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TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2002

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

Release Date 12/11/02

TENSAS PARISH SCHOOL BOARD
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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying general-purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 2002, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Tensas Parish School Board's, management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tensas Parish School Board, as of June 30, 2002, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 20, 2002, on our consideration of the Tensas Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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 U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general-purpose financial statements. Also, the supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. 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.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
November 20, 2002

TENSAS PARISH SCHOOL BOARD
COMBINED BALANCE SHEETS - ALL TYPES AND ACCOUNT GROUPS
JUNE 30, 2002

	<u>Governmental Fund Types</u>		
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
<u>ASSETS AND OTHER DEBITS</u>			
Cash	747,881	363,132	9,968
Investments	0	0	0
Receivables	381,328	141,810	0
Due From Other Funds	218,327	20,000	0
Inventory, at cost	0	18,361	0
Land	0	0	0
Buildings	0	0	0
Furniture and Equipment	0	0	0
Amount Available for Debt Service	0	0	0
Amount to be provided for retirement of general long-term obligations	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL ASSETS AND OTHER DEBITS</u>	<u>1,347,536</u>	<u>543,303</u>	<u>9,968</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts Payable	17,048	97,709	0
Accrued Payroll and Payroll Taxes	0	0	0
Due to Other Funds	495,684	235,943	0
School Activity Funds	0	0	0
Compensated Absences Payable	0	0	0
Certificates of Indebtedness	0	0	0
Deferred Compensation Benefits	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL LIABILITIES</u>	512,732	333,652	0
Fund Equity:			
Investment in General Fixed Assets	0	0	0
Reserved for Debt Service	0	0	9,968
Unreserved - Undesignated	834,804	159,651	0
Restricted	<u>0</u>	<u>50,000</u>	<u>0</u>
<u>TOTAL FUND EQUITY</u>	<u>834,804</u>	<u>209,651</u>	<u>9,968</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>1,347,536</u>	<u>543,303</u>	<u>9,968</u>

See Notes to Financial Statements

<u>Fiduciary Fund Types</u>			<u>Account Groups</u>		<u>Total (Memorandum Only)</u>	
<u>Trust And Agency Fund</u>	<u>Agency- School Activity Fund</u>	<u>Agency- Payroll Fund</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	<u>2002</u>	<u>2001</u>
781	40,320	375,873	0	0	1,537,955	1,336,848
67,480	0	0	0	0	67,480	57,653
0	0	0	0	0	523,138	420,020
0	0	494,808	0	0	733,135	642,499
0	0	0	0	0	18,361	28,542
0	0	0	309,540	0	309,540	309,540
0	0	0	4,383,893	0	4,383,893	4,694,822
0	0	0	4,091,062	0	4,091,062	3,728,031
0	0	0	0	9,968	9,968	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>468,799</u>	<u>468,799</u>	<u>479,055</u>
<u>68,261</u>	<u>40,320</u>	<u>870,681</u>	<u>8,784,495</u>	<u>478,767</u>	<u>12,143,331</u>	<u>11,697,010</u>
0	0	0	0	0	114,757	118,982
0	0	869,173	0	0	869,173	843,511
0	0	1,508	0	0	733,135	642,499
0	40,320	0	0	0	40,320	18,459
0	0	0	0	241,767	241,767	219,055
0	0	0	0	237,000	237,000	260,000
<u>68,261</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,261</u>	<u>57,641</u>
68,261	40,320	870,681	0	478,767	2,304,413	2,160,147
0	0	0	8,784,495	0	8,784,495	8,732,393
0	0	0	0	0	9,968	15,152
0	0	0	0	0	994,455	739,318
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>8,784,495</u>	<u>0</u>	<u>9,838,918</u>	<u>9,536,863</u>
<u>68,261</u>	<u>40,320</u>	<u>870,681</u>	<u>8,784,495</u>	<u>478,767</u>	<u>12,143,331</u>	<u>11,697,010</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2002

	General Fund	Special Revenue Funds	Debt Service Fund	Total (Memorandum Only)	
				2002	2001
REVENUES					
Local Sources:					
Taxes:					
Ad Valorem Taxes	1,203,520	0	0	1,203,520	1,163,397
Sales and Use	0	564,401	0	564,401	569,950
1% Collected by Sheriff	34,786	0	0	34,786	35,209
Rentals, leases and royalties	12,915	0	0	12,915	11,845
Interest Income	16,049	4,685	141	20,875	42,845
Other	167,740	185,896	0	353,636	286,179
State Sources:					
Unrestricted grants-in-aid	4,347,816	0	0	4,347,816	4,128,234
State Revenue Sharing	30,257	0	0	30,257	29,715
Restricted grants-in-aid	355,339	0	0	355,339	347,617
Federal Sources:					
Restricted grants-in-aid-Subgrants	<u>1,144,032</u>	<u>1,913,337</u>	<u>0</u>	<u>3,057,369</u>	<u>2,440,929</u>
TOTAL REVENUES	7,312,454	2,668,319	141	9,980,914	9,055,920
EXPENDITURES					
Instruction:					
Regular Programs	2,322,877	242,368	0	2,565,245	2,389,943
Special Programs	1,474,031	1,032,296	0	2,506,327	2,428,538
Adult and Continuing Education	108,157	0	0	108,157	151,242
Support Services:					
Support Programs for Pupils	337,492	179,713	0	517,205	452,190
Instructional Staff Support Programs	687,063	391,617	0	1,078,680	498,000
General Administration Programs	212,099	137,890	54	350,043	316,837
School Administration Service Programs	374,901	0	0	374,901	341,912
Business Services Programs	167,021	10,245	0	177,266	161,181
Operation and Maintenance of Plant	709,167	125,191	0	834,358	855,673
Pupil Transportation Services	502,579	27,016	0	529,595	481,035
Other Support Services	74,901	534,659	0	609,560	670,523
Community Service Program	1,200	0	0	1,200	600
Facility Acquisition & Construction	27,107	0	13,529	40,636	330,268
Debt Service:					
Principal Retirement	0	0	23,000	23,000	0
Interest and Paying Agent Fees	<u>0</u>	<u>0</u>	<u>14,788</u>	<u>14,788</u>	<u>7,399</u>
TOTAL EXPENDITURES	6,998,595	2,680,995	51,371	9,730,961	9,085,341
EXCESS (DEFICIENCY) OF					
REVENUES OVER					
EXPENDITURES	313,859	(12,676)	(51,230)	249,953	(29,421)

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES-CONTINUED
YEAR ENDED JUNE 30, 2002

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total (Memorandum Only) 2002</u>	<u>2001</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	18,253	34,622	46,046	98,921	111,601
Operating transfers (Out)	(66,046)	(32,875)	0	(98,921)	(111,601)
Proceeds - Certificates of Indebtedness	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>260,000</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(47,793)</u>	<u>1,747</u>	<u>46,046</u>	<u>0</u>	<u>260,000</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>					
	266,066	(10,929)	(5,184)	249,953	230,579
<u>FUND BALANCES - JULY 1, 2001</u>	<u>568,738</u>	<u>220,580</u>	<u>15,152</u>	<u>804,470</u>	<u>573,891</u>
<u>FUND BALANCES - JUNE 30, 2002</u>	<u>834,804</u>	<u>209,651</u>	<u>9,968</u>	<u>1,054,423</u>	<u>804,470</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES
YEAR ENDED JUNE 30, 2002

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<u>REVENUES</u>			
Local Sources:			
Taxes:			
Ad Valorem	1,206,583	1,203,520	(3,063)
Sales and Use	0	0	0
1% Collected by Sheriff	38,123	34,786	(3,337)
Other	30,257	30,257	0
Rentals, Leases, and Royalties	12,913	12,915	2
Interest Earnings	26,000	16,049	(9,951)
Other	168,231	167,740	(491)
State Sources:			
Unrestricted Grants-in-Aid	4,285,339	4,347,816	62,477
Restricted Grants-in-Aid	332,150	355,339	23,189
Federal Sources:			
Restricted Grants-in-Aid-Subgrants	<u>1,448,570</u>	<u>1,144,032</u>	<u>(304,538)</u>
<u>TOTAL REVENUES</u>	<u>7,548,166</u>	<u>7,312,454</u>	<u>(235,712)</u>
<u>EXPENDITURES</u>			
Instruction:			
Regular	2,490,511	2,322,877	167,634
Special	1,554,046	1,474,031	80,015
Adult and Continuing Education	95,018	108,157	(13,139)
Support Services:			
Support Programs for Pupils	356,521	337,492	19,029
Instructional Staff Support Programs	791,949	687,063	104,886
General Administration Programs	208,616	212,099	(3,483)
School Administration Service Programs	374,160	374,901	(741)
Business Service Programs	166,491	167,021	(530)
Operation and Maintenance of Plant	831,704	709,167	122,537
Pupil Transportation Services	512,797	502,579	10,218
Other Support Services	83,615	74,901	8,714
Community Services	1,200	1,200	0
Facility Acquisition & Construction	37,500	27,107	10,393
Debt Services:			
Principal Retirement	0	0	0
Interest and Paying Agent Fees	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL EXPENDITURES</u>	<u>7,504,128</u>	<u>6,998,595</u>	<u>505,533</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>			
<u>OVER EXPENDITURES</u>	44,038	313,859	269,821

See Notes to Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
0	0	0	0	0	0
549,013	564,401	15,388	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
9,487	4,685	(4,802)	237	141	(96)
188,469	185,896	(2,573)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>2,144,159</u>	<u>1,913,337</u>	<u>(230,822)</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,891,128	2,668,319	(222,809)	237	141	(96)
218,596	242,368	(23,772)	0	0	0
1,143,683	1,032,296	111,387	0	0	0
0	0	0	0	0	0
175,451	179,713	(4,262)	0	0	0
384,209	391,617	(7,408)	0	0	0
129,029	137,890	(8,861)	611	54	557
0	0	0	0	0	0
9,830	10,245	(415)	0	0	0
124,103	125,191	(1,088)	0	0	0
27,665	27,016	649	0	0	0
628,742	534,659	94,083	0	0	0
0	0	0	0	0	0
0	0	0	14,778	13,529	1,249
0	0	0	23,000	23,000	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>14,788</u>	<u>14,788</u>	<u>0</u>
<u>2,841,308</u>	<u>2,680,995</u>	<u>160,313</u>	<u>53,177</u>	<u>51,371</u>	<u>1,806</u>
49,820	(12,676)	(62,496)	(52,940)	(51,230)	1,710

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET (GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES-CONTINUED
YEAR ENDED JUNE 30, 2002

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Other Financing Sources (Uses)			
Operating Transfers In	69,845	18,253	(51,592)
Operating Transfers Out	(66,046)	(66,046)	0
Proceeds - Certificates of Indebtedness	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>3,799</u>	<u>(47,793)</u>	<u>(51,592)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	47,837	266,066	218,229
<u>FUND BALANCES - JULY 1, 2001</u>	<u>568,738</u>	<u>568,738</u>	<u>0</u>
<u>FUND BALANCES - JUNE 30, 2002</u>	<u>616,575</u>	<u>834,804</u>	<u>218,229</u>

See Notes to Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
19,958	34,622	14,664	37,788	46,046	8,258
(49,838)	(32,875)	16,963	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(29,880)</u>	<u>1,747</u>	<u>31,627</u>	<u>37,788</u>	<u>46,046</u>	<u>8,258</u>
19,940	(10,929)	(30,869)	(15,152)	(5,184)	9,968
<u>220,580</u>	<u>220,580</u>	<u>0</u>	<u>15,152</u>	<u>15,152</u>	<u>0</u>
<u>240,520</u>	<u>209,651</u>	<u>(30,869)</u>	<u>0</u>	<u>9,968</u>	<u>9,968</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The School Board operates four schools within the parish with a total enrollment of 959 pupils for the year ended June 30, 2002. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for these students.

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

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

A. FUND ACCOUNTING

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

General Fund

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

Special Revenue Funds

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

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Debt Service Funds

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

Agency-Payroll Fund

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

Agency-School Activities Funds

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

Trust and Agency

This fund accounts for assets held by the School Board in a trustee or agency capacity. This fund is custodial in nature and does not involve measurement of results of operation.

B. FIXED ASSETS AND LONG-TERM OBLIGATION

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

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

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

C. BASIS OF ACCOUNTING

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

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

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenues

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

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

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

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

Substantially all other revenues are recorded when received.

Expenditures

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

Other Financing Sources

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

D. INVENTORIES

Inventory acquisition in the General Fund is recorded in the expense account liability and charged as a current asset when not used at the end of the fiscal year. Minimum amounts of inventory are not maintained, therefore, equity reserves for inventory have not been established for the General Fund. The cost value of such inventories at June 30, 2002, were of an immaterial amount and, accordingly, were not recorded in these financial statements.

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

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. COMPENSATED ABSENCES

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

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

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

Sabbatical leave may be granted for medical and for professional and cultural development. Any employee with a teacher certificate is entitled, subject to approval by the School Board, to a semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period in which paid.

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

At June 30, 2002, employees of the School Board have accumulated and vested \$241,767 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$44,411 is attributed to Federal program employees. This liability must be paid out of indirect costs.

F. TOTAL COLUMN ON COMBINED STATEMENTS - OVERVIEW

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

G. BUDGETARY ACCOUNTING

Annually, the School Board adopts budgets on all governmental funds. The budgetary practice includes public notice of the proposed budget, public inspection of the proposed budget, and public hearing on the budgets. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. Budgetary basis is the same as accounting basis. All appropriations lapse at year end.

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. ENCUMBRANCES

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

I. ALLOWANCE FOR BAD DEBTS

Management feels that all receivables at June 30, 2002 are fully collectible and has set the allowance for bad debts at zero.

NOTE 2 - CASH

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

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United State bonds, treasury notes, or certificate and time deposits of state banks organized under Louisiana law and National Banks having principal offices in Louisiana. At June 30, 2002, the School Board had cash and cash equivalents (book balance) totaling \$1,537,955 as follows:

Demand Deposits \$1,537,955

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

The carrying amount of the School Board's deposits with the financial institutions was \$1,704,889 and the book balance was \$1,537,955. The bank balance is categorized as follows:

	Category		
	1	2	3
Cash	200,000	1,504,889	0

NOTE 3 - RECEIVABLES

The receivables of \$523,138 at June 30, 2002 are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
State of Louisiana	338,244	140,530	478,774
Other	<u>43,084</u>	<u>1,280</u>	<u>44,364</u>
Total	<u>381,328</u>	<u>141,810</u>	<u>523,138</u>

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 4 - PAYABLES AND ACCRUED EXPENSE

The payables of \$983,930 at June 30, 2002, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Payroll Trust Fund</u>	<u>Total</u>
Accounts Payable	14,996	97,709	0	112,705
Due State of La.	2,052	0	0	2,052
Accrued Payroll and Taxes	<u>0</u>	<u>0</u>	<u>869,173</u>	<u>869,173</u>
Total	<u>17,048</u>	<u>97,709</u>	<u>869,173</u>	<u>983,930</u>

NOTE 5 - FIXED ASSETS

The changes in general fixed assets for the year ending June 30, 2002 are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Furniture and Fixtures</u>	<u>Total</u>
Balance at June 30, 2001	309,540	4,383,893	4,038,960	8,732,393
Additions	0	0	156,269	156,269
Deletions (Adjustments)	<u>0</u>	<u>0</u>	<u>104,167</u>	<u>104,167</u>
Balance at June 30, 2002	<u>309,540</u>	<u>4,383,893</u>	<u>4,091,062</u>	<u>8,784,495</u>

NOTE 6 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the 2002 tax rolls:

	<u>Authorized</u>	<u>Levied</u>
Parish wide Taxes		
Constitutional	3.94	3.94
Maintenance Tax	6.36	6.36
District 3 Parishwide	10.00	10.00
District 3, Special Maintenance	<u>10.00</u>	<u>10.00</u>
Total	<u>30.30</u>	<u>30.30</u>

NOTE 7 - PENSION PLANS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees, such as teachers, lunchroom workers and principals, 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 employee benefits vesting after 10 years of service.

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

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers Retirement System-Regular	8.00%	13.1%
Louisiana Teachers Retirement System-Plan A	9.10%	13.1%
Louisiana School Employees Retirement System	7.5%	0.00%

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 7 - PENSION PLANS - CONTINUED

The School Board accrues pension expenditures in the period in which salaries are earned, based on gross salary and contribution rates established for each system. The pension costs for the year ended June 30, 2002 are:

	<u>Employee</u>	<u>Employer</u>	<u>Total</u>
Louisiana Teachers Retirement System-Regular	321,019	518,954	839,973
Louisiana Teachers Retirement System-Plan A	4,771	7,028	11,799
Louisiana School Employees Retirement System	<u>26,609</u>	<u>0</u>	<u>26,609</u>
	<u>352,399</u>	<u>525,982</u>	<u>878,381</u>

The School Board's payroll covered by the systems for the year ended June 30, 2002 was:

Louisiana Teachers Retirement System-Regular	4,013,979
Louisiana Teachers Retirement System-Plan A	52,480
Louisiana School Employees Retirement System	354,778

Trend Information:	<u>2002</u>	<u>2001</u>	<u>2000</u>
Louisiana Teachers Retirement System-Regular			
Employee	321,019	301,806	283,713
Employer	<u>518,954</u>	<u>529,331</u>	<u>533,631</u>
Total Statutorily Required Contributions	<u>839,973</u>	<u>831,137</u>	<u>817,344</u>

Louisiana Teachers Retirement System-Plan A			
Employee	4,771	4,991	4,966
Employer	<u>7,028</u>	<u>7,905</u>	<u>8,295</u>
Total Statutorily Required Contributions	<u>11,799</u>	<u>12,896</u>	<u>13,261</u>

Louisiana School Employees Retirement System			
Employee	26,609	25,489	21,683
Employer	<u>0</u>	<u>0</u>	<u>20,562</u>
Total Statutorily Required Contributions	<u>26,609</u>	<u>25,489</u>	<u>42,245</u>

100% of required contributions were made for each year.

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

NOTE 8 - CHANGES IN LONG - TERM DEBT

The following is a summary of indebtedness and compensated absences payable transactions for the School Board for the year ended June 30, 2002:

	<u>Certificates of</u> <u>Indebtedness</u>	<u>Compensated</u> <u>Absences</u>	<u>Total</u>
Balance at June 30, 2001	260,000	219,055	479,055
Additions	0	45,602	45,602
Reductions	<u>23,000</u>	<u>22,890</u>	<u>45,890</u>
Balance at June 30, 2002	<u>237,000</u>	<u>241,767</u>	<u>478,767</u>

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 8 - CHANGES IN LONG-TERM DEBT - CONTINUED

Certificate of Indebtedness

The Board incurred debt through Certificates of Indebtedness of \$260,000 to provide funds to acquire, construct and improve public school buildings. The Certificates bear interest at 5.25%. Interest is payable on March 1 and September 1 of each year, commencing September 1, 2001. The Certificates will mature serially on March 1 of each year.

The annual requirements to amortize the outstanding debt as of June 30, 2002 including interest payments are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u>	<u>Total</u>
2003	24,000	12,443	36,443
2004	25,000	11,183	36,183
2005	27,000	9,870	36,870
2006	29,000	8,452	37,452
2007	30,000	6,930	36,930
2008	32,000	5,355	37,355
2009	34,000	3,675	37,675
2010	<u>36,000</u>	<u>1,890</u>	<u>37,890</u>
	<u>237,000</u>	<u>59,798</u>	<u>296,798</u>

The interest and certificates are payable at Tensas State Bank and Cross Keys Bank, paying agents.

Pursuant to a parish wide election held April 15, 2000, the School Board is authorized to levy a special tax of ten (10) mills for the years 2000-2009.

An amount of the annual tax sufficient to pay principal and interest due in each year will be set aside in a separate and special sinking fund account. At June 30, 2002, \$9,968 had been accumulated in the debt service fund for future debt requirements.

NOTE 9 - FEDERAL GRANTS

The School Board participates in a number of federally assisted grant programs. These programs are subjected to program compliance audits by the grantors. Audits of prior years have been conducted and no exceptions or disallowances were made. Based on prior experience, the School Board management feels that disallowances, if any, for the fiscal year ending June 30, 2002, would be immaterial.

TENSAS PARISH SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 10 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

	June 30, 2002 Interfund <u>Receivables</u>	June 30, 2002 Interfund <u>Payables</u>
General Fund	218,327	495,684
Child Nutrition Fund	20,000	0
Payroll Fund	494,808	1,509
Title I	0	142,945
Title II	0	3,953
Reading Excellence	0	88,443
Title VI	0	601
	<u>733,135</u>	<u>733,135</u>

NOTE 11 - INVESTMENTS

This is the account value at June 30, 2002 in the deferred compensation program (457) held at Nationwide Retirement Solutions, Inc. (formerly PEBSCO). Employees who do not qualify for either of the two statewide retirement systems (due to the number of hours worked) contribute to this plan through payroll withholdings in lieu of social security and medicare. The School Board does not match any of the employee contributions.

NOTE 12 - POST EMPLOYMENT BENEFITS

All full-time employees of the School Board may at their option participate in the state's group health and life insurance program. Upon retirement, the employee may continue his coverage with the same benefits payable to active employees. The School Board's portion of the postretirement benefit for health and life insurance is funded on a pay-as-you-go basis.

During the year ended June 30, 2002, the School Board recognized estimated expenditures for postretirement health and life benefits as follows:

	<u>Average Number of Estimated Participants</u>	<u>Amount</u>
Health and Life	88	204,503

NOTE 13 - LITIGATION

The School Board is a defendant in two longstanding desegregation lawsuits. The ultimate outcome of this litigation is uncertain. However, management and legal counsel are of the opinion that any resulting unfavorable outcomes would have minimal, if any, adverse economic impact on the School Board.

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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**

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

We have audited the general-purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 2002, and have issued our report thereon dated November 20, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Tensas Parish School Board's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 02-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tensas Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Tensas Parish School Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general-purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 02-1.

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 general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the School Board, the Department of Education and the Legislative Auditor of Louisiana, and is not intended to be, and should not be, used by anyone other than the specified parties.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
November 20, 2002

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

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

Compliance

We have audited the compliance of the Tensas Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2002. The Tensas Parish School Board's major federal programs are identified in the 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 Tensas Parish School Board's management. Our responsibility is to express an opinion on the Tensas Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Tensas Parish 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 Tensas Parish School Board's compliance with those requirements.

In our opinion, the Tensas Parish 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, 2002.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance

with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the School Board, the Department of Education and the Legislative Auditor of Louisiana, and is not intended to be, and should not be, used by anyone other than the specified parties.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
November 20, 2002

TENSAS PARISH SCHOOL BOARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2002

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PASS THROUGH ENTITY IDENTIFICATION NUMBER</u>	<u>EXPEN- DITURES</u>
<u>United States Department of Agriculture:</u>			
Food and Nutrition Services:			
Passed Through State Department of Education:			
*National School Lunch Program	10.555	N/A	290,426
*School Breakfast Program	10.553	N/A	124,772
Passed Through State Department of Agriculture:			
Food Distribution Program	10.550	N/A	<u>33,017</u>
<u>TOTAL UNITED STATES DEPARTMENT OF AGRICULTURE</u>			448,215
<u>United States Department of Education:</u>			
Passed Through State Department of Education:			
Educationally Deprived Children:			
*Title I	84.010	02-IASA-TI-54	630,293
Migrant Education	84.011	02-IASA-MI-54	32,294
Title II	84.281	02-IASA-50-54	7,953
Title VI	84.298	02-IASA-00-54	9,047
Vocational Education	84.048	02-02-54	29,220
Special Education:			
Idea - Part B/ C/O	84.027	02-BI-54	186,940
Idea - Preschool	84.173	02-PI-54	20,076
Adult Education	84.002	02-44-54	31,322
*Learn 2001	84.276	02-2801-LI-54	583,577
Drug Free	84.186	02-70-54	7,377
Technology Challenge 2001	83.303	N/A	216,287
Technology Challenge Library	84.318	02-280149-54	9,740
Reading Excellence Act	84.338	02-RI-54	260,984
Adult Education/Find Work	93.558	N/A	40,171
Youth Opportunity Initiative	17.263	AZ101390060	<u>19,322</u>
<u>TOTAL UNITED STATES DEPARTMENT OF EDUCATION</u>			2,084,603
<u>United States Department of Health and Human Resources:</u>			
*Head Start Program	93.600	N/A	<u>524,551</u>
<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>			<u>3,057,369</u>

* Denotes major program or major program clusters.

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2002

NOTE 1 - GENERAL

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of the Tensas Parish School Board, St. Joseph, La. The Tensas Parish School Board (the School Board's) reporting entity is defined in Note 1 of the Notes to General - Purpose Financial Statements of 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 the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting which is described in Note 1 of the Notes to the General - Purpose Financial Statements of the School Board's general - purpose financial statements.

NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS

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

	<u>FEDERAL SOURCES</u>
General Fund	1,144,032
Special Revenue Funds	
Food & Nutrition Service	448,215
Title I	662,587
Title VI	9,047
Title II	7,953
Reading Excellence Act	260,984
Head Start	<u>524,551</u>
	<u>3,057,369</u>

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, if any, made to reflect amounts in accordance with generally accepted accounting principles.

NOTE 5 - MAJOR FEDERAL AWARDS

The dollar threshold of \$300,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NON-CASH PROGRAMS

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

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2002

PART I - Summary of the Auditor's 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 were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:

CFDA #84.010 Title I Grants to Local Educational Agencies
CFDA #93.600 Head Start Program
CFDA #84.276 Learn 2001

Clusters (as defined by OMB Circular No. A-133 Provisional Compliance Supplement)

CFDA #10.553 School Breakfast Program
CFDA #10.555 National School Lunch Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS ATTACHMENT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2002

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

<u>Findings, Reference # and Title</u>	<u>02-01</u>	<u>MFP 70% Expenditure Requirement</u>
--	--------------	--

Condition:

Instructional expenditures failed to meet the 70% requirement test.

Recommendation:

The School Board's management closely monitor instructional and support expenditures so that the 70% requirement will be met.

Management Corrective Action Plan:

The general fund expenditures will be closely monitored in order to obtain the 70% minimum requirement of instructional expenditures. The general fund maintenance and transportation expenditures will be closely monitored in an attempt to keep these expenditures at a minimum.

Anticipated Completion Date:

During fiscal year ended June 30, 2003.

SUPPLEMENTAL INFORMATION SCHEDULES

TENSAS PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2002

	<u>Sales Tax Fund</u>	<u>Child Nutrition Fund</u>	<u>Education Consolidation and Improvement Act</u>	
			<u>Title I</u>	<u>Title VI</u>
ASSETS				
Cash	6,608	163,402	116,812	8,052
Receivables	1,280	0	95,163	886
Due From Other Funds	0	20,000	0	0
Inventories	<u>0</u>	<u>18,361</u>	<u>0</u>	<u>0</u>
<u>TOTAL ASSETS</u>	<u>7,888</u>	<u>201,763</u>	<u>211,975</u>	<u>8,938</u>
LIABILITIES AND FUND EQUITY:				
Liabilities:				
Accounts Payable	0	0	69,029	8,337
Due to Other Funds	<u>0</u>	<u>0</u>	<u>142,946</u>	<u>601</u>
<u>TOTAL LIABILITIES</u>	0	0	211,975	8,938
FUND EQUITY				
Fund Balance				
Unreserved - Undesignated	7,888	151,763	0	0
Restricted	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
<u>TOTAL FUND EQUITY</u>	<u>7,888</u>	<u>201,763</u>	<u>0</u>	<u>0</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>7,888</u>	<u>201,763</u>	<u>211,975</u>	<u>8,938</u>

See Notes to Financial Statements

<u>EESA Title II</u>	<u>Reading Excellence</u>	<u>Head Start</u>	<u>Total</u>
4,135	43,962	20,161	363,132
0	44,481	0	141,810
0	0	0	20,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>18,361</u>
<u>4,135</u>	<u>88,443</u>	<u>20,161</u>	<u>543,303</u>
182	0	20,161	97,709
<u>3,953</u>	<u>88,443</u>	<u>0</u>	<u>235,943</u>
4,135	88,443	20,161	333,652
0	0	0	159,651
<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>209,651</u>
<u>4,135</u>	<u>88,443</u>	<u>20,161</u>	<u>543,303</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2002

Revenues	Sales Tax Fund	Child Nutrition Fund	Education Consolidation and Improvement Act	
			Title I	Title VI
Local Sources:				
Taxes-Sales and Use	564,401	0	0	0
Interest Income	1,653	2,763	0	0
Other Local Revenues	0	32,820	0	0
Federal Sources:				
Restricted grants-in-aid-subgrants	0	448,215	662,587	9,047
In-Kind Revenue	0	0	0	0
<u>TOTAL REVENUES</u>	<u>566,054</u>	<u>483,798</u>	<u>662,587</u>	<u>9,047</u>
 <u>EXPENDITURES</u>				
Instruction:				
Regular programs	242,368	0	0	0
Special programs	119,774	0	313,023	8,431
Support Services:				
Student Services	26,637	0	0	0
Instructional Staff Support	8,859	0	215,365	0
General Admin.	82,428	0	41,399	616
Business Services	10,245	0	0	0
Plant Services	18,715	0	92,800	0
Food Service Program	4,237	530,422	0	0
Student Transportation Services	18,843	0	0	0
In-Kind Expense	0	0	0	0
<u>TOTAL EXPENDITURES</u>	<u>532,106</u>	<u>530,422</u>	<u>662,587</u>	<u>9,047</u>
 <u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUES OVER EXPENDITURES</u>				
	33,948	(46,624)	0	0
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	0	34,622	0	0
Operating transfers out	(32,875)	0	0	0
<u>TOTAL OTHER FINANCING</u>				
<u>SOURCES (USES)</u>	<u>(32,875)</u>	<u>34,622</u>	<u>0</u>	<u>0</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER EXPENDITURES AND</u>				
<u>OTHER SOURCES</u>				
	1,073	(12,002)	0	0
 <u>FUND BALANCE-BEG.</u>				
	<u>6,815</u>	<u>213,765</u>	<u>0</u>	<u>0</u>
<u>FUND BALANCE-END</u>				
	<u>7,888</u>	<u>201,763</u>	<u>0</u>	<u>0</u>

See Notes to Financial Statements

<u>EESA Title II</u>	<u>Reading Excellence</u>	<u>Head Start</u>	<u>Total</u>
0	0	0	564,401
0	0	269	4,685
0	0	0	32,820
7,953	260,984	524,551	1,913,337
<u>0</u>	<u>0</u>	<u>153,076</u>	<u>153,076</u>
7,953	260,984	677,896	2,668,319
0	0	0	242,368
7,424	201,595	382,049	1,032,296
0	0	0	26,637
0	46,471	120,922	391,617
529	12,918	0	137,890
0	0	0	10,245
0	0	13,676	125,191
0	0	0	534,659
0	0	8,173	27,016
<u>0</u>	<u>0</u>	<u>153,076</u>	<u>153,076</u>
7,953	260,984	677,896	2,680,995
<u>0</u>	<u>0</u>	<u>0</u>	<u>(12,676)</u>
0	0	0	34,622
<u>0</u>	<u>0</u>	<u>0</u>	<u>(32,875)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,747</u>
0	0	0	(10,929)
<u>0</u>	<u>0</u>	<u>0</u>	<u>220,580</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>209,651</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
YEAR ENDED JUNE 30, 2002

<u>NAME</u>	<u>AMOUNT</u>
DELYNN VINES, PRESIDENT	2,400
ROBERT NEWMAN JR., VICE PRESIDENT	2,400
MARIE BACHUS	2,400
MAC HAZLIP	2,400
JOE GOSSETT	2,400
MARY LOUISE CARTER	2,400
ESAW TURNER	<u>2,400</u>
<u>TOTAL</u>	<u>16,800</u>

MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS
P. O. BOX 2896
TELEPHONE 322-8106
MONROE, LOUISIANA 71207-2896

Harvey Marcus, CPA
John Robinson, CPA
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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS REPORT
ON APPLYING AGREED UPON PROCEDURES

To the Tensas Parish School Board
St. Joseph, Louisiana

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

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

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

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

Differences Noted - None

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number fo full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Differences Noted - None

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Differences Noted - None

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

Differences Noted - None

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Differences Noted - None

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

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

Differences Noted - None

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Differences Noted - None

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

Differences Noted - None

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Differences Noted - None

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

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

Differences Noted - None

The Graduation Exit Exam for the 21st Century (Schedule 8)

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

Differences Noted - None

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

Differences Noted - None

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Tensas Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
November 20, 2002

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA
SCHEDULE 1
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
FOR THE YEAR ENDED JUNE 30, 2002

INSTRUCTIONAL EXPENDITURES

Regular Programs	2,300,432
Special Ed. Programs	891,432
Vo Ed Program	248,110
Other Inst. Programs	151,318
Special Programs	65,073
Pupil Support	356,933
Inst. Staff	139,478
Less Equipment	0
Less Non-Pub. Textbooks Rev.	<u>5,066</u>
<u>TOTAL INSTRUCTIONAL EXPENDITURES</u>	<u>4,147,710</u>

SUPPORT EXPENDITURES

General Adm.	246,038
School Adm.	422,581
Business Services	177,266
Operation & Maint.	727,883
Student Trans.	517,364
Central Services	30,999
Food Service Operations	41,874
Less Non-Public Transportation Rev.	<u>0</u>
<u>TOTAL SUPPORT EXPENDITURES</u>	<u>2,164,005</u>

TOTAL INSTRUCTIONAL & SUPPORT EXPENDITURES 6,311,715

$\frac{4,147,710}{6,311,715} = 65.71\%$

CERTAIN LOCAL REVENUE SOURCES

LOCAL TAXATION REVENUE:

Constitutional Ad Valorem Taxes	156,497
Renewable Ad Valorem Taxes	1,047,023
Debt Service Ad Valorem Tax	0
Up to 1% collected by Sheriff	34,786
Sales and Use Taxes	<u>564,401</u>
<u>TOTAL LOCAL TAXATION AND REVENUE</u>	<u>1,802,707</u>

LOCAL EARNINGS ON INVESTMENT IN REAL PROPERTY

Earnings from 16 th Section Property	12,915
Earnings from Other Real Property	<u>0</u>
<u>TOTAL LOCAL EARNINGS ON INVESTMENT IN REAL PROPERTY</u>	<u>12,915</u>

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA
SCHEDULE 1
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
FOR THE YEAR ENDED JUNE 30, 2002

STATE REVENUE IN LIEU OF TAXES

Revenue Sharing - Constitutional Tax	12,846
Revenue Sharing - Other Taxes	17,411
Revenue Sharing - Excess Portion	0
Other Revenue in Lieu of Taxes	<u>0</u>
<u>TOTAL STATE REVENUE IN LIEU OF TAXES</u>	<u>30,257</u>

Nonpublic Textbook Revenue	0
Nonpublic Transportation Revenue	<u>0</u>
	<u>0</u>

TEENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 2

EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
AS OF OCTOBER 1, 2001

Category	Full-time Classroom Teacher				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	34	45%	30	39.5%				
Master's Degree	6	8%						
Master's Degree + 30	5	6.5%						
Specialist in Education					4	100%		
PH. D. or Ed. D.	1	1%						
TOTAL	46	60.5%	30	39.5%	4	100%		

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 3

NUMBER AND TYPE OF PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Type	Number
Elementary	2
Middle/Jr. High	
Secondary	1
Combination	1
Total	4

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 4

EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS
AS OF OCTOBER 1, 2001

	01 Yr.	2-3 Yrs	4-10 Yrs	11-14 Yrs	15-19 Yrs	20-24 Yrs	25 + Yrs	Total
Assistant Principals								
Principals					1	1	2	4
Classroom Teachers	23	6	12	4	7	4	20	76
TOTAL	23	6	12	4	8	5	22	80

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

FOR THE YEAR ENDED JUNE 30, 2002
PUBLIC SCHOOL STAFF DATA

SCHEDULE 5

All Classroom Teachers
Classroom Teachers
Excluding ROTC
and Rehired Retirees

Average Classroom Teacher's Salary Including Extra Compensation	\$29,004	\$28,364
Average Classroom Teacher's Salary Excluding Extra Compensation	\$28,841	\$28,360
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	82	72

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 6

CLASS SIZE CHARACTERISTICS
AS OF OCTOBER 1, 2001

School Type	Class Size Range											
	1-20		27-33		27-33		27-33		34+		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	97.6	41	2.4	1	0	0	0	0	0	0	0	0
Elementary Activity Classes	66.7	2	0	0	33.3	1	0	0	0	0	0	0
Middle/Jr. High	0	0	0	0	0	0	0	0	0	0	0	0
Middle/Jr. High Activity Classes	0	0	0	0	0	0	0	0	0	0	0	0
High	85.3	58	14.7	10	0	0	0	0	0	0	0	0
High Activity Classes	16.7	1	33.3	2	33.3	2	16.7	1	16.7	1	16.7	1
Combination	76.8	76	22.2	22	1	1	0	0	0	0	0	0
Combination Activity Classes	40	4	20	2	10	1	30	1	30	3	30	3
Total		182		37		5						4

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 7

LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP) FOR THE 21ST CENTURY
FOR THE YEAR ENDED JUNE 30, 2001-2002

District Achievement Level	English Language Arts						Mathematics					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4	0	0	0	0	0	0	0	0	0	0	0	0
Advanced Proficient	0	0	3	4	5	6	1	1	1	1	2	2
Basic	20	26	27	33	17	20	11	14	12	15	15	18
Approaching Basic	27	35	25	30	32	38	18	24	24	30	13	16
Unsatisfactory	30	39	27	33	30	36	47	61	44	54	54	64
Total	77	100%	82	100%	84	100%	77	100%	81	100%	84	100%

District Achievement Level	Science						Social Studies					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8	0	0	0	0	0	0	0	0	0	0	0	0
Advanced Proficient	6	7	0	0	3	4	2	2	0	0	3	4
Basic	14	17	11	16	18	22	31	38	17	25	22	27
Approaching Basic	35	43	22	32	26	33	34	42	27	39	28	35
Unsatisfactory	27	33	36	52	33	41	15	18	25	36	27	34
Total	82	100%	69	100%	80	100%	82	100%	69	100%	80	100%

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 8

THE GRADUATE EXIT EXAM FOR THE 21ST CENTURY
FOR THE YEAR ENDING JUNE 30, 2001 - 2002

District Achievement Level Results	English Language Arts						Mathematics					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10 Advanced Proficient	0	0	0	0	N/A	0	0	0	1	1	N/A	
Basic	3	4	2	2		2	2	2	0	0		
Approaching Basic	12	16	23	31		15	18	22	29	29		
Unsatisfactory	29	39	24	32		21	24	12	16	16		
	31	41	26	35		48	56	40	54	54		
Total	75	100%	75	100%		86	100%	75	100%			

District Achievement Level Results	Science						Social Studies					
	2002		2001		2000		2002		2001		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11 Advanced Proficient	1	2	N/A		N/A	0	0	N/A			N/A	
Basic	3	5				1	2					
Approaching Basic	19	29				19	29					
Unsatisfactory	17	26				20	31					
	25	38				25	38					
Total	65	100%				65	100%					

TENSAS PARISH SCHOOL BOARD
ST. JOSEPH, LOUISIANA

SCHEDULE 9

THE IOWA TEST
FOR THE YEAR ENDED JUNE 30, 2001-2002

	Composite		
	2002	2001	2000
Test of Basic Skills (ITBS)			
Grade 3	52	45	48
Grade 5	39	33	27
Grade 6	37	40	41
Grade 7	41	41	31
Test of Educational Development (ITED)			
Grade 9	32	38	32