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ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Financial Report

Year Ended June 30, 2001

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Release Date 1/9/02

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KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad D. Chapman, CPA*
P. Troy Courville, CPA*

P.O. Box 539
Oberlin, LA 70655

Phone (337) 639-4737
Fax (337) 639-4568

WEB SITE:
WWW.KCSRCPAS.COM

Allen J. LeBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

* A Professional Accounting Corporation

INDEPENDENT AUDITORS' REPORT

Mr. Michael Doucet, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

We have audited the accompanying general purpose financial statements of the Allen Parish School Board as of and for the year ended June 30, 2001 as listed in the table of contents. These general purpose financial statements are the responsibility of management of the Allen Parish School Board. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

Records of capital expenditures for general fixed assets have not been reconstructed and updated. Consequently, we have been unable to determine the accuracy of the amounts reported as General Fixed Assets and express no opinion on the General Fixed Assets Account Group or on the changes in fixed assets as presented in Note 7 to the financial statements. The General Fixed Assets Account Group has assets with a stated value of \$31,965,316 at June 30, 2001.

In our opinion, except for the effects on the general purpose financial statements of such adjustments, if any, as might have been determined to be necessary had we been able to audit the General Fixed Assets Account Group, as mentioned in the third paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Allen Parish School Board as of June 30, 2001, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

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

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2001 on our consideration of the Allen Parish School Board's compliance with certain provisions of laws, regulations, contracts and grants, and on its internal control over financial reporting. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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

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

Oberlin, Louisiana
December 17, 2001

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2001

	Governmental Fund Types				Fiduciary Fund Type Agency	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects		Fixed Assets (Unaudited)	General Long-term Obligations	(Memorandum Only)	
								2001	2000
ASSETS AND OTHER DEBITS									
Cash and interest-bearing deposits	\$ 2,389,783	\$ 2,064,706	\$ 833,579	\$ 274,700	\$ 1,254,592	\$ -	\$ -	\$ 6,817,360	\$ 6,331,063
Investments	6,656,401	-	-	440,217	18,621	-	-	7,115,239	7,031,069
Receivables:									
Due from other funds	1,224,794	26,566	-	41,782	-	-	-	1,293,142	620,730
Due from other governmental units	341,860	608,447	-	-	-	-	-	950,307	1,225,775
Other	36,000	-	-	-	-	-	-	36,000	53,967
Inventories, at cost	-	20,685	-	-	-	-	-	20,685	23,970
Land, buildings, and equipment	-	-	-	-	-	-	-	31,965,316	31,356,432
Amount available in debt service funds	-	-	-	-	-	789,748	789,748	789,748	995,867
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-	9,429,454	9,429,454	9,995,743
Total assets and other debits	\$ 10,648,838	\$ 2,720,404	\$ 833,579	\$ 756,699	\$ 1,273,213	\$ 31,965,316	\$ 10,219,202	\$ 58,417,251	\$ 57,634,616
LIABILITIES AND FUND EQUITY									
Liabilities:									
Accounts, salaries, and other payables	\$ 2,694,979	\$ 963,474	\$ -	\$ 15,684	\$ -	\$ -	\$ -	\$ 3,674,137	\$ 3,222,533
Contracts payable	-	-	-	99,700	-	-	-	99,700	-
Retainages payable	-	-	-	32,460	-	-	-	32,460	16,000
Due to other funds	7,818	275,353	43,831	280,397	685,743	-	-	1,293,142	620,730
Due to other governmental units	-	-	-	-	252,811	-	-	252,811	-
School activity funds payable	-	-	-	-	334,659	-	-	334,659	297,592
Compensated absences payable	-	-	-	-	-	-	334,202	334,202	326,610
Bonds payable	-	-	-	-	-	-	9,885,000	9,885,000	10,665,000
Total liabilities	2,702,797	1,238,827	43,831	428,241	1,273,213	-	10,219,202	15,906,111	15,148,465
Fund equity:									
Investment in general fixed assets	-	-	-	-	-	31,965,316	-	31,965,316	31,356,432
Fund balances -									
Reserved	-	20,685	789,748	-	-	-	-	810,433	1,019,837
Designated	175,000	-	-	328,458	-	-	-	503,458	983,097
Unreserved, undesignated	7,771,041	1,460,892	-	-	-	-	-	9,231,933	9,126,785
Total fund equity	7,946,041	1,481,577	789,748	328,458	-	31,965,316	-	42,511,140	42,486,151
Total liabilities and fund equity	\$ 10,648,838	\$ 2,720,404	\$ 833,579	\$ 756,699	\$ 1,273,213	\$ 31,965,316	\$ 10,219,202	\$ 58,417,251	\$ 57,634,616

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 2001

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	2001	2000
Revenues:						
Local sources	\$ 5,377,443	\$1,458,652	\$ 1,255,808	\$ 44,766	\$ 8,136,669	\$ 8,810,214
State sources	17,074,011	370,250	-	-	17,444,261	16,787,992
Federal sources	178,326	2,822,356	-	-	3,000,682	2,763,014
Total revenues	<u>22,629,780</u>	<u>4,651,258</u>	<u>1,255,808</u>	<u>44,766</u>	<u>28,581,612</u>	<u>28,361,220</u>
Expenditures:						
Current -						
Instruction:						
Regular programs	10,582,225	41,035	-	-	10,623,260	9,567,557
Special education programs	1,942,593	392,612	-	-	2,335,205	2,441,475
Vocational education programs	800,378	-	-	-	800,378	895,844
Other instructional programs	384,446	-	-	-	384,446	340,116
Special programs	142,838	971,385	-	-	1,114,223	1,101,061
Adult and continuing education programs	97,610	-	-	-	97,610	83,845
Support services:						
Pupil support services	1,144,158	-	-	-	1,144,158	1,012,930
Instructional staff support services	940,409	260,973	-	-	1,201,382	1,009,676
General administration	1,671,791	61,891	44,594	534	1,778,810	1,757,341
School administration	1,207,912	383,137	-	-	1,591,049	1,409,665
Business services	139,004	-	-	-	139,004	137,966
Operation and maintenance of plant services	1,736,361	662,261	-	-	2,398,622	2,301,045
Student transportation services	1,646,090	-	-	-	1,646,090	1,477,658
Non-instructional services:						
Food services	-	1,962,248	-	-	1,962,248	1,819,114
Facilities acquisition and construction	-	-	-	608,884	608,884	937,035
Debt service -						
Principal retirement	-	-	780,000	-	780,000	675,000
Interest and fiscal charges	-	-	560,138	-	560,138	611,688
Total expenditures	<u>22,435,815</u>	<u>4,735,542</u>	<u>1,384,732</u>	<u>609,418</u>	<u>29,165,507</u>	<u>27,579,016</u>
Excess (deficiency) of revenues over expenditures	<u>193,965</u>	<u>(84,284)</u>	<u>(128,924)</u>	<u>(564,652)</u>	<u>(583,895)</u>	<u>782,204</u>
Other financing sources (uses):						
Operating transfers in	29,024	78,279	-	85,013	192,316	23,035
Operating transfers out	(86,097)	(29,024)	(77,195)	-	(192,316)	(23,035)
Total other financing sources (uses)	<u>(57,073)</u>	<u>49,255</u>	<u>(77,195)</u>	<u>85,013</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	136,892	(35,029)	(206,119)	(479,639)	(583,895)	782,204
Fund balances, beginning	<u>7,809,149</u>	<u>1,516,606</u>	<u>995,867</u>	<u>808,097</u>	<u>11,129,719</u>	<u>10,347,515</u>
Fund balances, ending	<u>\$ 7,946,041</u>	<u>\$1,481,577</u>	<u>\$ 789,748</u>	<u>\$328,458</u>	<u>\$10,545,824</u>	<u>\$11,129,719</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Governmental Fund Types - General and Special Revenue Funds
Year Ended June 30, 2001

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Local sources	\$ 5,260,061	\$ 5,377,443	\$ 117,382	\$ 1,449,830	\$ 1,458,652	\$ 8,822
State sources	17,100,146	17,074,011	(26,135)	370,000	370,250	250
Federal sources	68,875	178,326	109,451	2,852,693	2,822,356	(30,337)
Total revenues	<u>22,429,082</u>	<u>22,629,780</u>	<u>200,698</u>	<u>4,672,523</u>	<u>4,651,258</u>	<u>(21,265)</u>
Expenditures:						
Current -						
Instruction:						
Regular programs	10,291,410	10,582,225	(290,815)	50,500	41,035	9,465
Special education programs	1,973,100	1,942,593	30,507	393,468	392,612	856
Vocational education programs	831,400	800,378	31,022	-	-	-
Other instructional programs	320,625	384,446	(63,821)	-	-	-
Special programs	157,000	142,838	14,162	1,000,180	971,385	28,795
Adult and continuing education programs	101,900	97,610	4,290	-	-	-
Support services:						
Pupil support services	1,198,600	1,144,158	54,442	-	-	-
Instructional staff support services	951,750	940,409	11,341	255,122	260,973	(5,851)
General administration	1,827,624	1,671,791	155,833	75,025	61,891	13,134
School administration	1,213,100	1,207,912	5,188	397,500	383,137	14,363
Business services	141,328	139,004	2,324	-	-	-
Operation and maintenance of plant services	1,714,980	1,736,361	(21,381)	642,254	662,261	(20,007)
Student transportation services	1,684,800	1,646,090	38,710	-	-	-
Non-instructional services:						
Food services	-	-	-	1,862,680	1,962,248	(99,568)
Total expenditures	<u>22,407,617</u>	<u>22,435,815</u>	<u>(28,198)</u>	<u>4,676,729</u>	<u>4,735,542</u>	<u>(58,813)</u>
Excess (deficiency) of revenues over expenditures	<u>21,465</u>	<u>193,965</u>	<u>172,500</u>	<u>(4,206)</u>	<u>(84,284)</u>	<u>(80,078)</u>
Other financing sources (uses):						
Operating transfers in	28,000	29,024	1,024	-	78,279	78,279
Operating transfers out	(350,000)	(86,097)	263,903	(29,919)	(29,024)	895
Total other financing sources (uses)	<u>(322,000)</u>	<u>(57,073)</u>	<u>264,927</u>	<u>(29,919)</u>	<u>49,255</u>	<u>79,174</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(300,535)</u>	<u>136,892</u>	<u>437,427</u>	<u>(34,125)</u>	<u>(35,029)</u>	<u>(904)</u>
Fund balances, beginning	<u>7,809,149</u>	<u>7,809,149</u>	<u>-</u>	<u>1,516,606</u>	<u>1,516,606</u>	<u>-</u>
Fund balances, ending	<u>\$ 7,508,614</u>	<u>\$ 7,946,041</u>	<u>\$ 437,427</u>	<u>\$ 1,482,481</u>	<u>\$ 1,481,577</u>	<u>\$ (904)</u>

The accompanying notes are an integral part of this statement.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements

Introduction

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

The School Board operates ten schools within the parish with a total enrollment of 4,548 and 4,579 pupils in 2001 and 2000, respectively. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

(1) Summary of Significant Accounting Policies

A. Basis of Presentation

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

B. Reporting Entity

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

C. Fund Accounting

The accounts of the Allen Parish School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. School Board resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and two broad fund categories as follows:

Governmental Fund Types -

General Fund

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

Special Revenue Funds

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

Debt Service Funds

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

Capital Projects Funds

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

Fiduciary Fund Types -

Agency Funds (includes School Activity Funds)

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Account Groups -

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

General Fixed Assets Account Group

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

General Long-Term Debt Account Group

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

D. Basis of Accounting

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

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

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

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

E. Budgets

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

All appropriations lapse at the end of each fiscal year.

F. Encumbrances

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

G. Interest-Bearing Deposits

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

H. Investments

Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the United States. The School Board may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at amortized cost.

I. Short-term Interfund Receivables/Payables

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

J. Inventories

Inventory of the School Lunch Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

K. Long-Term Liabilities and Fixed Assets

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

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

L. Compensated Absences

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

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

In accordance with the provisions of Statement No. 16, of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive vacation pay. A liability has been recorded in the general long-term debt account group for up to 25 days of accumulated sick leave for those employees eligible for retirement as of June 30, 2001.

At June 30, 2001, employees of the School Board have accumulated and vested \$334,202 of compensated absence benefits, which is recorded within the general long-term debt account group since they are not payable from expendable available financial resources.

M. Fund Equity

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

N. Interfund Transactions

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

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

O. Total Columns on Combined Statements - Overview

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2001, the School Board has cash and interest-bearing deposits (book balances) totaling \$6,817,360 as follows:

Demand deposits	\$6,390,218
Money market accounts	313,777
Time deposits	<u>113,365</u>
Total	<u>\$6,817,360</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2001, are secured as follows:

Bank balances	<u>\$ 8,133,415</u>
Federal deposit insurance	394,536
Pledged securities (category 3)	<u>7,738,879</u>
Total	<u>\$ 8,133,415</u>

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(3) Investments

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

In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operated in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

The investment in Federal National Mortgage Association (FNMA) is valued at amortized cost, which approximates fair value.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

At June 30, 2001, the School Board's investments totaled \$7,115,239 as follows:

Description	Category	Interest Rate	Reported Amount	Approximate Fair Value
Federal National Mortgage Association Note, maturity December 25, 2023	1	6.0%	\$ 182,918	\$ 179,278
Louisiana Asset Management Pool (LAMP)	N/A	Variable	<u>6,932,321</u>	<u>6,951,147</u>
			<u>\$7,115,239</u>	<u>\$ 7,130,425</u>

(4) Ad Valorem Taxes

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

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

For the years ended June 30, 2001 and 2000, ad valorem taxes totaling 301.76 and 328.46 mills were levied on property and dedicated as follows:

	2001		2000	
	Net Assessed Valuations	Mills	Net Assessed Valuations	Mills
Parish wide taxes constitutional	\$58,316,130	4.18	\$55,938,850	4.26
Special school taxes:				
Special parish school	58,316,130	5.03	55,938,850	5.13
Maintenance taxes, by district:				
School district -				
Ward 1 Maintenance	6,960,230	5.22	6,853,830	5.12
No. 1 Maintenance	2,400,320	18.84	2,220,380	17.45
No. 3 Maintenance	8,218,130	6.49	7,791,920	8.00
No. 4 Maintenance	4,175,580	18.12	3,906,640	10.05
No. 5 Maintenance	17,926,010	7.27	18,032,450	7.15
No. 25 Maintenance	15,857,450	4.91	14,405,050	5.16

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

	2001		2000	
	Net Assessed Valuations	Mills	Net Assessed Valuations	Mills
Bond and interest taxes, by district:				
School district -				
Ward 1 Sinking Fund	6,960,230	19.50	6,853,830	28.00
No. 1 Sinking Fund	2,400,320	36.60	2,220,380	40.80
No. 3 Sinking Fund	8,218,130	10.50	7,791,920	11.10
No. 4 Sinking Fund	4,175,580	9.50	3,906,640	10.20
No. 5 Sinking Fund	17,926,010	29.95	18,032,450	32.00
No. 25 Sinking Fund	15,857,450	23.25	14,405,050	26.70
Construction taxes, by district:				
School district -				
Ward 1 Construction	6,960,230	11.23	6,853,830	11.03
No. 1 Construction	2,400,320	28.94	2,220,380	20.02
No. 1 Construction	2,400,320	16.42	2,220,380	30.75
No. 3 Construction	8,218,130	7.64	7,791,920	6.80
No. 4 Construction	4,175,580	9.91	3,906,640	10.52
No. 4 Construction	4,175,580	9.46	3,906,640	19.26
No. 5 Construction	17,926,010	11.94	18,032,450	11.75
No. 25 Construction	15,857,450	6.86	14,405,050	7.21
Total		<u>301.76</u>		<u>328.46</u>

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

The taxes levied were \$2,970,836 and \$2,947,845 for the years ended June 30, 2001 and 2000, respectively.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(5) Interfund Receivables, Payables

Interfund receivables, payables of \$1,293,142 at June 30, 2001 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,224,794	\$ 7,818
Special Revenue Funds:		
Title I	-	25,017
Title V1	-	6,594
School Food Service	-	6,834
Special Education	-	77,481
School District Maintenance No. 1	-	12,237
School District Maintenance No. 3	10,987	59,500
School District Maintenance No. 5	9,325	11,339
School District Maintenance No. 25	6,254	73,000
School District Maintenance No. 4A	-	3,351
Debt Service Funds:		
School District Ward 1	-	6,254
School District No. 4	-	9,325
School District No. 5	-	28,252
Capital Projects Funds:		
School District Ward 1	-	126,250
School District No. 3	41,782	114,183
School District No. 5	-	39,964
Agency Funds:		
Sales tax collection fund	-	685,743
	<u>\$ 1,293,142</u>	<u>\$ 1,293,142</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(6) Due From Other Governmental Units

A summary of amounts due from other governmental agencies at June 30, 2001 follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Department of Education - grants:			
Federal	\$ 55,868	\$ 608,447	\$ 664,315
State	273,708	-	273,708
Other	12,284	-	12,284
Total	<u>\$ 341,860</u>	<u>\$ 608,447</u>	<u>\$ 950,307</u>

(7) General Fixed Assets

A summary of general fixed assets follows:

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Furniture and Equipment</u>	<u>Total</u>
Balance, July 1, 2000	\$ 361,157	\$ 23,208,549	\$ 7,786,726	\$ 31,356,432
Additions:	114,484	356,456	137,944	608,884
Deletions:	-	-	-	-
Balance, June 30, 2001	<u>\$ 475,641</u>	<u>\$ 23,565,005</u>	<u>\$ 7,924,670</u>	<u>\$ 31,965,316</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(8) Accounts, Salaries and Other Payables

The accounts, salaries and other payables of \$3,674,137 at June 30, 2001, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Salaries and withholdings	\$2,208,499	\$533,983	\$ -	\$2,742,482
Accounts	309,719	429,491	15,684	754,894
Workers' compensation claims payable	<u>176,761</u>	<u>-</u>	<u>-</u>	<u>176,761</u>
Total	<u>\$2,694,979</u>	<u>\$963,474</u>	<u>\$15,684</u>	<u>\$3,674,137</u>

(9) Changes in General Long-Term Debt

The following is a summary of the long-term obligation transactions of the Allen Parish School Board for the year ended June 30, 2001:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations payable at July 1, 2000	\$10,665,000	\$326,610	\$10,991,610
Additions	-	28,854	28,854
Deductions	<u>(780,000)</u>	<u>(21,262)</u>	<u>(801,262)</u>
Long-term obligations payable at June 30, 2001	<u>\$ 9,885,000</u>	<u>\$334,202</u>	<u>\$10,219,202</u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Bonds payable at June 30, 2001 are comprised of the following individual issues:

\$1,750,000 1997 General Obligation Bonds of School District Ward 1 due in annual installments of \$45,000 to \$215,000 through March 1, 2011; interest at 4.80 to 5.15 percent, payable by levy of ad valorem tax	\$ 1,610,000
\$850,000 1997 General Obligation Bonds of School District 1 due in annual installments of \$50,000 to \$80,000 through March 1, 2011; interest at 4.80 to 5.15 percent, payable by levy of ad valorem tax	630,000
\$800,000 1995 General Obligation Bonds of School District No. 3 due in annual installments of \$50,000 to \$80,000 through April 1, 2010; interest at 5.10 to 5.65 percent, payable by levy of ad valorem tax	565,000
\$400,000 1982 General Obligation Bonds of School District No. 4 due in one final installment of \$35,000 on May 11, 2002; interest at 5.0 percent, payable by levy of ad valorem tax	35,000
\$300,000 1987 General Obligation Bonds of School District No. 5 due in one final installment of \$35,000 on March 1, 2002; interest at 8.00 percent, payable by levy of ad valorem tax	35,000
\$450,000 1988 General Obligation Bonds of School District No. 5 due in annual installments of \$45,000 to \$50,000 through March 1, 2003; interest at 8.00 percent, payable by levy of ad valorem tax.	95,000
\$3,500,000 1997 General Obligation Bonds of School District 5 due in annual installments of \$170,000 to \$405,000 through March 1, 2012; interest at 4.50 to 9.00 percent, payable by levy of ad valorem tax.	3,335,000
\$1,000,000 1998 General Obligation Bonds of School District 5 due in annual installments of \$35,000 to \$105,000 through March 1, 2013; interest at 4.30 to 7.00 percent, payable by levy of ad valorem tax.	970,000
\$3,500,000 1997 General Obligation Bonds of School District 25 due in annual installments of \$200,000 to \$335,000 through March 1, 2011; interest at 4.50 to 5.00 percent, payable by levy of ad valorem tax.	<u>2,610,000</u>
Total bonded debt	<u><u>\$ 9,885,000</u></u>

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Compensated absences reported at June 30, 2001, reflect amounts due to employees that are eligible for retirement, for unused sick leave, up to a maximum of 25 days.

The annual requirements to amortize all bonds outstanding at June 30, 2001, including interest payments of \$3,040,681 follows:

Year Ending June 30,	General Obligation
2002	\$ 1,171,582
2003	1,219,573
2004	1,237,370
2005	1,233,178
2006	1,236,700
2007-2011	6,194,698
2012-2013	632,580
	\$ 12,925,681

(10) Sales Tax

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

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

- B. On January 16, 1988, the voters of the parish approved a one percent sales and use tax to be levied by the School Board for a period of five years. On May 3, 2000 voters of the parish approved this levy for another five years. The proceeds of the tax are used to supplement other revenues available to the School Board to pay salaries of teachers and the expenses of operating the public schools of Allen Parish.

The School Board is also authorized to collect sales taxes on behalf of the Allen Parish Policy Jury and other taxing authorities within Allen Parish. Sales tax revenues (\$3,541,734 in 2001 and \$3,455,873 in 2000) are included in the revenues of the General Fund.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(11) Retirement Plans

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

A. Teachers' Retirement System of Louisiana (TRS)

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

Funding Policy: Plan members are required to contribute 8.0 and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 14.2 percent of the annual covered payroll for both membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the system for the years ended June 30, 2001, 2000 and 1999 were \$1,966,051, \$1,995,739 and \$2,042,831, respectively, equal to the required contribution for each year.

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

Funding Policy: Plan members are required to contribute 6.35 percent of their annual covered salary. In previous years, the School Board has been contributing at the rate of 6.00 percent of annual covered payroll. During the fiscal year ended June 30, 2001, the School Board's contribution requirement to the plan was remitted from a credit which was accumulated through prior year excess contributions. This excess resulted from the difference between the actual amount contributed and the actuarially determined rate. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The School Board's contributions to the system for the years ended June 30, 2001, 2000 and 1999 were \$-0-, \$-0-, and \$80,693 respectively, equal to the required contribution for each year.

(12) Post-Retirement Health Care

The Allen Parish School Board provides certain continuing health care benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee, the State, and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due. The School Board's total cost of providing these benefits was \$830,001 and \$693,637 for the years ended June 30, 2001 and 2000 respectively.

(13) Risk Management

The School Board has established a limited risk management program for workers' compensation. The School Board employs a third-party administrator for this program. During the years ended June 30, 2001 and 2000, a total of \$245,740 and \$91,597 respectively was incurred in benefits and administrative costs. The School Board purchases commercial insurance for individuals' claims in excess of \$175,000. Incurred but not paid claims have been accrued as a liability in the General Fund.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(14) Pending Litigation

A. Contingencies

At June 30, 2001, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits cannot be determined at June 30, 2001.

B. Grant Audit

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

(15) Designated Fund Balances

The School Board has designated a portion of the fund balance of the General Fund for payment of workers' compensation claims and services. At June 30, 2001, the designated portion of the fund balance of the General Fund totaled \$175,000.

Fund balances for Capital Projects Funds in School Districts Ward I, No. 1, No. 5 and No. 25 of \$21,245, \$8,523, \$192,364, and \$106,326, respectively, are designated for future facilities acquisitions and construction.

(16) Reserved Fund Balances

Fund balance for the School Food Service Fund of \$20,685 is reserved for inventory. Fund balances of \$789,748 in Debt Service Funds are reserved for debt service.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Financial Statements (Continued)

(17) Compensation of Board Members

A detail of the compensation paid to individual board members for the year ending June 30, 2001 follows:

Board Member	Amount
Yvonne Smith	\$ 10,200
Lyndon Livingston	10,800
Willie B. Jackson	9,600
Bobby Odom	9,600
Carolyn Manuel	9,600
Wesley Lester	10,200
Marjorie Sanderson	10,200
Total	\$ 70,200

(18) Changes in Agency Fund Deposits

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

Fund	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
School Activity	\$ 297,592	\$1,208,406	\$1,171,339	\$ 334,659
Sales Tax Collection	269,925	6,949,878	6,281,249	938,554
Total	\$ 567,517	\$8,158,284	\$7,452,588	\$1,273,213

SUPPLEMENTAL INFORMATION

SCHEDULES OF INDIVIDUAL FUNDS

GENERAL FUND

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2001 and 2000

	2001	2000
ASSETS		
Cash and interest-bearing deposits	\$ 2,389,783	\$ 2,745,495
Investments	6,656,401	6,299,039
Receivables:		
Due from other governmental agencies	341,860	821,822
Due from other funds	1,224,794	594,164
Other	36,000	53,967
Total assets	\$10,648,838	\$10,514,487
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables	\$ 2,694,979	\$ 2,705,338
Due to other funds	7,818	-
Total liabilities	2,702,797	2,705,338
Fund balances:		
Designated for worker's compensation claims	175,000	175,000
Unreserved, undesignated	7,771,041	7,634,149
Total fund balances	7,946,041	7,809,149
Total liabilities and fund balances	\$10,648,838	\$10,514,487

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
General Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances
Years Ended June 30, 2001 and 2000

	2001	2000
Revenues:		
Local sources -		
Ad valorem taxes	\$ 518,782	\$ 518,115
Sales taxes	3,541,734	3,455,873
Interest earnings	553,206	475,654
Other	763,721	1,525,163
State sources -		
Equalization	16,273,628	15,546,108
Other	800,383	866,837
Federal sources	178,326	156,433
Total revenues	22,629,780	22,544,183
Expenditures:		
Current -		
Instruction:		
Regular programs	10,582,225	9,494,703
Special education programs	1,942,593	2,170,497
Vocational education programs	800,378	895,844
Other instructional programs	384,446	340,116
Special programs	142,838	177,872
Adult and continuing education programs	97,610	83,845
Support services:		
Pupil support services	1,144,158	1,012,930
Instructional staff support services	940,409	798,187
General administration	1,671,791	1,654,598
School administration	1,207,912	1,050,994
Business services	139,004	137,966
Operation and maintenance of plant services	1,736,361	1,437,661
Student transportation services	1,646,090	1,477,658
Facilities acquisition and construction	-	326,808
Total expenditures	22,435,815	21,059,679
Excess of revenues over expenditures	193,965	1,484,504
Other financing sources (uses):		
Operating transfers in	29,024	23,035
Operating transfers out	(86,097)	-
Total other financing sources (uses)	(57,073)	23,035
Excess of revenues and other sources over expenditures and other uses	136,892	1,507,539
Fund balances, beginning	7,809,149	6,301,610
Fund balances, ending	\$7,946,041	\$7,809,149

SPECIAL REVENUE FUNDS

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

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

School Food Service Fund

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

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

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

Title VI of the Improving America's Schools Act

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

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

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

Special Education Fund

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

School Food Service	Improving America's School Act		Education For Economic Security Act	Special Education	Total	
	Title I	Title VI	Title II		2001	2000
\$ 492,574	\$ 130,862	\$ 1,435	\$ -	\$ 91,055	\$ 2,064,706	\$ 1,875,966
-	-	-	-	-	26,566	26,566
-	440,026	8,059	2,384	157,978	608,447	345,643
<u>20,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,685</u>	<u>23,970</u>
<u>\$ 513,259</u>	<u>\$ 570,888</u>	<u>\$ 9,494</u>	<u>\$ 2,384</u>	<u>\$ 249,033</u>	<u>\$ 2,720,404</u>	<u>\$ 2,272,145</u>
\$ 124,123	\$ 545,871	\$ 2,900	\$ 2,384	\$ 171,552	\$ 963,474	\$ 515,070
6,834	25,017	6,594	-	77,481	275,353	240,469
<u>130,957</u>	<u>570,888</u>	<u>9,494</u>	<u>2,384</u>	<u>249,033</u>	<u>1,238,827</u>	<u>755,539</u>
20,685	-	-	-	-	20,685	23,970
<u>361,617</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,460,892</u>	<u>1,492,636</u>
<u>382,302</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,481,577</u>	<u>1,516,606</u>
<u>\$ 513,259</u>	<u>\$ 570,888</u>	<u>\$ 9,494</u>	<u>\$ 2,384</u>	<u>\$ 249,033</u>	<u>\$ 2,720,404</u>	<u>\$ 2,272,145</u>

School Food Service	Improving America's School Act		Education for Economic Security Act	Special Education	Totals	
	Title I	Title VI	Title II		2001	2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$1,087,136	\$1,021,017
-	-	-	-	-	333	2,167
18,524	-	-	-	-	28,706	30,132
333,719	-	-	-	-	333,719	339,928
3,622	-	-	-	-	8,758	15,868
321,704	-	-	-	-	321,704	321,703
-	-	-	-	-	48,546	53,344
<u>1,129,215</u>	<u>1,237,889</u>	<u>24,578</u>	<u>28,262</u>	<u>402,412</u>	<u>2,822,356</u>	<u>2,606,581</u>
<u>1,806,784</u>	<u>1,237,889</u>	<u>24,578</u>	<u>28,262</u>	<u>402,412</u>	<u>4,651,258</u>	<u>4,390,740</u>
-	-	-	-	-	41,035	72,854
-	-	-	-	392,612	392,612	270,978
-	919,511	24,136	27,738	-	971,385	923,189
-	257,223	-	-	3,750	260,973	211,489
-	-	-	-	-	61,891	53,897
-	-	-	-	-	383,137	358,671
-	39,147	-	-	-	662,261	863,384
<u>1,962,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,962,248</u>	<u>1,819,114</u>
<u>1,962,248</u>	<u>1,215,881</u>	<u>24,136</u>	<u>27,738</u>	<u>396,362</u>	<u>4,735,542</u>	<u>4,573,576</u>
<u>(155,464)</u>	<u>22,008</u>	<u>442</u>	<u>524</u>	<u>6,050</u>	<u>(84,284)</u>	<u>(182,836)</u>
78,279	-	-	-	-	78,279	-
-	(22,008)	(442)	(524)	(6,050)	(29,024)	(23,035)
<u>78,279</u>	<u>(22,008)</u>	<u>(442)</u>	<u>(524)</u>	<u>(6,050)</u>	<u>49,255</u>	<u>(23,035)</u>
(77,185)	-	-	-	-	(35,029)	(205,871)
<u>459,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,516,606</u>	<u>1,722,477</u>
<u>\$ 382,302</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,481,577</u>	<u>\$1,516,606</u>

DEBT SERVICE FUNDS

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Debt Service Funds

Combining Balance Sheet
June 30, 2001

With Comparative Totals for June 30, 2000

	School Districts					Totals	
	Ward 1	No. 1	No. 3	No. 4	No. 5	No. 25	2000
ASSETS							
Cash and interest-bearing deposits	<u>\$49,159</u>	<u>\$68,118</u>	<u>\$39,916</u>	<u>\$50,002</u>	<u>\$409,436</u>	<u>\$216,948</u>	<u>\$833,579</u>
	\$ 6,254	\$ -	\$ -	\$ 9,325	\$ 28,252	\$ -	\$ 43,831
	<u>42,905</u>	<u>68,118</u>	<u>39,916</u>	<u>40,677</u>	<u>381,184</u>	<u>216,948</u>	<u>995,867</u>
Total liabilities and fund balances	<u>\$49,159</u>	<u>\$68,118</u>	<u>\$39,916</u>	<u>\$50,002</u>	<u>\$409,436</u>	<u>\$216,948</u>	<u>\$833,579</u>
							<u>\$1,039,698</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due to other funds							\$ 43,831
Fund balances:							
Reserved for debt service							789,748
							995,867
Total liabilities and fund balances							\$833,579
							\$1,039,698

School Districts		Totals	
No. 5	No. 25	2001	2000
\$ 551,756	\$ 343,635	\$ 1,229,024	\$ 1,328,803
<u>3,990</u>	<u>7,395</u>	<u>26,784</u>	<u>28,619</u>
<u>555,746</u>	<u>351,030</u>	<u>1,255,808</u>	<u>1,357,422</u>
19,394	12,261	44,594	48,846
265,000	190,000	780,000	675,000
<u>257,428</u>	<u>144,365</u>	<u>560,138</u>	<u>611,688</u>
<u>541,822</u>	<u>346,626</u>	<u>1,384,732</u>	<u>1,335,534</u>
13,924	4,404	(128,924)	21,888
<u>-</u>	<u>-</u>	<u>(77,195)</u>	<u>-</u>
13,924	4,404	(206,119)	21,888
<u>367,260</u>	<u>212,544</u>	<u>995,867</u>	<u>973,979</u>
<u>\$ 381,184</u>	<u>\$ 216,948</u>	<u>\$ 789,748</u>	<u>\$ 995,867</u>

CAPITAL PROJECTS FUNDS

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Capital Project Funds

Combining Balance Sheet
June 30, 2001

With Comparative Totals for June 30, 2000

	School Districts				Totals		
	Ward 1	No. 1	No. 3	No. 5	No. 25	2001	2000
ASSETS							
Cash and interest-bearing deposits	\$147,895	\$8,523	\$72,401	\$43,215	\$2,666	\$274,700	\$119,980
Investments	47,844	-	-	189,113	203,260	440,217	714,437
Receivables:							
Due from other funds	-	-	41,782	-	-	41,782	-
Total assets	<u>\$195,739</u>	<u>\$8,523</u>	<u>\$114,183</u>	<u>\$232,328</u>	<u>\$205,926</u>	<u>\$756,699</u>	<u>\$834,417</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$15,684	\$-	\$-	\$-	\$-	\$15,684	\$2,125
Contracts payable	10,060	-	-	-	89,640	99,700	-
Retainages payable	22,500	-	-	-	9,960	32,460	16,000
Due to other funds	126,250	-	114,183	39,964	-	280,397	8,195
Total liabilities	<u>174,494</u>	<u>-</u>	<u>114,183</u>	<u>39,964</u>	<u>99,600</u>	<u>428,241</u>	<u>26,320</u>
Fund balances:							
Designated	21,245	8,523	-	192,364	106,326	328,458	808,097
Total liabilities and fund balances	<u>\$195,739</u>	<u>\$8,523</u>	<u>\$114,183</u>	<u>\$232,328</u>	<u>\$205,926</u>	<u>\$756,699</u>	<u>\$834,417</u>

School Districts		Totals	
No. 5	No. 25	2001	2000
<u>\$ 14,184</u>	<u>\$ 17,288</u>	<u>\$ 44,766</u>	<u>\$ 68,875</u>
-	72	534	-
<u>73,569</u>	<u>226,252</u>	<u>608,884</u>	<u>610,227</u>
<u>73,569</u>	<u>226,324</u>	<u>609,418</u>	<u>610,227</u>
(59,385)	(209,036)	(564,652)	(541,352)
<u>-</u>	<u>-</u>	<u>85,013</u>	<u>-</u>
(59,385)	(209,036)	(479,639)	(541,352)
<u>251,749</u>	<u>315,362</u>	<u>808,097</u>	<u>1,349,449</u>
<u>\$192,364</u>	<u>\$106,326</u>	<u>\$328,458</u>	<u>\$ 808,097</u>

FIDUCIARY FUNDS

AGENCY FUNDS

School Activity Funds

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

Sales Tax Collection Fund

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana
Fiduciary Funds
Agency Funds

Combining Balance Sheet
June 30, 2001
With Comparative Totals for June 30, 2000

	School Activity Funds	Sales Tax Collection Fund	Totals	
			2001	2000
ASSETS				
Cash and interest-bearing deposits	\$316,038	\$938,554	\$1,254,592	\$549,924
Investments	18,621	-	18,621	17,593
Receivables:				
Due from other governmental units	-	-	-	58,310
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$334,659</u>	<u>\$938,554</u>	<u>\$1,273,213</u>	<u>\$625,827</u>
LIABILITIES				
Liabilities:				
Due to other funds	\$ -	\$685,743	\$ 685,743	\$328,235
Due to other governmental units	-	252,811	252,811	-
School activity funds payable	334,659	-	334,659	297,592
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$334,659</u>	<u>\$938,554</u>	<u>\$1,273,213</u>	<u>\$625,827</u>

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

Schedule of Changes in Deposits Due to Others
Year Ended June 30, 2001

School	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
Elizabeth High	\$ 18,062	\$ 114,253	\$ 117,941	\$ 14,374
Fairview High	22,686	105,422	101,886	26,222
Kinder Elementary	23,788	96,266	82,275	37,779
Kinder High	72,303	172,088	173,424	70,967
Kinder Middle	17,626	61,268	46,962	31,932
Oakdale Elementary	34,367	65,195	61,420	38,142
Oakdale Junior High	37,161	100,934	113,627	24,468
Oakdale High	7,285	164,298	160,134	11,449
Oberlin Elementary	18,737	56,371	50,887	24,221
Oberlin High	28,645	172,655	162,887	38,413
Reeves High	16,932	99,656	99,896	16,692
Total balances	<u><u>\$297,592</u></u>	<u><u>\$1,208,406</u></u>	<u><u>\$1,171,339</u></u>	<u><u>\$334,659</u></u>

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

Schedule of Changes in Deposit Balances
Years Ended June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Deposits, beginning	<u>\$ 269,925</u>	<u>\$ 339,734</u>
Additions:		
Sales tax collections	6,924,169	6,408,492
Use of money and property - interest earnings	<u>25,709</u>	<u>10,527</u>
Total additions	<u>6,949,878</u>	<u>6,419,019</u>
Total	<u>7,219,803</u>	<u>6,758,753</u>
Reductions:		
Transfers to -		
General Fund:		
Sales tax	3,541,734	3,455,873
Collection fees	54,971	56,023
Interest earnings	21,432	8,126
Other taxing authorities	2,636,492	2,884,834
Sales tax audit fees	<u>26,620</u>	<u>83,972</u>
Total reductions	<u>6,281,249</u>	<u>6,488,828</u>
Deposits, ending	<u><u>\$ 938,554</u></u>	<u><u>\$ 269,925</u></u>

COMPLIANCE, INTERNAL CONTROL

AND

OTHER GRANT INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*

P.O. Box 539
Oberlin, LA 70655

Phone (337) 639-4737
Fax (337) 639-4568

WEB SITE:
WWW.KCSRPCAS.COM

Allen J. LeBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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

* A Professional Accounting Corporation

Mr. Michael Doucet, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

We have audited the general purpose financial statements of the Allen Parish School Board as of and for the year ended June 30, 2001, and have issued our report thereon dated December 17, 2001. In our report, our opinion was qualified due to the inability to determine the accuracy of general fixed assets at June 30, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Allen Parish School Board's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 01-1(C) and 01-2(C).

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Allen Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable conditions are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 01-3(IC) and 01-4(IC).

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described in the accompanying summary schedule of current and prior year audit findings and corrective plan are material weaknesses.

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

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

Oberlin, Louisiana
December 17, 2001

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad D. Chapman, CPA*
P. Troy Courville, CPA*

P.O. Box 539
Oberlin, LA 70655

Phone (337) 639-4737
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WEB SITE
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Allen J. LaBry, CPA
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MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

* A Professional Accounting Corporation

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

Mr. Michael Doucet, Superintendent,
and Members of the Allen Parish School Board
Oberlin, Louisiana

Compliance

We have audited the compliance of the Allen Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2001. The Allen Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the Allen Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 Allen Parish School Board's compliance with those requirements.

In our opinion, the Allen Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2001.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
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Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

Internal Control Over Compliance

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

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

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

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

Oberlin, Louisiana
December 17, 2001

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2001

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Identifying Number 2000	Pass-through Identifying Number 2001	CFDA Number	Revenue Recognized	Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE					
Passed through Louisiana Department of Agriculture and Forestry:					
Food Distribution Program	N/A	N/A	10.550	\$ 103,845	\$ 107,130
Passed through Louisiana Department of Education:					
National School Breakfast Program	N/A	N/A	10.553	262,126	262,126
National School Lunch Program	N/A	N/A	10.555	763,244	763,244
Total United States Department of Agriculture				<u>1,129,215</u>	<u>1,132,500</u>
UNITED STATES DEPARTMENT OF EDUCATION					
Passed through Louisiana Department of Education:					
Adult Education - State Grant Program	00-AE-20-GF	01-AE-20-GF	84.002	24,661	24,661
IASA Title I *	00-IASA-20-I	01-TI-20-I	84.010	1,237,889	1,237,889
Migrant Education - Basic State Formula Grant Program	N/A	N/A	84.011	18,320	18,320
SPED IDEA - Part B and Preschool	00-IP-20-S	2001-PI-20-S	84.173	402,412	402,412
Title II Eisenhower Grant	00-IASA-20-II	01-50-20-I	84.281	28,262	28,262
IASA Title VI - Innovation Education Program Strategies	00-IASA-20-VI	01-00-20-6	84.298	24,578	24,578
Vocational Education - Basic Grants to States	28-00-20-28/8G	SB 02/00-01	84.048	60,981	60,981
Safe and Drug Free Schools and Communities	00-IASA-20-VI	01-70-20-D	84.186	25,336	25,336
Total United States Department of Education				<u>1,822,439</u>	<u>1,822,439</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through State Department of Education:					
Starting Point	N/A	N/A	93.575	49,028	49,028
Total federal financial assistance				<u>\$3,000,682</u>	<u>\$3,003,967</u>

*Indicates grants regarded as major federal financial assistance programs.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2001

(1) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Allen Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the general-purpose financial statements for the year ended June 30, 2001. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

(2) Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2001, the School Board had \$20,685 of commodities inventory remaining.

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2001

Part I. Summary of Auditor's Results:

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

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

Compliance –

See Compliance Findings 01-1(C) and 01-2(C) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

Internal Control -

See Internal Control Findings 01-3(IC) and 01-4(IC) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

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

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

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 2001

<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Date of Completion</u>
CURRENT YEAR (6/30/01) --					
Compliance:					
01-1(C) 1994	The School Board has not complied with Louisiana Revised Statute 24:515 which requires the maintenance of records of all land, buildings, improvements other than buildings, equipment and any other general fixed assets which were purchased or otherwise acquired for which the entity is accountable.	Yes	The School Board engaged an independent firm in March 2001 to conduct an inventory and tag fixed assets. The firm had not completed the School Board's inventory as of June 30, 2001, but the School Board anticipates completion of the fixed asset inventory by February 2002.	Wilfred Bourne, Business Manager	06/30/02
01-2(C) 2001	The Allen Parish School Board paid a \$600 one-time supplement to each of its retirees in December 2000. This payment was funded from the gaming revenues it receives from the Coushatta Tribe of Louisiana. This payment violated Article VII, Section 14(A) of the Louisiana Constitution that prohibits the use of public funds for this purpose.	Yes	The Allen Parish School Board has reviewed this policy and concurs with this finding. They will no longer pay an annual supplement to its retirees.	Wilfred Bourne, Business Manager	06/30/02
Internal Control:					
01-3(IC) 1992	Due to the small number of employees, the School Board did not have adequate segregation of functions within the accounting system.	No	The School Board reviews its internal control structure on an on-going basis and will make improvements necessary to achieve greater segregation of duties in its accounting system where possible after determining the cost/benefit factors.	Wilfred Bourne, Business Manager	06/30/02

(continued)

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 2001

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date of Completion
01-4(IC)	1994	The school board has not established complete and accurate records of all general fixed assets. Failure to provide a complete physical inventory of fixed assets reduces the School Board's control over these assets. Additionally, the general fixed asset subsidiary should be updated for additions and deletions and property identification tags on assets should be inspected periodically and replaced as needed.	Yes	The School Board engaged an independent firm in March 2001 to conduct an inventory and tag fixed assets. The firm had not completed the School Board's inventory as of June 30, 2001, but the School Board anticipates completion of the fixed asset inventory by February 2002.	Wilfred Bourne, Business Manager	06/30/02
PRIOR YEAR (6/30/00) --						
<u>Compliance:</u>						
00-1(C)	1994	The School Board has not complied with Louisiana Revised Statute 24:515 which requires the maintenance of records of all land, buildings, improvements other than buildings, equipment and any other general fixed assets which were purchased or otherwise acquired for which the entity is accountable.	No	The School Board has begun the process of engaging an independent firm to conduct an inventory and tag fixed assets. Subsequent to that, a perpetual inventory will be maintained with an actual physical inventory being conducted annually.	Wilfred Bourne, Business Manager	06/30/01

(continued)

ALLEN PARISH SCHOOL BOARD
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 2001

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date of Completion
00-2(IC)	1994	The school board has not established complete and accurate records of all general fixed assets. Failure to provide a complete physical inventory of fixed assets reduces the School Board's control over these assets. Additionally, the general fixed asset su	No	The School Board has begun the process of engaging an independent firm to conduct an inventory and tag fixed assets. Subsequent to that, a perpetual inventory will be maintained with an actual physical inventory being conducted annually.	Wilfred Bourne, Business Manager	06/30/01
00-3(IC)	1992	Due to the small number of employees, the School Board did not have adequate segregation of functions within the accounting system.	No	The School Board reviews its internal control structure on an on-going basis and will make improvements necessary to achieve greater segregation of duties in its accounting system where possible after determining the cost/benefit factors.	Wilfred Bourne, Business Manager	06/30/01