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West Carroll Parish School Board
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 1990

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or receiver, 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: DEC 15 1990

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 1999**

CONTENTS

	Statement	Page
INDEPENDENT AUDITORS' REPORT		i-2
GENERAL-PURPOSE FINANCIAL STATEMENTS:		
Combined Balance Sheet - All Fund Types and Account Groups	A	3-4
GOVERNMENTAL FUNDS:		
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Funds	B	5-8
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	C	9-10
Notes to the General-Purpose Financial Statements		
Index		11
Maps		12-20
	Exhibit	
REQUIRED SUPPLEMENTAL INFORMATION		20
Year 2000 Information		20
SUPPLEMENTAL INFORMATION:		31
SPECIAL REVENUE FUNDS		22-23
Combining Balance Sheet	1	22-23
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances	2	24-26
AGENCY FUNDS:		47
Combining Statements of Assets and Liabilities	3	48
Statement of Changes in Assets and Liabilities	4	49
Schedule of Changes in Deposits Due Others		
School Activity Fund	5	50
Sales Tax Collection Fund	6	51

(Continued)

West Carroll Parish School Board
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 1999

CONTENTS	Exhibit	Page
SUPPLEMENTAL INFORMATION - (Continued)		
GENERAL:		
		51
Schedule of Compensation Paid Board Members	7	52
OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS AND BY OFFICE OF MANAGEMENT AND BUDGET COMMISSION, LA 201, 6113		
		55
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards		54-55
Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133		56-57
Schedule of Expenditures of Federal Awards	8	58
Notes to the Schedule of Expenditures of Federal Awards		59-60
Schedule of Findings and Questioned Costs		61-62
OTHER INFORMATION		
		63
Summary Schedule of Prior Audit Findings		64
Corrective Action Plan for Current-Year Findings and Questioned Costs		65
Management Letter Items		66
Management Letter		67-69
Status of Prior Management Letter Items		70
		(Continued)

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INDEPENDENT AUDITORS' REPORT

Board Members

West Carroll Parish School Board
Oak Grove, Louisiana

We have audited the accompanying **GENERAL-PURPOSE FINANCIAL STATEMENTS** of the West Carroll Parish School Board, Oak Grove, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the 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 and the standards applicable to financial audits contained in 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly in all material respects the financial position of the School Board as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

The year 2000 information on page 50 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board (GASB) Technical Bulletin (TB) 99-1, Disclosures About Year 2000 Issues - an amendment of Technical Bulletin 98-1. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the School Board is or will become year 2000 compliant, that the School Board's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the School Board does business are or will become year 2000 compliant.

In accordance with Government Auditing Standards, we have also issued our report dated October 6, 1999, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the School Board, taken as a whole. The accompanying **SUPPLEMENTAL INFORMATION** is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. 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 stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Board Members
West Carroll Parish School Board
Oak Grove, Louisiana

Also, the accompanying OTHER INFORMATION, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

Monroe, Louisiana
October 6, 1999

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1999

	GOVERNMENTAL FUNDS		FIDUCIARY FUNDS - AGENCY FUNDS
	GENERAL FUND	SPECIAL REVENUE FUNDS	
ASSETS AND OTHER DEBITS			
ASSETS:			
Cash and cash equivalents	\$ 3,800,870	\$ 129,981	\$ 348,408
Receivables	208,094	229,299	0
Interfund receivable	223,104	0	0
Inventory	0	6,580	0
Prepaid items	2,800	0	0
Fixed assets	0	0	0
Other debits:			
Amount to be provided for retirement of Long-term debt obligations	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 4,234,868</u>	<u>\$ 365,860</u>	<u>\$ 348,408</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities:			
Accounts, salaries and other payable	\$ 873,058	\$ 170,181	\$ 0
Interfund payable	0	223,104	0
Deferred revenues	0	977	0
Deposits due others	0	0	248,408
Workers' compensation payable	0	0	0
Compensated absences payable	0	0	0
Total Liabilities	<u>\$ 873,058</u>	<u>\$ 394,262</u>	<u>\$ 248,408</u>
Equity and Other Credits:			
Restricted - in general fixed assets	\$ 0	\$ 0	\$ 0
Fund Balances:			
Reserved for inventory	0	6,580	0
Reserved for prepaid items	2,800	0	0
Reserved for fire and liability	278,081	0	0
Reserved for unemployment	80,380	15,249	0
Reserved for bus purchases	94,240	0	0
Unreserved:			
Undesignated	2,189,389	900,622	0
Total Equity and Other Credits	<u>\$ 2,361,669</u>	<u>\$ 915,852</u>	<u>\$ 248,408</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 3,968,584</u>	<u>\$ 950,552</u>	<u>\$ 348,408</u>

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

Statement 2

*****ACCOUNT GROUPS*****

	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
\$	0 0	0 0	2,677,888
	0	0	888,880
	0	0	223,184
	0	0	0,588
	0	0	2,880
	8,783,081	0	9,760,881
	<u>0</u>	<u>824,462</u>	<u>824,462</u>
\$	8,783,081	824,462	14,869,882
\$	0 0	0 0	830,749
	0	0	223,184
	0	0	0 0
	0	0	240,481
	0	24,227	24,227
	<u>0</u>	<u>54,822</u>	<u>830,220</u>
\$	<u>0 0</u>	<u>824,462</u>	<u>2,824,220</u>
\$	8,783,881	0 0	9,783,881
	0	0	0,588
	0	0	2,880
	0	0	248,681
	0	0	188,888
	0	0	84,242
	<u>0</u>	<u>0</u>	<u>2,821,848</u>
\$	8,783,881	0 0	11,888,282
\$	9,760,881	824,462	14,883,042

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

**Consolidated Statement of Revenues, Expenditures,
 and Changes in Fund Balances - All Governmental Funds**
 For the Year Ended June 30, 1998

Statement 8

	<u>GENERAL</u>	<u>SPECIAL</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>REVENUE</u>	<u>COMBINATION</u>
	<u>FUND</u>	<u>FUND</u>	<u>OF FUNDS</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 388,818	\$ 402,048	\$ 790,867
Sales and use	678,713	0	678,713
Interest earnings	48,877	8,057	56,934
Food service	0	185,027	185,027
Other	111,291	0	111,291
State sources:			
Equalization	8,576,007	280,000	8,856,007
Other	587,511	70,184	657,695
Federal sources	<u>0</u>	<u>1,883,871</u>	<u>1,883,871</u>
Total revenues	<u>\$ 10,580,927</u>	<u>\$ 2,628,996</u>	<u>\$ 13,209,923</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 5,289,078	\$ 100,870	\$ 5,389,948
Special programs	1,781,438	800,890	2,582,328
Other instructional programs	621,791	77,883	700,674
Support services:			
Student services	275,527	48,872	324,399
Instructional staff support	430,510	158,847	589,357
General administration	250,794	30,880	281,674
Board administration	853,874	17,831	871,705
Business services	166,247	0	166,247
Plant services	800,830	108,427	909,257
Student transportation services	841,450	0	841,450
Central services	5,117	0	5,117
Food services	78,800	1,188,091	1,266,891
Community service (private)	800	0	800
Facilities acquisition and renovation	78,718	27,538	106,256
Total expenditures	<u>\$ 13,251,408</u>	<u>\$ 2,588,495</u>	<u>\$ 15,839,903</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 128,428</u>	<u>\$ 173,228</u>	<u>\$ 301,656</u>

(CONTINUED)

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

**Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances - All Governmental Funds**
 For the Year Ended June 30, 1997

Statement B

	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL (MEMORANDUM ONLY)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 40,000	\$ 0,000	\$ 40,000
Operating transfers out	(0,000)	(40,000)	(40,000)
Net of assets	<u>700</u>	<u>94</u>	<u>508</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ <u>74,700</u>	\$ <u>(39,900)</u>	\$ <u>34,800</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 374,200	\$ (47,964)	\$ 326,236
FUND BALANCES AT BEGINNING OF YEAR	<u>2,179,700</u>	<u>370,829</u>	<u>2,550,529</u>
FUND BALANCES AT END OF YEAR	\$ <u>2,553,900</u>	\$ <u>322,865</u>	\$ <u>2,876,765</u>

(CONCLUDED)

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

WEST CARROLL PARISH SCHOOL BOARD
Oak Grove, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (BMAP Basis) and Actual - Governmental Funds - General Fund
 For the Year Ended June 30, 2016**

Statement C

	UNFUNDED REVENUES		
	BUDGET	ACTUAL	UNRECOVERABLE
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 285,738	\$ 300,810	\$ 110,320
Sales and use	548,008	670,743	30,770
Miscellaneous	158,748	80,277	(21,888)
Other	75,738	111,281	40,281
State sources:			
Education	6,576,008	6,576,862	12
Other	544,286	507,511	32,766
Total revenues	\$ 7,577,878	\$ 7,897,812	\$ 172,893
EXPENDITURES:			
Current:			
Education:			
Regular programs	\$ 3,248,787	\$ 3,200,215	\$ 148,422
Special programs	1,151,983	1,104,430	60,547
Other instructional programs	757,232	807,734	60,481
Support services:			
Student services	282,988	275,257	10,425
Instructional staff support	428,081	420,815	15,265
General administration	252,028	258,704	84,228
School administration	595,880	550,074	22,886
Business services	160,816	158,247	18,888
Plant services	874,888	808,888	79,134
Student transportation services	1,278,278	841,138	178,119
Central services	1,088	5,117	1,883
Food services	79,881	79,880	281
Community service program	1,088	800	1,882
Facilities acquisition and construction	275,088	73,714	730,385
Total expenditures	\$ 11,871,283	\$ 10,371,494	\$ 1,509,827
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,706,595	\$ 1,526,318	\$ 332,732

CONTINUED

WEST CARROLL PARISH SCHOOL BOARD
Oak Grove, Louisiana

Completed Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - Governmental Funds - General Fund
For the Year Ended June 30, 1999

Statement C

	<u>BALANCE</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 40,000	\$ 40,000	\$ 0
Operating transfers out	(5,000)	(5,000)	0
Sale of assets	0	795	795
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 35,000</u>	<u>\$ 34,795</u>	<u>\$ 795</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (508,742)	\$ 374,283	\$ 883,025
FUND BALANCES AT BEGINNING OF YEAR	<u>2,178,792</u>	<u>2,178,792</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,669,450</u>	<u>\$ 2,553,075</u>	<u>\$ 883,625</u>

(CONTINUED)

WEST CARROLL PARISH SCHOOL BOARD
Oak Grove, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - Governmental Funds - Special Revenue Funds**
for the Year Ended June 30, 1999

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
(Self-sustaining)			
Taxes:			
Ad valorem	\$ 400,000	\$ 400,040	4,040
Interest earnings	5,000	6,817	1,817
Fund services	160,700	160,007	(693)
Other	0	0	0
State sources:			
Equitation	200,000	200,000	0
Other	75,817	75,104	(713)
Federal sources	<u>1,250,700</u>	<u>1,000,011</u>	<u>(250,689)</u>
Total revenues	\$ 2,706,817	\$ 2,005,108	\$(701,709)
EXPENDITURES			
Current:			
Instruction:			
Regular salaries	\$ 210,000	\$ 190,070	19,930
Special programs	700,000	690,000	10,000
Other instructional programs	60,070	71,085	(11,015)
Support services:			
Student services	40,000	40,000	0
Instructional staff support	170,000	168,047	1,953
General administration	30,700	30,880	(180)
School administration	20,000	17,800	2,200
Plant services	400,000	300,400	99,600
Food services	1,180,000	1,100,000	80,000
Facilities acquisition and construction	<u>100,000</u>	<u>27,000</u>	<u>73,000</u>
Total expenditures	\$ 3,027,000	\$ 2,626,400	\$(400,600)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (320,183)	\$ (621,292)	\$(301,109)

(CONTINUED)

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual - Governmental Funds - Special Revenue Funds
 for the Year Ended June 30, 1999**

(Statement C)

	BUDGET	ACTUAL	VARIANCE FAVORABLE/ UNFAVORABLE
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 8,000	\$ 8,000	\$ 0
Operating transfers out	(48,000)	(40,000)	8,000
Sale of assets	104	184	80
	<u>\$ (39,896)</u>	<u>\$ (31,920)</u>	<u>\$ 7,976</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ (39,896)	\$ (31,920)	\$ 7,976
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (208,140)	\$ (17,954)	\$ 190,186
FUND BALANCE AT BEGINNING OF YEAR:	<u>87,000</u>	<u>87,000</u>	<u>0</u>
FUND BALANCE AT END OF YEAR:	<u>\$ (121,140)</u>	<u>\$ 69,046</u>	<u>\$ 190,186</u>

(CONTINUED)

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

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999

	INDEX	Page
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES		12
A. REPORTING ENTITY		12
B. FUNDS AND ACCOUNT GROUPS		12
Governmental Fund		12
Fiduciary Funds		12
Account Groups		12
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING		14
Governmental Fund		14
Fiduciary Funds		15
D. BUDGETS		15
General Budget Policies		15
Encumbrances		15
Budget Basis of Accounting		16
E. CASH AND CASH EQUIVALENTS		16
F. SHORT-TERM INTERFUND RECEIVABLE/PAYABLES		16
G. INVENTORY AND PREPAID ITEMS		16
H. FIXED ASSETS		17
I. DEFERRED REVENUES		17
J. COMPENSATED ABSENCE		17
K. LONG-TERM OBLIGATIONS		18
L. FUND EQUITY		18
M. INTERFUND TRANSACTIONS		18
N. SALES TAXES		19
O. USE OF ESTIMATES		19
P. MEMORANDUM ONLY - TOTAL COLUMNS		19
NOTE 2 - LEVIED TAXES		20
NOTE 3 - CASH AND CASH EQUIVALENTS		21
NOTE 4 - RECEIVABLES		22
NOTE 5 - FIXED ASSETS		22
NOTE 6 - RETIREMENT SYSTEMS		22
NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS		24
NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES		25
NOTE 9 - COMPENSATED ABSENCE		25
NOTE 10 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS		25
NOTE 11 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS		25
NOTE 12 - INTERFUND TRANSACTIONS		26
NOTE 13 - RESERVED AND DESIGNATED FUND BALANCES		26
NOTE 14 - RISK MANAGEMENT		27
NOTE 15 - LITIGATION AND CLAIMS		28
NOTE 16 - ON-BEHALF PAYMENTS FOR PENSION BENEFITS AND SALARIES		28

West Carroll Parish School Board
Dink Grove, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The West Carroll Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within West Carroll Parish. The School Board is authorized by LSA-R.S. 17:51 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 eight schools within the parish with a total enrollment of approximately 2,684 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

B. FUNDS AND ACCOUNT GROUPS

The accounts of the School Board are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting aggregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental fund not recorded directly in those funds.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

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

Governmental Funds

Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. Governmental funds include:

General fund – the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Special revenue funds – account for revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

Fiduciary Funds

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. They are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

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

Sales tax collection fund – accounts for monies collected on behalf of other taxing authorities within the parish.

Account Groups

The general fixed assets account group is used to account for all fixed assets of the School Board.

The general long-term obligations account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the General Purpose Financial Statements
As of and for the Year Ended June 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow-of-current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unamortized interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

All sales taxes and sales taxes are susceptible to accrual.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptibility to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other financing sources/uses

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

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT PRINCIPLES AND BASIS OF ACCOUNTING (Continued)

Agency Funds

The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the School Board holds for others in an agency capacity.

D. BUDGETS

General Budget Policies

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

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

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue fund. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the Board. All budget revisions are approved by the Board.

Encumbrance

Outstanding encumbrances lapse at year-end. Authorizations for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the General Purpose Financial Statements
As of and for the Year Ended June 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGETS (Continued)

Budget Basis of Accounting

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

G. INVENTORY AND PREPAID ITEMS

Inventory of the governmental fund type are recorded as expenditures as purchased except for inventory of the school food service fund.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. Unused commodities at June 30, are reported as deferred revenue. All prepaid inventory items are valued at cost (less-in, first-out) and commodities are assigned values provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

II. FIXED ASSETS

Fixed assets used in governmental fund types of the School Board are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest during construction is not capitalized on general fixed assets.

Approximately 90% of fixed assets are valued at actual costs, while the remaining 10% are valued at estimated cost on the actual cost of like items.

Public domain (infrastructure) general fixed assets (i.e. roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group.

III. DEFERRED REVENUES

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

IV. COMPENSATED ABSENCES

All 12-month employees earn 12 to 18 days of vacation leave each year depending on the number of years employed. Employees can accumulate up to 20 days of vacation leave.

All School Board employees earn a minimum of 10 to 18 days of sick leave each year, depending upon the number of years employed. Sick leave can be accumulated without limitation.

The School Board's recognition and measurement criteria for compensated absences follows:

GAAP Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' rights to receive compensation are attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. COMPENSATED ABSENCES (Continued)

GAAP Statement No. 18 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is reported in the general long-term obligations account group. The School Board uses approach B to accrue the liability for sick leave.

K. LONG-TERM OBLIGATIONS

The School Board reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not reported to be financed with current available financial resources are also reported in the general long-term debt account group.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond premiums are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

L. FUND EQUITY

Reservations of fund balances represent amounts of fund balance that are not appropriate for expenditures or are legally segregated for a specific future use.

M. INTERFUND TRANSACTIONS

Quasi-cash transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures, but which meet the criteria that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as deductions of expenditures in the fund that is reimbursed.

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. INTERFUND TRANSACTIONS (Continued)

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonreciprocal transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

N. SALES TAXES

The School Board has a one-cent parish-wide sales and use tax as authorized in a special election held November 18, 1967. In accordance with the proposition approved by the voters of the parish, "the net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose of providing funds for the payment of salaries of school employees in the parish of West Carroll."

O. USE OF ESTIMATES

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

F. MEMORANDUM ONLY - TOTAL COLUMNS

Total columns on the general-purpose financial statements are captioned as "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 cash flows in accordance 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.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - LEVIED TAXES

The School Board levies taxes on real and business personal property located within West Carroll Parish's boundaries. Property taxes are levied by the School Board as property values assessed by the West Carroll Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The West Carroll Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are credited to the School Board monthly.

Property Tax Calendar

Millage rates adopted	September 8, 1998
Levy date	September 13, 1998
Tax bills mailed	On or about October 7, 1998
Due date	December 31, 1998
Lien date	April 16, 1999
Tax sale date - 1998 delinquent property	May 12, 1999

Assessed values are established by the West Carroll Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$44,191,827 in calendar year 1998. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$12,556,381 of the assessed value in calendar year 1998.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to satisfy the taxes and interests owed.

All property taxes are recorded in the general fund used construction and maintenance funds on the basis explained in Note 5. Revenues on such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 2 - LIEVED TAXES (Continued)

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the 1999 property taxes are collected in December, January and February of the next year. No receivable for 1999 taxes is included on the accompanying balance sheet because the taxes are not available within 60 days of the fiscal funds year-end.

Historically, virtually all of valuers taxes are collected because they are secured by property. Therefore, there is an allowance for uncollectible taxes.

The following is a summary of authorized and levied (on tax per \$1,000 assessed value) ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Contributions	6.15	6.15	Statutory
Maintenance and operation	3.65	5.76	2001
Maintenance and operation	11.21	11.58	2004
District taxes:			
Ward 1 Maintenance	3.60	3.60	2004

NOTE 3 - CASH AND CASH EQUIVALENTS

As June 30, 1999, the School Board had cash and cash equivalents (bank balances) totaling \$3,371,868 as follows:

Demand deposits	\$ 152,760
Interest-bearing demand deposits	3,219,108
Total	\$3,371,868

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

At year-end, the School Board's carrying amount of deposits was \$3,371,868 and the bank balance was \$1,671,540. Of the bank balance, \$212,499 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). Of the remaining balance, \$4,189,223 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). The remaining balance of \$278,818 is not secured by the pledge of securities and is in violation of state law. The undercollateralized deposits resulted from the fact that as pledged securities matured the bank was not replacing them with new securities.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 18:1229 imposes a statutory requirement on the financial bank to advance and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES

The receivables of \$665,980 at June 30, 1999, are as follows:

Class of Receivable	General Fund	Special Revenue Funds	Total
Taxes:			
Sales and use	\$ 91,200	\$ -	\$ 91,200
Intergovernmental - grants:			
Federal	-	321,967	321,967
State	248,025	6,711	248,736
Other	5,750	138	6,124
Total	3216,584	3218,085	3665,980

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Land	\$ 212,580	\$ 15,080	\$ -	\$ 212,580
Buildings	3,114,325	806,020	-	3,228,153
Furniture and equipment	4,310,072	467,483	141,489	4,336,026
Total	\$ 7,466,977	\$ 288,483	\$ 141,489	\$ 7,752,691

NOTE 6 - RETIREMENT SYSTEMS

Plan Description

Substantially all School Board employees participate in either the Teachers' Pensioners System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employees retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 8 - RETIREMENT SYSTEMS (Continued)

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and nonclassroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest consecutive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 50 with at least 10 years of creditable service. The retirement benefit formula is generally 1% times the years of creditable service times the average salary of the 36 highest consecutive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after 10 years of service at age 50. The maximum retirement allowance is computed at 1.5% times the highest 36 months of average salary, times the years of service plus a supplement of \$2.80 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 54323
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44316
Baton Rouge, Louisiana 70804
(225) 925-6444

Funding Policy

Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded by the state of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by reimbursements from the School Board. For the LSERS, the School Board's employer contribution is funded by the state of Louisiana through annual appropriations.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 4 - RETIREMENT SYSTEMS (Continued)

In addition, the employer does not contribute to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contributive rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 1999, are as follows:

	Employer	Employee
Louisiana Teachers' Retirement System:		
Regular	8.80%	16.90%
Plan A	9.80%	16.90%
Louisiana School Employees' Retirement System	6.35%	4.80%

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 1999, amounted to \$6,518,983, \$62,841, and \$178,159, respectively. Employer contributions for the year ended June 30, 1999, and each of the two preceding years are as follows:

Fiscal Year Ending	TRS		LSERS	
	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid
	-----	-----	-----	-----
June 30, 1999	\$1,812,049	91.91%	\$38,613	100.00%
June 30, 1998	1,189,603	87.43%	36,647	96.32%
June 30, 1997	1,218,092	89.41%	42,245	96.32%

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 1999. Each annual actuarially required contribution for the year ended June 30, 1999, is based upon each plan's annual financial report for the year ended June 30, 1999, which is the latest information available.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

In accordance with state statutes, the 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. The monthly premiums are paid jointly by the employee and by the School Board. The School Board's portion of the cost is recognized as an expenditure when the monthly premium is paid. For the year ended June 30, 1999, the cost of retiree benefits totaled \$394,650 for 150 retirees.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$330,749 at June 30, 1999, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Accounts	\$300,071	\$15,181	\$218,293
Salaries and withholding	212,483	-	212,483
Total	\$512,554	\$15,181	\$527,735

NOTE 9 - COMPENSATED ABSENCES

At June 30, 1999, employees of the School Board had accumulated and vested \$610,235 of employee leave benefits, including \$73,558 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Classification Section CMO. This amount is not expected to be paid from current resources; therefore, the liability of \$610,235 is recorded within the general long-term obligations account group.

NOTE 10 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Agency funds:				
Interest activity fund	\$210,463	\$ 819,966	\$ 760,027	\$269,399
Sales tax fund	-----	3,825,149	3,825,149	-----
	\$210,463	\$4,645,115	\$4,517,126	\$348,452

NOTE 11 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1999:

	<u>Workers' Compensation Payable</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance at beginning of year	\$ 8,974	\$498,328	\$507,302
Additions	46,776	123,954	170,730
Deductions	31,523	13,047	44,570
Balance at end of year	\$24,227	\$618,235	\$642,462

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 12 - INTERFUND TRANSACTIONS

Due from/to other funds:

Receivable Fund	Payable Fund	Amount
General fund	Title I	\$102,434
	Title VI	7,087
	Special Federal	97,484
	Adult education	<u>38,199</u>
Total		<u>\$245,104</u>

Interfund operating transfers:

Operating transfers for the year ended June 30, 1999, were as follows:

	In	Out
General fund	\$40,000	\$ 4,000
Special revenue funds:		
Forest School District #3		30,000
Consolidated School District #1	<u>6,000</u>	<u>20,000</u>
Total	<u>\$46,000</u>	<u>\$24,000</u>

NOTE 13 - RESERVED AND DESIGNATED FUND BALANCES

Reservations:

Inventory: This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

Prepaid items: This amount represents the portion of fund balance relating to prepaid items which is therefore unavailable to be expended for other purposes.

Due & liability: This amount represents the portion of fund balance set aside for debentures and other debts not serviced by insurance and is therefore unavailable to be expended for other purposes.

Unemployment: This amount represents the portion of fund balance relating to the security interest established with the state of Louisiana Office of Workers' Compensation and is therefore unavailable to be expended for other purposes.

Due Purchase: This amount represents the portion of fund balance set aside to purchase two buses that were approved for purchase in March 1999, but were not delivered before June 30, 1999.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 15 - RESERVED AND DESIGNATED FUND BALANCES (Continued)

Reservations:	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Fire & Liability	\$308,117	\$8,949	\$ -	\$317,066
Unemployment	96,580	4,058	-	100,638
Bus purchases	-	94,942	-	94,942

NOTE 16 - RISK MANAGEMENT

The School Board is exposed to various risks of loss related to thefts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

A risk management program for workers' compensation insurance was established by the School Board several years ago. It joined a pool with two other school boards in Metairie, Louisiana in order to share workers' compensation cost. The School Board's share of risk is determined by calculating its percentage of the total annual premium of the group. The risk allocated to the School Board for the year ended June 30, 1998, was 28,505\$. Premiums are paid to a third-party administrator and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 1999, such interfund premiums did not exceed reimbursable expenditures. These premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds. During the fiscal year 1999, a total of \$31,313 was paid in benefits and administrative costs.

An insurance policy covers individual claims in excess of \$175,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. As of June 30, 1999, claims payable of \$24,217 have been accrued as a liability in the general long-term obligations account group.

Changes in the claims amount in previous fiscal years were as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefits Payments and Claims	Ending of Fiscal Year Liability
1996 - 1997	\$ 1,460	\$54,318	\$67,208	\$14,600
1997 - 1998	14,600	76,266	41,892	5,074
1998 - 1999	8,974	46,775	31,523	24,217

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

The School Board also has pledged a \$100,000 letter of credit with the Office of Employment Security. Maximum possible exposure for aggregate claims amounts to \$1,000,000. An amount of self-insurance losses of \$100,000 was incurred at June 30, 1999.

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 18 - LITIGATION AND CLAIMS

Litigation

At June 30, 1999, the School Board was involved in one litigation. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's combined financial position.

Grant Disallowances

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

Tax Arbitrage Refunds

Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be returned to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage refund liability at year end.

Self Insurance

The School Board is partially self-insured for workers' compensation. The School Board estimates stop-loss coverage with an insurance company for claims in excess of \$175,000 per occurrence for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements.

NOTE 19 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$44,624. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

The School Board is a member of the North Louisiana Education Consortium (NLEDC) comprised of twelve school boards. One of the other school boards serves as the fiscal agent and pays the bills for all participating members of the Consortium. This fiscal agent paid \$19,313 for salaries and benefits for the School Board. The amount has been recorded as federal revenue and as an expenditure in the applicable fund.

**West Carroll Parish School Board
Oak Grove, Louisiana**

REQUIRED SUPPLEMENTAL INFORMATION

West Carroll Parish School Board
Oak Grove, Louisiana

On March 29, 1998, the Governmental Accounting Standards Board (GASB) issued Technical Bulletin (TB) 99-1, *Disclosure about Year 2000 Issues - an amendment of Technical Bulletin 98-1*. The amendment, among other things, provides that required year 2000 disclosures may be reported as required supplementary information. The School Board reported the year 2000 disclosures as required supplementary information.

Year 2000 Information

The Year 2000 is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operation.

The West Carroll Parish School Board has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that is necessary to conducting School Board operations. These are financial reporting, payroll, employee benefits, and educational statistics reporting. All of these systems are in the validation/testing stage.

All school sites in West Carroll Parish have been contacted to determine level of Y2K compliance. Hardware vendors are providing testing means to ensure operating systems, computer/networking hardware and intercommunication equipment are compliant. Software for state reporting (SIR, TRF, APR, Letter, Sponsorship, School Calendar, ASR, Title I) are Y2K compliant.

The School Board estimates that future expenditures to make systems Y2K compliant will not be significant.

**Magd Carroll Parish School Board
Oak Grove, Louisiana**

SUPPLEMENTAL INFORMATION

West Carroll Parish School Board
Caldwell, Louisiana

SPECIAL REVENUE FUNDS

TITLE I

This fund is used to account for ESSA funds.

BASIC GRANTS

This program was designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

TITLE II

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

TITLE IV

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

TITLE VI

This program was designed to assist state and local educational agencies improve elementary and secondary education.

SPECIAL FEDERAL

This fund is used to account for all federal revenue that is not accounted for in other funds.

SPECIAL EDUCATION - STATE GRANTS

This program was designed to provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

PRESCHOOL GRANTS

This program was designed to provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

VOCATIONAL EDUCATION - BASIC GRANTS TO STATES

This program was designed to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

West Carroll Parish School Board
Oak Grove, Louisiana

SPECIAL REVENUE FUNDS (Continued)

SPECIAL FEDERAL (Continued)

JOB TRAINING PARTNERSHIP ACT

This program was designed to provide job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers. The ultimate goal of the Act is to move trainees into permanent, self-sustaining employment.

MIGRANT EDUCATION

This program was designed to ensure that migratory children have the opportunity to meet the same challenging state content and performance standards that all children are expected to meet.

ADULT EDUCATION

This program was designed to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literacy society; to enable adults who do desire to complete secondary school; and, to enable adults to level off from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

SEA FUND

This fund accounts for Louisiana Department of Education funds for vocational, agricultural, home economics, and food preservation training and miscellaneous related.

SCHOOL LUNCH

Through cash grants and food donations, the School Lunch Fund provides a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

CONSTRUCTION AND MAINTENANCE FUNDS

Epps School District #1 Construction and Maintenance
Epps School District #2 Construction and Maintenance
Forest School District #3 Construction and Maintenance
Forest School District #4 Construction and Maintenance
Consolidated School District #5 Construction and Maintenance

The construction and maintenance funds account for all voluntary taxes levied for constructing, improving, and repairing facilities and maintaining schools within each district.

West Carroll Parish School Board
Oak Grove, Louisiana



WEST CARROLL PARISH SCHOOL BOARD
Oak Street, Louisiana

SPECIAL REVENUE FUNDS
Containing Balance Sheet
June 30, 1988

	TITLE I	TITLE VI	SPECIAL FEDERAL	MOBERT EDUCATION
ASSETS				
Cash and cash equivalents	\$ 0 \$	0 \$	0 \$	0 \$
Receivables	208,673	12,088	88,867	0
Account receivable	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	\$ 208,673 \$	12,088 \$	88,867 \$	0
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, salaries and other payables	\$ 184,216 \$	0 \$	0 \$	0
Interest payable	183,404	7,227	60,404	0
Deferred revenues	0	0	0	0
Total Liabilities	\$ 367,620 \$	7,227 \$	60,404 \$	0
Fund Equity				
Fund Balances:				
Reserved for unemployment	\$ 0 \$	0 \$	0 \$	0
Reserved for inventory	0	0	0	0
Unassigned and undesignated	0	0	0	0
Total Equity	\$ 0 \$	0 \$	0 \$	0
TOTAL (LIABILITIES AND FUND EQUITY)	\$ 367,620 \$	7,227 \$	60,404 \$	0

Exhibit 1

	ADULT EDUCATION	EAR FUND	SCHOOL LUNCH
\$	17,323 \$	5,493 \$	21,447
	13,867	0	0
	0	0	0
	0	0	8,588
\$	30,993 \$	5,493 \$	30,002

\$	0 \$	952 \$	780
	30,200	0	0
	0	0	357
\$	30,200 \$	952 \$	1,137

\$	0 \$	0 \$	10,248
	0	0	8,340
	10,781	5,331	34,628
\$	10,781 \$	5,331 \$	36,048
\$	30,993 \$	5,493 \$	30,002

:CONTINUED:

WEST CARROLL PARISH SCHOOL BOARD
Cahoon, Louisiana

SPECIAL REVENUE FUNDS
Comparing Balance Sheet
June 30, 1999

	EPPE S.D. #1	EPPE S.D. #2	FOREST S.D. #3	FOREST S.D. #4
	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE
ASSETS				
Cash and cash equivalents	\$ 80,488	\$ 120,281	\$ 77,048	\$ 27,488
Receivables	28	28	28	279
Stock and accounts	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	\$ 80,516	\$ 120,309	\$ 77,076	\$ 27,787
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts, salaries and other payables	\$ 78	0	0	121
Unfunded payables	0	0	0	0
Unfunded revenues	0	0	0	0
Total Liabilities	\$ 78	0	0	121
Fund Equity				
Fund balances:				
Reserved for unemployment	\$ 0	0	0	0
Reserved for inventory	0	0	0	0
Unexpended and undesignated	80,488	120,309	77,076	27,766
Total Equity	\$ 80,488	\$ 120,309	\$ 77,076	\$ 27,766
TOTAL LIABILITIES AND FUND EQUITY	\$ 80,514	\$ 120,318	\$ 77,082	\$ 27,887

Fund 1

CONSOLIDATED

B.D. #1

CONSTRUCTION

AND

MAINTENANCE TOTAL

\$	135,000	\$	525,000
	00		325,000
	0		0
<u> </u>	<u> </u>	<u> </u>	<u> </u>
	0		5,000

\$ 135,000 \$ 850,000

\$	0	\$	115,000
	0		225,000
<u> </u>	<u> </u>	<u> </u>	<u> </u>
	0		800

\$ 0 \$ 335,800

\$	0	\$	15,248
	0		8,000
<u> </u>	<u> </u>	<u> </u>	<u> </u>
	135,000		900,050

\$ 135,000 \$ 920,000

\$ 135,000 \$ 920,000

(CONCLUDED)

WEST CARROLL PARISH SCHOOL BOARD
Oak Grove, Louisiana

SPECIAL REVENUE FUNDS
Containing Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1999

	TITLE I	TITLE VI	SPECIAL FEDERAL	INFANT EDUCATION
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 88	88	0	0
Interest earnings	0	0	0	0
Food service	0	0	0	0
State revenues:				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources	623,008	15,824	200,440	18,294
Total revenues	\$ 623,096	\$ 15,824	\$ 200,440	\$ 18,294
EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ 0	0	43,000	0
Special programs	427,884	0	137,388	14,750
Other instructional programs	0	0	28,972	0
Support services:				
Student services	46,872	0	0	0
Instructional staff support	112,184	18,856	37,881	0
General administration	12,860	308	2,000	504
School administration	0	0	0	0
Plant services	24,804	0	0	300
Food services	0	0	0	0
Facilities acquisition and renovation	0	0	0	0
Total expenditures	\$ 623,630	\$ 19,164	\$ 180,440	\$ 15,154
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	0	0	0	0

EXHIBIT B

	ADULT EDUCATION	KAY FUND	SCHOOL LEISURE
\$	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 1,710
	\$ 0	\$ 0	\$ 185,827
	\$ 0	\$ 0	\$ 250,000
	\$ 23,300	\$ 0	\$ 0
	\$ 23,300	\$ 0	\$ 713,734
\$	\$ 46,640	\$ 0	\$ 1,049,440

\$	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0
	\$ 46,647	\$ 3,333	\$ 0
	\$ 0	\$ 0	\$ 0
	\$ 3,344	\$ 0	\$ 0
	\$ 280	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0
	\$ 240	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 1,128,000
	\$ 0	\$ 0	\$ 0
\$	\$ 49,860	\$ 3,333	\$ 1,128,000

\$	\$ 0	\$ (3,333)	\$ 8,730
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FOOTNOTES:

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 1999

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>SPECIAL FEDERAL</u>	<u>BIOPACT EDUCATION</u>	
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$	0 0	0 0	0 0	0
Operating transfers out		0	0	0	0
Sale of assets		0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	\$	0 0	0 0	0 0	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$	0 0	0 0	0 0	0
FUND BALANCES AT BEGINNING OF YEAR		0	0	0	0
FUND BALANCES AT END OF YEAR	\$	0 0	0 0	0 0	0

TABLE 2

ADULT EDUCATION	PAF FUND	SCHOOL LUNCH	
\$	\$ \$	\$ \$	\$
	\$	\$	\$
	\$	184	\$
\$	\$ \$	184 \$	\$
\$	\$ \$	(5,000) \$	9,792
	13,381	8,280	48,898
\$	13,380 \$	8,281 \$	81,548

(CONTINUED)

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 1999

	EPPE S.O.D. #1	EPPE S.O.D. #2	FOREST S.O.D. #3	FOREST S.O.D. #4
	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE	CONSTRUCTION AND MAINTENANCE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 129,433	\$ 82,953	\$ 86,230	\$ 23,187
Interest earnings	833	1,218	777	242
Food service	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	7,993	8,895	12,232	3,328
Federal sources:				
	0	0	0	0
Total revenues	\$ 138,226	\$ 93,066	\$ 99,239	\$ 26,757
EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ 58,908	\$ 23,237	\$ 21,877	\$ 9,091
Special programs	0	0	0	0
Other instructional programs	0	0	0	0
Support services:				
Student services	0	0	0	0
Instructional staff support	0	0	0	0
General administration	4,578	2,235	5,200	874
School administration	7,818	2,290	308	3,488
Plant services	84,887	30,238	42,877	78,428
Food services	0	0	0	0
Facilities acquisition and construction				
	0	0	0	0
Total expenditures	\$ 156,083	\$ 58,960	\$ 69,962	\$ 91,881
EXCESS (deficiency) OF REVENUES OVER EXPENDITURES	(28,440)	34,106	29,277	(65,124)

EXHIBIT 1

CONSOLIDATED		S.S. #1	
CONSTRUCTION		AND	
MAINTENANCE		TOTAL	
\$	132,830	\$	401,049
	1,267		6,247
	0		185,027
	0		190,080
	19,264		79,184
	0		1,883,211
<u>\$</u>	<u>152,247</u>	<u>\$</u>	<u>2,825,188</u>
\$	43,287	\$	189,876
	0		680,080
	0		71,883
	0		46,073
	0		188,647
	4,880		30,880
	4,244		17,831
	180,280		589,427
	0		1,129,681
	27,529		27,529
<u>\$</u>	<u>185,296</u>	<u>\$</u>	<u>2,828,086</u>
	(36,822)		(13,288)

(CONTINUED)

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

SPECIAL REVENUE FUNDS
 Comparing Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 1999

	FFY99 S.O. #1 (CONSTRUCTION AND MAINTENANCE)	FFY99 S.O. #2 (CONSTRUCTION AND MAINTENANCE)	FFY99 S.O. #3 (CONSTRUCTION AND MAINTENANCE)	FFY99 S.O. #4 (CONSTRUCTION AND MAINTENANCE)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Operating transfers out	0	0	20,800	0
Sale of assets	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	\$ 0	\$ 0	\$ 20,800	\$ 0
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 23,440	\$ 14,570	\$ 10,800	\$ 21,004
FUND BALANCES AT BEGINNING OF YEAR	198,541	114,741	67,800	21,877
FUND BALANCES AT END OF YEAR	\$ 221,981	\$ 129,311	\$ 78,600	\$ 42,881

Exhibit 2

CONSOLIDATED
S.S. #1
CONSTRUCTION
AND

MAINTENANCE TOTAL

\$	5,000	\$	5,000
	(20,000)		(40,000)
	<u>2</u>		<u>394</u>

\$	<u>(14,000)</u>	\$	<u>(50,000)</u>
----	-----------------	----	-----------------

\$	49,000	\$	47,954
	<u>354,400</u>		<u>870,850</u>

\$	<u>370,300</u>	\$	<u>820,800</u>
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(CONCLUDED)

West Carroll Parish School Board
Oak Grove, Louisiana

AGENCY FUNDS

SCHOOL ACTIVITY FUND

The activities of the various individual school accounts are accounted for in the school activity agency fund. Although the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SALES TAX COLLECTION FUND

The sales tax agency fund is used to account for collection and disbursement of sales tax receipts to the West Carroll School Board, West Carroll Police Jury and the Town of Oak Grove.

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

AGENCY FUNDS
 Combining Statement of Assets and Liabilities
 June 30, 1999

Exhibit 3

	SCHOOL ACTIVITY FUND	SALES TAX COLLECTION FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 245,401	\$ 0	\$ 245,401
TOTAL ASSETS	\$ 245,401	\$ 0	\$ 245,401
LIABILITIES			
Deposits due others	\$ 245,401	\$ 0	\$ 245,401
TOTAL LIABILITIES	\$ 245,401	\$ 0	\$ 245,401

WEST CARROLL PARISH SCHOOL BOARD
 Oak Street, Louisiana

AGENCY FUNDS
 Statement of Changes in Assets and Liabilities
 For the Year Ended June 30, 1999

Exhibit A

	Balance July 1, 1998	Additions	Deductions	Balance June 30, 1999
*****SCHOOL ACTIVITY FUND*****				
ASSETS				
Cash and cash equivalents	\$ 218,452	810,895	792,092	\$ 837,255
LIABILITIES				
Deposits due others	\$ 218,452	810,895	792,092	\$ 837,255
****SALES TAX COLLECTION FUND****				
ASSETS				
Cash and cash equivalents	\$ 0	3,823,148	3,823,148	\$ 0
LIABILITIES				
Deposits due others	\$ 0	3,823,148	3,823,148	\$ 0
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 218,452	4,634,113	4,615,178	\$ 240,387
LIABILITIES				
Deposits due others	\$ 218,452	4,634,113	4,615,178	\$ 240,387

WEST CARROLL PARISH SCHOOL BOARD
Oak Grove, Louisiana

AGENCY FUNDS -
SCHOOL ACTIVITY FUND
Schedule of Changes in Deposits For Officers
For The Year Ended June 30, 1999

Exhibit E

SCHOOL	Balance, July 1, 1998	Additions	Debitations	Balance, June 30, 1999
Edge High School	\$ 10,891	\$ 88,017	\$ 88,409	\$ 12,499
Flake Lake Elementary School	13,804	58,901	55,324	21,481
Forest High School	26,293	119,113	112,468	32,938
Goodwill Elementary School	26,598	42,908	52,138	37,368
Hiburnia High School	16,478	171,218	185,784	31,912
Oak Grove High School	82,684	288,250	240,297	130,637
Oak Grove Elementary School	92,943	18,879	11,100	100,722
Pioneer High School	14,882	17,269	49,811	12,340
Totals	\$ 238,463	\$ 819,855	\$ 799,817	\$ 258,501

WEST CARROLL PARISH SCHOOL BOARD
 Oak Grove, Louisiana

AGENCY FUNDS -
SALES TAX COLLECTION FUND
 Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 1999

Exhibit G

	<u>Balance,</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Debits/Dues</u>	<u>Balance,</u> <u>June 30, 1999</u>
West Carroll Parish Police Jury	\$ 0	\$ 3,219,424	\$ 3,118,424	\$ 0
West Carroll Parish School Board	0	870,225	678,325	0
Town of Oak Grove	0	435,580	435,800	0
Totals	<u>\$ 0</u>	<u>\$ 4,525,149</u>	<u>\$ 4,232,549</u>	<u>\$ 0</u>

West Carroll Parish School Board
Oak Grove, Louisiana

Exhibit 1

GENERAL

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 1999**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 24 of the 1999 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$400 per month and the President receives an additional \$50 per month.

<u>Board Member</u>	<u>Actual Salary</u>
Kathryn McAllister, President	\$ 5,100
Rayburn Eugene Crosby	3,100
Ray Michael Gammill	4,800
Toney Mike Haddin	4,800
J. T. Martin	4,800
A. L. Rowls, Sr.	4,800
C. T. Kewis	<u>4,800</u>
Total	<u>\$30,600</u>

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Other Report Required by
Government Auditing Standards**

The first report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards issued by the Comptroller General of the United States. The scope of the report on compliance is based solely on the audit of the general-purpose financial statements and/or parts, where applicable, compliance matters that would be material to the general-purpose financial statements. The scope of the report on internal control over financial reporting is, likewise, based solely on the audit of the general-purpose financial statements and included, where appropriate, any reportable conditions and/or material weaknesses.

**Other Report Required by
Office of Management and Budget (OMB) Circular No. A-133**

The second report following this page contains information on the report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular No. A-133. The scope of the report on compliance is related to tests of compliance with laws, regulations, contracts and grants relating to federal awards programs. The scope of the report on internal control over compliance is, likewise, related to matters that would be significant and/or material to federal awards programs.

ALLEN, GREEN & COMPANY, LLP

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

Board Members

West Carroll Parish School Board
Oak Grove, Louisiana

We have audited the financial statements of West Carroll Parish School Board, Oak Grove, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated October 5, 1999. We conducted our audit in accordance with 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 School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of non-compliance that is reported under Government Auditing Standards which is described in the accompanying Schedule of Findings and Questioned Costs as item 99-F1.

Management Letter Items

We also noted numerous instances of non-compliance which we have reported to management of the School Board in a separate letter dated October 5, 1999, included later in this report.

Internal Control Over Financial Reporting

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

Board Members
West Carroll Parish School Board
Oak Grove, Louisiana

Management Letter Item

However, we noted other matters involving the internal control over financial reporting which we have reported to management of the School Board in a separate letter dated October 6, 1999, included later in this report.

This report is intended solely for the information and use of the Board, management, federal auditing agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Allan, Green & Company, LLP

ALLAN, GREEN & COMPANY, LLP

Monroe, Louisiana
October 6, 1999

ALLEN, GREEN & COMPANY, LLP

(CERTIFIED PUBLIC ACCOUNTANTS)

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

Board Members

Wend Carroll Parish School Board
Oak Grove, Louisiana

Compliance

We have audited the compliance of the Wend Carroll Parish School Board, Oak Grove, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB)-Circular No. A-133-Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1998. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with these requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Board Members
West Carroll Parish School Board
Oak Grove, Louisiana

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

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the School Board as of and for the year ended June 30, 1999, and have issued our report thereon dated October 6, 1999. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the general-purpose financial statements. 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 stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
October 6, 1999

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1999**

Exhibit B

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Director No.	Expended
CASH FEDERAL AWARDS			
United States Department of Agriculture:			
Passed Through Louisiana Department of Education:			
National School Lunch Program	80.950	N/A	\$ 179,354
School Breakfast Program	80.950	N/A	<u>435,385</u>
Total United States Department of Agriculture			<u>614,739</u>
United States Department of Education:			
Passed Through Louisiana Department of Education:			
Adult Education - State-Administrated Basic Grant Program	84.802	N/A	21,547
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.810	99-0A/SA-02	591,060
Migrant Education - Basic State Grant Program	84.811	N/A	13,254
Special Education:			
State Grants - Part B	84.810	99-0B-01-05	147,384
Preschool Grants	84.373	99-0P-03-0	33,873
Grants for Infants and Families with Disabilities - Part H	84.080	99-0B-0 c/o	3,669
Vocational Education:			
Basic Grants to States	84.848	98-99-00-380B0	27,767
Title VI - Innovative Education Program Strategies	84.298	99-1A/SA-02-01	15,824
Title II - Educators Professional Development State Grants	84.260	99-1A/SA-02-0	15,891
Title IV (Safe and Drug-Free Schools)	84.086	99-1A/SA-02-0V	16,476
Technology Literacy Challenge Fund	84.318X	99-1CF-03-0	13,684
Learn Local Improvement	84.276A	99-1A-0V-L	<u>58,032</u>
Total United States Department of Education			<u>965,132</u>
United States Department of Labor:			
Passed Through Union Community Action Association:			
Job Training Partnership Act (JTPA)	13.250	98-0900-C	<u>6,055</u>
TOTAL CASH FEDERAL AWARDS			<u>1,628,246</u>
NONCASH FEDERAL AWARDS			
United States Department of Agriculture:			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Programs (Commodities)	10.590	N/A	<u>37,585</u>
TOTAL NONCASH FEDERAL AWARDS			<u>37,585</u>
TOTAL FEDERAL AWARDS			<u>\$1,665,831</u>

**West Carroll Parish School Board
Oak Grove, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1999**

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the West Carroll Parish School Board (the "School Board"). The School Board's reporting entity is defined in note 1 to the School Board's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on this schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in note 1 to the School Board's general-purpose financial statements.

NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS

Federal awards are reported in the School Board's general-purpose financial statements as follows:

	<u>Federal Sources</u>	
Special Revenue Funds:		
Title I		
Title I Basic Grant	\$391,169	
Title II	13,991	
Title IV	<u>16,435</u>	
		\$ 622,695
Title VI		13,834
Special Federal:		
Special Education State Grants	143,386	
Preschool Grants	33,033	
Grants for Infants and Families with Disabilities - PART II	2,168	
Vocational Education Basic Grants	33,767	
ITPA	8,093	
Learn 2000	38,319	
Technology Literacy Challenge Fund	<u>13,684</u>	
		298,046
Migrant Education		13,794
Adult Education		75,547
School Lunch		<u>312,288</u>
Total		\$1,683,811

West Carroll Parish School Board
Oak Grove, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1999

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

NOTE 5 - MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS

The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

West Carroll Parish School Board
Oak Grove, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There was one instance of non-compliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- i. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- ii. The type of report the auditor issued on compliance of major federal awards was unqualified.
- iii. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section 3100c.
- iv. The major federal awards are:

Cluster (as defined by OMB Circular No. A-133 Compliance Supplement I).

<u>CFDA #</u>	<u>CFDA Title</u>
18.535	National School Lunch Program
18.537	School Breakfast Program

- v. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular No. A-133, Section 310(c) was \$250,000.
- vi. The auditor does qualify as a low-risk auditor under OMB Circular No. A-133, Section 316.

West Carroll Parish School Board
Oak Grove, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 1999

PART II - Findings related to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

Reference and title: **FSEI** **Fixed Assets and Safeguarding of Fixed Assets**

Entity-wide or program/appointment-specific: This finding is entity-wide.

Criteria or specific requirement: LSA-R.S. 24:515 (B)(1) requires the School Board to maintain records of all land, buildings, improvements other than buildings, equipment and other general fixed assets which were purchased or otherwise acquired, and for which the entity is accountable.

Good internal control requires safeguarding movable fixed assets. This is accomplished by tagging all movable fixed assets with a unique identification number and marking as School Board property.

Condition found: The fixed asset listing and safeguarding of fixed assets were tested at two locations. To test fixed assets at both locations, assets were chosen from the listing and traced to the assets, and assets were chosen and traced back to the listing. The results were as follows:

Of the 25 items chosen from the listing to be traced to the physical assets:

1. Four items could not be found.
2. One item could not be positively identified.

Of the 20 assets chosen to be traced back to the listing:

1. Two items did not have any identifying numbers and were not marked as School Board property.
2. One item had an identifying number that belonged to another asset.
3. Six items had identifying numbers not on the listing.

Proper perspective for judging the prevalence and consequences: The School Board has fixed assets valued at \$8,903,681 on its fixed asset listing. Of this amount, \$4,136,026 is movable property.

Possible asserted effect (cause and effect):

Cause: The cause is a lack of communication between the central office and schools.

Effect: The School Board is not in compliance with LSA-R.S. 24:515 (B)(1) which requires the School Board to maintain records of all land, buildings, improvements other than buildings, equipment and other general fixed assets.

The School Board does not have adequate controls over the safeguarding of movable fixed assets.

Recommendations to prevent future occurrences: The School Board should take a complete physical inventory of its fixed assets. The obsolete inventory that has been appropriated/budget should be deleted from the list. Current assets should be added to the list. All assets should be marked with a unique identifying number and marked as School Board property.

**West Carroll Parish School Board
Deak Green, Louisiana**

Other Information

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular No. A-133. This information has been prepared by the management of the West Carroll Parish School Board. Management accepts full responsibility, as required by OMB Circular No. A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular No. A-133 Section 500(a), and accordingly, no opinion is expressed. Section 500(c) requires the auditors to follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding.

West Carroll Parish School Board
Oak Grove, Louisiana

Summary Schedule of Prior Audit Findings
June 30, 1999

There were no audit findings for the year ended June 30, 1998.

West Carroll Parish School Board
Oak Grove, Louisiana

Corrective Action Plan for Current Year Findings and Questioned Costs
As of and for the Year Ended June 30, 2000

Finding reference: R and III- 25-E

Fixed Assets and Securing of Fixed Assets

Condition: The fixed asset listing and safeguarding of fixed assets were tested at two locations. To test fixed assets at both locations, assets were chosen from the listing and traced to the assets, and assets were chosen and traced back to the listing. The results were as follows:

Of the 25 items chosen from the listing to be traced to the physical assets:

1. Four items could not be found.
2. One item could not be positively identified.

Of the 20 assets chosen to be traced back to the listing:

1. Two items did not have any identifying numbers and were not marked as School Board property.
2. One item had an identifying number that belonged to another asset.
3. Six items had identifying numbers not on the listing.

Corrective action planned: A fixed asset listing was distributed to each principal to perform a physical inventory. These will be turned in to the central office by February 1, 2000.

Person responsible for corrective action:

Jerry Deather, Superintendent
West Carroll Parish School Board
P. O. Box 1318
Oak Grove, LA 71265-1318

Telephone: (518) 428-2718
Fax: (518) 428-3773

Anticipated completion date: By June 2000.

**West Carroll Parish School Board
Oak Grove, Louisiana**

Management Letter Items

ALLEN, GREEN & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Ernest L. Allen, CPA
of Business
Accounting Firm
Tim Green, CPA
George Williamson, CPA

Management Letter

Board Members

West Carroll Parish School Board
Oak Grove, Louisiana

In planning and performing our audit of the general-purpose financial statements of the West Carroll Parish School Board, Oak Grove, Louisiana for the year ended June 30, 1999, we considered the School Board's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report, dated October 6, 1999, on the financial statements of the School Board. We will review the status of these comments during your next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows. We have performed test-audit work to verify the content of the responses to the current-year management letter items.

59-111 Decentralized Accounting Records

Comment: One element of a good system of internal control is centralization of the accounting and records. Decentralization of the accounting record-keeping diminishes that control.

The accounting records for certain federal programs are maintained in an office separate from the central office. The accounting software used by these certain federal programs is different from the accounting system used by all other funds of the School Board. The system cannot be integrated into the main system. Therefore periodically, or at least annually, a summary of the federal program information must be entered into the primary accounting system. Because only the summary of the transactions are entered into the primary accounting system, the central office has no detail of individual transactions.

Recommendation: For consistency, more complete and timely reporting, and better internal control, the software recommended for federal funds use the same accounting software used by all other funds of the School Board. This will provide for one complete set of books that are posted timely for all funds of the School Board.

Management's response: All Funds are now set up with the same accounting software.

Board Members
West Carroll Parish School Board
Oak Grove, Louisiana

99-012 Collateralization of Bank Deposits

Context: Louisiana Revised Statutes Title 39 - Public Finance addresses collateralization requirements for public funds. Specifically, LSA-R.S. 39:1218 and LSA-R.S. 39:1225 require that fiscal agents of a depositing authority, such as the School Board, provide security at all times equal to one hundred percent of the amount of collected funds. The securities should be of the types outlined in LSA-R.S. 39:1221.

As June 30, 1999, the School Board had \$4,665,041 in deposit with one depository. Collateral pledged by the bank as of June 30, 1999, totaled \$4,386,229. This left \$278,818 of the School Board deposits with the bank uncollateralized.

Recommendation: Pledged collateral should be monitored by the School Board to ensure that all funds are collateralized in accordance with state statute.

Management's response: The bank was contacted and requested to increase collateral by \$700,800.

99-003 Verification Procedures for School Fund Service

Context: During the testing of verifications of free and reduced lunch application we noted the following:

1. A second income was not verified on one application.
2. Due to the verification, one student whose meal status should have been changed November 30, 1998, was not changed until February 2, 1999.
3. Due to the verification, one student whose meal status should have been changed November 30, 1998, was never changed.

Ten of forty one applications chosen by verification were tested by the auditors. During the year, a CRE review was performed by the Louisiana Department of Education. Item #2 of those findings listed above was also noted during the CRE. The February reimbursement was adjusted for the overcharge that resulted due to this finding.

Recommendation: A more careful review should be done on the verifications and a review should be made of the schools' records to make sure all meal status changes are made timely.

Management's response: A review will be made of verifications performed for the 1999-2000 school year to ensure that all changes in status resulting from the verifications process are made.

Immediately following this letter is a Status of Prior Management Letter Item. This information has not been audited by Allen, Green & Company, LLP, and no opinion is expressed. However, we did follow-up on prior management letter items and performed procedures to assess the reasonableness of the Status of Prior Management Letter Item prepared by Management. We would report, as a current-year management letter item when Allen, Green & Company, LLP concludes that the Status of Prior Management Letter Item materially misrepresents the status of any prior management letter item.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

Board Members
West Carroll Parish School Board
Oak Grove, Louisiana

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

Allen, Green, & Company, LLP
ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
October 6, 2009

West Carroll Parish School Board
Oak Grove, Louisiana

Status of Prior Management Letter Items
June 30, 1999

98-01 Decentralized Accounting Records

Conditions: The accounting records for certain federal programs are maintained in an office separate from the central office. The accounting software used by these certain federal programs is different from the accounting system used by all other funds of the School Board.

Management action taken: See Current-Year Management Letter Item 99-01.

98-02 Year 2000 Compliance

Conditions: The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect operations in the year 1999 and beyond. For many years programmers eliminated the first two digits from a year when writing programs. When the internal clock in computers and other equipment rolls over from 12/31/99 to 1/1/00 many programs (if not corrected) will not be able to distinguish between the year 2000 and the year 1900. This may cause the programs to process data inaccurately or to stop processing data altogether.

The Governmental Accounting Standards Board has issued a Technical Bulletin which identifies four stages as necessary to implement a year 2000 compliant system. These four stages are described below:

Awareness Stage - Incompletes establishing a budget and project plan for dealing with the year 2000 issue.

Assessment Stage - The organization actually begins the process of identifying all of its systems and individual components of the systems.

Correction Stage - The organization actually makes changes to systems and equipment. Decisions are made as to how to make the systems or processes year 2000 compliant and the required system changes are made.

Validation/Testing Stage - The organization validates and tests the changes made during the correction process.

Management action taken: See Required Supplemental Information on page 30.