upcoming year is well underway since the adoption of a realistic budget that meets the instructional needs of the students while protecting the long-term financial stability of the district.

Since the passing of the two bond issues, District 11 & 13, the two school projects are coming along at an acceptable pace. District 11 is 99.5% completed (We are still

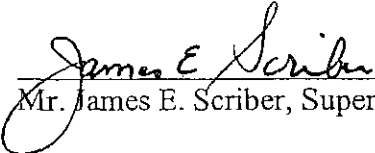
working on a few punch-list items) and, District 13 is around 60% completed. The District 13 Elementary project is down to punch-list items, while our Phase II is ready to begin. District 1, 16, & 26 are being renovated on an as-needed basis to accommodate the student population. District 13 is expected to have a shortfall of \$250,000. The will be provided for by their District 13 Maintenance Fund.

Our local tax basin is growing slowly each month. Last year we showed an upward trend in tax collections. The 2004-05 general fund budget was project to end up with a surplus balance even though for the year 04-05 we expect to expend more than our revenues. Our surplus balance will more than cover this. We are anticipating a few changes in the salary categories, but are still working towards a realistic budget for future planning purposes.

Our main focus during the 2004-05 school year will be our buildings & grounds, reading & math skills, ACT scores, teacher pay raises, and long-term fiscal security of the Claiborne Parish School Board.

Requests for Information

This financial report is designed to be a summary of the Claiborne Parish School Board's finances. If there are any questions regarding any information, a request can be made in writing at the Claiborne Parish School Board, Office of the Business Manager, 415 East Main Street, PO Box 600, Homer, Louisiana 71040. Our phone number is (318) 927-3502.



Mr. James E. Scriber, Superintendent

12-9-04

Date

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

STATEMENT OF NET ASSETS

June 30, 2004

ASSETS

Cash and cash equivalents	\$3,614,116
Investments	7,947,530
Receivables	1,124,879
Inventory	22,333
Other assets	19,054
Capital Assets (net of accumulated depreciation):	
Land	96,923
Buildings and improvements	1,370,189
Furniture and equipment	1,183,313
Construction in progress	13,639,292
TOTAL ASSETS	<u>29,017,629</u>

LIABILITIES

Accounts payable	449,992
Salaries and related payable	1,580,344
Interest payable on long-term debt	180,449
Long-term liabilities:	
Due within one year	572,273
Due in more than one year	15,569,057
TOTAL LIABILITIES	<u>18,352,115</u>

NET ASSETS

Invested in capital assets, net of related debt	929,308
Restricted for debt service	676,429
Unrestricted	9,059,777
TOTAL NET ASSETS	<u>\$10,665,514</u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2004

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Governmental activities:				
Instructional services:				
Regular programs	\$8,435,246		\$238,409	(\$8,196,837)
Special programs	1,298,433		1,091,824	(129,378)
Special education programs	2,365,064		117,458	(2,246,306)
Vocational programs	626,977		43,218	(578,492)
Other instructional programs	389,674			(389,674)
Adult/continuing education	113,403		44,998	(68,405)
Support services:				
Student support services	636,108		15,238	(620,870)
Instructional staff support services	1,515,915		852,257	(663,658)
General administration	629,989		2,105	(627,884)
School administration	1,250,302			(1,250,302)
Business services	209,070			(209,070)
Plant services	1,876,598		148,324	(1,728,274)
Student transportation services	1,106,441		4,132	(1,102,309)
Central services	9,986			(9,986)
Non instructional services:				
Food service operations	1,574,672	\$205,495	972,606	(396,571)
Community service programs	18,804			(18,804)
Interest on long-term debt	806,062			(806,062)
Total Governmental Activities	<u>\$22,862,744</u>	<u>\$205,495</u>	<u>\$3,530,569</u>	<u>\$83,798</u>
General revenues:				
Taxes:				
Ad valorem taxes levied for general purposes				\$1,677,698
Ad valorem taxes levied for debt service purposes				1,390,195
Sales taxes levied for general purposes				2,435,566
State revenue sharing				115,651
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				13,079,889
Other unrestricted grants				165,405
Interest and investment earnings				163,833
Miscellaneous				326,178
Total general revenues				<u>19,354,415</u>
Changes in net assets				311,533
Net assets at beginning of year				<u>10,353,981</u>
Net assets at end of year				<u>\$10,665,514</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2004

	<u>MAJOR FUNDS</u>			TOTAL (MEMORANDUM ONLY)
	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS FUND - DISTRICT 13</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	
ASSETS				
Cash and cash equivalents	\$1,900,132	\$59,255	\$1,654,729	\$3,614,116
Investments	3,023,006	3,912,794	1,011,730	7,947,530
Receivables	631,268		493,611	1,124,879
Interfund receivables	1,014,144		249,821	1,263,965
Inventory			22,333	22,333
Other assets	6,637			6,637
TOTAL ASSETS	<u>\$6,575,187</u>	<u>\$3,972,049</u>	<u>\$3,432,224</u>	<u>\$13,979,460</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$9,851	\$362,141	\$78,000	\$449,992
Salaries payable	1,404,975		175,369	1,580,344
Interfund payables	48,044		1,203,504	1,251,548
Total Liabilities	<u>1,462,870</u>	<u>362,141</u>	<u>1,456,873</u>	<u>3,281,884</u>
Fund Equity -fund balances:				
Reserved for debt service			676,429	676,429
Unreserved:				
Designated for contingencies	549,287			549,287
Designated for roofing			110,579	110,579
Unreserved - undesignated	4,563,030	3,609,908	1,188,343	9,361,281
Total Fund Equity	<u>5,112,317</u>	<u>3,609,908</u>	<u>1,975,351</u>	<u>10,697,576</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$6,575,187</u>	<u>\$3,972,049</u>	<u>\$3,432,224</u>	<u>\$13,979,460</u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

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

For the Year Ended June 30, 2004

Total Fund Balances at June 30, 2004 - Governmental Funds (Statement C)	<u>\$10,697,576</u>
Amounts reported for governmental activities in the statement of net assets (Statement A) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,289,717
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(16,141,330)
Interest on long-term debt is not recognized in governmental funds until it is due and payable (usually semi-annually), however, in the statement of net assets that amount of interest which is payable but not yet due is recognized as a current liability	<u>(180,449)</u>
Net Assets at June 30, 2004 (Statement A)	<u><u>\$10,665,514</u></u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
GOVERNMENTAL FUNDS

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

	<u>MAJOR FUNDS</u>			<u>TOTAL</u>
	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS FUND - DISTRICT 13</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$908,424		\$2,159,469	\$3,067,893
Sales and use	2,435,566			2,435,566
Food service			205,495	205,495
Earnings on investments	63,452	\$79,298	21,083	163,833
Other local sources	325,154			325,154
State sources:				
State revenue sharing	71,205		44,446	115,651
Unrestricted grants-in-aid	13,079,889		103,329	13,183,218
Restricted grants-in-aid	495,361			495,361
Federal sources:				
Unrestricted grants-in-aid	62,076			62,076
Restricted grants-in-aid	254,660		2,864,346	3,119,006
Total revenues	<u>17,695,787</u>	<u>79,298</u>	<u>5,398,168</u>	<u>23,173,253</u>
EXPENDITURES				
Education:				
Instruction:				
Regular programs	8,393,872		27,781	8,421,653
Special programs	197,947		1,070,772	1,268,719
Special education programs	2,321,053		43,599	2,364,652
Adult and continuing education programs	71,619		36,382	108,001
Vocational programs	556,170		43,055	599,225
Other instructional programs	385,622			385,622
Support services:				
Pupil support services	620,843		14,940	635,783
Instructional staff support	987,129		511,087	1,498,216
General administration	532,799	16,487	78,712	627,998
School administration	1,206,899		40,627	1,247,526
Business services	209,070			209,070
Operation and maintenance of plant services	1,158,374		776,138	1,934,512
Student transportation services	871,099		80,399	951,498

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances, 2004

	MAJOR FUNDS			TOTAL
	GENERAL FUND	CAPITAL PROJECTS FUND - DISTRICT 13	OTHER GOVERNMENTAL FUNDS	
EXPENDITURES (CONTD.)				
Education: (Contd.)				
Support services: (Contd.)				
Food services	\$241,139		\$1,298,313	\$1,539,452
Central services	9,986			9,986
Community service programs	18,804			18,804
Capital outlay	154,828	\$4,412,983	1,460,435	6,028,246
Debt service			1,352,023	1,352,023
Total expenditures	<u>17,937,253</u>	<u>4,429,470</u>	<u>6,834,263</u>	<u>29,200,986</u>
EXCESS (Deficiency) REVENUES OVER EXPENDITURES	<u>(241,466)</u>	<u>(4,350,172)</u>	<u>(1,436,095)</u>	<u>(6,027,733)</u>
OTHER FINANCING SOURCES (Use)				
Insurance recovery	5,503			5,503
Operating transfers in	70,615			70,615
Operating transfers out	(928)		(69,687)	(70,615)
Total other financing sources (use)	<u>75,190</u>	<u>NONE</u>	<u>(69,687)</u>	<u>5,503</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(166,276)</u>	<u>(4,350,172)</u>	<u>(1,505,782)</u>	<u>(6,022,230)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>5,278,593</u>	<u>7,960,080</u>	<u>3,481,133</u>	<u>16,719,806</u>
FUND BALANCES AT END OF YEAR	<u>\$5,112,317</u>	<u>\$3,609,908</u>	<u>\$1,975,351</u>	<u>\$10,697,576</u>

(Concluded)

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2004

Total net change in fund balances - governmental funds (Statement E)	<u>(\$6,022,230)</u>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period	5,689,025
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	602,274
In governmental funds the loss of an asset is only recognized to the extent of any insurance or damage recovery. However in the statement of activities, only that amount, if any, above the book value of the asset is recognized. This is the amount recognized in the governmental funds which is not recognized in the statement of activities	(4,480)
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 is the amount by which payments exceeded earnings during the year	103,256
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	<u>(56,312)</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$311,533</u></u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
FIDUCIARY -
SCHOOL ACTIVITY AGENCY FUND

Statement of Fiduciary Net Assets
For the Year Ended June 30, 2004

ASSETS

Cash and cash equivalents

\$430,509

LIABILITIES

Deposits due others

\$430,509

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Claiborne Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Claiborne Parish. The school board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The school board is comprised of ten members who are elected for terms of four years.

The school board operates nine schools within the parish with a total enrollment of 2,852 pupils for the year ended June 30, 2004. 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.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local government entities. The GASB has issued a codification of governmental accounting and financial reporting standards (1997). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

A. BASIS OF PRESENTATION

The accompanying financial statements of the Claiborne Parish School Board have been prepared in conformity with U.S. 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.

B. REPORTING ENTITY

As the governing authority of the parish school board, for reporting purposes, the Claiborne Parish School Board is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (school board), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

GASB Statement No. 14 establishes criteria for determining which component units should be considered part of the Claiborne Parish School Board for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the school board to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the school board.
2. Organizations for which the school board does not appoint a voting majority but are fiscally dependent on the school board.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the school board has determined that there are no component units that are part of the reporting entity.

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The school board's current operations require the use of the governmental and fiduciary fund categories. The fund types used by the school board are described as follows:

Governmental Fund Type:

General Fund

The General Fund is the general operating fund of the school board. It accounts for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds

The special revenue funds account for the proceeds of specific revenue sources, such as state and federal grants, which are legally restricted to expenditures for specified purposes.

Capital Projects Funds

The 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.

Debt Service Funds

The debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Fiduciary Fund Type - Agency Funds

Agency funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

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

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.

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

CLAIBORNE PARISH SCHOOL BOARD

Homer, Louisiana

Notes to the Financial Statements (Continued)

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 funds 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.

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

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

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

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned by employees. Teacher's salaries are earned over a nine-month period but are paid over a twelve-month period.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees, or their heirs, are paid for accrued leave upon retirement or death.

Principal and interest on long-term debt are recognized when due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid and sale of fixed assets are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

E. ENCUMBRANCES

Encumbrance accounting is not employed, however, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

F. CASH AND CASH EQUIVALENTS

Under state law, the school board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

At June 30, 2004, the school board has cash and cash equivalents (book balances) totaling \$4,044,625, as follows:

Demand deposits	\$3,844,625
Time deposits	<u>200,000</u>
Total	<u>\$4,044,625</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. Cash and cash equivalents (bank balances) at June 30, 2004, are secured as follows:

Bank Balances	<u>\$5,372,763</u>
Federal deposit insurance	\$557,902
Pledged securities (uncollateralized)	<u>7,925,744</u>
Total	<u>\$8,483,646</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the school board, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the school board that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the school board's name.

G. INVESTMENTS

Investments held at June 30, 2004 consist of \$5,204,851 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2004 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

CLAIBORNE PARISH SCHOOL BOARD

Homer, Louisiana

Notes to the Financial Statements (Continued)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The remaining \$2,742,679 of investments consist of U.S. Government securities. For the year ended June 30, 2004, the school board recognized an unrealized gain of \$6,358, on those securities.

H. INVENTORY

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the school board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenses when consumed. All inventory items purchased are valued at the

CLAIBORNE PARISH SCHOOL BOARD
 Homer, Louisiana
 Notes to the Financial Statements (Continued)

lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

I. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$1,000 or more for capitalizing assets except for capital asset acquisitions acquired with 8g federal grant funds.

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 following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

J. 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.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

K. 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.

L. 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.

M. 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.

N. VACATION, SICK, AND SABBATICAL LEAVE

All twelve month employees earn from 12 to 18 days of vacation leave each year, depending upon length of service with the school board. Vacation leave can be accumulated. Upon separation, all unused vacation leave is forfeited.

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

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the school board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

The entire compensated absence liability, determined in accordance with the provisions of GASB Statement 16, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

O. RISK MANAGEMENT

The school board is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the school board maintains commercial insurance policies covering; automobile liability and medical payments; workers compensation; general liability; errors and omissions; and surety bond coverage on the superintendent. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

P. SALES TAX

On January 21, 1978, the voters of Claiborne Parish approved the assessment of a one per cent sales tax. The net revenues from the tax, which may be used for any school purpose, are used to supplement salaries and related benefits of school board employees. The tax is collected by the school board and has no expiration date.

Claiborne Parish voters, on September 21, 1996, approved the assessment of a one per cent sales tax, to be effective January 1, 1997. Net revenues from the tax are dedicated fifty per cent to provide a source of funding for salaries and benefits for the employees of the school board, and fifty per cent for the general fund. The tax is collected by the school board and is for a period of five years.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem tax millage for the year ended June 30, 2004:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish wide taxes:			
Constitutional	5.00	6.29	Indefinite
Maintenance	5.44	6.11	2005
Maintenance	5.44	6.11	2005
District taxes:			
Special revenue funds:			
District No. 1	4.25	4.06	2012
District No. 11	3.60	4.41	2006
District No. 13	12.66	11.87	2012
District No. 16	4.00	5.00	2009
District No. 26	10.00	11.11	2011
Debt service funds:			
District No. 1	Variable	4.08	2005
District No. 11	Variable	31.50	2002
District No. 13	Variable	35.42	2007

The difference between authorized and levied millage is the result of reassessments of taxable property as required by Article 7, Section 18(f) of the Louisiana Constitution of 1974

The following are the principal taxpayers for the parish and their 2003 assessed valuations.

	<u>2003 Assessed Valuation</u>	<u>Percent of Total Assessed</u>
Texas Gas Transmission Corporation	\$4,403,180	5.15%
Ludlow Corporation	3,613,020	4.23%
Marathon Oil Company	3,238,580	3.79%
Duke Entergy Field Services, Inc.	2,628,070	3.07%
Entergy Louisiana, Inc.	1,692,740	1.98%
Hunt Oil Company	1,687,840	1.97%
Reliant Energy Transmission	1,658,280	1.94%
Claiborne Electric Co-op., Inc.	1,544,330	1.81%
BellSouth Telecommunications	1,450,560	1.70%
Claiborne Electric Co-op., Inc.	1,544,330	1.81%
XTO Energy	1,311,940	1.53%
Total	<u>\$24,772,870</u>	<u>28.98%</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

3. RECEIVABLES

The receivables at June 30, 2004, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Grants			
Federal	\$138,798	\$493,611	\$632,409
State	322,470		322,470
Other receivables	170,000		170,000
Total	<u>\$631,268</u>	<u>\$493,611</u>	<u>\$1,124,879</u>

4. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2004, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$1,014,144	\$48,044
Special revenue funds:		
District 11 Maintenance Maintenance Fund	220,000	220,000
Title I		289,076
Title I Carryover		61,960
Title VI		87,000
Title II		100,000
Drug-Free Schools	134	29,157
Special Education		170,000
Vocational Programs		44,245
School Lunch	27,402	137,510
Adult Education		9,513
Preschool - Federal		26,000
Starting Points	2,285	29,043
Total	<u>\$1,263,965</u>	<u>\$1,251,548</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

5. CAPITAL ASSETS

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

	Balance at July 1, 2003	Additions	Deletions	Balance June 30, 2004
Capital assets not being depreciated:				
Land	\$96,923			\$96,923
Construction in progress	8,017,796	\$5,621,496		13,639,292
Total capital assets not being depreciated	<u>8,114,719</u>	<u>5,621,496</u>	NONE	<u>13,736,215</u>
Capital assets being depreciated:				
Building and improvements	6,608,012	91,112		6,699,124
Equipment and furniture	3,168,554	315,638	(\$19,071)	3,465,121
Total assets being depreciated	<u>9,776,566</u>	<u>406,750</u>	<u>(19,071)</u>	<u>10,164,245</u>
Less accumulated depreciation for:				
Building and improvements	5,237,434	91,501		5,328,935
Equipment and furniture	2,048,679	247,720	(14,591)	2,281,808
Total accumulated depreciation	<u>7,286,113</u>	<u>339,221</u>	<u>(14,591)</u>	<u>7,610,743</u>
Total capital assets being depreciated, net	<u>2,490,453</u>	<u>67,529</u>	<u>(4,480)</u>	<u>2,553,502</u>
Total capital assets net	<u>\$10,605,172</u>	<u>\$5,689,025</u>	<u>(\$4,480)</u>	<u>\$16,289,717</u>

Depreciation expense of \$339,221, for the year ended June 30, 2004 was charged to the following functions:

<u>Function</u>	<u>Depreciation Expense</u>
Regular programs	\$13,593
Special programs	29,714
Special education programs	412
Vocational programs	27,752
Adult Education programs	5,402
Other instructional programs	4,052
Pupil support services	325
Instructional staff support	17,699
General administration	1,991
School administration	2,776
Operation and maintenance of plant services	45,342
Student transportation services	154,943
Food services	<u>35,220</u>
Total	<u>\$339,221</u>

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

**A. TEACHERS' RETIREMENT SYSTEM
OF LOUISIANA (TRS)**

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

Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.0 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The school board is required to contribute at an actuarially determined rate. The current rate is 13.10 percent of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement 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 \$1,626,865, \$1,791,246, and \$1,368,776, respectively, equal to the required contributions for each year.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

**B. LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM (LSERS)**

The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits.

Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement system, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484.

Plan members are required to contribute 7.5 percent of their annual covered salary and the school board is required to contribute at an actuarially determined rate. The current rate is 7.5 percent 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 years ending June 30, 2004, 2003, and 2002, were \$83,696, \$78,290, and \$72,657, respectively, equal to the required contributions for each year.

**7. POST RETIREMENT HEALTH CARE AND
LIFE INSURANCE BENEFITS**

The Claiborne Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and by the school board. The school board recognizes the cost of providing these benefits (the board's portion of premiums) as an expenditure when the monthly premiums are due, which was \$1,844,553 for 2003-04 fiscal year. Of that amount, \$704,988 was for retiree benefits. As of June 30, 2004 all eligible retirees are participating.

8. CHANGES IN AGENCY FUNDS DEPOSITS DUE OTHERS

A summary of changes in the agency funds deposits due others follows:

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

	Sales Tax Fund	School Activity	Total
Balance at July 1, 2003	NONE	\$405,308	\$405,308
Additions	\$3,132,808	835,157	3,967,965
Reductions	(3,132,808)	(809,956)	(3,942,764)
Balance at June 30, 2004	NONE	\$430,509	\$430,509

9. CHANGES IN LONG-TERM OBLIGATIONS

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

	Bonded Debt	Compensated Absences	Total
Long-term obligations at July 1, 2003	\$16,290,909	\$555,950	\$16,846,859
Additions		390,416	390,416
Retirements	(602,273)	(493,672)	(1,095,945)
Long-term obligations at June 30, 2004	\$15,688,636	\$452,694	\$16,141,330

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:

	Bonded Debt	Compensated Absences	Total
Current portion	\$572,273		\$572,273
Long-term portion	15,116,363	\$452,694	15,569,057
Total	\$15,688,636	\$452,694	\$16,141,330

General obligation bonds payable at June 30, 2004, are comprised of the following individual issues:

\$8,100,000 - 2001 bonds for new construction and renovation of existing facilities. Principal is due in annual installments of \$120,000 to \$660,000 through March 2021. Interest rates are not to exceed 7%. Debt payments are made from School District No. 11 Debt Service Fund.

\$7,475,000

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

\$375,000 - 2002 bonds for maintenance of facilities. Principal is due in annual installments of \$27,273 to \$136,364 through November, 2015. The bonds are part of the Louisiana Qualified Zone Academy Bond Program sponsored by the State and are non interest bearing. Debt payments are made from the Parish Wide Maintenance Fund. \$313,636

\$8,400,000 - 2002 bonds for remodeling/construction of Homer High School. Principal is due in annual installments of \$240,000 to \$650,000 through March 2022. Interest rate is variable. Debt payments are made from School District No. 13 Debt Service Fund. 7,900,000

Total general obligation bonds \$15,688,636

The school board has accumulated \$676,429 in debt service funds to service the general obligation bonds. The annual requirements to amortize all general obligation bonds outstanding at June 30, 2004, including interest of \$7,612,290, are as follows:

<u>Year</u>	<u>Amount</u>
2005	\$1,316,130
2006	1,291,005
2007	1,294,450
2008	1,299,033
2009-2013	6,609,856
2014-2018	6,722,664
2019-2021	<u>4,767,788</u>
Total	<u>\$23,300,926</u>

General obligation bonds are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the school board is restricted from incurring long-term bonded debt in excess of 50 per cent of the assessed value of taxable property in the parish or district. The school board is within that statutory limitation.

10. DESIGNATION OF FUND BALANCE

The \$549,287 designated for contingencies, represents amounts intended to be used in the event of an emergency requiring expenditures not appropriated in the General Fund and for general liability expenses not covered by insurance. The following is a summary of transactions relating to the designated fund balances for the year ended June 30, 2004:

	<u>Contingencies</u>	<u>Roofing</u>
Balance at July 1, 2003	\$542,384	\$110,759
Additions - Interest earnings	<u>6,903</u>	
Balance at June 30, 2004	<u>\$549,287</u>	<u>\$110,759</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Notes to the Financial Statements (Continued)

11. LITIGATION AND CLAIMS

The school board is not involved in any litigation at June 30, 2004. In addition, the school board's legal counsel is not aware of any unasserted claims.

12. CORRECTION OF PRIOR YEAR NET ASSETS

The beginning balance for net assets on the Statement of Activities (Statement B) has been restated for a change in prior year fixed assets as follows:

Net assets as previously reported	\$10,263,254
Correction to prior year fixed assets (net)	<u>90,727</u>
Beginning net assets restated (Statement B)	<u><u>\$10,353,981</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

PART II

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)

For the Year Ended June 30, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$927,442	\$927,442	\$908,424	(\$19,018)
Sales and use	2,207,500	2,371,000	2,435,566	64,566
Earnings on investments	91,500	67,630	63,452	(4,178)
Other local sources	281,666	269,231	325,154	55,923
State sources:				
State revenue sharing	67,500	67,500	71,205	3,705
Unrestricted grants-in-aid	13,042,631	13,025,452	13,079,889	54,437
Restricted grants-in-aid	800,798	881,566	495,361	(386,205)
Federal sources:				
Unrestricted grants-in-aid	58,000	62,076	62,076	
Restricted grants-in-aid			254,660	254,660
Total revenues	<u>17,477,037</u>	<u>17,671,897</u>	<u>17,695,787</u>	<u>23,890</u>
EXPENDITURES				
Education:				
Instruction:				
Regular programs	8,003,855	8,622,295	8,393,872	228,423
Special programs	399,207	404,838	197,947	206,891
Special education programs	2,234,891	2,097,660	2,321,053	(223,393)
Adult and continuing education programs	94,170	79,115	71,619	7,496
Vocational programs	605,364	576,372	556,170	20,202
Other instructional programs	453,167	413,290	385,622	27,668
Support services:				
Pupil support services	584,986	616,877	620,843	(3,966)
Instructional staff support	937,259	1,050,693	987,129	63,564
General administration	535,335	587,999	532,799	55,200
School administration	1,282,929	1,175,897	1,206,899	(31,002)
Business services	245,496	243,480	209,070	34,410
Operation and maintenance of plant services	1,102,510	1,178,749	1,158,374	20,375
Student transportation services	1,033,710	977,460	871,099	106,361
Food services	259,977	292,680	241,139	51,541

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
For the Year Ended June 30, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
EXPENDITURES (CONTD.)				
Education: (Contd.)				
Support services: (Contd.)				
Central services	\$13,000	\$11,800	\$9,986	\$1,814
Community service programs	13,308	18,445	18,804	(359)
Capital outlay			154,828	(154,828)
Total expenditures	<u>17,799,164</u>	<u>18,347,650</u>	<u>17,937,253</u>	<u>410,397</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(322,127)</u>	<u>(675,753)</u>	<u>(241,466)</u>	<u>434,287</u>
OTHER FINANCING SOURCES (Uses)				
Insurance recovery		2,654	5,503	2,849
Operating transfers in	70,000	70,000	70,615	615
Operating transfers out			(928)	(928)
Total other financing sources (uses)	<u>70,000</u>	<u>72,654</u>	<u>75,190</u>	<u>1,921</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	<u>(252,127)</u>	<u>(603,099)</u>	<u>(166,276)</u>	<u>436,823</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>5,450,020</u>	<u>5,450,020</u>	<u>5,278,593</u>	<u>(171,427)</u>
FUND BALANCE AT END OF YEAR	<u>\$5,197,893</u>	<u>\$4,846,921</u>	<u>\$5,112,317</u>	<u>\$265,396</u>

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
GENERAL FUND
NOTES TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2004

Preliminary budgets for the ensuring year are prepared by the business manager and made available for public inspection and comments from the taxpayers at the school board office during August. At a board meeting in September, a public hearing is held and the proposed budgets are legally adopted by the school board. The budgets, which include proposed expenditures and the means of financing them, are published in the official journal at least 15 days prior to the public hearings.

The school board adopted budgets for the General Fund and all special revenue funds. Budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end and must be reappropriated during the following year to be expended. Encumbrances are not recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent of schools is authorized to transfer amounts between line items within any fund. However when actual revenues within a fund fail to meet budgeted revenues by five per cent or more and/or actual expenditures within a fund exceed budgeted expenditures by five per cent or more, a budget amendment is adopted by the school board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

(Concluded)

SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

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

To the Superintendent
Claiborne Parish School Board

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

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

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
(Schedule 2)**

1. I selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

Total General Fund Instructional Expenditures,
Total General Fund Equipment Expenditures,
Total Local Taxation Revenue,
Total Local Earnings on Investment in Real Property,
Total State Revenue in Lieu of Taxes,
Nonpublic Textbook Revenue, and
Nonpublic Transportation Revenue.

I noted no instances of expenditures/revenues not classified correctly.

Education Levels of Public School Staff (Schedule 3)

2. I reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 5) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.
3. I reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 5) to the combined total of principals and assistant principals per this schedule.
4. I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. I 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.

The described procedures produced no exceptions.

Number and Type of Public Schools (Schedule 4)

5. I obtained a list of schools by type as reported on the schedule. I 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.

I noted no discrepancies in the information provided on the Title 1 Grant Application and the actual number and type of schools in Claiborne Parish.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 5)

6. I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

I noted no exceptions in experience of public principals and full-time classroom teachers as reported by Claiborne Parish School Board.

Public Staff Data (Schedule 6)

7. I 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.

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

The described procedures produced no exceptions.

Class Size Characteristics (Schedule 7)

9. I obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 4 data, as obtained in procedure 5. I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

No exceptions were noted in the procedures applied to Schedule 7.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 8)

10. I 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 Claiborne Parish School Board.

I noted no exceptions in the available test scores as reported in the schedule and test scores reported by the testing authority.

The Graduation Exit Exam for the 21st Century (Schedule 9)

11. I 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 Claiborne Parish School Board.

I noted no exceptions in the available test scores as reported in the schedule and test scores reported by the testing authority.

Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2004

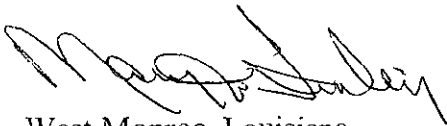
The Iowa Tests (Schedule 10)

12. I 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 Claiborne Parish School Board.

I noted no exceptions in the available test scores as reported in the schedule and test scores reported by the testing authority.

I was 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, I do not express such an opinion. Had I 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 Claiborne Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana
December 9, 2004

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2004

Schedule 2 - 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 3 - 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 principal's 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 4 - 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 5 - Experience of Public Teachers 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).

Schedule 6 - 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 7 - 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 8 - 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 9 - 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 10 - 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.

CLAIBORNE 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	\$7,747,269	
Other Instructional Staff Activities	3,004,410	
Employee Benefits	2,508,759	
Purchased Professional and Technical Services	192,697	
Instructional Materials and supplies	302,323	
Instructional Equipment	29,765	
Total Teacher and Student Interaction Activities		\$13,785,223
Other Instructional Activities		37,199
Pupil Support Activities		622,846
Instructional Staff Services	966,550	
Less: Equipment for Pupil Staff Services	(4,720)	
Net Instructional Staff Services		961,830
Total General Fund Instructional Expenditures		\$15,407,098
Total General Fund Equipment Expenditures		\$25,899
 <u>Certain Local Revenue Sources</u>		
Local Taxation Revenues:		
Constitutional Ad Valorem Tax		\$427,335
Special Maintenance and Operations Ad Valorem Tax		1,184,380
Debt Service Ad Valorem Tax		1,390,195
Up to 1% Collections by the Sheriff on Taxes		
Other Than School Taxes		65,983
Sales and Use Taxes		2,435,566
Total Local Taxation Revenue		\$5,503,459
Local Earnings on Investment in Real Property - Other		\$4,141
State Revenue in Lieu of Taxes		
Revenue Sharing - Constitutional Tax		36,119
Revenue Sharing - Other Taxes		79,532
Total State Revenue in Lieu of Taxes		\$115,651
Nonpublic Textbook Revenue		NONE
Nonpublic Transportation Revenue		NONE

CLAIBORNE PARISH SCHOOL BOARD
 Educational Levels of Public School Staff
 As of October 1, 2003

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	113	65.3%	26	100.0%				
Master's Degree	33	19.1%						
Master's Degree + 30	26	15.0%			3	100.0%		
Specialist in Education								
Ph. D. or Ed. D.	1	0.6%						
Total	173	100.0%	26	100.0%	3	100.0%	NONE	NONE

CLAIBORNE PARISH SCHOOL BOARD
 Number and Type of Public Schools
 For the Year Ended June 30, 2004

Type	Number
Elementary	2
Middle/Jr. High	1
High	1
Combination	5
Total	<u>9</u>

CLAIBORNE PARISH SCHOOL BOARD
 Experience of Public Principals
 and Full Time Classroom Teachers
 As of October 1, 2003

	<u>0 - 1</u> <u>Year</u>	<u>2 - 3</u> <u>Years</u>	<u>4 - 10</u> <u>Years</u>	<u>11 - 14</u> <u>Years</u>	<u>15 - 19</u> <u>Years</u>	<u>20 - 24</u> <u>Years</u>	<u>25 +</u> <u>Years</u>	<u>Total</u>
Assistant Principals				1			1	2
Principals							1	1
Classroom Teachers	<u>26</u>	<u>22</u>	<u>52</u>	<u>19</u>	<u>12</u>	<u>21</u>	<u>47</u>	<u>199</u>
Total	<u>26</u>	<u>22</u>	<u>52</u>	<u>20</u>	<u>12</u>	<u>21</u>	<u>49</u>	<u>202</u>

CLAIBORNE PARISH SCHOOL BOARD
Public School Staff Data
For the Year Ended June 30, 2004

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average Classroom Teacher's Salary Including Extra Compensation	\$31,212	\$30,824
Average Classroom Teacher's Salary Excluding Extra Compensation	\$30,401	\$30,069
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	229	213

Schedule 7

CLAIBORNE PARISH SCHOOL BOARD
 Class Size Characteristics
 For The Year Ended June 30, 2004

School Type	Class Size Range											
	1 - 20		21 - 26		27 - 33		34 +					
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	97.90%	140	2.10%	3								
Elementary Activity Classes	58.30%	7					41.70%	5				
Middle Jr. High	42.00%	42	34.00%	34	24.00%	24						
Middle Jr. High Activity Classes	33.30%	5	20.00%	3	33.30%	5	13.40%	2				
High	69.80%	83	19.30%	23	10.10%	12	0.80%	1				
High Activity Classes	69.20%	9	23.10%	3	7.70%	1						
Combination	75.30%	262	21.20%	74	3.50%	12						
Combination Activity Classes	50.00%	24	29.20%	14	10.40%	5	10.40%	5				

CLAIBORNE 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
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced			3	1.3%	1	0.4%
Mastery	25	12.9%	12	5.1%	20	8.5%
Basic	79	40.7%	97	41.1%	79	33.5%
Approaching Basic	52	26.8%	80	33.9%	69	29.2%
Unsatisfactory	38	19.6%	47	19.9%	67	28.4%
Total	194	100.0%	236	100.0%	236	100.0%

District Achievement Level Results	Science			Social Studies		
	2004	2003	2002	2004	2003	2002
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	2	1.0%	2	0.9%	2	0.0103
Mastery	15	7.7%	12	5.1%	16	0.0825
Basic	73	37.6%	62	26.4%	69	0.35567
Approaching Basic	82	42.3%	121	51.5%	66	0.34021
Unsatisfactory	22	11.3%	40	17.0%	41	0.21134
Total	194	100.0%	235	100.0%	194	100.0%

CLAIBORNE SCHOOL BOARD
Louisiana Educational Assessment Program (LEAP) For the 21st Century
For The Year Ended June 30, 2004

District Achievement Level Results	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced			1	0.5%			2	0.9%	2	1.0%	1	0.5%
Mastery	12	5.3%	18	8.7%	22	10.5%	11	4.8%	12	5.8%	4	1.9%
Basic	63	27.8%	65	31.6%	59	28.1%	96	42.3%	72	35.0%	82	38.0%
Approaching Basic	96	42.3%	88	42.7%	107	51.0%	60	26.4%	56	27.2%	60	27.8%
Unsatisfactory	56	24.7%	34	16.5%	22	10.5%	58	25.6%	64	31.1%	69	31.9%
Total	227	100.0%	206	100.0%	210	100.0%	227	100.0%	206	100.0%	216	100.0%

District Achievement Level Results	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced			3	1.5%			1	0.4%	1	0.5%		
Mastery	19	8.4%	9	4.4%	20	9.8%	11	4.9%	12	5.8%	14	6.8%
Basic	58	25.7%	51	24.8%	65	31.7%	68	30.2%	68	33.0%	84	41.0%
Approaching Basic	54	23.9%	88	42.7%	77	37.6%	74	32.9%	69	33.5%	59	28.8%
Unsatisfactory	95	42.0%	55	26.7%	43	21.0%	71	31.6%	56	27.2%	48	23.4%
Total	226	100.0%	206	100.0%	205	100.0%	225	100.0%	206	100.0%	205	100.0%

CLAIBORNE SCHOOL BOARD
GEE Test Results
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												
All Testers												
Advanced	2	1.1%	1	0.5%	1	0.6%	9	5.0%	6	3.1%	1	0.6%
Mastery	20	10.9%	14	7.1%	15	8.6%	24	13.3%	19	9.9%	12	6.7%
Basic	71	38.8%	64	32.7%	64	36.8%	74	40.9%	61	31.8%	58	32.6%
Approaching Basic	60	32.8%	52	26.5%	45	25.9%	31	17.1%	37	19.3%	29	16.3%
Unsatisfactory	30	16.4%	65	33.2%	49	28.2%	43	23.8%	69	35.9%	78	43.8%
Total	183	100.0%	196	100.0%	174	100.0%	181	100.0%	192	100.0%	178	100.0%

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												
All Testers												
Advanced	2	1.3%			2	1.4%			1	0.6%		
Mastery	15	9.9%	10	7.2%	16	11.4%	8	5.3%	13	7.4%	4	2.9%
Basic	64	42.1%	45	32.4%	50	35.7%	81	53.3%	67	38.1%	61	43.6%
Approaching Basic	52	34.2%	41	29.5%	30	21.4%	40	26.3%	53	30.1%	36	25.7%
Unsatisfactory	19	12.5%	43	30.9%	42	30.0%	23	15.1%	42	23.9%	39	27.9%
Total	152	100.0%	139	100.0%	140	100.0%	152	100.0%	176	100.0%	140	100.0%

CLAIBORNE PARISH SCHOOL BOARD
Iowa Basic Skills Comparison
For The Year Ended June 30, 2004

	Composite		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Test of Basic Skills (ITBS)			
Grade 3	53	47	36
Grade 5	42	39	35
Grade 6	39	32	41
Grade 7	43	38	37
Tests of Educational Development (ITED)			
Grade 9	39	41	40

OTHER SUPPLEMENTAL SCHEDULES

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

For the Year Ended June 30, 2004

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND - DISTRICT 11	TOTAL NONMAJOR GOVERNMENT AL FUNDS
ASSETS				
Cash and cash equivalents	\$1,050,035	\$604,477	\$217	\$1,654,729
Investments	939,775	71,952	3	1,011,730
Receivables	493,611			493,611
Due from other funds	249,821			249,821
Inventory	22,333			22,333
TOTAL ASSETS	\$2,755,575	\$676,429	\$220	\$3,432,224
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$78,000			\$78,000
Salaries payable	175,369			175,369
Due to other funds	1,203,504			1,203,504
Total Liabilities	1,456,873	NONE	NONE	1,456,873
Fund Equity - fund balances:				
Reserved for debt service		\$676,429		676,429
Unreserved - designated for roofing	110,579			110,579
Unreserved - undesignated	1,188,123		\$220	1,188,343
Total Fund Balances	1,298,702	676,429	220	1,975,351
TOTAL LIABILITIES AND FUND EQUITY	\$2,755,575	\$676,429	\$220	\$3,432,224

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND - DISTRICT 11	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Local sources:				
Ad valorem taxes	\$769,274	\$1,390,195		\$2,159,469
Food service	205,495			205,495
Earnings on investments	14,828	3,281	\$2,974	21,083
State sources:				
State revenue sharing	44,446			44,446
Unrestricted grants-in-aid	103,329			103,329
Federal sources -				
Restricted grants-in-aid	<u>2,864,346</u>			<u>2,864,346</u>
Total revenues	<u>4,001,718</u>	<u>1,393,476</u>	<u>2,974</u>	<u>5,398,168</u>
EXPENDITURES				
Education:				
Instruction:				
Regular programs	27,781			27,781
Special programs	1,070,772			1,070,772
Special education programs	43,599			43,599
Adult and continuing education programs	36,382			36,382
Vocational programs	43,055			43,055
Support services:				
Pupil support	14,940			14,940
Instructional staff support	511,087			511,087
General administration	28,655	48,057	2,000	78,712
School administration	40,627			40,627
Plant services	776,138			776,138
Student transportation services	80,399			80,399
Food services	1,298,313			1,298,313
Capital outlay	591,011		869,424	1,460,435
Debt service	<u>20,455</u>	<u>1,331,568</u>		<u>1,352,023</u>
Total expenditures	<u>4,583,214</u>	<u>1,379,625</u>	<u>871,424</u>	<u>6,834,263</u>
EXCESS OF REVENUES OVER EXPENDITURES	(581,496)	13,851	(868,450)	(1,436,095)

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUND - DISTRICT 11</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
OTHER FINANCING USES				
Operating transfers out	<u>(\$69,687)</u>	<u>NONE</u>	<u>NONE</u>	<u>(\$69,687)</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES	(651,183)	\$13,851	(\$868,450)	(1,505,782)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,949,885</u>	<u>662,578</u>	<u>868,670</u>	<u>3,481,133</u>
FUND BALANCES AT END OF YEAR	<u><u>\$1,298,702</u></u>	<u><u>\$676,429</u></u>	<u><u>\$220</u></u>	<u><u>\$1,975,351</u></u>

(Concluded)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
OTHER SUPPLEMENTAL SCHEDULES
As of and For The Year Ended June 30, 2004

NONMAJOR GOVERNMENTAL
SPECIAL REVENUE FUNDS:

MAINTENANCE FUNDS

The Parish wide Maintenance Fund is financed by a Parish wide ad valorem tax levy to provide additional support to operate and maintain all school facilities in the parish. Districts No. 11, No. 13, No. 16 and No. 26, Maintenance Funds are financed by an ad valorem tax levy for each district, which provides additional funds to operate and maintain school facilities in the respective districts.

**IMPROVING AMERICA'S
SCHOOL ACT**

Title I

Title I of the Improving America's School Act (IASA) is a program designed to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with high concentrations of children from low-income families. The program is federally financed, state-administered, and locally operated by the school board. The activities supplement, rather than replace, state and locally mandated activities.

Title VI

Title VI of the Improving America's School Act (IASA) is a program by which the federal government provides funds to the school board to a) assist local educational reform efforts, b) to support efforts to accomplish the National Education Goals, c) to implement promising educational reform programs, d) to provide a continuing source of innovation and educational improvement, including support for library services and instructional and media materials, and e) to meet the special educational needs of at-risk and high cost students.

Title II

Title II of the Improving America's School Act (IASA) is a program by which the federal government provides funds to the school board for projects that are designed to improve the skills of teachers and instruction in the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

DRUG-FREE SCHOOLS FUND

The Drug-Free Schools Fund is a program by which the federal government provides funds to the school board for the establishment, operation, and improvement of local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools.

SCHOOL LUNCH FUND

The School Lunch Fund accounts for operations of the school cafeterias. Funding is provided by federal and state grants-in-aid and charges for meals served.

SPECIAL EDUCATION FUND

Special Education Fund of the Handicapped Preschool and School Program is a federally financed program of free education, in the least restrictive environment, for children with exceptionalities.

VOCATIONAL EDUCATION FUND

The Vocational Education Fund accounts for specific funds received from the Louisiana Department of Education to purchase instructional materials, supplies, and equipment for vocational education programs.

ADULT EDUCATION FUND

The Adult Education Fund accounts for allotments of federal Adult Education State-Administered Program funds from the Louisiana Department of Education to provide adult education programs in the parish.

MEDICAID FUND

The Medicaid Fund accounts for federal and state programs that provide financial assistance and related services to handicapped students.

STARTING POINTS FUND

The Starting Points Fund accounts for from the United States Department of Health and Human Services through the Louisiana Department of Education. The purpose of the program is to provide for early childhood development of at-risk four year old children in full day preschool programs.

PRESCHOOL

Special Education Fund of the Handicapped Preschool and School Program is a federally financed program of free education, in the least restrictive environment, for children with exceptionalities.

Schedule 13

CLAIBORNE PARISH SCHOOL BOARD
 Homer, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 2004

	MAINTENANCE FUNDS	IASA FUNDS	SCHOOL LUNCH	SPECIAL EDUCATION	VOCATIONAL EDUCATION	ADULT EDUCATION	MEDICAID	STARTING POINTS	PRESCHOOL	TOTAL
ASSETS										
Cash and cash equivalents	\$428,167	\$145,717	\$232,916	\$120,150	\$37,401	\$6,738	\$27,987	\$33,190	\$17,769	\$1,050,035
Investments	939,775									939,775
Receivables		397,887		75,557	7,007	4,975			8,185	493,611
Due from other funds	220,000	134	27,402					2,285		249,821
Inventory			22,333							22,333
TOTAL ASSETS	\$1,587,942	\$543,738	\$282,651	\$195,707	\$44,408	\$11,713	\$27,987	\$35,475	\$25,954	\$2,755,575
LIABILITIES AND FUND EQUITY										
Liabilities:										
Accounts payable	\$53,344	\$24,559		\$97						\$78,000
Salaries payable		71,558	\$65,391	25,661		\$6,327		\$6,432		175,369
Due to other funds	220,000	567,193	137,510	170,000	\$44,245	9,513		29,043	\$26,000	1,203,504
Total Liabilities	273,344	663,310	202,901	195,758	44,245	15,840	NONE	35,475	26,000	1,456,873
Fund Equity - fund balances:										
Unreserved - designated for roofing	110,579									110,579
Unreserved - undesignated	1,204,019	(119,572)	79,750	(51)	163	(4,127)	\$27,987		(46)	1,188,123
Total Fund Equity	1,314,598	(119,572)	79,750	(51)	163	(4,127)	27,987	NONE	(46)	1,298,702
TOTAL LIABILITIES AND FUND EQUITY	\$1,587,942	\$543,738	\$282,651	\$195,707	\$44,408	\$11,713	\$27,987	\$35,475	\$25,954	\$2,755,575

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	MAINTENANCE FUNDS	IASA FUNDS	SCHOOL LUNCH	SPECIAL EDUCATION	VOCATIONAL EDUCATION	ADULT EDUCATION	MEDICAID	STARTING POINTS	PRESCHOOL	TOTAL
REVENUES										
Local sources:										
Ad valorem taxes	\$769,274		\$205,495							\$769,274
Food service			1,597				\$222			205,495
Earnings on investments										14,828
State sources:										
State revenue sharing	44,446		67,051				36,278			44,446
Unrestricted grants-in-aid										103,329
Federal sources -										
Restricted grants-in-aid		\$1,220,614	972,606	\$475,627	\$50,590	\$32,638		\$62,642	\$49,629	2,864,346
Total revenues	826,729	1,220,614	1,246,749	475,627	50,590	32,638	36,500	62,642	49,629	4,001,718
EXPENDITURES										
Education:										
Instruction:										
Regular programs	27,781									27,781
Special programs		805,912		202,218				62,642		1,070,772
Special education programs							4,158		39,441	43,599
Adult and continuing education						36,382				36,382
Vocational programs					43,055					43,055
Support services:										
Pupil support services		14,940								14,940
Instructional staff support		296,375							4,524	511,087
General administration	26,550			209,878						28,655
School administration	40,627				2,105					40,627
Operation and maintenance of plant services	642,815	98,089		33,141					2,093	776,138
Student transportation services	76,267			4,132						80,399
Food services			1,298,313							1,298,313
Capital outlay	486,478	72,691	19,267	4,540	5,267		1,468		1,300	591,011
Debt Service	20,455									20,455
Total expenditures	1,320,973	1,288,007	1,317,580	453,909	50,427	36,692	5,626	62,642	47,358	4,583,214

EXCESS OF REVENUES OVER EXPENDITURES	(494,244)	(67,393)	(70,831)	21,718	163	(4,054)	30,874	NONE	2,271	(581,496)
OTHER FINANCING USE	NONE	(45,541)	NONE	(21,769)	NONE	(60)	NONE	NONE	(2,317)	(69,687)
Operating transfers out										
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USE	(494,244)	(112,934)	(70,831)	(51)	163	(4,114)	30,874	NONE	(46)	(651,183)
FUND BALANCES (Deficit) AT BEGINNING OF YEAR	1,808,842	(6,638)	150,581	NONE	NONE	(13)	(2,887)	NONE	NONE	1,949,885
FUND BALANCES (Deficit) AT END OF YEAR	<u>\$1,314,598</u>	<u>(\$119,572)</u>	<u>\$79,750</u>	<u>(\$51)</u>	<u>\$163</u>	<u>(\$4,127)</u>	<u>\$27,987</u>	<u>NONE</u>	<u>(\$46)</u>	<u>\$1,298,702</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS - MAINTENANCE FUNDS

Combining Balance Sheet, June 30, 2004

	<u>PARISH WIDE</u>	<u>DISTRICT 1</u>	<u>DISTRICT 11</u>	<u>DISTRICT 13</u>	<u>DISTRICT 16</u>	<u>DISTRICT 26</u>	<u>TOTAL</u>
ASSETS							
Cash and equivalents	\$4,721	\$72,233	\$7,866	\$68,259	\$168,768	\$106,320	\$428,167
Investments	323,634		46,332	554,553	15,256		939,775
Due from other funds	220,000						220,000
TOTAL ASSETS	<u>\$548,355</u>	<u>\$72,233</u>	<u>\$54,198</u>	<u>\$622,812</u>	<u>\$184,024</u>	<u>\$106,320</u>	<u>\$1,587,942</u>
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts payable	\$10,673	\$17,644		\$25,027			\$53,344
Due to other funds			\$220,000				220,000
Total Liabilities	<u>10,673</u>	<u>17,644</u>	<u>220,000</u>	<u>25,027</u>	<u>NONE</u>	<u>NONE</u>	<u>273,344</u>
Fund Equity - fund balances:							
Unreserved - designated for roofing				110,579			110,579
Unreserved - undesignated	537,682	54,589	(165,802)	487,206	\$184,024	\$106,320	1,204,019
Total fund balances	<u>537,682</u>	<u>54,589</u>	<u>(165,802)</u>	<u>597,785</u>	<u>184,024</u>	<u>106,320</u>	<u>1,314,598</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$548,355</u>	<u>\$72,233</u>	<u>\$54,198</u>	<u>\$622,812</u>	<u>\$184,024</u>	<u>\$106,320</u>	<u>\$1,587,942</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS - MAINTENANCE FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	<u>PARISH WIDE</u>	<u>DISTRICT 1</u>	<u>DISTRICT 11</u>	<u>DISTRICT 13</u>	<u>DISTRICT 16</u>	<u>DISTRICT 26</u>	<u>TOTAL</u>
REVENUES							
Taxes - ad valorem	\$415,106	\$37,003	\$97,913	\$117,278	\$63,954	\$38,020	\$769,274
Earnings on investments	4,528		766	6,004	1,071	640	13,009
State revenues	25,439		6,042	12,965			44,446
Total revenues	<u>445,073</u>	<u>37,003</u>	<u>104,721</u>	<u>136,247</u>	<u>65,025</u>	<u>38,660</u>	<u>826,729</u>
EXPENDITURES							
Education:							
Instruction - Regular programs	27,750			31			27,781
Support services:							
General administration	14,334	1,336	3,372	4,060	2,098	1,350	26,550
School administration	40,627						40,627
Plant services	423,097	49,184	6,431	108,104	14,905	41,094	642,815
Student transportation services	76,025			242			76,267
Capital outlay	7,066		342,873	134,391	1,098	1,050	486,478
Debt Service					20,455		20,455
Total expenditures	<u>588,899</u>	<u>50,520</u>	<u>352,676</u>	<u>246,828</u>	<u>38,556</u>	<u>43,494</u>	<u>1,320,973</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(143,826)	(13,517)	(247,955)	(110,581)	26,469	(4,834)	(494,244)
FUND BALANCES AT BEGINNING OF YEAR	<u>681,508</u>	<u>68,106</u>	<u>82,153</u>	<u>708,366</u>	<u>157,555</u>	<u>111,154</u>	<u>1,808,842</u>
FUND BALANCES AT END OF YEAR	<u>\$537,682</u>	<u>\$54,589</u>	<u>(\$165,802)</u>	<u>\$597,785</u>	<u>\$184,024</u>	<u>\$106,320</u>	<u>\$1,314,598</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS -IMPROVING AMERICA'S
SCHOOL ACT FUNDS

Combining Balance Sheet, June 30, 2004

	TITLE I	TITLE I CARRYOVER	TITLE II	TITLE VI	DRUG-FREE SCHOOLS	TOTAL
ASSETS						
Cash and cash equivalents	\$63,871	\$39,624	\$22,566	\$5,573	\$14,083	\$145,717
Receivables	249,611	54,403		78,933	14,940	397,887
Due from other funds					134	134
TOTAL ASSETS	<u>\$313,482</u>	<u>\$94,027</u>	<u>\$22,566</u>	<u>\$84,506</u>	<u>\$29,157</u>	<u>\$543,738</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable		\$23,065		\$1,494		\$24,559
Salaries payable	\$60,258	1,063	\$10,237			71,558
Due to other funds	289,076	61,960	100,000	87,000	\$29,157	567,193
Total Liabilities	<u>349,334</u>	<u>86,088</u>	<u>110,237</u>	<u>88,494</u>	<u>29,157</u>	<u>663,310</u>
Fund Equity - fund balances - unreserved - undesignated	<u>(35,852)</u>	<u>7,939</u>	<u>(87,671)</u>	<u>(3,988)</u>	<u>NONE</u>	<u>(119,572)</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$313,482</u>	<u>\$94,027</u>	<u>\$22,566</u>	<u>\$84,506</u>	<u>\$29,157</u>	<u>\$543,738</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS -IMPROVING
AMERICA'S SCHOOLS ACT FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	TITLE I	TITLE I CARRYOVER	TITLE II	TITLE VI	DRUG-FREE SCHOOLS	TOTAL
REVENUES						
Federal sources -						
Restricted grants-in-aid	\$792,847	\$146,015	\$123,021	\$143,493	\$15,238	\$1,220,614
EXPENDITURES						
Education:						
Instruction - special programs	682,847	43,065		80,000		805,912
Support services:						
Pupil support					14,940	14,940
Instructional staff support	91,328		205,047			296,375
Plant services	15,958	81,862		269		98,089
Capital outlay		6,087		66,604		72,691
Total expenditures	<u>790,133</u>	<u>131,014</u>	<u>205,047</u>	<u>146,873</u>	<u>14,940</u>	<u>1,288,007</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,714	15,001	(82,026)	(3,380)	298	(67,393)
OTHER FINANCING USE						
Operating transfers out	<u>(33,888)</u>	<u>(5,102)</u>	<u>(5,645)</u>	<u>(608)</u>	<u>(298)</u>	<u>(45,541)</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USE	(31,174)	9,899	(87,671)	(3,988)	NONE	(112,934)
FUND BALANCES AT BEGINNING OF YEAR	<u>(4,678)</u>	<u>(1,960)</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>(6,638)</u>
FUND BALANCES AT END OF YEAR	<u>(\$35,852)</u>	<u>\$7,939</u>	<u>(\$87,671)</u>	<u>(\$3,988)</u>	<u>NONE</u>	<u>(\$119,572)</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
OTHER SUPPLEMENTAL SCHEDULES
As of and For The Year Ended June 30, 2004

NONMAJOR GOVERNMENTAL
DEBT SERVICE FUNDS:

SCHOOL DISTRICTS NO. 1, NO. 11, AND NO. 13 FUNDS

The school district debt service funds accumulate monies for payment of the remaining bonds. The bonds were issued to acquire lands for building sites, to erect and improve school buildings, and to acquire necessary equipment and furnishings. The bonds are financed by special property tax levies on property within the territorial limits of the appropriate school districts.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS - SCHOOL DISTRICTS

Combining Balance Sheet, June 30, 2004

	<u>NO. 1</u>	<u>NO. 11</u>	<u>NO. 13</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$1,050	\$332,328	\$271,099	\$604,477
Investments	59,239	12,713		71,952
TOTAL ASSETS	<u>\$60,289</u>	<u>\$345,041</u>	<u>\$271,099</u>	<u>\$676,429</u>
FUND EQUITY				
Fund Equity - fund balances - reserved for debt service	<u>\$60,289</u>	<u>\$345,041</u>	<u>\$271,099</u>	<u>\$676,429</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS - SCHOOL DISTRICTS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004

	<u>NO. 1</u>	<u>NO. 11</u>	<u>NO. 13</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Ad valorem taxes		\$699,376	\$690,819	\$1,390,195
Earnings on investments	\$668	1,511	1,102	3,281
Total revenues	<u>668</u>	<u>700,887</u>	<u>691,921</u>	<u>1,393,476</u>
EXPENDITURES				
Support services - general administration		24,087	23,970	48,057
Debt service	55,813	647,270	628,485	1,331,568
Total expenditures	<u>55,813</u>	<u>671,357</u>	<u>652,455</u>	<u>1,379,625</u>
EXCESS OF REVENUES OVER	(55,145)	29,530	39,466	13,851
FUND BALANCES AT BEGINNING OF YEAR	<u>115,434</u>	<u>315,511</u>	<u>231,633</u>	<u>662,578</u>
FUND BALANCES AT END OF YEAR	<u>\$60,289</u>	<u>\$345,041</u>	<u>\$271,099</u>	<u>\$676,429</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For The Year Ended June 30, 2004

AGENCY FUNDS

SCHOOL ACTIVITY AGENCY FUND

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

SALES TAX FUND

The Sales Tax Fund accounts for the collection and distribution of sales taxes by the sales tax department of the Claiborne Parish School Board on behalf of the five taxing authorities located within Claiborne Parish.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
SCHOOL ACTIVITY AGENCY FUND

Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2004

<u>SCHOOL</u>	<u>BALANCE JULY 1, 2003</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2004</u>
Athens High	\$3,056	\$59,173	(\$47,659)	\$14,570
Haynesville Elementary	14,634	69,448	(61,700)	22,382
Haynesville Junior High	43,066	57,098	(46,603)	53,561
Haynesville High	101,452	133,736	(154,374)	80,814
Homer Elementary	54,197	66,162	(45,982)	74,377
Homer Junior High	42,299	86,215	(70,773)	57,741
Homer High	77,810	169,726	(179,627)	67,909
Pineview High	14,827	96,399	(94,414)	16,812
Summerfield High	53,967	97,200	(108,824)	42,343
Total	<u>\$405,308</u>	<u>\$835,157</u>	<u>(\$809,956)</u>	<u>\$430,509</u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
SALES TAX FUND

Schedule of Changes in Deposit Due Others
For the Year Ended June 30, 2004

BALANCE JULY 1, 2003	NONE
ADDITIONS:	
Sales tax collections	\$3,127,941
Interest earned on deposits	<u>4,867</u>
Total additions	<u>3,132,808</u>
SETTLEMENTS:	
School Board General Fund:	
Sales tax	1,194,413
Collections Fees	47,724
Police Jury	486,077
Town of Homer	947,498
Town of Haynesville	398,335
Junction City	<u>58,761</u>
Total settlements	<u>3,132,808</u>
BALANCE JUNE 30, 2004	<u><u>NONE</u></u>

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For The Year Ended June 30, 2004

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the school board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the school board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, each member of the school board was entitled to receive \$400 per month.

CLAIBORNE PARISH SCHOOL BOARD
Homer, LouisianaSchedule of Compensation Paid Board Members
For The Year Ended June 30, 2004

Thomas E. Davidson	\$4,800
Stanley Edwards	4,800
B. Stewart Griffin	4,800
Elbert Blake Hemphill	4,800
Danny Lee	4,800
Joe Marlon Lee	4,800
William H. Maddox	4,800
Vera R. Meadors	4,800
A. D. Williams	4,800
Almeter Willis	<u>4,800</u>
Total	<u>\$48,000</u>

**Independent Auditors' Reports
on Compliance with
Laws, Regulations, Contracts, and Grants,
and Internal Control**

The following independent auditors' reports on compliance with laws, regulations, contracts, and grants and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States; the U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the *Single Audit Act Amendments of 1996*; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

I have audited the financial statements of the Claiborne Parish School Board as of and for the year ended June 30, 2004, and have issued my report thereon dated December 9, 2004. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

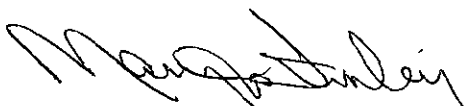
As part of obtaining reasonable assurance about whether the Claiborne Parish School Board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed several instances of noncompliance that are required to be reported under *Government Auditing Standards*. Those findings are presented in the accompanying schedule of findings and questioned costs as items 04-01 through 04-04.

Internal Control Over Financial Reporting

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

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Independent Auditors' Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2004

This report is intended for the information of the members of the Claiborne Parish School Board, management of the school board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana
December 9, 2004

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance

CLAIBORNE PARISH SCHOOL BOARD

Homer, Louisiana

Compliance

I have audited the compliance of the Claiborne Parish School Board with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 2004. Claiborne Parish 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 Claiborne Parish School Board. My responsibility is to express an opinion on the Claiborne Parish School Board's compliance based on my audit.

I conducted my audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Claiborne Parish School Board's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Claiborne Parish School Board's compliance with those requirements.

In my opinion, the Claiborne Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2004. The results of my auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

CLAIBORNE PARISH SCHOOL BOARD

Homer, Louisiana

Independent Auditors' Report on Compliance

With Requirements Applicable to Each Major

Program and Internal Control Over Compliance, etc.

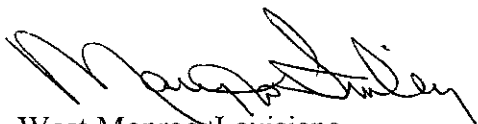
June 30, 2004

Internal Control Over Compliance

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

My 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the members of the Claiborne Parish School Board, management of the school board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



West Monroe, Louisiana

December 9, 2004

CLAIBORNE PARISH SCHOOL BOARD
Homer, LouisianaSchedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unqualified opinion on the financial statements of the Claiborne Parish School Board.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting.
3. Four instances of noncompliance material to the financial statements of the Claiborne Parish School Board were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Auditors' Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The auditors' report on compliance for the major federal award programs for the Claiborne Parish School Board expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the Claiborne Parish School Board are reported.
7. The program tested as major was the IASA Title I Grants to Local Educational Agencies and IASA Title I Grants to Local Educational Agencies Carryover - CFDA number 84.010A.
8. The threshold for distinguishing Type A and B programs was \$500,000.
9. The Claiborne Parish School Board was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT**04-01 Need to Verify Balances for
Fixed Assets**

Finding: The beginning balances of fixed assets does not equal the prior year ending balances. LRS 24:514 and proper internal control requires that

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

complete and adequate records be maintained on assets. According to the software company, the report for fixed assets for the year ended June 30, 2003 was not correct. There were formulas in the prior fixed asset report generated by the software company that did not calculate correctly. The school board was not informed of this problem until this year when the school board staff was unable to reconcile to prior year amounts. Due to the lack of confidence in the fixed asset program used by the school board, the board has no assurance that the stated balances at June 30, 2004 are correct.

Recommendation: I recommend that the school board administration determine whether the current fixed asset program is working correctly, by manually checking calculations or performing a physical inventory. Further, for the year ended June 30, 2005 the school board should be able to provide an accurate list showing beginning balances, (which agree to prior year ending balances), additions, deletions, and ending balances.

**04-02 Need to Verify Balances for
Vacation and Compensatory Time**

Finding: The school board was not able to provide a schedule of compensatory time earned and used, by function. Further, the schedule of compensated absences provided did not include all employees. Internal control for compensatory time requires complete and proper information. It appears that the software used by the school board does not have the capability to provide the proper information needed. Because the school board was not able provide a schedule with all employees included on the list, the school board has no assurance that the stated liability balances at June 30, 2004 are correct.

Recommendation: I recommend that the current administration determine what its' actual liability for compensatory time is as soon as possible. Further, for the year ended June 30, 2005, the school board should be able to provide an accurate list showing beginning balances, additions, reductions, and ending balances, by employee and function.

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

**04-03 Need to Reconcile Interfund Receivable
and Payable Balances**

Finding: Interfund receivables at year end did not equal interfund payables. Basic internal control procedures include the reconciliation of interfund balances in a timely manner. During my testing of interfund payables and receivables, I was unable to agree the interfund balances. The school board was unable to provide a schedule of these balances. An accurate schedule should be maintained and balanced each month. The business manager should follow up on any differences and correct at that time. The adjusted balance for the school boards interfund receivables reflected a balance of \$1,263,965, while the interfund payables reflected a balance of \$1,251,548, or an unidentified difference of \$12,417. As indicated above, the interfund records have not been properly reconciled.

Recommendation: The business should insure that interfund receivables and payables reconcile on a monthly basis.

**04-04 Need Improved Controls
Over Grant Expenditures**

Finding: Procedures for disbursements from the 8G tuition reimbursement program do not provide adequate controls. Proper internal control requires that all disbursements should be supported by an original invoice or other support which indicates that the goods or services have actually been received. My testing of expenditures for the 8G program disclosed the following.

1. The signature for approval on one request for payment did not agree to the authorized signature.
2. None of the support documentation for reimbursement of funds, reviewed by me were originals. Further, several of the support documents appear to have been altered.
3. There are two people who are being reimbursed for tuition that are not eligible for reimbursement, according to the guidelines provided for this program.

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

Recommendation: To improve controls, the business manager should review and approve all grant expenditures of the school board office. Further, responsible grant administrators should ensure that all grant expenditures are supported by an original invoice or other supporting documentation and that the persons being reimbursed are eligible for the program.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL
AWARD PROGRAMS AUDIT**

None

(Concluded)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	EXPENDITURES
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Louisiana Department of Education:			
National School Lunch Program	10.555	N/A	\$630,617
School Breakfast Program	10.553	N/A	265,024
Passed through Louisiana Department of Agriculture and Forestry -			
Food Distribution Program	10.550	N/A	76,965
Total United States Department of Agriculture			<u>972,606</u>
UNITED STATES DEPARTMENT OF EDUCATION			
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered Basic Grant Program	84.002A	0444-14	26,414
Adult Education - State-Administered Basic Grant Program	84.002A	0421-14	5,548
Adult Education - State-Administered Basic Grant Program Carryover	84.002A	280344-14-C	676
Total Basic Grant Program			<u>32,638</u>
IASA Title I Grants to Local Educational Agencies	84.010A	04-T1-14	792,847
IASA Title I Grants to Local Educational Agencies Carryover	84.010A	03-T1-14	146,015
Total Title I Grants			<u>938,862</u>
Special Education:			
State Grants - IDEA Part B	84.027A	28-04-B1-14	475,627
Preschool Incentive Grants	84.173A	28-04-P1-14	39,472
Preschool Incentive Grants Carryover	84.173A	02-P2-14	10,157
Total Preschool Incentive Grants			<u>49,629</u>
Vocational Education:			
Basic Grants to States	84.048	280402-14	49,761
Basic Grants to States Carryover	84.048	280302-14-C	829
Total Basic Grants			<u>50,590</u>
Innovative Education Program Strategies - Title VI	84.298A	04-80-14	12,841
Class-Size Reduction Program - Title VI	84.332A	03-T6-14-C	49,920
Class-Size Reduction Program - Title VI Carryover	84.332A	02-T6-14-C	25,790
Class-Size Reduction Program - Title VI	84.332A	03-T7-14-C	46,359
Class-Size Reduction Program - Title VI Carryover	84.332A	02-T7-14-C	32,159
Total Class-Size Reduction Program			<u>154,228</u>
Rural and Low Income Schools	84.358B	04-RE-14	128,444
Rural and Low Income Schools	84.358B	03-RE-14	2,208
Total Rural and Low Income Schools			<u>130,652</u>
TANF Adult and Family Literacy Grants	93.558	03LG-14	26,571
Teacher & Principal Training & Recruiting Fund - Title II, Part A	84.367A	04-50-14	123,021
Education Technology State Grant	84.318X	280449-14	21,941
Safe and Drug-Free Schools - State Grants - Title IV	84.186A	04-70-14	15,238
Total United States Department of Education			<u>2,031,838</u>

(Continued)

CLAIBORNE PARISH SCHOOL BOARD
 Homer, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2004

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	EXPENDITURES
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Louisiana Department of Education -			
Starting Points - Child Care and Development Block Grant	93.575	28043814	\$62,642
Strategies to Empower People	93.558	2804EP-14	21,505
Pre-GED/Skills Option	93.558	280436-14	<u>30,415</u>
Total United States Department of Health and Human Services			<u>114,562</u>
OTHER FINANCIAL ASSISTANCE			
Direct program - United States Department of the Interior -			
Payment in Lieu of Taxes	15.000	N/A	<u>62,076</u>
Total Federal Financial Assistance			<u><u>\$3,181,082</u></u>

NOTES:

1. The schedule of expenditures of federal awards was prepared on the modified accrual basis of accounting.
2. Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.
At June 30, 2004, the school board had food commodities totaling \$8,833 in inventory.

(Concluded)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2004

There were no audit findings reported in the audit for the year ended June 30, 2003.

CLAIBORNE PARISH SCHOOL BOARD

P.O. BOX 600
415 EAST MAIN
HOMER, LOUISIANA 71040-0600
PHONE: 318-927-3502
FAX: 318-927-9184

TO: Mary Jo Finley, CPA, Inc.
FROM: Claiborne Parish School Board
DATE: December 8, 2004
RE: Audit Responses

Response 04-01 Verification of Balances for Fixed Assets

We will monitor our fixed asset program quarterly over the next year to verify that ending balances will match beginning balances. It is the procedure of Claiborne Parish School Board to conduct a physical inventory yearly. The reason the beginning balance will not tie is due to our fixed asset program being upgraded midyear. We will also be working with Software & Services to make sure that this does not occur again next year.

Response 04-02 Verification of Balances for Vacation and Compensatory Time

After a discussion with our software company, it was determined that our present program lacks the ability to produce a compensated absence report that reflects a particular date. Software & Services will be checking with their programmers to determine how to produce such a report. In years past, this report has not been required to reflect a certain date. Until this year's audit, our compensated absence report has been sufficient. With adequate notice, Software & Services assures us they could have designed such a program. We will be following up with our software company and our auditors to determine what is needed to produce this report.

Response 04-03 Verification of Interfund Receivables and Payable Balances

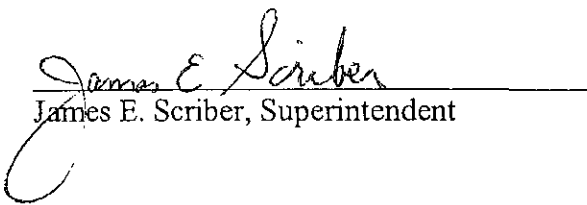
The business manager will design a spreadsheet to recap both Interfund receivables and payables and balance them monthly. This spreadsheet will be available for the auditors for year ending June 30, 2005.

Response 04-04 Controls of Grant Expenditures

Explanation of Disclosures:

1. This matter has been addressed by the superintendent and resolved to his satisfaction.
2. The documentations reviewed by the auditor were copies of invoices that are filed with Claiborne Parish School Board's accounts payable records. All original invoices are maintained on file in the Human Resources office for state audit purposes and are available upon request. All invoices have been reviewed by the superintendent and meet his satisfaction.
3. Both employees in question had approval from the acting superintendent to participate in this program. At that time, the state coordinator at 8(g) Teacher Quality Block stated that funds could be used by administrators. After eligibility was questioned regarding the participation by these two employees, the 8(g) state program coordinator was contacted again. At that point, the 8(g) state program coordinator conferred with his immediate supervisor and was told that he had given misinformation to the two employees. Upon notification that this practice was not acceptable, participation in the use of the 8(g) Teacher Quality Block Tuition funds by these two employees has ceased. Please see attached e-mail from 8(g) state program coordinator.

It has been the practice of Claiborne Parish School Board that the business manager receives all invoices for approval. The business manager then forwards all invoices to the appropriate supervisor for request of payment. Then the supervisor forwards the invoices to accounts payable for processing. This practice was recommended and approved by the state legislative auditor.


James E. Scriber, Superintendent