

**Madison Parish School Board
Tallulah, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 2012**

**Madison Parish School Board
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LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
Philip A. Ragsdale, CPA
David Ray Soignier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Lori Woodard, MBA, CPA

INDEPENDENT AUDITORS' REPORT

Madison Parish School Board Tallulah, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Madison Parish School Board** (the School Board) as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Madison Parish School Board, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2013 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of Employer Contributions for Other Post-Employment Benefit Plan, and the Schedule of Funding Progress for Other Post-Employment Benefit Plan, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements as a whole. The accompanying information listed as supplemental information in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. The Supplemental Information (including the Schedule of Expenditures of Federal Awards) as listed in the Table of Contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.



(A Professional Accounting Corporation)

March 29, 2013

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (M D & A)**

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

Our discussion and analysis of Madison Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis. Unless otherwise noted all amounts are reported in thousands.

FINANCIAL HIGHLIGHTS The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily Minimum Foundation Funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

The fund balances of all governmental funds increased \$548. This overall increase is due mainly to the increase in the debt service fund. The Title I fund and the IDEA fund are both cost reimbursement funds and do not carry a fund balance.

The Debt Service fund reported an increase in fund balance of \$615 due to the difference between the collection of sales and ad valorem taxes and the payment of debt principal and interest.

The Capital Projects fund had a small amount of interest income for the year and no expenditures because the capital project was completed in the prior year. The fund has an ending fund balance of \$1,140.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the general fund, Title I, IDEA, Debt Service, and Capital Projects fund. The proprietary fund statements provide information about our internal service fund, which is used to account for our worker's compensation self insurance. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Madison Parish School Board
Management's Discussion and Analysis (MD & A)

Financial Section

Required Supplementary Information
Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplementary Information
Schedule of Funding Progress for OPEB
Budgetary Information for Major Funds

Supplementary Information
Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members

Our auditor has provided an opinion in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information and the Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - Most of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

Proprietary funds - When the School Board charges customers for the services it provides - whether to outside customers or to other units of the School Board - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide services for the School Board's other programs and activities - the worker's compensation fund.

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, and sales tax agency fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$20,522 at June 30, 2012. Of this amount \$2,814 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets (in thousands)
June 30,

	2012	2011	Variance
Current and other assets	\$18,563	\$17,609	\$ 954
Capital assets	34,863	35,543	(680)
Total assets	<u>53,426</u>	<u>53,152</u>	<u>274</u>
Current and other liabilities	2,875	2,517	358
Long-term liabilities	30,029	29,749	280
Total liabilities	<u>32,904</u>	<u>32,266</u>	<u>638</u>
Net assets			
Invested in capital assets, net of debt	11,273	11,138	135
Restricted	6,435	5,927	508
Unrestricted	2,814	3,821	(1,007)
Total net assets	<u>\$20,522</u>	<u>\$20,886</u>	<u>\$ (364)</u>

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the next page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

Table 2
Changes in Net Assets (in thousands)
For the Year Ended June 30,

	Governmental Activities		
	2012	2011	Variance
Net Assets – beginning, as originally stated	\$20,886	\$21,309	\$ (423)
Prior period adjustment	190	-	190
Net Assets - beginning, as restated	21,076	21,309	(233)
Revenues:			
Program revenues			
Charges for services	44	41	3
Operating grants and contributions	5,267	5,268	(1)
General Revenues			
Ad valorem taxes	2,616	2,474	142
Sales taxes	3,036	3,118	(82)
State equalization	11,701	12,303	(602)
Other general revenues	410	1,387	(977)
Total revenues	23,074	24,591	(1,517)
Functions/Program Expenses:			
Instruction			
Regular programs	7,882	7,839	43
Special programs	1,993	2,362	(369)
Other instructional programs	2,404	2,726	(322)
Support services			
Student services	1,205	1,269	(64)
Instructional staff support	1,764	2,121	(357)
General administration	756	898	(142)
School administration	829	950	(121)
Business services	584	426	158
Plant services	1,825	1,896	(71)
Student transportation services	1,509	1,695	(186)
Food Services	1,736	1,664	72
Community Service Program	14	9	5
Interest on long-term debt	1,127	1,159	(32)
Total expenses	23,628	25,014	(1,386)
Increase (decrease) in net assets	(554)	(423)	(131)
Net Assets – ending	\$20,522	\$20,886	\$ (364)

Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was \$23,628. The amount that taxpayers ultimately financed for these activities through School Board taxes was \$5,652 because some of the cost was paid by those who benefited from the program \$44 or by other governments and organizations who subsidized certain programs with grants and contributions \$5,267. The remaining amount was paid by MFP funds of \$11,701, and other revenues of \$401 which are mainly interest income and other local sources.

Total revenues decreased \$1,517 due mainly to decreases in MFP and other general revenues.

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

Total expenses decreased \$1,386 due mainly to a decrease in salaries and benefits partly because of a decrease in federal grant revenues received.

In the table below we have presented the cost of each of the School Board's six largest functions - regular programs, special programs, other instructional programs, instructional staff support, plant services, and food services as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Governmental Activities for the
Year Ended June 30
2012
(in thousands)

	Total Cost of Services	Net Cost of Services
Regular programs	\$ 7,882	\$ 7,429
Special programs	1,993	1,541
Other instructional programs	2,404	809
Instructional staff support	1,764	831
Plant services	1,825	1,824
Food services	1,736	445
All others	6,024	5,438
Totals	<u>\$ 23,628</u>	<u>\$ 18,317</u>

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

General Fund Budgetary Highlights There were no budget amendments for the 2011 – 2012 fiscal year.

Actual revenue exceeded budgeted revenue by \$261.7. This was due mainly to ad valorem tax exceeding the budget by \$91.9 and other local revenue exceeding the budget by \$99.5.

Actual expenditures were less than budgeted by \$1,256.5. Actual salaries and benefits were less than budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2012, the School Board had \$34,863 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$945 or 3%, from last year. This decrease is due to the fact that depreciation expense of \$1,223,230 exceeded the additions to capital assets of \$279,045. We present more detailed information on our capital assets in Note 5 to the financial statements.

Madison Parish School Board
Management's Discussion and Analysis (M D & A)

Capital Assets at June 30,			
	2012	2011	Variance
Land	\$ 939	\$ 939	\$ -
Construction in progress	-	245	(245)
Furniture and equipment	1,743	1,916	(173)
Buildings	32,181	32,708	(527)
Totals	\$ 34,863	\$ 35,808	\$ (945)

Additions to capital assets in the current year included completion of roof replacements, 52 computers, a passenger van, cafeteria equipment, and 15 smart boards.

DEBT ADMINISTRATION At June 30, 2012, the School Board had \$24,731 in long term debt versus \$25,754 last year. The outstanding debt consists of:

	2012	2011	Variance
Qualified zone academy bond	\$ 354	\$ 455	\$ (101)
General obligation bonds	15,865	16,435	(570)
Sales tax revenue bonds	8,370	8,655	(285)
Capital lease	142	209	(67)
	\$24,731	\$25,754	\$ (1,023)

The State limits the amount of general obligation debt that can be issued to 35% of the assessed value of taxable property. The net bonded debt of \$10,092 (total bonded debt of \$15,865 less the fund balance in debt service of \$5,773) is well below this threshold. We present more detailed information on our long term debt in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES The 2012-13 budget was estimated from the 2011-12 fiscal year actual results. Employee benefits are continuing to increase and the budget will have to be monitored closely in this area and in utility expenses.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mary Pressley, Interim Business Manager, at Madison Parish School Board, P. O. Box 1620, Tallulah, Louisiana 71284, telephone number (318) 574-3616.

BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

MADISON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

June 30, 2012

Statement A

GOVERNMENTAL
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 16,652,423
Receivables (net)	1,663,588
Inventory	22,979
Prepaid items	223,904
Capital assets:	
Land and construction in progress	939,093
Exhaustible capital assets, net of depreciation	<u>33,924,396</u>

TOTAL ASSETS 53,426,383

LIABILITIES

Accounts, salaries and other payables	2,513,998
Interest payable	319,619
Deferred revenue	41,241
Long-term liabilities;	
Due within one year	1,557,463
Due in more than one year	<u>28,471,915</u>

TOTAL LIABILITIES 32,904,236

NET ASSETS

Invested in capital assets, net of related debt	11,272,745
Restricted for:	
Debt Service	5,773,366
Salaries	309,445
School Food Service	351,982
Unrestricted	<u>2,814,609</u>

TOTAL NET ASSETS \$ 20,522,147

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

MADISON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 7,881,847		\$ 452,679	\$ (7,429,168)
Special programs	1,992,745		451,905	(1,540,840)
Other instructional programs	2,403,550		1,594,819	(808,731)
Support services:				
Student services	1,205,398		311,798	(893,600)
Instructional staff support	1,764,225		933,487	(830,738)
General administration	756,002		270,471	(485,531)
School administration	829,324		0	(829,324)
Business services	584,335		809	(583,526)
Plant services	1,824,608		858	(1,823,750)
Student transportation services	1,508,993		2,506	(1,506,487)
Food services	1,735,697	\$ 43,899	1,247,206	(444,592)
Community service programs	14,123		0	(14,123)
Interest on long-term debt	1,126,879		0	(1,126,879)
Total Governmental Activities	23,627,726	43,899	5,266,538	(18,317,289)
General revenues:				
Taxes:				
Ad valorem taxes levied for general purposes				2,615,948
Sales taxes levied for general purposes				3,035,623
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				11,701,272
Education Jobs Grant				10,190
Interest and investment earnings				79,065
Miscellaneous				321,679
Total general revenues				17,763,777
Changes in net assets				(553,512)
Net assets - beginning, as originally stated				20,885,873
Prior period adjustment				189,786
Net assets - beginning, as restated				21,075,659
Net assets - ending				\$ 20,522,147

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

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2012

	GENERAL	TITLE I	IDEA	DEBT SERVICE
ASSETS				
Cash and cash equivalents	\$ 7,507,381	\$ 27,133	\$ 5,407	\$ 5,674,057
Receivables	182,866	560,448	440,528	111,625
Interfund receivables	1,206,558	9,251	2,487	96,198
Inventory	0	0	0	0
Prepaid items	223,904	0	0	0
TOTAL ASSETS	9,120,709	596,832	448,422	5,881,880
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	1,672,393	425,614	29,980	0
Interfund payables	121,971	157,029	412,988	108,514
Deferred revenue	0	14,189	5,454	0
	1,794,364	596,832	448,422	108,514
Fund Balances:				
Nonspendable	223,904	0	0	0
Restricted	309,445	0	0	5,773,366
Committed	702,208	0	0	0
Assigned	0	0	0	0
Unassigned	6,090,788	0	0	0
Total Fund Balances	7,326,345	0	0	5,773,366
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,120,709	\$ 596,832	\$ 448,422	\$ 5,881,880

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

Statement C

CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
\$ 1,140,142	\$ 971,023	\$ 15,325,143
0	368,121	1,663,588
0	13,819	1,328,313
0	22,979	22,979
0	0	223,904
<u>1,140,142</u>	<u>1,375,942</u>	<u>18,563,927</u>
0	386,011	2,513,998
0	577,267	1,377,769
0	21,598	41,241
<u>0</u>	<u>984,876</u>	<u>3,933,008</u>
0	3,499	227,403
1,140,142	348,483	7,571,436
0	59,656	761,864
0	0	0
0	(20,572)	6,070,216
<u>1,140,142</u>	<u>391,066</u>	<u>14,630,919</u>
<u>\$ 1,140,142</u>	<u>\$ 1,375,942</u>	<u>\$ 18,563,927</u>

MADISON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2012**

Statement D

Total fund balances - governmental funds \$ 14,630,919

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 48,304,384	
Depreciation expense to date	<u>(13,440,895)</u>	
		34,863,489

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets		1,039,736
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Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2012 are:

Long-term liabilities		
General obligation and sales tax bonds	(24,235,000)	
QZAB loan payable	(353,799)	
Capital lease	(142,087)	
OPEB liability payable	(4,450,028)	
Compensated absences payable	(511,464)	
Interest payable	<u>(319,619)</u>	
		<u>(30,011,997)</u>

Net Assets		\$ 20,522,147
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

	GENERAL	TITLE I	IDEA	DEBT SERVICE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,221,895	\$ 0	\$ 0	\$ 1,394,053
Sales and use	1,821,396	0	0	1,214,227
Interest earnings	61,860	0	0	16,111
Food services	0	0	0	0
Other	122,547	0	0	0
State sources:				
Equalization	11,681,010	0	0	0
Other	107,463	0	0	0
Federal sources	64,832	2,253,103	769,115	0
Total Revenues	15,081,003	2,253,103	769,115	2,624,391
EXPENDITURES				
Current:				
Instruction:				
Regular programs	6,503,566	73,478	0	0
Special programs	1,522,848	0	396,982	0
Other instructional programs	691,760	1,121,689	53,405	0
Support services:				
Student services	747,342	165,558	140,660	0
Instructional staff support	622,939	623,295	89,636	0
General administration	368,980	184,720	58,457	1,065
School administration	738,827	0	0	0
Business services	539,534	809	0	24,660
Plant services	1,778,884	0	858	0
Student transportation services	1,037,488	0	175	0
Food services	167,141	0	0	0
Community service programs	14,123	0	0	0
Capital outlay	109,376	83,554	28,942	0
Debt service:				
Principal retirement	168,399	0	0	855,000
Interest and bank charges	7,642	0	0	1,128,872
Total Expenditures	15,018,849	2,253,103	769,115	2,009,597
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 62,154	\$ 0	\$ 0	\$ 614,794

Statement E

	CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
\$	0	\$ 0	\$ 2,615,948
	0	0	3,035,623
	22	278	78,271
	0	43,899	43,899
	0	170,420	292,967
	0	20,262	11,701,272
	0	171,268	278,731
	0	1,910,947	4,997,997
	22	2,317,074	23,044,708
	0	202,678	6,779,722
	0	17,343	1,937,173
	0	346,361	2,213,215
	0	137,752	1,191,312
	0	225,651	1,561,521
	0	74,546	687,768
	0	0	738,827
	0	0	565,003
	0	524	1,780,266
	0	2,331	1,039,994
	0	1,382,071	1,549,212
	0	0	14,123
	0	57,173	279,045
	0	0	1,023,399
	0	0	1,136,514
	0	2,446,430	22,497,094
\$	22	\$ (129,356)	\$ 547,614

(CONTINUED)

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

	GENERAL	TITLE I	IDEA	DEBT SERVICE
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	62,154	0	0	614,794
Fund balances- beginning, as originally stated	7,129,613	0	0	5,158,572
Prior period adjustment	134,578	0	0	0
Fund balances - beginning, as restated	7,264,191	0	0	5,158,572
Fund balances - ending	\$ 7,326,345	\$ 0	\$ 0	\$ 5,773,366

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

Statement E

CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
\$ 0	\$ 0	\$ 0
0	0	0
0	0	0
22	(129,356)	547,614
1,140,120	520,422	13,948,727
0	0	134,578
1,140,120	520,422	14,083,305
\$ 1,140,142	\$ 391,066	\$ 14,630,919

(CONCLUDED)

MADISON PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 to the Statement of Activities
 For the Year Ended June 30, 2012

Statement F

Total net change in fund balances - governmental funds \$ 547,614

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:

Depreciation expense	(1,223,230)	
<u>Capital outlays</u>	<u>279,045</u>	(944,185)

The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Repayment of bond debt	1,023,399	
<u>OPEB liability</u>	<u>(1,199,195)</u>	(175,796)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (366,607) exceeded the amounts earned 313,861 by \$52,746. 52,746

All revenues, expenses and changes in fund net assets (deficits) of the Internal Service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement. (43,526)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 9,635

Change in net assets of governmental activities. \$ (553,512)

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

MADISON PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
STATEMENT OF NET ASSETS

June 30, 2012

Statement G

ASSETS	
Current assets:	
Cash	\$ 1,327,280
Interfund receivable	<u>49,456</u>
 TOTAL ASSETS	 <u>1,376,736</u>
 LIABILITIES	
Current liabilities:	
Accounts payable	0
Claims payable	<u>125,000</u>
 TOTAL CURRENT LIABILITIES	 <u>125,000</u>
 Claims payable	 <u>212,000</u>
 TOTAL NONCURRENT LIABILITIES	 <u>212,000</u>
 NET LIABILITIES	 <u>337,000</u>
 NET ASSETS	
Unrestricted	<u>1,039,736</u>
 TOTAL NET ASSETS	 <u>\$ 1,039,736</u>

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

MADISON PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and
Changes in Fund Net Assets
For the Year Ended June 30, 2012

Statement H

OPERATING REVENUE	
Services provided other funds	\$ 28,712
Total operating revenue	<u>28,712</u>
OPERATING EXPENSES	
Claims	18,301
Administration	<u>54,731</u>
Total operating expenses	<u>73,032</u>
Operating income (loss)	<u>(44,320)</u>
NONOPERATING REVENUE	
Earnings on investments	<u>794</u>
Changes in Net Assets	(43,526)
NET ASSETS - BEGINNING	<u>1,083,262</u>
NET ASSETS - ENDING	<u>\$ 1,039,736</u>

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

MADISON PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
 Statement of Cash Flows
 For the Year Ended June 30, 2012

Statement I

CASH FLOWS FROM OPERATING ACTIVITIES	
Premiums	\$ 83,592
Claims paid	(125,079)
	<hr/>
Net cash provided by operating activities	(41,487)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Earnings on invested proceeds	794
	<hr/>
Net increase (decrease) in cash and cash equivalents	(40,693)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,367,973
	<hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,327,280
	<hr/> <hr/>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (44,320)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in interfund receivable	54,880
Increase (decrease) in interfund payable	(47)
Increase (decrease) in claims payable	(52,000)
	<hr/>
Net cash provided (used) for operating activities	\$ (41,487)
	<hr/> <hr/>

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

MADISON PARISH SCHOOL BOARD

FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2012

	Statement J
	<u>AGENCY FUND</u>
ASSETS	
Cash and cash equivalents	\$ <u>30,969</u>
 TOTAL ASSETS	 \$ <u><u>30,969</u></u>
 LIABILITIES	
Deposits due others	\$ <u>30,969</u>
 TOTAL LIABILITIES	 \$ <u><u>30,969</u></u>

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

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

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Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Madison Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The Madison Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Madison Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of ten members who are elected from ten districts for terms of four years.

The School Board operates five schools within the parish with a total enrollment of approximately 1,938 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

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

Governmental Funds Governmental funds account for all or most of the School Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General fund - the general operating fund of the School Board accounts for all financial resources, except those accounted for in other funds.

Title I fund - accounts for federal funds received for the Title I federal program.

IDEA fund - accounts for the federal funds received for the IDEA program.

Debt Service - accounts for taxes collected for payment of debt and the debt service payments on the general obligation bonds and the sales tax bonds.

Capital Projects - accounts for the funds received for the 2005 General Obligation Bond issue and the 2006 sales tax bond issue to construct/improve schools.

Proprietary Funds Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Internal service fund - accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. This fund accounts for the worker's compensation program.

Fiduciary Funds - account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

School activities agency fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales tax agency fund - used to account for collections and disbursement of sales tax receipts to Madison Parish School Board, Madison Parish Policy Jury, City of Tallulah, Village of Delta, Village of Richmond and Madison Parish Law Enforcement.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 Accounting and Financial Reporting for Nonexchange Transactions.

Internal Activities The Worker's Compensation internal service fund provides services to the governmental funds. Accordingly, the Workers Compensation fund activity was rolled into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial statements – and Managements' Discussion and Analysis- for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Fund Financial Statements (FFS)

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

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

Revenues

Federal and state entitlements which include state equalization and state revenue sharing are recorded as unrestricted grants-in-aid when available and measurable. Federal and state restricted grants are recorded when the reimbursable expenditures have been incurred.

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when the underlying exchange takes place and the resources are available.

Interest income on time deposits and investments is recorded when the interest becomes measurable and available to finance expenditures of the fiscal period.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Salaries are recorded as paid. Salaries for nine-month employees are paid over twelve months and accrued at June 30.

Principal and interest on long-term debt is recognized when due.

Inventory items are expensed as purchased except for inventory of the school lunch fund which is expensed as consumed.

Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or other types, such as sale of capital assets, debt extinguishments, and long-term debt proceeds) are accounted for as other

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Proprietary Fund Proprietary fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet.

Operating revenues and expenses Proprietary fund distinguish operating revenues and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the fund's principal ongoing operation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

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

Under state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less they are classified as cash equivalents and are stated at cost.

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. INVENTORY AND PREPAID ITEMS Inventory items are expensed as purchased except for inventory of the school food service fund.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. 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.

Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid items.

I. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	15 - 40 years
Furniture and equipment	3 - 10 years

J. DEFERRED REVENUES Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

K. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Vacation leave can be accumulated up to a maximum of twenty-five days. However, those employees who had accumulated more than twenty-five days prior to June 30, 2003 could have their full accumulated leave count carried forward. The amount accumulated can never exceed the amount at June 30, 2003.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

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

GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave. Employees with a minimum of 10 years of experience are included in the calculation.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The OPEB Plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB Plan is reported based on communication to plan members.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The net assets restricted for capital projects, debt service and salaries are restricted due to enabling legislation.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

N. FUND EQUITY OF FUND FINANCIAL STATEMENTS

GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions* requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of either a policy of the School Board or motions were passed at a School Board meeting committing the funds. The motions passed are usually the result of budget revisions.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned: Fund balance that is the residual classification for the general fund.

The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

O. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

P. SALES TAX The School Board collects 2.5% sales tax. Of the sales tax collected 1% is dedicated for salaries, .5% is dedicated for maintenance and 1% is dedicated for capital projects.

Q. BUDGETS

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

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

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

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

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Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget. There were no revisions during the year.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed.

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

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

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Madison Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Madison Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

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

Property Tax Calendar

Millage rates adopted	October 3, 2011
Levy date	October, 2011
Tax bills mailed	November, 2011
Due date	December 31, 2011
Lien date	January 1, 2012

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2008.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at

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the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue maintenance fund and sinking fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2012 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2012 property taxes occurs in December, and January and February of the next year. As a result, no property taxes receivable for 2012 taxes is included on the accompanying balance sheet because none is available within 60 days of the School Board's year-end.

Historically, virtually all ad valorem taxes receivable are collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	4.76	4.76	Statutory
Operations	5.27	5.27	2012
Debt service	30.01	13.65	2029

NOTE 3 - DEPOSITS At June 30, 2012, the School Board has cash and cash equivalents of \$16,706,804 as follows:

Deposits are stated at cost, which approximates fair value. 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Interest rate risk: The School Board's policy does not address interest rate risk.

Credit risk: The School Board's policy does not address credit risk.

Custodial credit risk: At year end, the School Board's carrying amount of deposits, including cash equivalents was \$16,683,392 (Statement A -\$16,652,423 and Statement J - \$30,969) and the bank balance was \$15,867,835. Of the bank balance, \$428,737 was covered by federal depository insurance. The remaining bank balance of \$15,439,098 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. Also included in cash are \$1,369,988 in cash equivalents which are invested in short-term federated United States Treasury cash reserves.

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NOTE 4 - RECEIVABLES The balance of receivables at June 30, 2012, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Title I	IDEA	Debt Service	Other Governmental	Total
Intergovernmental - grants:						
Federal	\$ -	\$ 560,448	\$ 440,528	\$ -	\$ 263,399	\$ 1,264,375
State	12,962	-	-	-	49,428	62,390
Local sources:						
Sales tax	167,439	-	-	111,625	-	279,064
Other	2,465	-	-	-	55,294	57,759
Total	<u>\$ 182,866</u>	<u>\$ 560,448</u>	<u>\$ 440,528</u>	<u>\$ 111,625</u>	<u>\$ 368,121</u>	<u>\$ 1,663,588</u>

NOTE 5 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2012 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital asset not being depreciated				
Land	\$ 939,093	\$ -	\$ -	\$ 939,093
Construction in progress	244,939	104,306	349,245	-
Total capital assets not being depreciated	<u>1,184,032</u>	<u>104,306</u>	<u>349,245</u>	<u>939,093</u>
Capital assets being depreciated				
Buildings	41,979,665	349,245	-	42,328,910
Furniture and equipment	4,898,022	174,739	36,380	5,036,381
Total capital assets being depreciated	<u>46,877,687</u>	<u>523,984</u>	<u>36,380</u>	<u>47,365,291</u>
Less accumulated depreciation				
Buildings	9,272,081	875,814	-	10,147,895
Furniture and equipment	2,981,964	347,416	36,380	3,293,000
Total accumulated depreciation	<u>12,254,045</u>	<u>1,223,230</u>	<u>36,380</u>	<u>13,440,895</u>
Total capital assets being depreciated, net	<u>34,623,642</u>	<u>(699,246)</u>	<u>-</u>	<u>33,924,396</u>
Governmental activities				
Capital assets, net	<u>\$ 35,807,674</u>	<u>\$ (594,940)</u>	<u>\$ 349,245</u>	<u>\$34,863,489</u>

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Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 582,253
Special programs	19,884
Vocational programs	29,905
Other instructional programs	1,051
Other special programs	41,099
Student services	471
Instructional staff support	53,791
General administration	2,784
Business services	4,685
Plant services	23,709
Student transportation services	413,654
Food services	49,944
Total depreciation expense	\$ 1,223,230

NOTE 6 - RETIREMENT SYSTEMS

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

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

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with ten years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally two percent (with less than 25 years of service) or 2.5 percent (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 60 with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the 36 highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after ten years of service at age 60. The maximum retirement allowance is computed at 2.5 percent times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

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

Teachers' Retirement System of Louisiana Post Office Box 94123 Baton Rouge, Louisiana 70804-9123 (225) 925-6446	Louisiana School Employees' Retirement System Post Office Box 44516 Baton Rouge, Louisiana 70804 (225) 925-6484
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Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana. Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2012, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.0%	23.7%
Plan A	9.1%	23.7%
Louisiana School Employees' Retirement System	7.5%	28.6%

The School Board's contributions to Teacher's Retirement System for the years ending June 30, 2012, 2011, and 2010 were \$2,133,858, \$1,933,187, and \$1,533,625, respectively, equal to the required contributions for each year. The School Board's contributions to School Employees Retirement System for the years ending June 30, 2012, 2011, and 2010 were \$231,399, \$191,401, and \$154,079 respectively, equal to the required contributions of each year.

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board. The plan does not issue a stand alone financial report.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on the number of covered parties. If the employee alone is covered the retiree pays 20% and the employer pays 80%. Coverage for an employee plus one additional person is a 25%/75% split. Three or more people covered is a 30%/70% split. All life insurance paid is 75% paid by the employee and 25% paid by the employer.

The plan is currently financed on a pay as you go basis, with the School Board contributing \$1,023,826 for 188 retirees.

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Annual Other Post Employment Benefit Cost and Liability - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year, closed amortization period had been used. The level dollar amortization method was used. The total ARC for the fiscal year is \$2,262,719. The total ARC for the last three fiscal years are set forth below:

	<u>2012</u>
Normal Cost	\$ 994,925
30-year UAL amortization amount	<u>1,267,794</u>
Annual required contribution (ARC)	<u>\$ 2,262,719</u>

The following table presents the School Board's OPEB Obligation for fiscal years:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Beginning Net OPEB Obligation July 1	\$ 3,250,833	\$ 1,983,617	\$ 1,027,084
Annual required contribution	2,262,719	2,262,719	1,795,177
Interest on prior year Net OPEB Obligation	79,345	79,345	71,807
Adjustment to ARC	<u>(119,043)</u>	<u>(119,043)</u>	<u>-</u>
Annual OPEB Cost	2,223,021	2,223,021	1,866,984
Less current year retiree premiums	<u>1,023,826</u>	<u>955,805</u>	<u>910,451</u>
Increase in Net OPEB Obligation	<u>1,199,195</u>	<u>1,267,216</u>	<u>956,533</u>
Ending Net OPEB Obligation at June 30,	<u>\$ 4,450,028</u>	<u>\$ 3,250,833</u>	<u>\$ 1,983,617</u>

Utilizing the pay as you go method, the School Board contributed 46% of the annual post employment benefits cost during 2012, 43% during 2011, and 49% during 2010.

Funded Status and Funding Progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$21,125,362 was unfunded.

The funded status of the plan, as determined by an actuary as of July 1, 2010, was as follows:

	<u>2012</u>
Actuarial accrued liability (AAL)	\$ 21,125,362
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 21,125,362</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 10,737,244
UAAL as a percentage of covered payroll	196.75%

The required Schedule of Funding Progress immediately following the notes presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the

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funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2010, Madison Parish School Board actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 % investment rate of return and initial actual healthcare cost trend rate of 6.7% scaling down to ultimate rates of 4.4% per year. Included in the healthcare trend rate is a 2.75% long term inflation rate. The RP-2000 Static Health Mortality Table was used in making actuarial assumptions. Withdrawal rates for employees ranged from 7% at age 25 to 2% at age 50. Disability rates ranged from .01% at age 25 to .47% at age 55. Retirement rates ranged from 5% at age 38 to 100% at age 72. The remaining amortization period at June 30, 2012, was twenty-six years.

NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES Payables at year-end are as follows:

	<u>General</u>	<u>Title I</u>	<u>IDEA</u>	<u>Other Governmental</u>	<u>Total</u>
Salaries	\$ 763,803	\$ 296,194	\$ 29,980	\$ 142,198	\$1,232,175
Accounts	908,590	129,420	-	243,813	1,281,823
Total	<u>\$ 1,672,393</u>	<u>\$ 425,614</u>	<u>\$ 29,980</u>	<u>\$ 386,011</u>	<u>\$2,513,998</u>

NOTE 9 - COMPENSATED ABSENCES At June 30, 2012, employees of the School Board have accumulated and vested \$511,464 of employee leave benefits, which were computed in accordance with GASB Codification Section C60.

NOTE 10 – SALES TAX COLLECTIONS The School Board is the sales tax collector for all Madison Parish sales taxes. All tax collections are deposited and disbursed through the Parish-wide Sales Tax Collection Fund which is a separate fund within the General Fund.

As of June 30, 2012, the School Board has cash of \$508,585, payables to other governmental entities of \$266,260 and a due to other funds of \$279,995 for a net deficit of \$37,670 which represents other charges for expenses incurred over the years beyond what has been covered by collection costs charged to other governmental entities. Since the Parishwide Sales Tax Collection Fund is a part of the General Fund, the School Board's share of the cost of operating this fund is already included as General Fund expenditures.

The following schedule represents the receipts and disbursements from July 1, 2011 to June 30, 2012, on a cash basis. Typically, sales taxes are charged in one month, remitted to the School Board in the following month and disbursed to the taxing entities in the subsequent month.

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Madison Parish School Board Collections on Behalf of Other Taxing Authorities:

	Annual Totals- 2011-2012 Tax Periods (Cash Basis)		
	Total Collections	Collection Cost	Final Distribution
Madison Parish School Board			
Salaries (1%)	\$1,381,650	\$ 20,541	\$ 1,361,109
Maintenance (.5%)	690,779	10,270	680,509
Capital Projects (1%)	1,381,650	20,541	1,361,109
	<u>3,454,079</u>	<u>51,352</u>	<u>3,402,727</u>
City of Tallulah (2%)	<u>1,136,777</u>	<u>19,770</u>	<u>1,117,007</u>
Madison Parish Sheriff's Office (.5%)	<u>631,419</u>	<u>10,978</u>	<u>620,441</u>
Madison Parish Police Jury (.5%)	<u>631,419</u>	<u>10,978</u>	<u>620,441</u>
Village of Delta (1%)	<u>26,062</u>	<u>456</u>	<u>25,606</u>
Village of Richmond (2%)	<u>240,456</u>	<u>4,782</u>	<u>235,674</u>
Total	<u>\$6,120,212</u>	<u>\$ 98,316</u>	<u>\$ 6,021,896</u>

NOTE 11 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
Bonds payable:					
2006 Sales Tax Revenue Bond	\$ 8,655,000	\$ -	\$ 285,000	\$ 8,370,000	\$ 300,000
2005 General Obligation Bond	16,435,000	-	570,000	15,865,000	595,000
Qualified zone academy bond (QZAB)	454,884	-	101,085	353,799	101,085
Other liabilities:					
Capital leases	209,401	-	67,314	142,087	69,771
Worker's compensation claims	389,000	18,301	70,301	337,000	125,000
OPEB liability	3,250,833	2,223,021	1,023,826	4,450,028	-
Compensated absences	564,210	313,861	366,607	511,464	366,607
Governmental activities					
Long-term liabilities	<u>\$ 29,958,328</u>	<u>\$ 2,555,183</u>	<u>\$ 2,484,133</u>	<u>\$ 30,029,378</u>	<u>\$ 1,557,463</u>

In February 2002, the School Board received \$1,061,395 from Qualified Zone Academy Bonds. The Qualified Zone Academy Bond Program is a federal program offered to school districts to acquire interest-free debt for selected projects. The federal government covers all the interest on the bonds.

Madison Parish School Board
Notes to the Basic Financial Statements
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Below is a schedule of principal and interest payments for the general obligation, sales tax revenue, and Qualified Zone Academy Bonds:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2013	\$ 996,085	\$ 1,083,985	\$ 2,080,070
2014	1,041,085	1,037,010	2,078,095
2015	1,081,085	987,710	2,068,795
2016	1,075,544	936,322	2,011,866
2017	1,075,000	890,985	1,965,985
2018-2022	6,120,000	3,732,973	9,852,973
2023-2027	7,655,000	2,284,474	9,939,474
2028-2030	5,545,000	502,918	6,047,918
Total	<u>\$ 24,588,799</u>	<u>\$ 11,456,377</u>	<u>\$ 36,045,176</u>

<u>General obligation</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>
General obligation bonds Series 2005	\$18,500,000	4.50-5.25%	March 15, 2030	\$ 15,865,000
Sales tax revenue bonds Series 2006	9,660,000	4.50-5.25%	March 15, 2030	8,370,000

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2012, the long term bonded debt balance was well below the legal limit. The bond payments are made by the debt service fund and QZAB by the general fund. The compensated absences liability attributable to the governmental activities will be liquidated 100% by the general fund.

NOTE 12 - CAPITAL LEASE The School Board purchased five buses under a capital lease in October 2009. The total cost of the buses was \$349,300. The accumulated depreciation to date is \$69,860 leaving a net book value of \$279,440. The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2012:

Year Ending June 30,	
2013	\$ 74,956
2014	74,956
	<u>149,912</u>
Less amounts representing interest	<u>(7,825)</u>
Present value of net minimum lease payments	<u>\$ 142,087</u>

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NOTE 13 - INTERFUND ASSETS (FFS LEVEL ONLY)

Interfund Receivable/Payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other Governmental	\$ 552,896
General Fund	Debt Service	108,514
General Fund	Title I	145,698
General Fund	IDEA	399,450
Debt Service	General Fund	96,198
Other Governmental	General Fund	5,319
Title I	General Fund	9,251
IDEA	General Fund	2,487
Other Governmental	Other Governmental	8,500
Internal Service	General Fund	8,718
Internal Service	Title I	11,331
Internal Service	IDEA	13,538
Internal Service	Other Governmental	15,869
Total		<u>\$ 1,377,769</u>

The purpose of the interfund assets/liabilities between the general fund and grants funds was to cover current-year expenditures on cost reimbursement programs until the reimbursement requests are received. The purpose of the interfund assets/liabilities between the general and debt service funds was for sales tax collections that had not been transferred at June 30th. The purpose of the interfund assets/liabilities between the internal service fund and other funds is for prior year premiums not paid to the internal service fund.

NOTE 14 - LITIGATION AND CONTINGENCIES

Litigation At June 30, 2012, the School Board was involved in various litigations. It is the opinion of legal counsel for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

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

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

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NOTE 15 - RISK MANAGEMENT The School Board initiated a risk management program for workers' compensation in 1992. An excess insurance policy covers individual claims in excess of \$250,000.

Changes in the claims amount for the current fiscal year are as follows:

<u>Fiscal Year Ended</u>	<u>Beginning of fiscal year liability</u>	<u>Claims and changes in estimates</u>	<u>Benefit payments and claims</u>	<u>Ending of Fiscal year liability</u>
2009 - 2010	\$ 178,540	\$ 151,649	\$ 124,821	\$ 205,368
2010 - 2011	205,368	309,907	126,275	389,000
2011 - 2012	389,000	18,301	70,301	337,000

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The liability for unpaid claims is based on information provided by the third party administrator.

NOTE 16 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$8,193. This amount was recognized as state revenue with a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 17 - ECONOMIC DEPENDENCY Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Minimum Foundation Funding provided by the state to all public school systems in Louisiana is based on several factors. The state provided \$11,701,272 the School Board, which represents approximately 51% of the School Board's total revenue for the year.

NOTE 18 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Actual Expenditures over Budgeted Expenditures

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Title I	\$ 2,084,110	\$ 2,253,103	\$ (168,993)
IDEA	510,637	769,115	(258,478)

Actual expenditures exceeded budgeted expenditures because some of the smaller grants were not included in the original budget as the grant amount was unknown at the time. The budget was not amended during the year.

B. Deficit Fund Balance

The following funds had a deficit fund balance at year end June 30, 2012. These deficits will be cleared by making a transfer from the general fund.

<u>Fund</u>	<u>Fund Balance</u>
Miscellaneous Funds	\$ (20,572)

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 19 - FUND BALANCE CLASSIFICATIONS

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental</u>	<u>Total</u>
Non spendable:					
Inventory	\$ -	\$ -	\$ -	\$ 3,499	\$ 3,499
Prepaid items	223,904	-	-	-	223,904
Restricted for:					
Salaries	309,445	-	-	-	309,445
Debt service	-	5,773,366	-	-	5,773,366
Capital projects	-	-	1,140,142	-	1,140,142
School food service	-	-	-	348,483	348,483
Committed to:					
Maintenance	702,208	-	-	-	702,208
Preschool	-	-	-	59,656	59,656
Unassigned	6,090,788	-	-	(20,572)	6,070,216
Total	<u><u>\$7,326,345</u></u>	<u><u>\$5,773,366</u></u>	<u><u>\$1,140,142</u></u>	<u><u>\$ 391,066</u></u>	<u><u>\$14,630,919</u></u>

NOTE 20 - CHANGES IN PRESENTATION The IDEA fund is a major fund in the current year but was not a major fund in the prior year.

NOTE 21 - PRIOR PERIOD ADJUSTMENT The School Board recorded a prior period adjustment of \$134,578 in the General Fund. The adjustments were to eliminate old balances in accounts receivable of (\$27,498), correct bank reconciliations for old checks that were not voided of \$228,063, and to adjust the beginning balance of salaries payable of (\$65,987). The General Fund's fund balance was understated by \$134,578 in prior years. Therefore, the beginning fund balance was increased in the governmental fund financials as a result of the prior period adjustment.

A prior period adjustment was made at the government wide level to record debt for a capital lease for the purchase of buses and the addition of the buses to capital assets. The book value of the buses at the beginning of the year was \$264,609 and the beginning debt was \$209,401 which is an increase in beginning net assets of \$55,208. The beginning balance was also increased by \$134,578 as discussed in the first paragraph resulting in a total increase to the beginning net assets to \$189,786.

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

Madison Parish School Board

Schedule of Funding Progress For Other Post Employment Benefit Plan
June 30, 2012

Fiscal Year Ending	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	(b-a/c) UAAL as a Percentage of Covered Payroll
2009	7/1/2008	\$ -	\$ 20,679,069	\$ 20,679,069	0%	\$12,468,980	165.84%
2010	7/1/2008	-	20,679,069	20,679,069	0%	11,988,102	172.50%
2011	7/1/2010	-	21,125,362	21,125,362	0%	11,181,681	188.93%
2012	7/1/2010	-	21,125,362	21,125,362	0%	10,737,244	196.75%

Madison Parish School Board

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

TITLE I Title I improves the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. It is designed primarily to provide instructional activities to educationally deprived children that reside in low-income areas who have been selected on the basis of a needs assessment. These services supplement, not supplant, those normally provided by state and local educational agencies.

IDEA These grants to states assist them in providing a free appropriate public education to all children with disabilities.

MADISON PARISH SCHOOL BOARD

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2012

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (Modified Accrual Basis)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 7,129,613	\$ 7,129,613	\$ 7,264,191	\$ 134,578
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	1,130,000	1,130,000	1,221,895	91,895
Sales and use	1,824,398	1,824,398	1,821,396	(3,002)
Interest earnings	42,520	42,520	61,860	19,340
Other	23,002	23,002	122,547	99,545
State sources:				
Equalization	11,647,240	11,647,240	11,681,010	33,770
Other	96,153	96,153	107,463	11,310
Federal sources	56,019	56,019	64,832	8,813
Amounts available for appropriations	21,948,945	21,948,945	22,345,194	396,249
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	6,895,875	6,895,875	6,503,566	392,309
Special programs	1,678,379	1,678,379	1,522,848	155,531
Other instructional programs	714,062	714,062	691,760	22,302
Support services:				
Student services	915,811	915,811	747,342	168,469
Instructional staff support	759,136	759,136	622,939	136,197
General administration	429,949	429,949	368,980	60,969
School administration	800,618	800,618	738,827	61,791
Business services	467,412	467,412	539,534	(72,122)
Plant services	1,673,384	1,673,384	1,778,884	(105,500)
Student transportation services	1,553,619	1,553,619	1,037,488	516,131
Food services	180,359	180,359	167,141	13,218
Community service programs	14,129	14,129	14,123	6
Capital Outlay	192,665	192,665	109,376	83,289
Debt service - principal retirement	0	0	168,399	(168,399)
Debt service - interest	0	0	7,642	(7,642)
Total charges to appropriations	16,275,398	16,275,398	15,018,849	1,256,549
BUDGETARY FUND BALANCES, ENDING	\$ 5,673,547	\$ 5,673,547	\$ 7,326,345	\$1,652,798

MADISON PARISH SCHOOL BOARD

TITLE I
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2012

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (Modified Accrual Basis)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	\$ 0
Resources (inflows)				
Federal sources	2,084,110	2,084,110	2,253,103	168,993
Amounts available for appropriations	2,084,110	2,084,110	2,253,103	168,993
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	0	0	73,478	(73,478)
Other instructional programs	1,121,813	1,121,813	1,121,689	124
Support services:				
Student services	201,581	201,581	165,558	36,023
Instructional staff support	597,916	597,916	623,295	(25,379)
General administration	160,300	160,300	184,720	(24,420)
Business services	2,500	2,500	809	1,691
Capital Outlay	0	0	83,554	(83,554)
Total charges to appropriations	2,084,110	2,084,110	2,253,103	(168,993)
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	\$ 0

MADISON PARISH SCHOOL BOARD

IDEA
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2012

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (Modified Accrual Basis)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	\$ 0
Resources (inflows)				
Federal sources	510,637	510,637	769,115	258,478
Amounts available for appropriations	510,637	510,637	769,115	258,478
Charges to appropriations (outflows)				
General government:				
Instruction:				
Special programs	343,379	343,379	396,982	(53,603)
Other instructional programs	0	0	53,405	(53,405)
Support services:				
Student services	0	0	140,660	(140,660)
Instructional staff support	127,984	127,984	89,636	38,348
General administration	39,274	39,274	58,457	(19,183)
Plant services	0	0	858	(858)
Student transportation services	0	0	175	(175)
Capital outlay	0	0	28,942	(28,942)
Total charges to appropriations	510,637	510,637	769,115	(258,478)
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	\$ 0

**Madison Parish School Board
Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2012**

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

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

B. EXCESS OF EXPENDITURES OVER BUDGET

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Title I	\$ 2,084,110	\$ 2,253,103	\$ (168,993)
IDEA	510,637	769,115	(258,478)

C. BUDGET TO GAAP RECONCILIATION – EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

	GENERAL FUND
Sources / inflows of resources:	
Actual amounts (budgetary basis “available for appropriation” from the Budgetary Comparison Schedule	\$22,345,194
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(\$7,264,191)
Transfers in from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	0
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds	<hr/> <u>\$15,081,003</u>

SUPPLEMENTAL INFORMATION

**Madison Parish School Board
Nonmajor Special Revenue Funds**

TITLE II To improve the skills of teachers and the quality of instruction in the mathematics and science, also to increase the accessibility of such instruction to all students.

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

PRESCHOOL These grants to states assist them in providing a free, appropriate public education to preschool disabled children aged three through five years.

VOCATIONAL EDUCATION The purpose of these grants is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

SCHOOL FOOD SERVICE Through cash grants and food donations, the school food service fund assists in providing a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

RURAL EDUCATION ACHIEVEMENT (REAP) To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

JOBS FOR AMERICA'S GRADUATES (JAG) A school to career program to keep young people in school through graduation and provide work based learning experiences.

MISCELLANEOUS FUNDS This fund accounts for various small local, state, and federal grants.

LA4 This fund accounts for the preschool program funded by the State.

EDUCATIONAL EXCELLENCE This fund accounts for monies received from the state education excellence fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

EDUCATION JOBS This fund accounts for monies received through the state from the federal government by means of the American Recovery and Reinvestment Act of 2009. It is designed to help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services.

READING FIRST Reading program designed to have all students reading on grade level by the end of the third grade using scientifically based reading research.

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2012

	TITLE II	TITLE IV	PRESCHOOL	VOCATIONAL EDUCATION
ASSETS				
Cash and cash equivalents	\$ 23,494	\$ 24,986	\$ 0	\$ 11,245
Receivables	143,280	0	923	10,454
Interfund receivables	4,538	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	171,312	24,986	923	21,699
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	61,339	24,946	120	16,601
Interfund payable	109,973	40	803	3,129
Deferred revenues	0	0	0	1,969
Total Liabilities	171,312	24,986	923	21,699
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	0	0	0	0
TOTAL LIABILITIES AND FUND BALANCES	\$ 171,312	\$ 24,986	\$ 923	\$ 21,699

Exhibit 2

SCHOOL FOOD SERVICE	REAP	JAG	MISCELLANEOUS FUNDS	LA 4
\$ 584,167	\$ 75,977	\$ 0	\$ 162,460	\$ 1,769
556	7,242	41,019	104,166	50,291
515	0	114	8,652	0
22,979	0	0	0	0
<u>608,217</u>	<u>83,219</u>	<u>41,133</u>	<u>275,278</u>	<u>52,060</u>
117,441	83,219	16,993	44,190	0
119,314	0	24,140	251,660	51,911
19,480	0	0	0	149
<u>256,235</u>	<u>83,219</u>	<u>41,133</u>	<u>295,850</u>	<u>52,060</u>
3,499	0	0	0	0
348,483	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	(20,572)	0
<u>351,982</u>	<u>0</u>	<u>0</u>	<u>(20,572)</u>	<u>0</u>
<u>\$ 608,217</u>	<u>\$ 83,219</u>	<u>\$ 41,133</u>	<u>\$ 275,278</u>	<u>\$ 52,060</u>

(CONTINUED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2012

Exhibit 2

	EDUCATIONAL EXCELLENCE	EDUCATION JOBS	READING FIRST	TOTAL
ASSETS				
Cash and cash equivalents	\$ 59,716	\$ 0	\$ 27,209	\$ 971,023
Receivables	0	10,190	0	368,121
Interfund receivables	0	0	0	13,819
Inventory	0	0	0	22,979
TOTAL ASSETS	\$ 59,716	10,190	27,209	1,375,942
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	0	0	21,162	386,011
Interfund payable	60	10,190	6,047	577,267
Deferred revenues	0	0	0	21,598
Total Liabilities	60	10,190	27,209	984,876
Fund Balances:				
Nonspendable	0	0	0	3,499
Restricted	0	0	0	348,483
Committed	59,656	0	0	59,656
Assigned	0	0	0	0
Unassigned	0	0	0	(20,572)
Total fund balances	59,656	0	0	391,066
TOTAL LIABILITIES AND FUND BALANCES	\$ 59,716	\$ 10,190	\$ 27,209	\$ 1,375,942

(CONCLUDED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

	TITLE II	TITLE IV	PRESCHOOL	VOCATIONAL EDUCATION
REVENUES				
Local sources:				
Interest earnings	\$ 0	\$ 0	\$ 0	\$ 0
Food service	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources:	284,045	8,206	24,964	24,765
Total revenues	284,045	8,206	24,964	24,765
EXPENDITURES				
Current:				
Instruction:				
Regular programs	106,766	0	0	0
Special programs	0	0	12,644	0
Other instructional programs	0	1,810	0	24,488
Support services:				
Student services	0	5,580	0	0
Instructional staff support	154,795	656	0	277
General administration	22,484	160	2,025	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Food services	0	0	0	0
Capital outlay	0	0	10,295	0
Total expenditures	284,045	8,206	24,964	24,765
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit 3

SCHOOL FOOD SERVICE		REAP	JAG	MISCELLANEOUS FUNDS LA 4	
\$ 278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
43,899	0	0	0	0	0
154	0	0	170,266	0	0
20,262	0	0	0	0	0
0	0	0	106,012	13,760	0
1,241,037	7,242	100,000	8,500	199,264	0
1,305,630	7,242	100,000	284,778	213,024	0
0	0	90,837	4,312	763	0
0	0	0	4,699	0	0
0	0	9,011	89,211	211,651	0
0	0	0	132,172	0	0
0	389	152	11,513	610	0
0	2,625	0	47,252	0	0
0	0	0	524	0	0
2,331	0	0	0	0	0
1,371,871	0	0	10,200	0	0
42,650	4,228	0	0	0	0
1,416,852	7,242	100,000	299,883	213,024	0
\$ (111,222)	\$ 0	\$ 0	\$ (15,105)	\$ 0	\$ 0

(CONTINUED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

	TITLE II	TITLE IV	PRESCHOOL	VOCATIONAL EDUCATION
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net change in fund balances	0	0	0	0
FUND BALANCES - BEGINNING	0	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit 3

SCHOOL FOOD SERVICE	REAP	JAG	MISCELLANEOUS FUNDS	LA 4
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
0	0	0	0	0
(111,222)	0	0	(15,105)	0
463,204	0	0	(5,467)	0
<u>\$ 351,982</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (20,572)</u>	<u>\$ 0</u>

(CONTINUED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

Exhibit 3

	EDUCATIONAL EXCELLENCE	EDUCATION JOBS	READING FIRST	TOTAL
REVENUES				
Local sources:				
Interest earnings	\$ 0	\$ 0	\$ 0	\$ 278
Food service	0	0	0	43,899
Other	0	0	0	170,420
State sources:				
Equalization	0	0	0	20,262
Other	51,496	0	0	171,268
Federal sources:				
	0	10,190	2,734	1,910,947
Total revenues	51,496	10,190	2,734	2,317,074
EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	0	202,678
Special programs	0	0	0	17,343
Other instructional programs	0	10,190	0	346,361
Support services:				
Student services	0	0	0	137,752
Instructional staff support	54,525	0	2,734	225,651
General administration	0	0	0	74,546
Plant services	0	0	0	524
Student transportation services	0	0	0	2,331
Food services	0	0	0	1,382,071
Capital outlay	0	0	0	57,173
Total expenditures	54,525	10,190	2,734	2,446,430
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (3,029)	\$ 0	\$ 0	\$ (129,356)

(CONTINUED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

Exhibit 3

	EDUCATIONAL EXCELLENCE	EDUCATION JOBS	READING FIRST	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net change in fund balances	(3,029)	0	0	(129,356)
FUND BALANCES - BEGINNING	62,685	0	0	520,422
FUND BALANCES - ENDING	\$ 59,656	\$ 0	\$ 0	\$ 391,066

(CONCLUDED)

**Madison Parish School Board
Agency Funds**

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

MADISON PARISH SCHOOL BOARD

AGENCY FUND

Combining Schedule of Assets and Liabilities

June 30, 2012

Exhibit 4

SCHOOL
ACTIVITIES
AGENCY
FUND

ASSETS

Cash and cash equivalents

\$ 30,969

TOTAL ASSETS

\$ 30,969

LIABILITIES

Deposits due others

\$ 30,969

TOTAL LIABILITIES

\$ 30,969

MADISON PARISH SCHOOL BOARD

AGENCY FUNDS - SCHOOL ACTIVITIES FUND
 Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 2012

Exhibit 5

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Madison High School	\$ 17,379	\$ 179,209	\$ 176,234	\$ 20,354
Tallulah Elementary School	2,392	11,259	12,827	824
Madison Middle School	896	30,291	22,314	8,873
Wright Elementary School	2,745	37,770	39,597	918
Totals	<u>\$ 23,412</u>	<u>\$ 258,529</u>	<u>\$ 250,972</u>	<u>\$ 30,969</u>

**Madison Parish School Board
General**

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2012**

Exhibit 6

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, the Vice President receives an additional \$50 per month and the President receives an additional \$100 per month.

<u>Board Member</u>		<u>Amount</u>
Jann W Buchanan	President	\$10,800
Oscar Hamilton	Vice President	10,200
Marguerite Hargrove		9,600
Randy Morgan		9,600
Vera Davis		9,600
Gloria Hancock		9,600
Paula Hamilton		9,600
Eddie Fountain		9,600
Total		<u>\$78,600</u>

MADISON PARISH SCHOOL BOARD

OTHER SUPPLEMENTAL INFORMATION

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
Philip A. Ragsdale, CPA
David Ray Soignier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Lori Woodard, MBA, CPA

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

Madison Parish School Board Tallulah, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Madison Parish School Board** (the School Board) as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated March 29, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the School Board is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented,

**Madison Parish School Board
Tallulah, Louisiana**

or detected and corrected on a timely basis. We consider the deficiencies described as 12-01 and 12-02 in the accompanying schedule of findings to be a material weakness.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 12-03.

This report is intended solely for the information and use of management of the School Board, others within the entity, federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

March 29, 2013

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
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Lori Woodard, MBA, CPA

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

**Madison Parish School Board
Tallulah, Louisiana**

Compliance

We have audited the **Madison Parish School Board's** (the School Board) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2012. The 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 School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

**Madison Parish School Board
Tallulah, Louisiana**

Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of management of the School Board, others within the entity, federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

March 29, 2013

Madison Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Grantor No.	<u>Expenditures</u>	
CASH FEDERAL AWARDS				
United States Department of Agriculture				
Passed through Louisiana Department of Education:				
National School Lunch Program	10.555	N/A	\$1,048,608	
Summer Food Program	10.559	N/A	48,773	
Food Distribution (Commodities)	10.555	N/A	<u>44,409</u>	1,141,790
Fresh Fruit and Vegetable Program	10.582	N/A		<u>99,247</u>
Total United States Department of Agriculture				<u>1,241,037</u>
United States Department of Education				
Passed Through Louisiana Department of Education:				
Title I Part A Cluster:				
Basic Grant Program	84.010	28-12-T1-33	2,173,820	
Title I ARRA	84.389	28-09-A1-33	<u>79,283</u>	2,253,103
Special Education:				
Grants to States (Part B)	84.027	28-12-B1-33	698,797	
IDEA Part B ARRA	84.391	28-09-A1-33	70,318	
Preschool Grants	84.173	28-12-P1-33	20,243	
Preschool Grant - ARRA	84.392	28-09-AP-33	<u>4,721</u>	794,079
Vocational Education:				
Basic Grants to States	84.048	28-11-02-33;28-12-02-33		24,765
Title IV (Safe and Drug Free Schools)	84.186	28-10-70-33		8,206
Reading First	84.357	28-08-RF-33		2,734
Improving Teacher Quality State Grants (Title II)	84.367	28-12-50-33		284,045
Education Jobs Fund ARRA	84.410	28-11-EM-33		10,190
Rural Education Achievement Program	84.358	28-12-RE-33		<u>7,242</u>
Total United States Department of Education				3,384,364
United States Department of Health and Human Services				
Temporary Assistance for Need Families	93.558B	28-12-JS-33;28-12-36-33	-	299,264
Passed Through Louisiana Department of Education:				
Schools Putting Prevention to Work (SPPW)- ARRA	93.723	N/A		8,500
United States Department of Defense Direct Program:				
Junior Reserve Officer Training Corps (JROTC)	12.UKN	N/A		<u>64,832</u>
TOTAL CASH FEDERAL AWARDS				<u>\$ 4,997,997</u>

Madison Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Madison Parish School Board. The School Board reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

Major Funds:	
General Fund	\$ 64,832
Title I	2,253,103
IDEA	769,115
Nonmajor Special Revenue Funds:	
Title II	284,045
Title IV	8,206
Preschool	24,964
Vocational Education	24,765
School Food Service	1,241,037
REAP	7,242
JAG	100,000
Miscellaneous Funds	8,500
LA4	199,264
Education Jobs Fund	10,190
Reading First	2,734
Total	\$ 4,997,997

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Section I – Summary of Auditor’s Results

Financial Statements

Type of Auditor’s Report Issued: Unqualified

Internal Control Over Financial Reporting

Material Weakness(es) identified? Yes No

Significant Deficiency(s) identified not considered to be material weaknesses? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control Over Major Programs

Material weakness(es) identified? Yes No

Significant Deficiency(s) identified not considered to be material weakness(es)? Yes None Reported

Type of auditor’s report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? Yes No

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs

<u>CFDA#</u>	<u>PROGRAM TITLE</u>
84.010	Title I Grants to Local Educational Agencies
84.389	Title I Grants to Local Educational Agencies, ARRA
93.558B	Temporary Assistance to Needy Families

**MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

Section II – Financial Statement Findings and Questioned Costs:

12-01 Outstanding Checks

Finding

During our test of cash for the year ended June 30, 2012, we noted that the bank reconciliations for three (the operating account, the payroll account and the Sales Tax Maintenance Fund account) of the School Board bank accounts had outstanding checks dating back as far as 1986. Vendor checks and payroll checks over 5 years should no longer be outstanding on an entity's bank reconciliation. Instead, these checks should be voided and handled in one of three ways:

- 1) added back into cash after researching and determining the amount had already been paid;
- 2) reissued after researching and determining the amount had not been previously paid when the address for the payee is known; or
- 3) turned over to the State's unclaimed property after researching and determining the amount had not been previously paid when the address for the payee is unknown.

A summary of the outstanding checks in these three bank accounts is as follows:

Population: Outstanding Checks from July 1, 1985 to June 30, 2007						
	Operating		Payroll		Sales Tax Maint.	
Checks over \$2,000	\$ 35,748	3	\$ 2,078	1	\$ 4,669	2
Checks under \$2,000	12,720	88	11,090	71	2,802	14
	<u>48,468</u>	<u>91</u>	<u>13,168</u>	<u>72</u>	<u>7,471</u>	<u>16</u>

Further analysis of checks over \$2,000 that were issued on or prior to June 30, 2007 reflected payments to vendors that the School Board does ongoing business with (two checks for \$7,490), vendors that have significant control over being paid (utility companies one check for \$3,756) or were written to transfer amounts between funds within the School Board for which there was no outstanding deposit in the other fund (two checks for \$31,250). For these checks over \$2,000, the validity of these checks was reviewed and determined that these checks should be voided and added back to the cash balance and the beginning fund balance.

The remainder of the checks that are individually below \$2,000 were not analyzed further as part of the audit but should be further investigated by the School Board to determine the validity of these checks. It is expected that the outstanding payroll checks were legitimate disbursements that employees simply did not cash.

Additionally, checks issued since July 1, 2007 were also reviewed to determine the ongoing validity of these checks. A brief recap of these checks (fiscal years 2008 to 2011) is as follows:

Population: Outstanding Checks from July 1, 2007 to June 30, 2011						
	Operating		Payroll		Sales Tax Maint.	
Checks over \$2,000	\$ 98,021	9	\$ 78,644	3	\$ 8,903	2

**MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

Checks over \$2,000 that were issued on or after July 1, 2007 reflected payments to vendors that the School Board does ongoing business with (eight checks for \$40,768), vendors that have significant control over being paid (utility companies (1 check for \$45,448) and taxing entities (3 checks for \$78,643)) or were written to transfer amounts between funds within the School Board for which there was no outstanding deposit in the other fund (two checks for \$20,709). For these checks over \$2,000, the validity of these checks was reviewed and determined that these checks should be voided and added back to the cash balance and the beginning fund balance.

Recommendation

We recommend that the outstanding checks on the bank reconciliation be reviewed on a periodic basis for reasonableness and appropriate action taken at that time. Additionally, valid outstanding checks that are older than five years should be turned over to the Unclaimed Property Division, State of Louisiana.

Additionally, the School Board should review the remaining \$26,612 in outstanding checks for the checks that were issued prior to July 1, 2007 that were below \$2,000 to determine the validity of those checks and take appropriate action to eliminate them from the bank reconciliation. Outstanding checks since July 1, 2007 to the current period should also be reviewed to establish their validity as well.

Finally, an entry has been agreed to by management to increase cash and fund balance by \$228,063 (for checks issued in fiscal years 1986 to 2007 totaling \$42,495 and for fiscal years 2008 to 2011 totaling \$185,568) to void outstanding checks that have been paid in previous periods. This increase affected the General Fund by \$214,491 for the operating and payroll bank accounts and the Sales Tax Maintenance Fund by \$13,572 for the Sales Tax Maintenance bank account.

Response

As indicated, we concur with the amount cited above based on our research of the items noted. Some of the records for the items cited were destroyed given the significant age of the items in question. However, given the vendors listed, it is reasonable for those that were unsearchable to assume that we had to have paid those amounts in a previous year.

We have already discussed with our consulting CPA firm the need to resolve the status of the checks that are older than 5 years that are under the \$2,000 threshold discussed above. These checks will be voided and added back to cash and other miscellaneous revenue, voided and reissued or voided and remitted to Unclaimed Property.

We will also review those checks issued within the past five years for the validity of those checks and take appropriate action.

**MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

12-02 Other Prior Period Adjustments

Finding

In addition to the \$228,063 prior period adjustment cited above to increase cash and fund balance, the School Board also had prior period adjustments that affected several other line items. Cumulatively, these additional entries decreased the fund balance on the fund financial statement basis (Statement E) by \$91,221 for items such as receivables that were never billed in prior periods (\$8,649), salaries payable that were not fully recorded in a prior year (\$65,987), and other smaller changes of (\$16,585). In total, fund balance increased \$136,842.

On the government-wide financial statement basis (Statement B), net assets increased by \$192,050 which includes the \$136,842 cited above plus an additional \$55,208. This \$55,208 includes a \$264,609 increase in capital assets, net of accumulated depreciation and a \$209,401 increase in leases payable for buses that were purchased on a capital lease in fiscal year 2009 that had not been reported on the financial statements.

Recommendation

We recommend that the School Board continue to work closely with its outsourced CPA firm in continuing to improve its financial reporting, especially with the vacancy in the business manager's position.

Response

The School Board has already contracted with our outsourced CPA firm to work with us one week per month to ensure accurate monthly reporting and as needed after year-end to produce accurate financial statements.

12-03 Financial Statements Not Filed Timely

Finding

LA R.S. 24:513 requires that the School Board prepare and submit its audited financial statements to the Louisiana Legislative Auditor no later than six months after the end of the most recent fiscal year. The audit firm suffered personnel shortages due to a sudden illness during the audit of the partner performing the audit and thus was unable to complete the audit in time for the School Board to submit to the Louisiana Legislative Auditor within the prescribed time period.

Management's Response:

Due to the unexpected nature of the illness the firm was unable to complete and submit the audit to the Legislative Auditor within the prescribed time period. We do not foresee this being an issue for future audits.

**MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

Section III: Findings and questioned costs for Federal Awards, including those specified by OMB Circular A-133.

None

**MADISON PARISH SCHOOL BOARD
TALLULAH, LOUISIANA
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

The following is a summary of the status of the prior year findings included in Jimmie Self, CPA audit report dated January 31, 2012, in connection with the audit of the financial statements of the Madison Parish School Board (the School Board) as of and for the year ended June 30, 2011.

11-01 Inadequate Segregation of Duties

(First reported in 2011)

Finding

An inadequate segregation of duties was identified due to the limited staff size. It was recommended that more staff be hired.

Status

Management has hired an external consultant to perform financial reporting tasks which has resolved this issue.

11-02 Minutes Not Signed by the Superintendent

(First reported in 2011)

Finding

Certain transcripts of the minutes of the meetings of the School Board were not signed by the Superintendent and were, therefore, incomplete.

Status

The Superintendent now signs all transcripts of the minutes.

11-03 MPSB Did Not Follow Policies on Purchase of Services

(First reported in 2011)

Finding

A check in the amount of \$10,000 was issued to a vendor without proper supervisory approval. It was recommended that School Board policies concerning issuance of purchase orders and approval of disbursements be followed.

Status

The School Board now follows its policies in all purchases.

MADISON PARISH SCHOOL BOARD

OTHER INFORMATION

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2012

MADISON PARISH SCHOOL BOARD
MONROE, LOUISIANA

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

Our procedures and findings relate to the accompanying schedules required by state law and are as follows:

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

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

**Madison Parish School Board
Monroe, Louisiana**

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule “Experience of Public Principals and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to School Board supporting payroll records as of October 1, 2011.
3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals and Full-time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2011 and as reported on the schedule. We traced a random sample of 25 teachers to the individual’s personnel file and determined if the individual’s education level was properly classified on the schedule.

Number and Type of Public Schools (Schedule 3)

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

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

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2011 and as reported on the schedule and traced the same sample used in procedure 4 to the individual’s personnel file and determined if the individual’s experience was properly classified on the schedule.

Public School Staff Data: Average Salaries (Schedule 5)

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

**Madison Parish School Board
Monroe, Louisiana**

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1, 2011 roll books for those classes and determined if the class was properly classified on the schedule.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

Graduation Exit Examination (Schedule 8)

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

iLeap Tests (Schedule 9)

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

Our twelve procedures enumerated above did not disclose any exceptions.

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

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

Huffman, Huffman, Roydale, & Simpson

(A Professional Accounting Corporation)

March 29, 2013

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2012

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data: Average Salaries

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2012

Schedule 8 - Graduation Exit Examination (GEE)

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 -iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

As of fiscal year 2011, 9th graders are not required to take iLeap. These students must now pass 3 end-of-course tests. The Department of Education will be reviewing end-of-course testing and its potential inclusion for assurance purposes in time for fiscal year 2013 assurance submissions.

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
Fiscal Year Ended June 30, 2012**

General Fund Instructional and Equipment Expenditures**General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ -	
Other Instructional Staff Activities	582,337	
Instructional Staff Employee Benefits	2,245,633	
Purchased Professional and Technical Services	233,540	
Instructional Materials and Supplies	118,895	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 3,180,405

Other Instructional Activities

	959,700	328,937
Pupil Support Activities	-	
Less: Equipment for Pupil Support Activities	(135)	
Net Pupil Support Activities	-	959,565

Instructional Staff Services

	684,199	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	684,199

School Administration:

	738,827	
Less: Equipment for Instructional Staff Services	-	
Net School Administration	-	738,827

Total General Fund Instructional Expenditures \$ 5,891,933

Total General Fund Equipment Expenditures \$ 84,488

Certain Local Revenue Sources**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$ 486,166
Renewable Ad Valorem Tax	538,249
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	118,217
Sales and Use Taxes	1,682,849
Total Local Taxation Revenue	\$ 2,825,481

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 51,268
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	\$ 51,268

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 19,423
Revenue Sharing - Other Taxes	19,423
Revenue Sharing - Excess Portion	32,646
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ 71,492

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ 7,126

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Education Levels of Public School Staff
As of October 1, 2011

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	1%	2	2%	-	0%	-	-
Bachelor's Degree	69	57%	1	1%	-	0%	2	22%
Master's Degree	27	22%	-	0%	1	11%	-	-
Master's Degree + 30	16	13%	-	0%	2	33%	-	-
Specialist in Education	3	2%	-	0%	3	33%	-	-
Ph. D. or Ed. D.	2	2%	-	0%	-	0%	-	-
Total	118	97%	3	3%	6	77%	2	22%

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Number and Type of Public Schools
Fiscal Year Ended June 30, 2012

<u>Type</u>	<u>Number</u>
Elementary	2
Middle/Jr. High	1
Secondary	1
Combination	1
Total	<u><u>5</u></u>

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers
As of October 1, 2011

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	-	-	1	-	1	-	2	4
Principals	-	-	2	1	-	-	1	4
Classroom Teachers	17	9	21	12	7	10	45	121
Total	17	9	24	13	8	10	48	129

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Public School Staff Data: Average Salaries
Fiscal Year Ended June 30, 2012

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions</u>
Average Classroom Teachers' Salary Including Extra Compensation	\$42,986	\$43,987
Average Classroom Teachers' Salary Excluding Extra Compensation	\$42,451	\$43,430
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	121	106

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Class Size Characteristics
As of October 1, 2011

School Type	Class Size Range								Total	
	1 - 20		21 - 26		27 - 33		34 +			
	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number
Elementary	36.4%	87	44.8%	107	10.9%	26	7.9%	19	100.0%	239
Elementary Activity Classes	28.1%	16	52.6%	30	14.0%	8	5.3%	3	100.0%	57
Middle/Jr. High	0.0%	74	0.0%	70	0.0%	6	0.0%	-	0.0%	150
Middle/Jr. High Activity Classes	0.0%	9	0.0%	2	0.0%	1	0.0%	2	0.0%	14
High	58.1%	86	18.9%	28	23.0%	34	0.0%	-	100.0%	148
High Activity Classes	84.8%	39	13.0%	6	2.2%	1	0.0%	-	100.0%	46
Combination	89.8%	44	6.1%	3	4.1%	2	0.0%	-	100.0%	49
Combination Activity Classes	75.0%	3	0.0%	-	0.0%	-	25.0%	1	100.0%	4
Total	50.6%	358	34.8%	246	11.0%	78	3.5%	25	100.0%	707

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Louisiana Educational Assessment Program (LEAP)
Three Fiscal Years Ended June 30, 2012

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	2	1	5	3	2	2	6	4	4	3	1	1
Mastery	18	13	19	13	15	11	26	19	16	11	21	15
Basic	72	53	61	40	60	46	63	46	53	35	56	42
Approaching Basic	31	23	25	16	27	20	20	15	27	18	30	23
Unsatisfactory	13	10	42	28	29	22	22	16	52	34	26	20
Total	136		152		133		137		152		134	

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	3	2	0	0	0	0	0	0	1	1	1	1
Mastery	18	13	11	7	8	6	8	6	8	5	9	7
Basic	57	42	26	17	45	33	72	53	49	32	65	48
Approaching Basic	39	28	60	39	46	34	28	21	36	24	37	27
Unsatisfactory	20	15	57	37	37	27	28	21	59	39	23	17
Total	137		154		136		136		153		135	

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0	1	1	0	0	0	0	0	0	0	0
Mastery	8	6	1	1	2	2	2	1	3	2	1	1
Basic	44	32	53	42	24	23	59	44	60	47	42	41
Approaching Basic	54	39	58	46	57	55	40	30	48	38	36	35
Unsatisfactory	31	23	12	10	20	19	34	25	17	13	24	23
Total	137		125		103		135		128		103	

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0	0	0	0	0	0	0	0	0	0	0
Mastery	10	7	14	11	5	5	9	7	2	1	6	6
Basic	33	24	49	37	42	40	48	35	81	60	60	57
Approaching Basic	46	34	46	35	40	38	42	31	37	27	26	25
Unsatisfactory	48	35	24	18	19	18	37	27	15	11	14	13
Total	137		133		106		136		135		106	

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Graduation Exit Exam
Three Fiscal Years Ended June 30, 2012

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	-	-	-	-	1	1	-	-	1	1	3	3
Mastery	-	-	12	12	8	8	-	-	4	4	6	6
Basic	-	-	47	48	35	36	-	-	59	60	46	48
Approaching Basic	-	-	30	31	37	39	1	17	13	13	27	28
Unsatisfactory	-	-	9	9	15	16	5	83	21	22	14	15
Total	-	-	98		96		6		98		96	

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	3	3	1	1	-	-	-	-	-	-	-	-
Mastery	4	4	4	4	-	-	3	3	3	4	-	-
Basic	28	27	18	19	20	32	37	35	30	31	27	44
Approaching Basic	40	38	27	28	19	31	26	25	30	31	18	29
Unsatisfactory	30	29	46	48	23	37	39	37	33	34	17	27
Total	105		96		62		105		96		62	

MADISON PARISH SCHOOL BOARD
iLEAP Tests
Three Fiscal Years Ended June 30, 2012

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	6	4	7	5	3	2	2	1
Mastery	18	12	9	6	10	7	20	13
Basic	65	43	58	38	61	40	68	45
Approaching Basic	30	20	34	23	48	32	29	19
Unsatisfactory	32	21	43	28	29	19	31	21
Total	151		151		151		150	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0	0	0	0	0	0	0
Mastery	17	12	10	7	2	1	0	0
Basic	47	33	33	23	44	31	0	0
Approaching Basic	37	26	28	20	50	35	0	0
Unsatisfactory	42	29	72	50	47	33	0	0
Total	143		143		143		0	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	1	0	0	0	0	39	28
Mastery	16	12	4	3	8	6	21	15
Basic	50	36	46	33	67	49	53	38
Approaching Basic	38	28	27	20	44	32	14	10
Unsatisfactory	32	23	61	44	19	14	11	8
Total	138		138		138		138	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0	2	1	1	1	0	0
Mastery	3	2	11	7	18	12	4	3
Basic	50	32	80	51	52	33	61	39
Approaching Basic	63	40	34	22	51	33	41	26
Unsatisfactory	41	26	31	20	34	22	49	32
Total	157		158		156		155	

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0	2	2
Mastery	5	4	3	2
Basic	53	43	70	56
Approaching Basic	52	42	21	17
Unsatisfactory	14	11	28	23
Total	124		124	

Continued

MADISON PARISH SCHOOL BOARD
 iLEAP Tests
 Three Fiscal Years Ended June 30, 2012

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	5	4	8	7	1	1	5	4
Mastery	17	14	16	13	13	11	16	13
Basic	39	32	35	28	28	23	25	20
Approaching Basic	19	15	26	21	42	34	32	26
Unsatisfactory	43	35	38	31	39	32	45	37
Total	123		123		123		123	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	1	1	4	3	0	0	0	0
Mastery	9	7	7	6	5	4	7	6
Basic	43	35	35	28	27	22	35	28
Approaching Basic	43	35	29	23	56	45	34	27
Unsatisfactory	28	23	50	40	37	30	49	39
Total	124		125		125		125	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	0	0	1	1	0	0	7	5
Mastery	10	8	5	4	7	5	21	16
Basic	44	33	63	47	50	38	60	45
Approaching Basic	49	37	28	21	60	45	33	25
Unsatisfactory	30	23	36	27	16	12	12	9
Total	133		133		133		133	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0	3	2	3	2	0	0
Mastery	13	10	20	16	32	25	6	5
Basic	55	43	65	51	62	48	47	37
Approaching Basic	37	29	22	17	21	16	41	32
Unsatisfactory	23	18	18	14	10	8	34	27
Total	128		128		128		128	

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
	Number	Percent	Number	Percent
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total	0		0	

Continued

MADISON PARISH SCHOOL BOARD
iLEAP Tests
Three Fiscal Years Ended June 30, 2012

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	4	2	2	1	1	1	2	1
Mastery	26	15	18	11	32	19	35	21
Basic	50	30	58	34	51	30	48	28
Approaching Basic	40	24	30	18	43	25	33	20
Unsatisfactory	49	29	62	36	42	25	51	30
Total	169		170		169		169	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	1	1	3	3	0	0	0	0
Mastery	12	10	7	6	5	4	10	8
Basic	45	38	31	26	33	28	57	48
Approaching Basic	28	24	24	20	42	35	28	24
Unsatisfactory	33	28	54	45	40	33	24	20
Total	119		119		120		119	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	2	2	2	0	0	4	3
Mastery	7	6	14	12	3	3	5	4
Basic	46	38	57	48	45	38	57	48
Approaching Basic	37	31	17	14	51	43	35	29
Unsatisfactory	28	23	29	24	21	18	19	16
Total	120		119		120		120	

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0	3	2	0	0	1	1
Mastery	7	5	7	5	12	9	11	8
Basic	42	32	55	42	40	31	71	54
Approaching Basic	57	44	33	25	55	42	28	21
Unsatisfactory	24	18	33	25	24	18	20	15
Total	130		131		131		131	

District Achievement Level Results	English Language Arts		Mathematics	
	2012		2012	
	Number	Percent	Number	Percent
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total	0		0	

Concluded