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ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Financial Report

Year Ended June 30, 1999

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

Release Date 1-19-00

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INDEPENDENT AUDITOR'S REPORT

Mr. Louis Karam, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

We have audited the accompanying general purpose financial statements of the Allen Parish School Board 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 management of the Allen Parish School Board. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, 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 and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Records of capital expenditures for general fixed assets have not been reconstructed and updated. Consequently, we have been unable to determine the accuracy of the amounts reported as General Fixed Assets and express no opinion on the General Fixed Assets Account Group or on the changes in fixed assets as presented in Note 7 to the financial statements. The General Fixed Assets Account Group has assets with a stated value of \$29,896,306 at June 30, 1999.

In our opinion, except for the effects on the general purpose financial statements of such adjustments, if any, as might have been determined to be necessary had we been able to audit the General Fixed Assets Account Group, as mentioned in the third paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Allen Parish 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.

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Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Allen Parish School Board taken as a whole. The year 2000 supplementary information on page 26 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. 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 did not provide assurance that the School Board is or will become year 2000 compliant, 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.

The accompanying schedules of individual funds and the information included in the "Internal Control, Compliance and Other Grant Information" in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Allen Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated December 13, 1999 on our consideration of the Allen Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed a qualified opinion on the general purpose financial statements of The Allen Parish School Board due to our inability to express an opinion on the general fixed asset account group.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Oberlin, Louisiana
December 13, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

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

	Governmental Fund Types				Fiduciary		Account Groups			Totals	
	General	Special Revenue	Debt Service	Capital Projects	Agency	Fund Type	General Fixed Assets (Unaudited)	Long-term Obligations	1999		1998
ASSETS AND OTHER DEBITS											
Cash and interest-bearing deposits	\$1,598,630	\$2,114,422	\$1,017,810	\$ 127,004	\$ 646,824	\$ -	\$ -	\$ -	\$ 5,504,690	\$ 5,371,635	
Investments	5,556,308	-	-	1,529,898	16,659	-	-	-	7,102,865	9,507,114	
Receivables:											
Due from other funds	535,858	15,579	-	-	-	-	-	-	551,437	352,635	
Due from other governmental units	975,327	571,630	-	-	-	-	-	-	1,546,957	1,064,718	
Other	35,724	-	-	-	-	-	-	-	35,724	37,762	
Prepaid items	-	-	-	-	-	-	-	-	-	2,671	
Inventories, at cost	-	17,641	-	-	-	-	-	-	17,641	23,350	
Land, buildings, and equipment	-	-	-	-	-	23,648,140	-	-	23,648,140	20,034,880	
Construction in progress	-	-	-	-	-	6,248,166	-	-	6,248,166	5,481,446	
Amount available in debt service funds	-	-	-	-	-	-	973,979	-	973,979	1,035,081	
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-	-	10,743,776	10,743,776	10,277,773	
Total assets and other debits	\$8,701,847	\$2,719,272	\$1,017,810	\$1,656,902	\$ 663,483	\$29,896,306	\$11,717,755	\$56,373,375	\$53,189,065		
LIABILITIES AND FUND EQUITY											
Liabilities:											
Accounts, salaries, and other payables	\$2,400,237	\$ 791,356	\$ -	\$ 2,800	\$ -	\$ -	\$ -	\$ -	\$ 3,194,393	\$ 3,799,014	
Contracts payable	-	-	-	35,612	-	-	-	-	35,612	320,791	
Retainages payable	-	-	-	238,390	-	-	-	-	238,390	172,112	
Due to other funds	-	200,958	43,831	30,651	275,997	-	-	-	551,437	352,635	
Due to other governmental units	-	4,481	-	-	63,737	-	-	-	68,218	253,836	
School activity funds payable	-	-	-	-	323,749	-	-	-	323,749	260,544	
Compensated absences payable	-	-	-	-	-	-	377,755	-	377,755	337,854	
Bonds payable	-	-	-	-	-	-	11,340,000	-	11,340,000	10,975,000	
Total liabilities	2,400,237	996,795	43,831	307,453	663,483	-	11,717,755	16,129,554	16,471,786		
Fund equity:											
Investment in general fixed assets	-	-	-	-	-	29,896,306	-	-	29,896,306	25,516,326	
Fund balances -											
Reserved	-	17,641	973,979	-	-	-	-	-	991,620	1,061,102	
Designated	175,000	-	-	1,349,449	-	-	-	-	1,524,449	4,246,823	
Unreserved, undesignated	6,126,610	1,704,836	-	-	-	-	-	-	7,831,446	5,893,028	
Total fund equity	6,301,610	1,722,477	973,979	1,349,449	-	29,896,306	40,243,821	36,717,279	\$56,373,375	\$53,189,065	
Total liabilities and fund equity	\$8,701,847	\$2,719,272	\$1,017,810	\$1,656,902	\$ 663,483	\$29,896,306	\$11,717,755	\$56,373,375	\$53,189,065		

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 1999

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	1999	1998
Revenues:						
Local sources	\$5,860,082	\$1,294,713	\$1,254,005	\$ 149,727	\$ 8,558,527	\$ 8,245,000
State sources	15,671,417	412,813	-	-	16,084,230	15,157,889
Federal sources	229,964	2,663,815	-	-	2,893,779	2,933,135
Total revenues	<u>21,761,463</u>	<u>4,371,341</u>	<u>1,254,005</u>	<u>149,727</u>	<u>27,536,536</u>	<u>26,336,024</u>
Expenditures:						
Current -						
Instruction:						
Regular programs	9,219,496	72,706	-	-	9,292,202	8,037,495
Special education programs	2,069,560	276,963	-	-	2,346,523	2,090,276
Vocational education programs	843,016	-	-	-	843,016	719,888
Other instructional programs	327,554	-	-	-	327,554	788,410
Special programs	-	1,024,090	-	-	1,024,090	1,002,771
Adult and continuing education programs	67,981	-	-	-	67,981	103,493
Support services:						
Pupil support services	975,158	-	-	-	975,158	808,566
Instructional staff support services	1,089,765	230,721	-	-	1,320,486	809,519
General administration	1,327,128	45,326	45,395	20,562	1,438,411	1,406,950
School administration	1,059,901	322,943	-	-	1,382,844	1,252,829
Business services	127,968	-	-	-	127,968	137,836
Operation and maintenance of plant services	1,409,587	520,066	-	-	1,929,653	1,968,382
Student transportation services	1,460,778	-	-	-	1,460,778	1,435,819
Non-instructional services:						
Food services	-	1,702,263	-	-	1,702,263	1,664,534
Facilities acquisition and construction	22,775	-	-	3,858,560	3,881,335	4,848,932
Debt service -						
Principal retirement	-	-	635,000	-	635,000	595,000
Interest and fiscal charges	-	-	634,712	-	634,712	630,534
Total expenditures	<u>20,000,667</u>	<u>4,195,078</u>	<u>1,315,107</u>	<u>3,879,122</u>	<u>29,389,974</u>	<u>28,301,234</u>
Excess (deficiency) of revenues over expenditures	<u>1,760,796</u>	<u>176,263</u>	<u>(61,102)</u>	<u>(3,729,395)</u>	<u>(1,853,438)</u>	<u>(1,965,210)</u>
Other financing sources (uses):						
Operating transfers in	28,498	678,235	-	7,021	713,754	170,884
Operating transfers out	(685,256)	(28,498)	-	-	(713,754)	(170,884)
Proceeds from issuance of debt	-	-	-	1,000,000	1,000,000	-
Total other financing sources (uses)	<u>(656,758)</u>	<u>649,737</u>	<u>-</u>	<u>1,007,021</u>	<u>1,000,000</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	1,104,038	826,000	(61,102)	(2,722,374)	(853,438)	(1,965,210)
Fund balances, beginning	<u>5,197,572</u>	<u>896,477</u>	<u>1,035,081</u>	<u>4,071,823</u>	<u>11,200,953</u>	<u>13,166,163</u>
Fund balances, ending	<u>\$6,301,610</u>	<u>\$1,722,477</u>	<u>\$ 973,979</u>	<u>\$1,349,449</u>	<u>\$10,347,515</u>	<u>\$11,200,953</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

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

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Local sources	\$5,857,200	\$5,860,082	\$ 2,882	\$1,294,712	\$1,294,713	\$ 1
State sources	15,468,715	15,671,417	202,702	416,780	412,813	(3,967)
Federal sources	201,696	229,964	28,268	2,721,517	2,663,815	(57,702)
Total revenues	<u>21,527,611</u>	<u>21,761,463</u>	<u>233,852</u>	<u>4,433,009</u>	<u>4,371,341</u>	<u>(61,668)</u>
Expenditures:						
Current -						
Instruction:						
Regular programs	9,549,526	9,219,496	330,030	63,000	72,706	(9,706)
Special education programs	2,072,200	2,069,560	2,640	245,999	276,963	(30,964)
Vocational education programs	816,045	843,016	(26,971)	-	-	-
Other instructional programs	46,600	327,554	(280,954)	-	-	-
Special programs	-	-	-	1,066,504	1,024,090	42,414
Adult and continuing education programs	107,600	67,981	39,619	-	-	-
Support services:						
Pupil support services	1,017,150	975,158	41,992	-	-	-
Instructional staff support services	837,300	1,089,765	(252,465)	274,155	230,721	43,434
General administration	1,571,220	1,327,128	244,092	59,610	45,326	14,284
School administration	1,079,500	1,059,901	19,599	346,050	322,943	23,107
Business services	141,678	127,968	13,710	-	-	-
Operation and maintenance of plant services	1,450,300	1,409,587	40,713	525,235	520,066	5,169
Student transportation services	1,512,020	1,460,778	51,242	-	-	-
Non-instructional services:						
Food services	-	-	-	1,671,000	1,702,263	(31,263)
Facilities acquisition and construction	50,000	22,775	27,225	-	-	-
Total expenditures	<u>20,251,139</u>	<u>20,000,667</u>	<u>250,472</u>	<u>4,251,553</u>	<u>4,195,078</u>	<u>56,475</u>
Excess of revenues over expenditures	<u>1,276,472</u>	<u>1,760,796</u>	<u>484,324</u>	<u>181,456</u>	<u>176,263</u>	<u>(5,193)</u>
Other financing sources (uses):						
Operating transfers in	18,000	28,498	10,498	660,000	678,235	18,235
Operating transfers out	(1,060,000)	(685,256)	374,744	(25,359)	(28,498)	(3,139)
Total other financing sources (uses)	<u>(1,042,000)</u>	<u>(656,758)</u>	<u>385,242</u>	<u>634,641</u>	<u>649,737</u>	<u>15,096</u>
Excess of revenues and other sources over expenditures and other uses	234,472	1,104,038	869,566	816,097	826,000	9,903
Fund balances, beginning	<u>5,197,572</u>	<u>5,197,572</u>	-	<u>896,477</u>	<u>896,477</u>	-
Fund balances, ending	<u>\$5,432,044</u>	<u>\$6,301,610</u>	<u>\$ 869,566</u>	<u>\$1,712,574</u>	<u>\$1,722,477</u>	<u>\$ 9,903</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements

Introduction

The Allen Parish School Board (School Board) was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Allen 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 ten schools within the parish with a total enrollment of 4,559 and 4,441 pupils in 1999 and 1998, respectively. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

(1) Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Allen 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.

B. Reporting Entity

For financial reporting purposes, the School Board includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the School Board. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the School Board, the School Board is a separate governmental reporting entity, primary government.

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the School Board. The School Board is not a component unit of any other entity and does not have any component units which require inclusion in the financial statements of the School Board.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

C. Fund Accounting

The accounts of the Allen Parish 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. School Board resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and two broad fund categories as follows:

Governmental Fund Types -

General Fund

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specific purposes. These funds also account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

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

Capital Projects Funds

Capital Projects Funds are used to account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

Fiduciary Fund Types -

Agency Funds (includes School Activity Funds)

Agency Funds are used to account for assets held by the School Board as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Account Groups -

Account groups are used to establish accounting control and accountability for the School Board's general fixed assets and general long-term debt. The account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group.

General Long-Term Debt Account Group

Long-term debt expected to be financed from governmental funds is accounted for in the general long-term debt account group.

D. Basis of Accounting

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

All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and related state revenue sharing are recognized in the year the taxes are assessed. Sales taxes are considered as "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Federal and state entitlements are recorded as grants when the reimbursable expenditures have been incurred. Other major revenues that are determined to be susceptible to accrual are earned grant revenues, other intergovernmental revenues and interest. Food services income is recorded as operating revenue when collected. All food services income applicable to an accounting period is collected during that accounting period. Revenues from rentals, leases and royalties are recorded when earned.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exception to this general rule includes (1) accumulated unpaid vacation and sick pay and (2) principal and interest on general long-term debt which are recognized when paid.

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

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 incurrence of *qualifying expenditures*. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

E. Budgets

Proposed budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP) and are presented to the School Board by the Superintendent prior to the commencement of each fiscal year. After public hearings, the proposed budgets, after any amendments deemed necessary, are adopted by the Board. Budgetary amendments are processed in the same manner. Budgets are prepared only for the General Fund and all Special Revenue Funds.

All appropriations lapse at the end of each fiscal year.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the School Board as an extension of formal budgetary integration in the funds.

G. Interest-Bearing Deposits

Interest-bearing deposits include demand deposits, money market accounts, and time deposits, which are stated at cost.

H. Investments

The School Board's investments consist of U. S. treasury and agency debt securities which are stated at cost and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP) which are stated at cost.

I. Short-term Interfund Receivables/Payables

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

J. Inventories

Inventory of the School Lunch 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. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

K. Long-Term Liabilities and Fixed Assets

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. This account group is not a "fund". It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at actual historical cost and donated assets are valued at estimated historical cost.

L. Compensated Absences

All 12-month employees in the central office earn from 12 to 18 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave is credited at the end of each calendar month; however, no employee is permitted to use, during the course of a fiscal year, more consecutive days than may be earned during that period. No payment of accumulated vacation leave is made upon resignation or retirement. All 12-month school personnel earn two weeks of vacation leave each year, which may not be accumulated and may only be used during the months that school is not in session.

Sabbatical leave may be granted for rest and recuperation with doctor's certification and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Due to its restrictive nature, sabbatical leave benefits are recorded as expenditures in the period taken and no liability is recorded in advance of the sabbatical.

Vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

In accordance with the provisions of Statement No. 16, of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive vacation pay. A liability has been recorded in the general long-term debt account group for up to 25 days of accumulated sick leave for those employees eligible for retirement as of June 30, 1999.

At June 30, 1999, employees of the School Board have accumulated and vested \$377,755 of compensated absence benefits, which is recorded within the general long-term debt account group since they are not payable from expendable available financial resources.

M. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

N. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

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

O. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview 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.

P. Adoption of GASB Statement No. 27

During the year ended June 30, 1998, the Allen Parish School Board adopted GASB Statement No. 27, Accounting for Pensions by State and Local Government Employees. Although this statement is effective for periods beginning after June 15, 1999, the Governmental Accounting Standards Board encouraged early implementation.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(2) Cash and Interest-Bearing 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 States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1999, the School Board has cash and interest-bearing deposits (book balances) totaling \$5,504,690 as follows:

Demand deposits	\$ 112,871
Money market accounts	5,254,107
Time deposits	<u>137,712</u>
 Total	 <u><u>\$5,504,690</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at June 30, 1999, are secured as follows:

Bank balances	<u>\$6,835,813</u>
Federal deposit insurance	398,089
Pledged securities (category 3)	<u>6,437,724</u>
 Total	 <u><u>\$6,835,813</u></u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the School Board's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(3) Investments

The School Board's investment is categorized below to give an indication of the level of risk assumed by it at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School Board or its agent in the School Board's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the School Board's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the School Board's name.

	Category	Amount	Value
Federal National Mortgage Association Note, rate 6.0 percent, maturity December 25, 2023	1	<u>\$ 182,855</u>	<u>\$ 170,856</u>

At June 30, 1999, it is the intention of the School Board to hold these securities until full maturity. Gross unrealized loss at June 30, 1999 is \$11,999.

The Allen Parish School Board also has \$6,920,010 invested with the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the School Board in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

The Allen Parish Sheriff bills and collects the property taxes for the School Board. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the years ended June 30, 1999 and 1998, ad valorem taxes totaling 315.06 and 324.07 mills were levied on property and dedicated as follows:

	1999		1998	
	Net Assessed Valuations	Mills	Net Assessed Valuations	Mills
Parish wide taxes constitutional	\$52,043,060	4.26	\$52,043,060	4.26
Special school taxes:				
Special parish school	52,043,060	5.13	52,043,060	5.13
Maintenance taxes, by district:				
School district -				
Ward 1 Maintenance	6,523,970	5.12	6,743,100	5.12
No. 1 Maintenance	2,101,350	17.45	1,969,590	17.45
No. 4 Maintenance	3,923,550	10.05	3,619,830	10.05
No. 5 Maintenance	16,763,270	7.15	16,853,470	7.15
No. 25 Maintenance	13,005,890	5.16	12,214,200	5.16
Bond and interest taxes, by district:				
School district -				
Ward 1 Sinking Fund	6,523,970	25.00	6,743,100	30.00
No. 1 Sinking Fund	1,969,590	39.50	1,969,590	43.00
No. 3 Sinking Fund	7,415,050	10.40	8,116,050	10.00
No. 4 Sinking Fund	3,619,830	10.00	3,619,830	10.00
No. 5 Sinking Fund	16,853,470	31.00	16,853,470	31.00
No. 25 Sinking Fund	12,214,200	27.50	12,214,200	29.00
Construction taxes, by district:				
School district -				
Ward 1 Construction	6,523,970	11.03	6,743,100	11.03
No. 1 Construction	2,101,350	20.02	1,969,590	20.02
No. 1 Construction	2,101,350	30.75	1,969,590	30.75
No. 3 Construction	7,415,050	6.80	8,116,050	6.21
No. 4 Construction	3,923,550	10.52	3,619,830	10.52
No. 4 Construction	3,923,550	19.26	3,619,830	19.26
No. 5 Construction	16,763,270	11.75	16,853,470	11.75
No. 25 Construction	13,005,890	7.21	12,214,200	7.21

Students living in School District No. 22 attend Elton schools in Jefferson Davis Parish; therefore, the taxes go directly to the Jefferson Davis Parish School Board.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

The taxes levied were \$2,634,368 and \$2,677,892 for the years ended June 30, 1999 and 1998, respectively.

(5) Interfund Receivables, Payables

Interfund receivables, payables of \$551,437 at June 30, 1999 are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 535,858	\$ -
Special Revenue Funds:		
Title I	-	38,211
Title VI	-	194
Title II	-	1,200
School Food Service	-	6,834
Special Education	-	36,079
School District Maintenance No. 1	-	1,250
School District Maintenance No. 3	-	29,500
School District Maintenance No. 5	9,325	11,339
School District Maintenance No. 25	6,254	73,000
School District Maintenance No. 4A	-	3,351
Debt Service Funds:		
School District Ward 1	-	6,254
School District No. 4	-	9,325
School District No. 5	-	28,252
Capital Projects Funds:		
School District No. 3	-	2,195
School District No. 5	-	6,000
School District No. 25	-	22,456
Agency Funds:		
Sales tax collection fund	-	275,997
	\$ 551,437	\$ 551,437

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(6) Due From Other Governmental Units

A summary of amounts due from other governmental agencies at June 30, 1999 follows:

	General Fund	Special Revenue Funds	Total
Department of Education - grants:			
Federal	\$ 193,499	\$ 571,630	\$ 765,129
State	420,591	-	420,591
Other	361,237	-	361,237
Total	\$ 975,327	\$ 571,630	\$1,546,957

(7) General Fixed Assets

A summary of general fixed assets follows:

	Land	Buildings and Improvements	Furniture and Equipment	Construction in Progress	Total
Balance, July 1, 1998	\$ 131,555	\$13,469,655	\$6,433,670	\$5,481,446	\$25,516,326
Additions:	3,107,863	-	511,626	3,746,387	7,365,876
Deletions:	5,500	-	729	2,979,667	2,985,896
Balance, June 30, 1999	\$3,233,918	\$13,469,655	\$6,944,567	\$6,248,166	\$29,896,306

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(8) Accounts, Salaries and Other Payables

The accounts, salaries and other payables of \$3,198,874 at June 30, 1999, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Salaries and withholdings	\$2,068,138	\$ 400,530	\$ -	\$2,468,668
Accounts	144,496	390,826	2,800	538,122
Workers' compensation claims payable	<u>187,603</u>	<u>-</u>	<u>-</u>	<u>187,603</u>
Total	<u>\$2,400,237</u>	<u>\$ 791,356</u>	<u>\$ 2,800</u>	<u>\$3,194,393</u>

(9) Changes in General Long-Term Debt

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

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations payable at July 1, 1998	\$10,975,000	\$ 337,854	\$11,312,854
Additions	1,000,000	182,293	1,182,293
Deductions	<u>635,000</u>	<u>142,392</u>	<u>777,392</u>
Long-term obligations payable at June 30, 1999	<u>\$11,340,000</u>	<u>\$ 377,755</u>	<u>\$11,717,755</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Bonds payable at June 30, 1999 are comprised of the following individual issues:

\$935,000 1989 General Obligation Bonds of School District Ward 1 due in annual installments of \$85,000 through February 1, 2002; interest at 7.50 percent, payable by levy of ad valorem tax	\$ 255,000
\$1,750,000 1997 General Obligation Bonds of School District Ward 1 due in annual installments of \$25,000 to \$215,000 through March 1, 2011; interest at 4.65 to 5.15 percent, payable by levy of ad valorem tax	1,670,000
\$850,000 1997 General Obligation Bonds of School District 1 due in annual installments of \$45,000 to \$80,000 through March 1, 2011; interest at 4.65 to 5.15 percent, payable by levy of ad valorem tax	720,000
\$800,000 1995 General Obligation Bonds of School District No. 3 due in annual installments of \$45,000 to \$80,000 through April 1, 2010; interest at 5.00 to 5.65 percent, payable by levy of ad valorem tax	655,000
\$400,000 1982 General Obligation Bonds of School District No. 4 due in annual installments of \$30,000 to \$35,000 through May 11, 2002; interest at 5.0 percent, payable by levy of ad valorem tax	95,000
\$1,185,000 Series 1993 General Obligation School Refunding Bonds of School District No. 5 due March 1, 2000; interest at 5.50 percent, payable by levy of ad valorem tax	195,000
\$300,000 1987 General Obligation Bonds of School District No. 5 due in annual installments of \$30,000 to \$35,000 through March 1, 2002; interest at 7.90 percent to 8.00 percent, payable by levy of ad valorem tax	100,000
\$450,000 1988 General Obligation Bonds of School District No. 5 due in annual installments of \$40,000 to \$50,000 through March 1, 2003; interest at 7.75 to 8.00 percent, payable by levy of ad valorem tax	180,000
\$3,500,000 1997 General Obligation Bonds of School District 5 due in annual installments of \$5,000 to \$405,000 through March 1, 2012; interest at 4.50 to 9.00 percent, payable by levy of ad valorem tax	3,495,000
\$1,000,000 1998 General Obligation Bonds of School District 5 due in annual installments of \$30,000 to \$105,000 through March 1, 2013; interest at 4.30 to 8.00 percent, payable by levy of ad valorem tax	1,000,000
\$3,500,000 1997 General Obligation Bonds of School District 25 due in annual installments of \$175,000 to \$335,000 through March 1, 2011; interest at 4.50 to 9.00 percent, payable by levy of ad valorem tax	<u>2,975,000</u>
Total bonded debt	<u><u>\$11,340,000</u></u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Compensated absences reported at June 30, 1999, reflect amounts due to employees that are eligible for retirement, for unused sick leave, up to a maximum of 25 days.

The annual requirements to amortize all bonds outstanding at June 30, 1999, including interest payments of \$4,225,839 follows:

<u>Year Ending June 30,</u>	<u>General Obligation</u>
2000	\$ 1,287,135
2001	1,261,648
2002	1,262,957
2003	1,219,573
2004	1,237,370
2005-2009	6,217,593
2010-2013	3,079,563
	\$ 15,565,839

(10) Sales Tax

The School Board receives sales and use tax revenues from two sales and use tax levies, as follows:

- A. On September 12, 1967, the voters of the parish approved a one percent sales and use tax to be levied by the School Board for a period of ten years. On May 3, 1997, voters of the parish approved this levy for another ten years. The proceeds of the tax are used to supplement other revenues available to the School Board to pay salaries of teachers and the expenses of operating the public schools of Allen Parish.
- B. On January 16, 1988, the voters of the parish approved a one percent sales and use tax to be levied by the School Board for a period of five years. On May 3, 1999 voters of the parish approved this levy for another five years. The proceeds of the tax are used to supplement other revenues available to the School Board to pay salaries of teachers and the expenses of operating the public schools of Allen Parish.

The School Board is also authorized to collect sales taxes on behalf of the Allen Parish Policy Jury and other taxing authorities within Allen Parish. Sales tax revenues (\$3,462,602 in 1999 and \$3,311,761 in 1998) are included in the revenues of the General Fund.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(11) Retirement Plans

Substantially all employees of the School Board are members of two statewide retirement systems. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

Plan Description: The School Board participates in two membership plans of the TRS, the Regular Plan and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplemental financial information for the TRS. That report may be obtained by writing to the Teachers' Retirement System, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy: Plan members are required to contribute 8.0 and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 16.5 percent of the annual covered payroll for both membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the system for the years ended June 30, 1999, 1998 and 1997 were \$2,042,831, \$1,798,876 and \$1,618,425, respectively, equal to the required contribution for each year.

B. Louisiana School Employee's Retirement System (LASERS)

Plan Description: The LASERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LASERS issues a publicly available financial report that includes financial statements and required supplemental financial information for the LASERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804-4516, or by calling (225) 925-6484.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Funding Policy: Plan members are required to contribute 6.35 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 6.00 percent of annual covered payroll. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The School Board's contributions to the system for the years ended June 30, 1999, 1998 and 1997 were \$80,693, \$70,261, and \$65,682 respectively, equal to the required contribution for each year.

(12) Post-Retirement Health Care

The Allen Parish School Board provides certain continuing health care 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. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee, the State, and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due. The School Board's total cost of providing these benefits was \$574,535 and \$504,061 for the years ended June 30, 1999 and 1998 respectively.

(13) Risk Management

The School Board has established a limited risk management program for workers' compensation. The School Board employs a third-party administrator for this program. During the years ended June 30, 1999 and 1998, a total of \$257,350 and \$72,886 respectively was incurred in benefits and administrative costs. The School Board purchases commercial insurance for individuals' claims in excess of \$175,000. Incurred but not paid claims have been accrued as a liability in the General Fund.

(14) Pending Litigation

A. Contingencies

At June 30, 1999, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits cannot be determined at June 30, 1999.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

B. Grant Audit

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

(15) Designated Fund Balances

The School Board has designated a portion of the fund balance of the General Fund for payment of workers' compensation claims and services. At June 30, 1999, the designated portion of the fund balance of the General Fund totaled \$175,000.

Fund balances for Capital Projects Funds in School Districts Ward I, No. 1, No. 3, No. 5 and No. 25 of \$281,062, \$7,959, \$2,486, \$450,512 and \$607,430, respectively, are designated for future facilities acquisitions and construction.

(16) Reserved Fund Balances

Fund balance for the School Food Service Fund of \$17,641 is reserved for inventory. Fund balances of \$973,979 in Debt Service Funds are reserved for debt service.

(17) Compensation of Board Members

A detail of the compensation paid to individual board members for the year ending June 30, 1999 follows:

Board Member	Amount
Yvonne Smith, President	\$ 6,600
William Jackson	3,300
Lyndon Livingston	3,300
Willie V. Jackson	6,000
Bobby Odom	6,000
Mike Unkel	3,000
Carolyn Manuel	3,000
Wesley Lester	6,600
Marjorie Sanderson	6,600
Total	\$ 44,400

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(18) Changes in Agency Fund Deposits

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

<u>Fund</u>	<u>Balance July 1, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1999</u>
School Activity	\$ 260,544	\$1,111,690	\$1,048,485	\$ 323,749
Sales Tax Collection	<u>552,086</u>	<u>6,220,399</u>	<u>6,432,751</u>	<u>339,734</u>
Total	<u>\$ 812,630</u>	<u>\$7,332,089</u>	<u>\$7,481,236</u>	<u>\$ 663,483</u>

(19) Report Classification

Certain previously reported amounts have been reclassified to conform to 1999 report classifications.

SUPPLEMENTAL INFORMATION

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Impact of Year 2000 on Computer Programs (Unaudited)

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the School Board's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including among other things, a temporary inability to process transactions or engage in similar normal business activities.

The School Board has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting the School Board's operations and have identified such systems as being the School Board's network of computers used for financial reporting purposes, student management, human resources, and school activity funds.

- The School Board's system and personal computers have been assessed, remediated, and validated.
- The School Board's customized software programs are currently being remediated by a vendor. Testing and validation is being performed on the customized software programs.

There are no remaining contracted amounts committed to this project as of June 30, 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the School Board is or will be Year 2000 ready, that the School Board's remediation efforts will be successful in whole or in part, or that parties with whom the School board does business will be year 2000 ready. The School Board is utilizing external resources to identify and test the systems for Year 2000 compliance.

SCHEDULES OF INDIVIDUAL FUNDS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in other funds.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
General Fund

Comparative Balance Sheet
June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash and interest-bearing deposits	\$ 1,598,630	\$ 2,299,612
Investments	5,556,308	4,757,396
Receivables:		
Due from other governmental agencies	975,327	692,999
Due from other funds	535,858	337,056
Other	35,724	37,762
Prepaid items	<u>-</u>	<u>2,671</u>
 Total assets	 <u>\$ 8,701,847</u>	 <u>\$ 8,127,496</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables	<u>\$ 2,400,237</u>	<u>\$ 2,929,924</u>
Total liabilities	<u>2,400,237</u>	<u>2,929,924</u>
 Fund balances:		
Designated for worker's compensation claims	175,000	175,000
Reserved for prepaid items	-	2,671
Unreserved, undesignated	<u>6,126,610</u>	<u>5,019,901</u>
Total fund balances	<u>6,301,610</u>	<u>5,197,572</u>
 Total liabilities and fund balances	 <u>\$ 8,701,847</u>	 <u>\$ 8,127,496</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
General Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Local sources -		
Ad valorem taxes	\$ 484,749	\$ 486,921
Sales taxes	3,462,602	3,311,761
Rentals, leases and royalties	-	200
Interest earnings	395,919	311,737
Other	1,516,812	1,155,753
State sources -		
Equalization	14,648,831	13,811,229
Other	1,022,586	960,214
Federal sources	229,964	427,239
Total revenues	<u>21,761,463</u>	<u>20,465,054</u>
Expenditures:		
Current -		
Instruction:		
Regular programs	9,219,496	7,968,166
Special education programs	2,069,560	1,857,498
Vocational education programs	843,016	719,888
Other instructional programs	327,554	788,410
Adult and continuing education programs	67,981	103,493
Support services:		
Pupil support services	975,158	808,566
Instructional staff support services	1,089,765	640,190
General administration	1,327,128	1,311,436
School administration	1,059,901	1,021,739
Business services	127,968	137,836
Operation and maintenance of plant services	1,409,587	1,269,983
Student transportation services	1,460,778	1,435,819
Facilities acquisition and construction	22,775	8,853
Total expenditures	<u>20,000,667</u>	<u>18,071,877</u>
Excess of revenues over expenditures	<u>1,760,796</u>	<u>2,393,177</u>
Other financing sources (uses):		
Operating transfers in	28,498	20,522
Operating transfers out	(685,256)	(71,363)
Total other financing sources (uses)	<u>(656,758)</u>	<u>(50,841)</u>
Excess of revenues and other sources over expenditures and other uses	1,104,038	2,342,336
Fund balances, beginning	<u>5,197,572</u>	<u>2,855,236</u>
Fund balances, ending	<u>\$ 6,301,610</u>	<u>\$ 5,197,572</u>

SPECIAL REVENUE FUNDS

School District Maintenance Ward 1, No. 1, No. 3, No. 5, No. 25 and No. 4A Funds

To account for the various school districts proceeds of ad valorem taxes levied for maintaining and improving schools within each district.

School Food Service Fund

The school lunch program provides nourishing morning and noon meals for students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

Chapter I Title I of the Improving America's Schools Act (IASA)

Chapter I Title I of the Improving America's Schools Act (IASA) is a program for economically and educationally deprived school children that is federally financed, state-administered, and locally operated by the School Board. Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

Title VI of the Improving America's Schools Act

Title VI of the Improving America's Schools Act provides state allocated federal funds to local schools. Money is used in the public schools for high school discipline centers, for second language (French) instruction and for purchases of equipment. Money in the non-public schools is used to purchase textbooks and audio visual equipment.

Title II of the Education for Economic Security Act (EESA)

A federally funded program to the School Board for projects which are designed to improve the skills of teachers and instruction in the area of mathematics, science, computer learning and foreign languages and increase the accessibility of such instruction to all students.

Special Education Fund

To account for federal or state monies provided to extend and improve comprehensive educational programs for handicapped children and to provide a free, appropriate public education in the least restrictive environment to handicapped children.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Special Revenue Funds

Combining Balance Sheet
June 30, 1999
With Comparative Totals for June 30, 1998

	School District Maintenance					
	Ward 1	No. 1	No. 3	No. 5.	No. 25	No. 4A
ASSETS						
Cash and interest-bearing deposits	\$ 143,433	\$ 235,323	\$ 76,575	\$ 564,035	\$ 268,453	\$ 194,760
Receivables:						
Due from other funds	-	-	-	9,325	6,254	-
Due from other governmental units	-	-	-	-	-	-
Inventories, at cost	-	-	-	-	-	-
Total assets	<u>\$ 143,433</u>	<u>\$ 235,323</u>	<u>\$ 76,575</u>	<u>\$ 573,360</u>	<u>\$ 274,707</u>	<u>\$ 194,760</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts and other payables	\$ 11,541	\$ 8,857	\$ 6,026	\$ 62,461	\$ 5,678	\$ 10,735
Due to other funds	-	1,250	29,500	11,339	73,000	3,351
Due to other governmental units	-	-	-	-	-	-
Total liabilities	<u>11,541</u>	<u>10,107</u>	<u>35,526</u>	<u>73,800</u>	<u>78,678</u>	<u>14,086</u>
Fund balances:						
Reserved for inventory	-	-	-	-	-	-
Unreserved, undesignated	131,892	225,216	41,049	499,560	196,029	180,674
Total fund balances	<u>131,892</u>	<u>225,216</u>	<u>41,049</u>	<u>499,560</u>	<u>196,029</u>	<u>180,674</u>
Total liabilities and fund equity	<u>\$ 143,433</u>	<u>\$ 235,323</u>	<u>\$ 76,575</u>	<u>\$ 573,360</u>	<u>\$ 274,707</u>	<u>\$ 194,760</u>

School Food Service	Improving America's School Act		For Economic Security Act	Special Education	Total	
	Title I	Title VI	Title II		1999	1998
\$ 544,913	\$ 10,312	\$ 6,591	\$ -	\$ 70,027	\$2,114,422	\$1,146,204
-	-	-	-	-	15,579	15,579
-	467,913	8,406	2,344	92,967	571,630	371,719
<u>17,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,641</u>	<u>23,350</u>
<u>\$ 562,554</u>	<u>\$ 478,225</u>	<u>\$ 14,997</u>	<u>\$ 2,344</u>	<u>\$ 162,994</u>	<u>\$2,719,272</u>	<u>\$1,556,852</u>
\$ 107,663	\$ 435,533	\$ 14,803	\$ 1,144	\$ 126,915	\$ 791,356	\$ 621,569
6,834	38,211	194	1,200	36,079	200,958	38,806
-	4,481	-	-	-	4,481	-
<u>114,497</u>	<u>478,225</u>	<u>14,997</u>	<u>2,344</u>	<u>162,994</u>	<u>996,795</u>	<u>660,375</u>
17,641	-	-	-	-	17,641	23,350
430,416	-	-	-	-	1,704,836	873,127
<u>448,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,722,477</u>	<u>896,477</u>
<u>\$ 562,554</u>	<u>\$ 478,225</u>	<u>\$ 14,997</u>	<u>\$ 2,344</u>	<u>\$ 162,994</u>	<u>\$2,719,272</u>	<u>\$1,556,852</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 1999
With Comparative Totals for Year Ended June 30, 1998

	School District Maintenance					
	Ward 1	No. 1	No. 3	No. 5	No. 25	No. 4A
Revenues:						
Local sources -						
Ad valorem taxes	\$ 105,015	\$ 142,300	\$ 47,959	\$ 312,145	\$ 158,025	\$ 160,993
Rentals, leases, and royalties	-	-	250	-	600	1,675
Interest earnings	147	1,232	12	3,144	342	1,043
Food service	-	-	-	-	-	-
Other	2,600	4,000	1,958	2,500	1,100	7,718
State sources -						
Equalization	-	-	-	-	-	-
Other	3,731	-	-	23,156	15,835	3,287
Federal sources						
	-	-	-	-	-	-
Total revenues	<u>111,493</u>	<u>147,532</u>	<u>50,179</u>	<u>340,945</u>	<u>175,902</u>	<u>174,716</u>
Expenditures:						
Current -						
Instruction:						
Regular programs	14,192	3,374	6,553	12,770	27,336	8,481
Special education programs	-	-	-	-	-	-
Special programs	-	-	-	-	-	-
Support services:						
Instructional staff support services	-	-	-	-	-	-
General administration	9,331	4,303	1,514	15,042	10,445	4,691
School administration	66,830	31,936	26,681	93,648	58,081	45,767
Operation and maintenance of plant services	48,175	58,386	32,299	225,566	95,362	60,278
Non-instructional services:						
Food services	-	-	-	-	-	-
Total expenditures	<u>138,528</u>	<u>97,999</u>	<u>67,047</u>	<u>347,026</u>	<u>191,224</u>	<u>119,217</u>
Excess (deficiency) of revenues over expenditures	<u>(27,035)</u>	<u>49,533</u>	<u>(16,868)</u>	<u>(6,081)</u>	<u>(15,322)</u>	<u>55,499</u>
Other financing sources (uses):						
Operating transfers in	120,000	60,000	60,000	180,000	180,000	60,000
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>120,000</u>	<u>60,000</u>	<u>60,000</u>	<u>180,000</u>	<u>180,000</u>	<u>60,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	92,965	109,533	43,132	173,919	164,678	115,499
Fund balances, beginning	<u>38,927</u>	<u>115,683</u>	<u>(2,083)</u>	<u>325,641</u>	<u>31,351</u>	<u>65,175</u>
Fund balances, ending	<u>\$ 131,892</u>	<u>\$ 225,216</u>	<u>\$ 41,049</u>	<u>\$ 499,560</u>	<u>\$ 196,029</u>	<u>\$ 180,674</u>

School Food Service	Improving America's School Act		For Economic Security Act Title II	Special Education	Totals	
	Title I	Title VI			1999	1998
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 926,437	\$ 900,983
-	-	-	-	-	2,525	2,135
13,695	-	-	-	-	19,615	24,269
325,322	-	-	-	-	325,322	312,183
938	-	-	-	-	20,814	87,340
350,814	-	-	-	-	350,814	312,527
-	-	-	-	15,990	61,999	73,919
<u>1,119,533</u>	<u>1,193,340</u>	<u>32,262</u>	<u>32,355</u>	<u>286,325</u>	<u>2,663,815</u>	<u>2,505,896</u>
<u>1,810,302</u>	<u>1,193,340</u>	<u>32,262</u>	<u>32,355</u>	<u>302,315</u>	<u>4,371,341</u>	<u>4,219,252</u>
-	-	-	-	-	72,706	69,329
-	-	-	-	276,963	276,963	232,778
-	960,674	31,688	31,728	-	1,024,090	1,002,771
-	210,081	-	-	20,640	230,721	169,329
-	-	-	-	-	45,326	51,167
-	-	-	-	-	322,943	231,090
-	-	-	-	-	520,066	698,399
<u>1,702,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,702,263</u>	<u>1,664,534</u>
<u>1,702,263</u>	<u>1,170,755</u>	<u>31,688</u>	<u>31,728</u>	<u>297,603</u>	<u>4,195,078</u>	<u>4,119,397</u>
<u>108,039</u>	<u>22,585</u>	<u>574</u>	<u>627</u>	<u>4,712</u>	<u>176,263</u>	<u>99,855</u>
18,235	-	-	-	-	678,235	71,363
-	(22,585)	(574)	(627)	(4,712)	(28,498)	(99,521)
<u>18,235</u>	<u>(22,585)</u>	<u>(574)</u>	<u>(627)</u>	<u>(4,712)</u>	<u>649,737</u>	<u>(28,158)</u>
126,274	-	-	-	-	826,000	71,697
<u>321,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>896,477</u>	<u>824,780</u>
<u>\$ 448,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,722,477</u>	<u>\$ 896,477</u>

DEBT SERVICE FUNDS

School District - Ward I, No. 1, No. 3, No. 4, No. 5 and No. 25 Funds

The debt service funds accumulate monies to pay outstanding bond issues of the respective school districts. The bonds are used to acquire and improve sites, school buildings, equipment, and furnishings. The debt issues are financed by a special property tax levy on property within the territorial limits of the appropriate school districts.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Debt Service Funds

Combining Balance Sheet
June 30, 1999

With Comparative Totals for June 30, 1998

	School Districts					Totals		
	Ward 1	No. 1	No. 3	No. 4	No. 5	No. 25	1999	1998
ASSETS								
Cash and interest-bearing deposits	\$ 307,506	\$ 49,774	\$ 37,609	\$ 37,275	\$ 396,999	\$ 188,647	\$ 1,017,810	\$ 1,050,660
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to other funds	\$ 6,254	\$ -	\$ -	\$ 9,325	\$ 28,252	\$ -	\$ 43,831	\$ 15,579
Fund balances:								
Reserved for debt service	301,252	49,774	37,609	27,950	368,747	188,647	973,979	1,035,081
Total fund balances	\$ 307,506	\$ 49,774	\$ 37,609	\$ 37,275	\$ 396,999	\$ 188,647	\$ 1,017,810	\$ 1,050,660

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 1999
With Comparative Totals for Year Ended June 30, 1998

	School Districts			
	Ward 1	No. 1	No. 3	No. 4
Revenues:				
Local sources -				
Ad valorem taxes	\$ 162,562	\$ 82,393	\$ 73,348	\$ 40,501
Use of money and property - interest earnings	11,723	1,512	1,605	1,647
Total revenues	<u>174,285</u>	<u>83,905</u>	<u>74,953</u>	<u>42,148</u>
Expenditures:				
Support services - general administration	5,712	3,092	2,463	1,177
Debt service -				
Principal retirement	105,000	40,000	40,000	30,000
Interest and fiscal charges	110,543	37,535	36,993	6,114
Total expenditures	<u>221,255</u>	<u>80,627</u>	<u>79,456</u>	<u>37,291</u>
Excess (deficiency) of revenues over expenditures	(46,970)	3,278	(4,503)	4,857
Fund balances, beginning	<u>348,222</u>	<u>46,496</u>	<u>42,112</u>	<u>23,093</u>
Fund balances, ending	<u><u>\$ 301,252</u></u>	<u><u>\$ 49,774</u></u>	<u><u>\$ 37,609</u></u>	<u><u>\$ 27,950</u></u>

School Districts		Totals	
No. 5	No. 25	1999	1998
\$ 511,994	\$ 351,308	\$ 1,222,106	\$ 1,278,287
<u>9,469</u>	<u>5,943</u>	<u>31,899</u>	<u>34,562</u>
<u>521,463</u>	<u>357,251</u>	<u>1,254,005</u>	<u>1,312,849</u>
21,203	11,748	45,395	43,932
255,000	165,000	635,000	595,000
<u>268,562</u>	<u>174,965</u>	<u>634,712</u>	<u>630,534</u>
<u>544,765</u>	<u>351,713</u>	<u>1,315,107</u>	<u>1,269,466</u>
(23,302)	5,538	(61,102)	43,383
<u>392,049</u>	<u>183,109</u>	<u>1,035,081</u>	<u>991,698</u>
<u>\$ 368,747</u>	<u>\$ 188,647</u>	<u>\$ 973,979</u>	<u>\$ 1,035,081</u>

CAPITAL PROJECTS FUNDS

School District - Ward 1, No. 1, No. 3, No. 5 and No. 25 Funds

The Capital Projects Funds account for district-wide construction and improvements of public school facilities. Financing is provided by the proceeds from the sale of general obligation bonds.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Capital Project Funds

Combining Balance Sheet
June 30, 1999

With Comparative Totals for June 30, 1998

	School Districts				Totals		
	Ward 1	No. 1	No. 3	No. 5	No. 25	1999	1998
ASSETS							
Cash and interest-bearing deposits	\$ 65,436	\$ 7,959	\$ 3,330	\$ 23,033	\$ 27,246	\$ 127,004	\$ 62,529
Investments	<u>279,693</u>	<u>-</u>	<u>1,351</u>	<u>643,414</u>	<u>605,440</u>	<u>1,529,898</u>	<u>4,749,718</u>
Total assets	<u>\$ 345,129</u>	<u>\$ 7,959</u>	<u>\$ 4,681</u>	<u>\$ 666,447</u>	<u>\$ 632,686</u>	<u>\$ 1,656,902</u>	<u>\$ 4,812,247</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,800	\$ 2,800	\$ 247,521
Contracts payable	-	-	-	35,612	-	35,612	320,791
Retainages payable	64,067	-	-	174,323	-	238,390	172,112
Due to other funds	-	-	2,195	6,000	22,456	30,651	-
Total liabilities	<u>64,067</u>	<u>-</u>	<u>2,195</u>	<u>215,935</u>	<u>25,256</u>	<u>307,453</u>	<u>740,424</u>
Fund balances:							
Designated	<u>281,062</u>	<u>7,959</u>	<u>2,486</u>	<u>450,512</u>	<u>607,430</u>	<u>1,349,449</u>	<u>4,071,823</u>
Total liabilities and fund balances	<u>\$ 345,129</u>	<u>\$ 7,959</u>	<u>\$ 4,681</u>	<u>\$ 666,447</u>	<u>\$ 632,686</u>	<u>\$ 1,656,902</u>	<u>\$ 4,812,247</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 1999
With Comparative Totals for Year Ended June 30, 1998

	School Districts		
	Ward 1	No. 1	No. 3
Revenues:			
Local sources:			
Interest earnings	\$ 21,063	\$ 182	\$ 594
Miscellaneous	-	-	12,000
Total revenues	21,063	182	12,594
Expenditures:			
Support services - general administration	-	-	-
Facilities acquisition and construction	140,045	-	15,122
Total expenditures	140,045	-	15,122
Excess (deficiency) of revenues over expenditures	(118,982)	182	(2,528)
Other financing sources:			
Operating transfers in	-	-	-
Proceeds from issuance of debt	-	-	-
Total other financing sources	-	-	-
Excess of revenues and other sources over expenditures	(118,982)	182	(2,528)
Fund balances, beginning	400,044	7,777	5,014
Fund balances, ending	\$ 281,062	\$ 7,959	\$ 2,486

School Districts		Totals	
No. 5	No. 25	1999	1998
\$ 75,551	\$ 36,525	\$ 133,915	\$ 336,504
3,812	-	15,812	2,365
<u>79,363</u>	<u>36,525</u>	<u>149,727</u>	<u>338,869</u>
20,210	352	20,562	415
<u>3,594,384</u>	<u>109,009</u>	<u>3,858,560</u>	<u>4,840,079</u>
<u>3,614,594</u>	<u>109,361</u>	<u>3,879,122</u>	<u>4,840,494</u>
<u>(3,535,231)</u>	<u>(72,836)</u>	<u>(3,729,395)</u>	<u>(4,501,625)</u>
5,100	1,921	7,021	78,999
1,000,000	-	1,000,000	-
<u>1,005,100</u>	<u>1,921</u>	<u>1,007,021</u>	<u>78,999</u>
(2,530,131)	(70,915)	(2,722,374)	(4,422,626)
<u>2,980,643</u>	<u>678,345</u>	<u>4,071,823</u>	<u>8,494,449</u>
<u>\$ 450,512</u>	<u>\$ 607,430</u>	<u>\$1,349,449</u>	<u>\$4,071,823</u>

FIDUCIARY FUNDS

AGENCY FUNDS

School Activity Funds

To account for individual school monies on deposit in various bank accounts. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

Sales Tax Collection Fund

To account for the collection and distribution of sales and use taxes collected by the School Board on its behalf and on the behalf of the Allen Parish Police Jury and other taxing authorities within Allen Parish.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Fiduciary Funds
Agency Funds

Combining Balance Sheet
June 30, 1999
With Comparative Totals for June 30, 1998

	<u>School Activity</u>	<u>Sales Tax Collection Fund</u>	<u>Totals</u>	
			<u>1999</u>	<u>1998</u>
ASSETS				
Cash and interest-bearing deposits	\$ 307,090	\$ 339,734	\$ 646,824	\$ 812,630
Investments	<u>16,659</u>	<u>-</u>	<u>16,659</u>	<u>-</u>
 Total assets	 <u>\$ 323,749</u>	 <u>\$ 339,734</u>	 <u>\$ 663,483</u>	 <u>\$ 812,630</u>
 LIABILITIES				
Liabilities:				
Due to other funds	\$ -	\$ 275,997	\$ 275,997	\$ 298,250
Due to other governmental units	-	63,737	63,737	253,836
School activity funds payable	<u>323,749</u>	<u>-</u>	<u>323,749</u>	<u>260,544</u>
 Total liabilities	 <u>\$ 323,749</u>	 <u>\$ 339,734</u>	 <u>\$ 663,483</u>	 <u>\$ 812,630</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Agency Fund
School Activity Funds

Schedule of Changes in Deposits Due to Others
Year Ended June 30, 1999

School	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Elizabeth High	\$ 13,702	\$ 71,062	\$ 64,932	\$ 19,832
Fairview High	18,379	82,884	81,323	19,940
Kinder Elementary	36,957	126,489	109,847	53,599
Kinder High	52,028	204,456	183,392	73,092
Oakdale Elementary	29,242	47,413	52,666	23,989
Oakdale Junior High	49,871	77,283	80,432	46,722
Oakdale High	9,354	165,284	159,245	15,393
Oberlin Elementary	12,590	52,123	52,916	11,797
Oberlin High	25,376	167,184	151,423	41,137
Reeves High	13,045	117,512	112,309	18,248
Total balances	<u>\$ 260,544</u>	<u>\$1,111,690</u>	<u>\$1,048,485</u>	<u>\$ 323,749</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Agency Fund
Sales Tax Collection Fund

Schedule of Changes in Deposit Balances
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Deposits, beginning	<u>\$ 552,086</u>	<u>\$ 546,474</u>
Additions:		
Sales tax collections	6,209,859	6,031,192
Use of money and property - interest earnings	<u>10,540</u>	<u>12,152</u>
Total additions	<u>6,220,399</u>	<u>6,043,344</u>
 Total	 <u>6,772,485</u>	 <u>6,589,818</u>
Reductions:		
Transfers to -		
General Fund:		
Sales tax	3,459,236	3,314,791
Collection fees	67,824	60,603
Interest earnings	5,269	12,152
Other taxing authorities	2,846,385	2,625,062
Sales tax audit fees	<u>54,037</u>	<u>25,124</u>
Total reductions	<u>6,432,751</u>	<u>6,037,732</u>
 Deposits, ending	 <u><u>\$ 339,734</u></u>	 <u><u>\$ 552,086</u></u>

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION**

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. Louis Karam, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

We have audited the general purpose financial statements of the Allen Parish School Board as of and for the year ended June 30, 1999, and have issued our report thereon dated December 13, 1999. In our report, our opinion was qualified due to the inability to determine the accuracy of general fixed assets at June 30, 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 Allen 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 finding #1 in Part II.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Allen 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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the 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 conditions are described in the accompanying schedule of findings and questioned costs as finding #1 and #2 in Part II.

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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 believe the reportable conditions described in Part II of the Schedule of Findings and Questioned Costs are material weaknesses.

This report is intended for the information of management, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Oberlin , Louisiana
December 13, 1999

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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**

Mr. Louis Karam, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

Compliance

We have audited the compliance of the Allen 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, 1999. The Allen Parish School Board's major federal programs are identified in the summary of auditor's 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 Allen Parish 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 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 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 Allen Parish School Board's compliance with those requirements.

In our opinion, the Allen Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 1999.

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Internal Control Over Compliance

The management of the Allen 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 Allen 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 for the information of management, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Oberlin, Louisiana
December 13, 1999

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 1999

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Identifying Number 1998	Pass-through Identifying Number 1999	CFDA Number	Revenue Recognized	Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE					
Passed through Louisiana Department of Agriculture and Forestry:					
Food Distribution Program	N/A	N/A	10.550	\$ 104,358	\$ 104,358
Rural Utilities Services	N/A	N/A	10.855	34,206	34,206
Passed through Louisiana Department of Education:					
National School Breakfast Program	N/A	N/A	10.553	251,679	251,679
National School Lunch Program	N/A	N/A	10.555	763,496	763,496
Total United States Department of Agriculture				<u>1,153,739</u>	<u>1,153,739</u>
UNITED STATES DEPARTMENT OF EDUCATION					
Passed through Louisiana Department of Education:					
Adult Basic Education	-	-	84.002	45,701	45,701
IASA Title I *	98-IASA-01-01	99-IASA-01-01	84.010	1,193,340	1,193,340
Migrant Education - Basic State Formula Grant Program	-	-	84.011	12,572	12,572
Carl D. Perkins Basic Grant	-	-	84.048	51,358	51,358
SPED IDEA - Part B and Preschool	98-PF-20	99-PF-20	84.173	286,325	286,325
Title II Eisenhower Grant	98-IASA-02-2	99-IASA-02-2	84.281	32,355	32,355
IASA Title VI - Innovation Education Program Strategies	98-IASA-02-06	99-IASA-02-06	84.298	32,262	32,262
Safe and Drug Free Schools and Communities	98-IASA-20	99-IASA-20	84.186	27,280	27,280
Total United States Department of Education				<u>1,681,193</u>	<u>1,681,193</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through Office of Family Support:					
Job Opportunities and Basic Skills Training	-	-	93.561	12,180	12,180
Passed through State Department of Education:					
Starting Point	-	-	93.575	46,667	46,667
Total United States Department Health and Human Services				<u>58,847</u>	<u>58,847</u>
Total federal financial assistance				<u>\$ 2,893,779</u>	<u>\$ 2,893,779</u>

* Indicates grants regarded as major federal financial assistance programs.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

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

(1) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Allen Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the general-purpose financial statements for the year ended June 30, 1999. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

(2) Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 1999, the School Board had \$17,641 of commodities inventory remaining.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

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

Part I. Summary of Auditor's Results:

1. A qualified report was issued on the financial statements.
2. Two reportable conditions in internal control were disclosed by the audit of the financial statements. The reportable conditions were considered to be material weaknesses.
3. A material noncompliance was disclosed.
4. No reportable conditions in internal control over the major program were disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major program.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major program was:
U. S. Department of Education/Louisiana Department of Education: Title
I Grants to Local Educational Agencies.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

Internal Control and Compliance-

1. Finding:

The Allen Parish School Board has not established complete and accurate records of all general fixed assets. Failure to provide a complete physical inventory of fixed assets reduces the School Board's control over these assets. Louisiana Revised Statute 24:515 requires the maintenance of records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired for which the entity is accountable. With the exception of assets acquired by federal programs, records of general fixed assets were not maintained for the year ended June 30, 1999.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 1999

2. Finding:

Due to the small number of employees, the School Board did not have adequate segregation of functions within the accounting system.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported under the above guidance.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 1999

Fiscal Year Finding Initially Occurred	Ref. No.	Description of Finding	Corrective Action Taken	Name of Contact Person	Anticipated Date of Completion
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Compliance/Internal Control:

1	1994	A) The general fixed asset subsidiary should be updated for additions and deletions. B) Periodic inventory counts should be conducted to verify asset existence and ensure the accuracy of the fixed asset listing. C) Property identification tags on assets should be inspected periodically. Worn or misplaced tags should be replaced as needed.	No	Mike Doucet, Superintendent	06/30/00
2	1994	A) Schools should use prenumbered tickets for admission charges at sporting events. The number of tickets sold at each event should be reconciled to cash receipts and bank deposits. B) Schools should issue a receipt each time cash is received by the office.	Yes	Mike Doucet, Superintendent	06/30/00

(continued)

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 1999

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Date of Completion</u>
3	1994	Management should consider implementing a centralized purchasing system in order to enhance controls over purchasing.	Yes	N/A	Mike Doucet, Superintendent	N/A
4	1992	Due to the small number of employees, the School Board did not have adequate segregation of functions within the accounting system.	No	The School Board reviews its internal control structure on an on-going basis and will make improvements necessary to achieve greater segregation of duties in its accounting system where possible after determining the cost/benefit factors.	Mike Doucet, Superintendent	06/30/00