

WILLIAM R. DURDEN
Certified Public Accountant

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985)839-4413
FAX (985)839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

**WASHINGTON PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Washington Parish School Board
Franklinton, LA

I have performed the procedures listed below, which were agreed upon by the Washington Parish School Board and Superintendent. These procedures were performed solely to assist the school board office with respect to compliance with policy and procedures concerning individual school activity accounts and school property inventory. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I 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.

I tested inventory records to determine the physical existence of property as listed on the school's property inventory report and to determine that property at the school was included on the inventory list. I also inspected property items to determine if they were identified as property of the school and numbered in accordance with the property inventory list. I examined the records for the schools' activity accounts. All twelve months of bank reconciliation forms were tested for completeness and mathematical accuracy. Disbursements were tested for proper use of requisitions, purchase orders and supporting documentation in relation to the school board policies and procedures. I tested bank deposits against receipts for propriety and traced them to the activity account ledger. I calculated gross profit percentages on concession and coke sales and performed reasonableness test on other receipt categories where applicable.

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

Release Date 2/12/03

FRANKLINTON JUNIOR HIGH SCHOOL

Bank Reconciliation - I examined all bank reconciliation forms for the year July 1, 2001 through June 30, 2002. Each month tested was mathematically correct, all reconciling items proper and the reconciled balances equaled the activity account ledger. Beginning and ending balances were traced to prior and subsequent period balances to verify proper cutoffs, transactions were recorded in the proper period and balances were carried forward properly. There were no exceptions to school board policy concerning bank reconciliation procedures in the months we tested.

Cash disbursements - Requisitions, purchase orders and invoices were issued in compliance with school board policy for 70% of the items tested. Of the 30 items tested; 5 were issued with the invoice dated prior to the requisition and purchase order date, 2 invoices were not signed, 2 items did not have an invoice, and 1 invoice was not dated. This would indicate some lack of proper approval for the disbursement of funds. Disbursement records were neat and orderly allowing the verification process to be accomplished in an efficient manner.

Cash receipts - My examination indicates that most deposits were made timely and intact, with excellent documentation of receipts and safeguarding of funds. Of the 21 items checked 1 could not be traced to the deposit slip and bank statement.

Concessions - I calculated the gross profit for the school's concession operations for the year to be \$4,641., 37.1%. These funds appear to be properly accounted for and deposited in a timely manner. All drink machines are operated on a full service contract basis and netted a gross profit of \$2,843., 25.11% for the year ended 6/30/02.

Athletic gate receipts - Ticket reconciliation forms were utilized for athletic events. My examination of these forms indicates a proper accounting for gate receipts and ticket inventory for the events supported by pre-numbered ticket sales and ticket reconciliation forms. Funds from nighttime sporting events are dropped in the bank's night deposit by the principal. Count sheets are used to document gate receipts and concession operations, requiring the signature of two counters.

Fixed asset inventory - Fixed assets were randomly selected from the inventory list, and from the school's premises. Of the 1,327 items contained on the school's property list, I compiled a sample of 247 (19%). One hundred-thirty seven items were selected from the inventory list. I found 96% of the items selected, and of the items found, 99% had identification numbers. One hundred-thirty items were selected from the school premises and traced to the inventory listing. I found 88% (114) of the items selected on the inventory list. Of the sixteen items I could not locate on the list, thirteen were tagged. It would appear

that if an item is tagged it should have been placed on the inventory list by the school board office. Except for the items not listed, the inventory records for Franklinton Junior High School were in excellent shape. Items are listed by room number and were very easy to locate. The identification numbers were placed for easy recognition on the items and all items were clearly marked. Teachers are required to complete an inventory list of their room at the beginning and end of each school year.

I was not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the specified users listed above 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.

Yours truly,



William R. Durden, CPA, LLC

July 18, 2002