

FORTENBERRY & BALLARD, PC
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES

Sabine Parish School Board
Many, Louisiana

We have performed the procedures described in the following paragraph, procedures that were agreed to by you, solely to assist you in adding credibility to the school activity funds for that period ended June 30, 2013. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Sabine Parish School Board. Consequently, we make no representation regarding the sufficiency of the procedures described in the accompanying exhibits either for the purpose for which this report has been prepared or for any other purpose.

Our procedures, performed at each individual school that comprises the School Activity – Agency Fund of the Sabine Parish School Board, are as follows:

1. Obtained current and prior year financial statements and performed the following:
 - a. Inquired as to any significant problems in the preparation process.
 - b. Compared ending cash balance to bank reconciliation tested in procedure 2.
2. Obtained the June 30 reconciled bank statement and performed the following:
 - a. Tested the mathematical accuracy of the reconciliation.
 - b. Traced reconciling items to clearance in subsequent month(s) bank statements.
3. Traced two deposits per month from the monthly bank statements FYE June 30 to the cash receipts journal and vice versa (cash receipts journal to monthly bank statements).
4. Selected, where applicable, five ticket reconciliation forms FYE June 30 for admission and gate receipts and performed the following procedures:
 - a. Reviewed supporting documentation and recalculated the mathematical accuracy of the reconciling forms.
 - b. Traced cash receipts to the cash receipts journal and the general ledger.
 - c. Traced to deposit in the monthly bank statement.
 - d. Determined any cash over/short, a reasonable amount will be allowed.
5. Selected five disbursements per month FYE June 30 and verified that:
 - a. Cancelled checks were properly signed.
 - b. Supporting documentation existed.
 - c. Checks were written for the correct amount.

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 JAN 22 2014

- d. Supporting documentation was properly documented as paid to avoid duplicate payments.
- e. Expenditures were formally approved and charged to the correct individual funds.
6. Scanned cash disbursements journal for all checks greater than \$7,500 FYE June 30 and determine that proper central office approval was obtained and documented.
7. Verified that all bank accounts are interest-bearing accounts.
8. Reconciled, where applicable, the petty cash balance as of the date tested.
9. Calculated the gross profit percentage on concession sales for the current year and prior year and performed the following:
 - a. Compared current and prior year percentages.
 - b. Inquired, where applicable, as to any significant (greater than 5%) variance.

The results of our procedures disclosed the following instances throughout the audited entity that comprise the School Activity – Agency Fund of the Sabine Parish School Board that we believe should be brought to the attention of management and the school board.

Overall area of concern throughout the various schools

Improvements were noted compared to our prior year observations in nearly all schools examined during the fiscal year in which these agreed-upon procedures were performed. Additionally, the Sabine Parish School Board along with Central Office personnel has enacted and implemented stringent policies and procedures regarding individual school accounting of their respective activity funds. A training session is conducted at the beginning of the school year with the Principals and bookkeepers regarding the implemented policies and procedures. Individual schools and personnel are held accountable with swift, decisive action taken to ensure compliance.

Of note in several schools were isolated purchases of small computing devices such as tablets with activity funds. At the time the procedures were conducted, central office personnel were instructed that these items may need to be placed on the individual school asset listing. Inquiries were forwarded to the individual school principals to ensure such items were tagged and inventoried.

In lieu of naming overall concerns regarding the agreed-upon procedures, individual schools will be noted along with the deviations.

Individual Schools – Areas of Concern

Ebarb School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. One tested item had a handwritten invoice from an individual for goods/services rendered.
- b. Two expenditures tested had inadequate invoice support with trip itineraries not supporting travel.

Many Elementary School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. One expenditures had inadequate support for invoice (travel items including hotel folio, itinerary, etc.).

Many Junior High School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. Travel listed on a credit card statement did not include an itinerary as to the purpose.
- b. Supporting documentation for one disbursement consisted of an account statement only with no description of goods/services purchased.
- c. One employee expense report did not have authorized approval (principal or assistant).

Negreet School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures of activity fund disbursements:

- a. Principal signature was missing on one invoice.

Pleasant Hill School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. In one instance, no itinerary was presented to support out of state travel.

Zwolle Elementary School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. In three instances, no sponsor signature was noted on expenditures.
- b. In two instances, no invoice support was provided.

Zwolle High School

Regarding disbursements, the following deficiencies were noted in various instances during the testing procedures:

- a. In one instance, a handwritten request for payment was submitted with no invoice / receipt provided.

We were not engaged to express an opinion on the specified elements, accounts, or items. Accordingly, we do not express any opinion on the school activity funds. Had additional procedures been performed by us, other matters may have been brought to our attention that would have been reported to you.

This report is intended solely for the use of the Sabine Parish School Board 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.

FORTENBERRY & BALLARD, PC

Fortenberry and Ballard, PC
December 13, 2013

Sabine Parish School Board

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January 13, 2014

Legislative Audit Advisory Council
State of Louisiana
P.O. Box 94397
Baton Rouge, La. 70804-9397

RE: Sabine Parish School Board Corrective Action Plan

Administrators at each school will be instructed to review the findings with their office personnel on an individual school basis. They have also been instructed to route all technology purchases through the Technology Department so that items can be ordered in a uniform manner and tagged and inventoried appropriately.

An in-service will be conducted by the central office staff accountant located at the central office during the month of February 2014 to review areas of concern at each individual school. Secretaries and administrators from each will be required to attend. The in-service topics will include but not be limited to: differences between statements and invoices and what constitutes a proper invoice; someone signs notating that items were received; sponsor signatures be obtained on all requisitions; supporting documents must be obtained before the payment of credit card statements or other purchases; travel expenditures must have supporting documentation; invoices are to be paid timely; and an administrative signature be on supporting documents for purchase approval.

In addition to the in-service, the staff accountant will be instructed to go to the schools and review their records prior to June 30, 2014.

Sincerely,



Rodney Wilson
Accounting Manager
Sabine Parish School Board
318-256-9228

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