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Harvey Marcus, CPA
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Member
this
CE MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

To the Members
Tensas Parish School Board
St. Joseph, Louisiana

In planning and performing our audit of the general purpose financial statements of the Tensas Parish School Board, for the year ended June 30, 1996, we considered its' internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the internal control structure. However, we noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to deficiencies in the design or operation of the internal control structure that, in our judgment could adversely affect the Tensas Parish School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

We reviewed all travel expense reimbursements in excess of \$250. We feel that all reimbursements reviewed have adequate documentation. All questions raised were satisfactorily answered. However, we do have the following recommendations:

- 1) All leave from work requests for out of town seminars or travel should be accompanied with an agenda of events to be attended - no exception.
- 2) All expense reimbursement requests should be submitted by the 10th of the month following the month in which the expenses were incurred - no exception.
- 3) A request for hotel reservations or air fare at locations other than the approved seminar or convention site must be submitted to the superintendent prior to the employee's departure. This request must have all pertinent documentation regarding any changes in location - no exceptions.

This report is intended solely for the information and use of the Tensas Parish School Board's management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
October 16, 1996

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

Release Date _____

TENSAS PARISH SCHOOL BOARD
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INDEPENDENT AUDITOR'S REPORT

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the accompanying general purpose financial statements of the Tensas Parish School Board, St. Joseph, Louisiana, as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the Tensas Parish School Board, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tensas Parish School Board, as of June 30, 1996 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Tensas Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

TENSAS PARISH SCHOOL BOARD
COMBINED BALANCE SHEETS - ALL TYPES AND ACCOUNT GROUPS
JUNE 30, 1996

	<u>Governmental Fund Types</u>		
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
<u>ASSETS AND OTHER DEBITS</u>			
Cash	938,057	325,697	29,420
Receivables	202,455	7,134	11,211
Prepaid Expense	-0-	-0-	-0-
Due From Other Funds	11,530	-0-	-0-
Inventory, at cost	-0-	16,373	-0-
Land	-0-	-0-	-0-
Buildings	-0-	-0-	-0-
Furniture and Equipment	-0-	-0-	-0-
Amount available in debt service funds	-0-	-0-	-0-
Amount to be provided for retirement of general long-term obligations	-0-	-0-	-0-
<u>TOTAL ASSETS AND OTHER DEBITS</u>	<u>1,152,042</u>	<u>349,204</u>	<u>40,631</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts Payable	99,779	48,893	-0-
Accrued Payroll and Payroll Taxes	-0-	-0-	-0-
Amounts due State of Louisiana	-0-	5,216	-0-
Due to Other Funds	521,791	88,590	-0-
School Activity Funds	-0-	-0-	-0-
Compensated Absences Payable	-0-	-0-	-0-
Bonds Payable	-0-	-0-	-0-
<u>TOTAL LIABILITIES</u>	621,570	142,699	-0-
Fund Equity:			
Investment in General Fixed Assets	-0-	-0-	-0-
Reserved for Debt Service	-0-	-0-	40,631
Unreserved - Undesignated	530,472	206,505	-0-
<u>TOTAL FUND EQUITY</u>	<u>530,472</u>	<u>206,505</u>	<u>40,631</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>1,152,042</u>	<u>349,204</u>	<u>40,631</u>

See Notes To Financial Statements

Fiduciary Fund Types		Account Groups		Total (Memorandum Only)	
Agency- School Activity Fund	Agency- Payroll Fund	General Fixed Assets	General Long-Term Obligations	1996	1995
31,733	200,299	-0-	-0-	1,525,206	1,653,398
-0-	-0-	-0-	-0-	220,800	298,117
-0-	-0-	-0-	-0-	-0-	-0-
-0-	599,785	-0-	-0-	611,315	730,112
-0-	-0-	-0-	-0-	16,373	20,011
-0-	-0-	309,540	-0-	309,540	309,540
-0-	-0-	5,333,381	-0-	5,333,381	5,184,222
-0-	-0-	3,359,308	-0-	3,359,308	2,990,034
-0-	-0-	-0-	40,631	40,631	44,837
-0-	-0-	-0-	258,436	258,436	233,930
<u>31,733</u>	<u>800,084</u>	<u>9,002,229</u>	<u>299,067</u>	<u>11,674,990</u>	<u>11,464,201</u>
-0-	-0-	-0-	-0-	148,672	69,490
-0-	799,150	-0-	-0-	799,150	922,234
-0-	-0-	-0-	-0-	5,216	12,361
-0-	934	-0-	-0-	611,315	730,112
31,733	-0-	-0-	-0-	31,733	32,050
-0-	-0-	-0-	279,067	279,067	253,767
-0-	-0-	-0-	20,000	20,000	25,000
31,733	800,084	-0-	299,067	1,895,153	2,045,014
-0-	-0-	9,002,229	-0-	9,002,229	8,483,796
-0-	-0-	-0-	-0-	40,631	44,837
-0-	-0-	-0-	-0-	736,977	890,554
-0-	-0-	9,002,229	-0-	9,779,837	9,419,187
<u>31,733</u>	<u>800,084</u>	<u>9,002,229</u>	<u>299,067</u>	<u>11,674,990</u>	<u>11,464,201</u>

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1996

REVENUES	General Fund	Special Revenue Funds	Debt Service Fund	Total (Memorandum Only)	
				1996	1995
Local Sources:					
Taxes:					
Ad Valorem Taxes	500,688	-0-	2,141	502,829	499,907
Sales and Use	-0-	394,173	-0-	394,173	359,280
Other	34,539	-0-	-0-	34,539	35,187
Rentals, leases and royalties	8,500	-0-	-0-	8,500	21,347
Earnings and investments	41,378	7,121	1,118	49,617	47,534
Other	85,180	152,648	-0-	237,828	154,200
State Sources:					
Unrestricted grants-in-aid	4,099,267	-0-	-0-	4,099,267	4,197,035
Restricted grants-in-aid	221,994	-0-	-0-	221,994	319,210
Federal Sources:					
Restricted grants-in-aid- subgrants	378,618	1,680,683	-0-	2,059,301	1,878,490
TOTAL REVENUES	5,370,164	2,234,625	3,259	7,608,048	7,512,190
EXPENDITURES					
Instruction:					
Regular Programs	1,935,449	159,791	-0-	2,095,240	2,691,237
Special Programs	1,314,743	721,561	-0-	2,036,304	1,064,027
Adult and Continuing Education	76,845	-0-	-0-	76,845	77,607
Support Services:					
Support Programs for Pupils	253,754	320,880	-0-	574,634	418,019
Instructional Staff Support Programs	151,404	223,343	-0-	374,747	134,350
General Administration Programs	174,136	76,623	-0-	250,759	936,545
School Administration Service Programs	306,952	-0-	-0-	306,952	316,064
Business Services Programs	106,100	6,806	-0-	112,906	123,363
Operation and Maintenance of Plant	517,129	16,253	-0-	533,382	509,648
Pupil Transportation Services	512,036	15,821	-0-	527,857	370,633
Other Support Services	29,889	653,034	-0-	682,923	723,922
Community Service Program	2,027	-0-	-0-	2,027	1,200
Facility Acquisition & Construction	137,665	46,125	-0-	183,790	93,925
Debt Service:					
Principal Retirement	-0-	-0-	5,000	5,000	70,000
Interest and Paying Agent Fees	-0-	-0-	2,465	2,465	13,190
TOTAL EXPENDITURES	5,518,129	2,240,237	7,465	7,765,831	7,543,730
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(147,965)	(5,612)	(4,206)	(157,783)	(31,540)

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES-CONTINUED
YEAR ENDED JUNE 30, 1996

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total (Memorandum Only)</u>	
				<u>1996</u>	<u>1995</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	19,000	123,887	-0-	142,887	144,034
Operating transfers (out)	(114,008)	(28,879)	-0-	(142,887)	(144,034)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(95,008)</u>	<u>95,008</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<u>(242,973)</u>	<u>89,396</u>	<u>(4,206)</u>	<u>(157,783)</u>	<u>(31,540)</u>
<u>FUND BALANCES - JULY 1, 1995</u>	<u>773,445</u>	<u>117,109</u>	<u>44,837</u>	<u>935,391</u>	<u>966,931</u>
<u>FUND BALANCES - JUNE 30, 1996</u>	<u>530,472</u>	<u>206,505</u>	<u>40,631</u>	<u>777,608</u>	<u>935,391</u>

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES
YEAR ENDED JUNE 30, 1996

	General Fund		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES			
Local Sources:			
Taxes:			
Ad Valorem	507,742	500,688	(7,054)
Sales and Use	-0-	-0-	-0-
Other	34,699	34,539	(160)
Rentals, Leases, and Royalties	8,488	8,500	12
Earnings on Investments	42,000	41,378	(622)
Other	74,211	85,180	10,969
State Sources:			
Unrestricted Grants-in-Aid	4,099,252	4,099,267	15
Restricted Grants-in-Aid	223,742	221,994	(1,748)
Federal Sources:			
Restricted Grants-in-Aid-Subgrants	<u>434,837</u>	<u>378,618</u>	<u>(56,219)</u>
<u>TOTAL REVENUES</u>	5,424,971	5,370,164	(54,807)
EXPENDITURES			
Instruction:			
Regular	1,956,307	1,935,449	20,858
Special	1,384,938	1,314,743	70,195
Adult and Continuing Education	82,406	76,845	5,561
Support Services:			
Support Programs for Pupils	260,113	253,754	6,359
Instructional Staff Support Programs	147,918	151,404	(3,486)
General Administration Programs	168,660	174,136	(5,476)
School Administration Service Programs	304,000	306,952	(2,952)
Business Service Programs	105,813	106,100	(287)
Operation and Maintenance of Plant	502,772	517,129	(14,357)
Pupil Transportation Services	508,959	512,036	(3,077)
Other Support Services	32,130	29,889	2,241
Community Services	1,200	2,027	(827)
Facility Acquisition & Construction	140,800	137,665	3,135
Debt Services:			
Principal Retirement	-0-	-0-	-0-
Interest and Paying Agent Fees	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>TOTAL EXPENDITURES</u>	5,596,016	5,518,129	77,887
<u>EXCESS (DEFICIENCY) OF</u>			
<u>REVENUES OVER EXPENDITURES</u>	(171,045)	(147,965)	23,080

See Notes To Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
-0-	-0-	-0-	1,878	2,141	263
359,280	394,173	34,893	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
3,512	7,121	3,609	407	1,118	711
156,122	152,648	(3,474)	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
<u>1,680,622</u>	<u>1,680,683</u>	<u>61</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
2,199,536	2,234,625	35,089	2,285	3,259	974
152,585	159,791	(7,206)	-0-	-0-	-0-
722,886	721,561	1,325	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
322,252	320,880	1,372	-0-	-0-	-0-
223,296	223,343	(47)	-0-	-0-	-0-
70,274	76,623	(6,349)	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
6,865	6,806	59	-0-	-0-	-0-
16,170	16,253	(83)	-0-	-0-	-0-
15,522	15,821	(299)	-0-	-0-	-0-
713,234	653,034	60,200	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
46,125	46,125	-0-	-0-	-0-	-0-
-0-	-0-	-0-	25,000	5,000	20,000
-0-	-0-	-0-	<u>7,348</u>	<u>2,465</u>	<u>4,883</u>
<u>2,289,209</u>	<u>2,240,237</u>	<u>48,972</u>	<u>32,348</u>	<u>7,465</u>	<u>24,883</u>
(89,673)	(5,612)	84,061	(30,063)	(4,206)	25,857

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES-CONTINUED
YEAR ENDED JUNE 30, 1996

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Sources (Uses)			
Operating Transfers In	83,122	19,000	(64,122)
Operating Transfers Out	(111,323)	(114,008)	(2,685)
Federal Medicaid Reserves	(24,167)	-0-	24,167
Federal PIPS Transfer	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(52,368)</u>	<u>(95,008)</u>	<u>(42,640)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<u>(223,413)</u>	<u>(242,973)</u>	<u>(19,560)</u>
<u>FUND BALANCES - JULY 1, 1995</u>	<u>773,445</u>	<u>773,445</u>	<u>-0-</u>
<u>FUND BALANCES - JUNE 30, 1996</u>	<u>550,032</u>	<u>530,472</u>	<u>(19,560)</u>

See Notes To Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
116,856	123,887	7,031	-0-	-0-	-0-
(27,175)	(28,879)	(1,704)	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
<u>89,681</u>	<u>95,008</u>	<u>5,327</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
8	89,396	89,388	(30,063)	(4,206)	25,857
<u>117,109</u>	<u>117,109</u>	<u>-0-</u>	<u>44,837</u>	<u>44,837</u>	<u>-0-</u>
<u>117,117</u>	<u>206,505</u>	<u>89,388</u>	<u>14,774</u>	<u>40,631</u>	<u>25,857</u>

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tensas Parish School Board was created under Louisiana Revised Statute 17:51 for the purpose of providing public education for children within Tensas Parish. The School Board is authorized by La R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana, and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of seven members who are elected from seven districts for terms of four years.

The School Board operates six schools within the parish with a total enrollment of 1,444 pupils for the year ended June 30, 1996. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for these students.

In April of 1984, the Financial 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 governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the School Board includes all funds, account groups, activities, et cetera, that are within the oversight responsibilities of the School Board. Certain units of Local government over which the School Board exercises no oversight responsibility, such as the parish police jury, other independently elected parish officials, and municipalities, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the parish school board.

A. FUND ACCOUNTING

The accounts of the School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

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

Debt Service Funds

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

Agency-Payroll Fund

The Payroll Fund is used to disperse payroll from one central fund. It is used to collect payroll from each fund and disperse it centrally.

Agency-School Activities Funds

The School Activity Funds are used to account for the operation of the individual school activities. Agency Funds are custodial in nature and do not involve measurement or results of operations.

B. FIXED ASSETS AND LONG-TERM OBLIGATION

The fixed assets used in governmental fund type operations of the School Board are accounted for in the General fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. Less than fifteen percent of the School Board's total fixed assets were estimated by comparing the cost of similar items and making cost adjustments necessary to properly estimate the cost of the item the year it was acquired.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group, not in the governmental funds.

The account group is not a "fund". It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government funds and agency funds are maintained on a cash basis of accounting. However, the governmental funds as reported in the accompanying financial statements have been converted to a modified accrual basis of accounting utilizing the following practices:

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homestead in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed, a calendar year basis, becoming due on November 15, of each year, and become delinquent on December 31.

The taxes are generally collected in December, January, February, of the fiscal year. State revenue sharing is included in unrestricted state grants.

Federal and state entitlements are recorded when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred.

Sales tax revenues are recorded when collected by the School Board and the State of Louisiana.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except principal and interest on general long-term debt which is not recognized until due.

Other Financing Sources

Transfers between funds are not expected to be repaid, and are accounted for as other financing sources (uses).

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. INVENTORIES

Inventory acquisition in the General Fund is recorded in the expense account liability and charged as a current asset when not used at the end of the fiscal year. Minimum amounts of inventory are not maintained, therefore, equity reserves for inventory have not been established for the General Fund. The cost value of such inventories at June 30, 1996, were of an immaterial amount and, accordingly, were not recorded in these financial statements.

Inventories of the School Lunch Fund consist 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 an expense when consumed. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned value based on information provided by the United State Department of Agriculture.

E. COMPENSATED ABSENCES

The School Board has the following policy related to sick leave:

All certified teachers and administrative employees covered under the Teacher Retirement System shall be entitled to a minimum of 10 days absence per year because of personal illness or other emergencies, without loss of pay. Such sick leave when not used in any year shall be accumulated to the credit of the teacher without limitation. Upon retirement of any teacher, or upon his/her death prior to retirement, the Board shall pay to such teacher, or to his/her heirs, sick leave which has accrued to such teacher, not to exceed 25 days of such unused sick leave.

The cost of leave privilege, computed in accordance with the above policy, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees or their heirs are paid for accrued leave upon retirement or death. The cost of leave privilege not requiring current resources is recorded in the general long-term obligations account group.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvements. Any employee with a teacher certificate is entitled, subject to approval by the School Board, to a 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 in which paid.

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. COMPENSATED ABSENCES - CONTINUED

All twelve month employees earn vacation time according to the number of years of service. Vacation time not taken during one fiscal year can be carried over to the next year but is limited to a maximum of five days.

At June 30, 1996, employees of the School Board have accumulated and vested \$279,067 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$26,015 is attributed to Federal program employees. The Federal government is responsible for this portion of the liability.

F. TOTAL COLUMN ON COMBINED STATEMENTS - OVERVIEW

Total column on the Combined Statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

G. BUDGETARY ACCOUNTING

Annually, the School Board adopts budgets on all governmental funds. The budgetary practice includes public notice of the proposed budget, public inspection of the proposed budget, and public hearing on the budgets. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

H. ENCUMBRANCES

Encumbrance accounting, under which purchases are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

NOTE 2 - CASH

For the purpose of these financial statements, the School Board considers cash and cash equivalents to be amounts held in demand deposits, interest bearing demand deposits, and time deposits.

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 2 - CASH-CONTINUED

States bonds, treasury notes, or certificate and time deposits of state banks organized under Louisiana law and National Banks having principal offices in Louisiana. At June 30, 1996, the School Board had cash and cash equivalents (book balance) totaling \$1,525,206 as follows:

Demand Deposits \$1,525,206

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the Town or its agent in the School Board's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the Town's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or agent, not in the School Board's name, but pledged to the School Board.

The carrying amount of the School Board's deposits with the financial institutions was 1,678,850 and the book balance was 1,525,206. The bank balance is categorized as follows:

	Category		
	1	2	3
Cash	200,000	-0-	1,478,850

NOTE 3 - RECEIVABLES

The receivables of \$220,800 at June 30, 1996 are as follows:

	General Fund	Special Revenue Funds	Debt Service Fund	Total
State of Louisiana	110,668	6,598	-0-	117,266
Other	91,787	536	11,211	103,534
Total	<u>202,455</u>	<u>7,134</u>	<u>11,211</u>	<u>220,800</u>

NOTE 4 - PAYABLES

The payables of \$953,038 at June 30, 1996, are as follows:

	General Fund	Special Revenue Funds	Payroll Trust Fund	Total
Accounts Payable	99,779	48,893	-0-	148,672
Due State of La.	-0-	5,216	-0-	5,216
Accrued Payroll and Taxes	-0-	-0-	799,150	799,150
Total	<u>99,779</u>	<u>54,109</u>	<u>799,150</u>	<u>953,038</u>

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 5 - FIXED ASSETS

The changes in general fixed assets for the year ending June 30, 1996 are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Furniture Fixtures</u>	<u>Total</u>
Balance at June 30, 1995	309,540	5,184,222	2,990,034	8,483,796
Additions	-0-	149,159	442,256	591,415
Deletions (Adjustments)	-0-	-0-	72,982	72,982
Balance at June 30, 1996	<u>309,540</u>	<u>5,333,381</u>	<u>3,359,308</u>	<u>9,002,229</u>

NOTE 6 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the 1995 tax rolls:

Parishwide Taxes	<u>Authorized</u>	<u>Levied</u>
Constitutional	3.94	3.94
Maintenance Tax	6.36	6.36
District 3, Special Maintenance	10.41	10.41
District A Special Millage	<u>0.00</u>	<u>0.00</u>
Total	<u>20.71</u>	<u>20.71</u>

NOTE 7 - PENSION PLANS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees, such as teachers and principals, are members of the Louisiana Teachers Retirement System (TRS); other employees such as lunchroom workers, custodial personnel, and bus drivers, are members of the Louisiana School Employees Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system, with employee benefits vesting after 10 years of service.

Benefits of the system are funded by employee and employer contributions. The contribution rates are established by state law as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers Retirement System-Regular	8.00%	16.50%
Louisiana Teachers Retirement System-Plan A	19.10%	16.50%
Louisiana School Employees Retirement System	6.35%	6.00%

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 7 - PENSION PLANS - CONTINUED

The School Board accrues pension expenditures in the period in which salaries are earned, based on gross salary and contribution rates established for each system. The pension costs for the year ended June 30, 1996 are:

	<u>Employee</u>	<u>Employer</u>	<u>Total</u>
Louisiana Teachers Retirement System-Regular	278,529	560,460	838,989
Louisiana Teachers Retirement System-Plan A	5,918	10,729	16,647
Louisiana School Employees Retirement System	24,546	23,194	47,740
	<u>308,993</u>	<u>594,383</u>	<u>903,376</u>

The School Board's payroll covered by the systems for the year ended June 30, 1996 was:

Louisiana Teachers Retirement System-Regular	3,481,612
Louisiana Teachers Retirement System-Plan A	65,026
Louisiana School Employees Retirement System	386,563

Trend Information:	<u>1996</u>	<u>1995</u>	<u>1994</u>
Louisiana Teachers Retirement System-Regular			
Employee	278,529	278,967	260,343
Employer	560,460	557,714	529,183
Total Statutorially Required Contributions	<u>838,989</u>	<u>836,681</u>	<u>789,526</u>
Louisiana Teachers Retirement System-Plan A			
Employee	5,918	5,721	8,121
Employer	10,729	10,183	14,457
Total Statutorially Required Contributions	<u>16,647</u>	<u>15,904</u>	<u>22,578</u>
Louisiana School Employees Retirement System			
Employee	24,546	23,912	24,895
Employer	23,194	22,593	24,700
Total Statutorially Required Contributions	<u>47,740</u>	<u>46,505</u>	<u>49,595</u>

100% of required contributions were made for each year.

Additional information and ten year historical trend information can be obtained from the separately issued comprehensive annual financial reports on each of the above list plans.

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 8 - CHANGES IN LONG - TERM DEBT

The following is a summary of bond and compensated absences payable transactions for the School Board for the year ended June 30, 1996:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance at June 30, 1995	25,000	253,767	278,767
Additions	-0-	43,068	43,068
Reductions	5,000	17,768	22,768
Balance at June 30, 1996	<u>20,000</u>	<u>279,067</u>	<u>299,067</u>

Bonds payable at June 30, 1996 are comprised of the following individual issues:

General Obligation Bonds:

\$750,000 1975 School bonds of Consolidated School District A due in annual installments of \$5,000 through March 1, 2000; interest from 6.4% to 7%	20,000
---	--------

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$ 3,500 are as follows:

Annual Requirement To Amortize Long-Term Debt
at June 30, 1996:

	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
Year-ended June 30,			
1997	5,000	1,400	6,400
1998	5,000	1,050	6,050
1999	5,000	700	5,700
2000	5,000	350	5,350
Total	<u>20,000</u>	<u>3,500</u>	<u>23,500</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 1996, the School Board had accumulated \$40,631 in the debt service fund for future debt requirements.

NOTE 9 - FEDERAL GRANTS

The School Board participates in a number of federally assisted grant programs. These programs are subjected to program compliance audits by the grantors. Audits of prior years have been conducted and no exceptions or disallowances were made. Based on prior experience, the School Board management feels that disallowances, if any, for the fiscal year ending June 30, 1996, would be immaterial.

SUPPLEMENTAL INFORMATION SCHEDULES

TENSAS PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1996

	<u>Sales Tax Fund</u>	<u>Child Nutrition Fund</u>	<u>Education Consolidation and Improvement Act</u>	
			<u>Title I</u>	<u>Title VI</u>
<u>ASSETS</u>				
Cash	103,789	165,793	54,304	(50)
Receivables	-0-	-0-	6,638	50
Inventories	-0-	16,373	-0-	-0-
<u>TOTAL ASSETS</u>	<u>103,789</u>	<u>182,166</u>	<u>60,942</u>	<u>-0-</u>
<u>LIABILITIES AND FUND EQUITY:</u>				
Liabilities:				
Accounts Payable	845	-0-	45,741	-0-
Due to Other Funds	77,855	750	9,985	-0-
Amounts Due State of La	-0-	-0-	5,216	-0-
<u>TOTAL LIABILITIES</u>	<u>78,700</u>	<u>750</u>	<u>60,942</u>	<u>-0-</u>
<u>FUND EQUITY</u>				
Fund Balance				
Unreserved - undesignated	25,089	181,416	-0-	-0-
<u>TOTAL FUND EQUITY</u>	<u>25,089</u>	<u>181,416</u>	<u>-0-</u>	<u>-0-</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>103,789</u>	<u>182,166</u>	<u>60,942</u>	<u>-0-</u>

See Notes To Financial Statements

<u>EESA Title II</u>	<u>Headstart</u>	<u>Total</u>
-0-	1,861	325,697
-0-	446	7,134
<u>-0-</u>	<u>-0-</u>	<u>16,373</u>
<u>-0-</u>	<u>2,307</u>	<u>349,204</u>
-0-	2,307	48,893
-0-	-0-	88,590
<u>-0-</u>	<u>-0-</u>	<u>5,216</u>
-0-	2,307	142,699
<u>-0-</u>	<u>-0-</u>	<u>206,505</u>
<u>-0-</u>	<u>-0-</u>	<u>206,505</u>
<u>-0-</u>	<u>2,307</u>	<u>349,204</u>

See Notes To Financial Statements

TENSAS PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1996

	Sales Tax Fund	Child Nutrition Fund	Education Consolidation and Improvement Act	
Revenues			Title I	Title VI
Local Sources:				
Taxes-Sales and Use	394,173	-0-	-0-	-0-
Earnings on investments	2,712	4,170	-0-	-0-
Other Local Revenues	-0-	45,182	-0-	-0-
Federal Sources:				
Restricted grants-in-aid-subgrants	-0-	542,979	689,120	9,371
In-Kind Revenue	-0-	-0-	-0-	-0-
<u>TOTAL REVENUES</u>	<u>396,885</u>	<u>592,331</u>	<u>689,120</u>	<u>9,371</u>
 EXPENDITURES				
Instruction:				
Regular programs	159,791	-0-	-0-	-0-
Special programs	76,078	-0-	333,135	9,132
Support Services:				
Student Services	10,706	-0-	202,708	-0-
Instructional Staff Support	6,589	-0-	140,765	-0-
General Admin.	63,581	-0-	12,512	239
Business Services	6,806	-0-	-0-	-0-
Plant Services	7,361	-0-	-0-	-0-
Food Service Program	2,427	650,607	-0-	-0-
Student Transportation Services	10,882	-0-	-0-	-0-
In-Kind Expense	-0-	-0-	-0-	-0-
Facility Acquisition & Consultation	-0-	-0-	-0-	-0-
<u>TOTAL EXPENDITURES</u>	<u>344,221</u>	<u>650,607</u>	<u>689,120</u>	<u>9,371</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>52,664</u>	<u>(58,276)</u>	<u>-0-</u>	<u>-0-</u>
 OTHER FINANCING SOURCES (USES)				
Operating transfers in	-0-	123,887	-0-	-0-
Operating transfers out	(28,879)	-0-	-0-	-0-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(28,879)</u>	<u>123,887</u>	<u>-0-</u>	<u>-0-</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES</u>	<u>23,785</u>	<u>65,611</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE-BEG.</u>	<u>1,304</u>	<u>115,805</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE-END</u>	<u>25,089</u>	<u>181,416</u>	<u>-0-</u>	<u>-0-</u>

See Notes To Financial Statements

EESA

<u>Title II</u>	<u>Headstart</u>	<u>Total</u>
-0-	-0-	394,173
-0-	239	7,121
-0-	-0-	45,182
11,411	427,802	1,680,683
<u>-0-</u>	<u>107,466</u>	<u>107,466</u>
11,411	535,507	2,234,625
-0-	-0-	159,791
11,120	292,096	721,561
-0-	-0-	213,414
-0-	75,989	223,343
291	-0-	76,623
-0-	-0-	6,806
-0-	8,892	16,253
-0-	-0-	653,034
-0-	4,939	15,821
-0-	46,125	46,125
<u>-0-</u>	<u>107,466</u>	<u>107,466</u>
11,411	535,507	2,240,237
-0-	-0-	(5,612)
-0-	-0-	123,887
<u>-0-</u>	<u>-0-</u>	<u>(28,879)</u>
<u>-0-</u>	<u>-0-</u>	<u>95,008</u>
-0-	-0-	89,396
<u>-0-</u>	<u>-0-</u>	<u>117,109</u>
<u><u>-0-</u></u>	<u><u>-0-</u></u>	<u><u>206,505</u></u>

See Notes To Financial Statements

MARCUS, ROBINSON and HASSELL

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL AS REQUIRED BY GAO AUDIT STANDARDS

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Tensas Parish School Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Tensas Parish School Board, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the Tensas Parish School Board, in a separate letter dated October 16, 1996.

This report is intended for the information of the management, the Board, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

MARCUS, ROBINSON and HASSELL

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INDEPENDENT AUDITOR'S REPORT ON ACCOUNTING
AND ADMINISTRATIVE CONTROLS OVER FEDERAL
FINANCIAL ASSISTANCE PROGRAMS AS REQUIRED
FOR A SINGE AUDIT

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996. We have also audited the compliance of the Tensas Parish School Board, with requirements applicable to major federal financial assistance programs and have issued our report thereon dated October 16, 1996.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the Tensas Parish School Board, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the internal control structure of the Tensas Parish School Board, in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the Tensas Parish School Board, and on the compliance of the Tensas Parish School Board with requirements applicable to major programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated October 16, 1996.

The management of the Tensas Parish School Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with

reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial programs in the following categories:

Accounting Controls Administrative Controls
Cash Receipts Political Activity
Cash Disbursements Davis-Bacon Act
Purchasing Civil Rights
Payroll Cash Management
Property and Equipment Federal Financial Reports
 Relocation Assistance and Real
 Property Management
 Allowable Costs/ Cost Principle
 Drug-Free Workplace
 Administrative Requirement

For all the internal control categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Tensas Parish School Board expended 65.4 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the Tensas Parish School Board's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the Tensas Parish School Board in a separate letter dated October 16, 1996.

This report is intended for the information of the management, the Board, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Tensas Parish School Board is the responsibility of the Tensas Parish School Board's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Tensas Parish School Board's compliance with certain provisions of laws, regulations, contracts, and grants. However, the object of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

We noted certain immaterial instances of noncompliance that we have reported to the management of the Tensas Parish School Board, in a separate letter dated October 1, 1996.

This report is intended for the information of the management, the Board, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell
MARCUS, ROBINSON AND HASSELL
October 16, 1996

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INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996. These general purpose financial statements are the responsibility of the Tensas Parish School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Tensas Parish School Board, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

TENSAS PARISH SCHOOL BOARD
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 1996

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>EXPENSES/ EXPENDITURES JUNE 30, 1996</u>
<u>United States Department of Agriculture:</u>		
Food and Nutrition Services:		
Passed Through State Department of Education:		
**National School Lunch Program	10.555	365,723
School Breakfast Program	10.553	138,213
Passed Through State Department of Agriculture:		
Food Distribution Program	10.550	<u>39,043</u>
<u>TOTAL UNITED STATES DEPARTMENT OF AGRICULTURE</u>		<u>542,979</u>
<u>United States Department of Education:</u>		
Passed Through State Department of Education:		
Educationally Deprived Children:		
**Title I	84.010	553,881
Title I Carryover	84.010	87,139
Program Improvement	84.218	28,000
Support Services	84.218	1,600
Migrant Education	84.011	18,500
Title I	84.164	11,411
Title VI	84.151	9,371
Vocational Education	84.048	27,679
Special Education:		
Idea - Part B/ C/O	84.027	122,195
Part H - Infant/Toddler	84.181	3,839
Idea - Preschool	84.173	27,691
Adult Education	84.002	15,477
Project Independence	13.781	23,314
Family Preservation/Delta Community Action	93.656	2,334
Goals 2000	84.276 A-B	50,000
Macon Ridge Economic Development	10.722	53,049
Passed Through Franklin Parish School Board	84.186	<u>53,040</u>
<u>TOTAL UNITED STATES DEPARTMENT OF EDUCATION</u>		<u>1,088,520</u>
<u>United States Department of Health and Human Resources:</u>		
**Head Start Program		<u>427,802</u>
<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>		<u>2,059,301</u>

**Denotes Major Programs

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL
REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We have applied procedures to test the Tensas Parish School Board's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996.

GENERAL REQUIREMENTS

Political Activity
Davis-Bacon Act
Civil Rights
Cash Management
Real Property Management
Federal Financial Reports
Allowable Costs/Cost Principles
Drug-free Workplace
Administrative Requirement

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Tensas Parish School Board's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Tensas Parish School Board had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the management, the Board, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We have also audited the Tensas Parish School Board's compliance with the requirements governing the types of services allowed or unallowed; eligibility matching, level of effort, or earmarking; reports; claims for advances and reimbursements; and amounts claimed to be used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of Tensas Parish School Board is responsible for the Board's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Tensas Parish School Board's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Tensas Parish School Board complied, in all material respects, with the requirements governing the types of services allowed or unallowed; eligibility matching, level of effort, or earmarking; reports; claims for advances and reimbursements; and amounts claimed to be used for matching that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended for the information of the management, the Board, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAMS

To the Board Members
Tensas Parish School Board
St. Joseph, Louisiana

We have audited the general purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

In connection with our audit of the general purpose financial statements of the Tensas Parish School Board, and with our consideration of the Board's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, Audits of State and Local Governments, we selected certain transactions applicable to the nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility, matching level of effort, or earmarking; reports; claims for advances and reimbursement; and amounts claimed to be used to matching that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Tensas Parish School Board's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to the items not tested, nothing came to our attention that caused us to believe that the Tensas Parish School Board had not complied, in all material respects, with these requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the management, the Board and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

MARCUS, ROBINSON AND HASSELL
October 16, 1996

TENSAS PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1996

<u>Grant</u>	<u>Findings/Noncompliance</u>	<u>Questioned Cost</u>
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NO FINDINGS OR QUESTIONED COSTS

TENSAS PARISH SCHOOL BOARD
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
YEAR ENDED JUNE 30, 1996

<u>NAME</u>	<u>AMOUNT</u>
HELEN B. KIFER, PRESIDENT	2,400
MAC HAZLIP, VICE PRESIDENT	2,400
MARY LOUISE CARTER	2,400
CONNIE MCKEEL	2,400
ROBERT NEWMAN, JR.	2,400
ELVADUS FIELDS	2,400
CURTIS A. LEAKE	<u>2,400</u>
<u>TOTAL</u>	<u>16,800</u>