

RECEIVED
LEGISLATIVE AUDITOR
2000 JAN -4 AM 10:05

**ST. HELENA PARISH SCHOOL BOARD
GREENSBURG, LOUISIANA**

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

Release Date 1-26-2000

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

TABLE OF CONTENTS

PAGE

INDEPENDENT AUDITORS' REPORT 1

GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED BALANCE SHEET--ALL FUND TYPES AND
ACCOUNT GROUPS 3

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES--ALL GOVERNMENTAL
FUND TYPES 5

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
(GAAP BASIS)--GENERAL AND SPECIAL REVENUE
FUND TYPES 8

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS 12

SUPPLEMENTAL INFORMATION:

COMBINING FINANCIAL STATEMENTS- SPECIAL REVENUE FUND

COMBINING BALANCE SHEET 34

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES 36

INDEPENDENT AUDITORS' REPORT

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

We have audited the general purpose financial statements of the **St. Helena Parish School Board (the School Board)**, as of and for the year ended June 30, 1999, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the management of **the School Board**. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana
Page 2

As discussed in Note 1, we have been unable to satisfy ourselves concerning a portion of the cost or estimated cost of fixed assets because detailed records and documentation of historical and estimated costs are not available.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to verify the cost or estimated cost of fixed assets, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the **St. Helena Parish School Board**, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report, dated November 19, 1999, on our consideration of **the School Board's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the **St. Helena 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.

Bruno & Tervalon
BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

November 19, 1999

Bruno CERTIFIED PUBLIC ACCOUNTANTS
& Tervalon

ST. HELENA PARISH SCHOOL BOARD
COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1999

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE			ACCOUNT GROUPS			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Agency Fund	General Assets	Fixed Assets	General Long-term Debt			
Assets:											
Cash & cash equivalents (NOTES 1(E) & 3)	\$ 568,544	\$ 344,537	\$ 17,178	\$ 47,363	\$ 28,344	\$ -	\$ -	\$ -	\$ -	\$ 1,005,966	
Taxes receivable	-	-	13,427	-	-	-	-	-	-	13,427	
Due from other governments (NOTE 4)	207,706	194,775	-	-	-	-	-	-	-	402,481	
Due from other funds (NOTE 9)	100,264	-	276,013	-	-	-	-	-	-	376,277	
Inventory (NOTE 1(G))	-	28,417	-	-	-	-	-	-	-	28,417	
Investments (NOTE 1(F))	-	-	-	455,000	-	-	-	-	-	455,000	
Property, plant and equipment (NOTE 5)	-	-	-	-	-	8,258,741	-	-	-	8,258,741	
Other Debits:											
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	2,112,136	-	2,112,136	
Total assets and other debits	\$ 876,514	\$ 567,729	\$ 306,618	\$ 502,363	\$ 28,344	\$ 8,258,741	\$ 2,112,136	\$ -	\$ -	\$12,652,445	
LIABILITIES, EQUITY AND OTHER CREDITS											
Liabilities:											
Accounts payable	\$ 341,661	\$ 65,765	\$ -	\$ 161,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 568,501	
Salaries, wages and payroll taxes payable	431,454	40,206	-	-	-	-	-	-	-	471,660	
Due to other funds (NOTE 9)	-	100,264	-	276,013	-	-	-	-	-	376,277	
Due to student groups	-	-	-	-	28,344	-	-	-	-	28,344	
Due to other governments	-	16,352	-	-	-	-	-	-	-	16,352	
Accrued compensation absences (NOTES 1(J) & 8)	-	-	-	-	-	-	-	329,932	-	329,932	
EPA note payable (NOTE 8)	-	-	-	-	-	-	-	31,977	-	31,977	
Estimated liabilities for claims and judgments (NOTES 1 (K) & 8)	-	-	-	-	-	-	-	45,968	-	45,968	
Capital lease (NOTE 8)	-	-	-	-	-	-	-	13,259	-	13,259	
Certificates of indebtedness (NOTES 8 & 15)	-	-	-	-	-	-	-	1,691,000	-	1,691,000	
Total liabilities	773,115	222,587	-	437,088	28,344	-	-	2,112,136	-	3,573,270	

(CONTINUED)
See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
 COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1999

	GOVERNMENTAL				FIDUCIARY		ACCOUNT GROUPS			Total (Memorandum Only)
	FUND TYPES				FUND TYPE		General			
	General	Special Revenue	Debt Service	Capital Projects	Agency Fund		General	Fixed Assets	Long-term Debt	
EQUITY AND OTHER CREDITS										
Equity and Other Credits:										
Investment in general fixed assets	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 8,258,741	\$ -0-	\$ -0-	\$ 8,258,741
Fund Balance:										
Unreserved:										
Undesignated	103,399	345,142	-0-	-0-	-0-	-0-	-0-	-0-	-0-	448,541
Designated for subsequent years' expenditures	-0-	-0-	-0-	65,275	-0-	-0-	-0-	-0-	-0-	65,275
Reserved for debt service	-0-	-0-	306,618	-0-	-0-	-0-	-0-	-0-	-0-	306,618
Total equity and other credits	103,399	345,142	306,618	65,275	-0-	-0-	8,258,741	-0-	-0-	9,079,175
Total liabilities, equity and other credits	\$ 876,514	\$ 567,729	\$ 306,618	\$ 502,363	\$ 28,344	\$ 8,258,741	\$ 2,112,136			\$12,652,445

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1999

<u>REVENUES</u>	<u>GOVERNMENTAL FUND TYPES</u>				<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Local Sources:					
Ad valorem taxes (NOTE 2)	\$ 361,135	\$ -0-	\$125,552	\$ -0-	\$ 486,687
Sales taxes (NOTE 2)	-0-	636,805	-0-	210,496	847,301
Food services	-0-	30,717	-0-	-0-	30,717
Interest	10,393	6,394	345	-0-	17,132
Earnings on investments	818	-0-	-0-	63,411	64,229
Other	<u>27,493</u>	<u>273</u>	<u>-0-</u>	<u>-0-</u>	<u>27,766</u>
Total revenues from local sources	<u>399,839</u>	<u>674,189</u>	<u>125,897</u>	<u>273,907</u>	<u>1,473,832</u>
State Sources:					
Unrestricted grants-in-aid	5,631,171	-0-	-0-	-0-	5,631,171
Restricted grants-in-aid	506,285	18,224	-0-	-0-	524,509
Revenue sharing	<u>35,045</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>35,045</u>
Total revenues from state sources	<u>6,172,501</u>	<u>18,224</u>	<u>-0-</u>	<u>-0-</u>	<u>6,190,725</u>
Federal sources	<u>68,981</u>	<u>1,403,309</u>	<u>-0-</u>	<u>-0-</u>	<u>1,472,290</u>
Total revenues	<u>6,641,321</u>	<u>2,095,722</u>	<u>125,897</u>	<u>273,907</u>	<u>9,136,847</u>

(CONTINUED)

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—ALL GOVERNMENTAL FUND TYPES, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1999

<u>EXPENDITURES</u>	<u>GOVERNMENTAL FUND TYPES</u>				<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Current:					
Instructional:					
Regular	\$2,947,671	\$ 206,405	\$ -0-	\$ -0-	\$3,154,076
Special	812,374	180,802	-0-	-0-	993,176
Vocational education	249,953	33,208	-0-	-0-	283,161
Other	<u>238,057</u>	<u>478,616</u>	<u>-0-</u>	<u>-0-</u>	<u>716,673</u>
Total instructional expenditures	<u>4,248,055</u>	<u>899,031</u>	<u>-0-</u>	<u>-0-</u>	<u>5,147,086</u>
Support services:					
Pupils	243,838	83,173	-0-	-0-	327,011
Instructional staff	256,101	198,740	-0-	-0-	454,841
General administration	210,457	25,495	-0-	6,314	242,266
School administration	360,465	20,159	-0-	-0-	380,624
Business services	149,869	14,835	-0-	-0-	164,704
Plant services	415,628	71,469	-0-	-0-	487,097
Student transportation services	763,574	87,632	-0-	-0-	851,206
Central services	<u>19,865</u>	<u>1,488</u>	<u>-0-</u>	<u>-0-</u>	<u>21,353</u>
Total support services expenditures	<u>2,419,797</u>	<u>502,991</u>	<u>-0-</u>	<u>6,314</u>	<u>2,929,102</u>
Food services	22,225	687,629	-0-	-0-	709,854
Community services	-0-	2,234	-0-	-0-	2,234
Facility acquisition and construction	-0-	2,869	-0-	1,882,322	1,885,191
Debt Service:					
Principal retirement	13,448	-0-	215,000	-0-	228,448
Interest	<u>945</u>	<u>-0-</u>	<u>91,032</u>	<u>-0-</u>	<u>91,977</u>
Total expenditures	<u>6,704,470</u>	<u>2,094,754</u>	<u>306,032</u>	<u>1,888,636</u>	<u>10,993,892</u>
Excess (deficiency) of revenues over expenditures	<u>(63,149)</u>	<u>968</u>	<u>(180,135)</u>	<u>(1,614,729)</u>	<u>(1,857,045)</u>

(CONTINUED)

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1999

<u>OTHER FINANCING SOURCES (USES)</u>	<u>GOVERNMENTAL FUND TYPES</u>				<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Operating transfers in (NOTE 10)	\$ 22,079	45,883	\$486,753	\$ -0-	554,715
Operating transfers out (NOTE 10)	<u>(45,883)</u>	<u>(22,079)</u>	<u>-0-</u>	<u>(486,753)</u>	<u>(554,715)</u>
Total other financing sources (uses)	<u>(23,804)</u>	<u>23,804</u>	<u>486,753</u>	<u>(486,753)</u>	<u>-0-</u>
Excess (deficiency) revenues and other financing sources over expenditures and other financing uses	(86,953)	24,772	306,618	(2,101,482)	(1,857,045)
Fund balances at beginning of year	<u>190,352</u>	<u>320,370</u>	<u>-0-</u>	<u>2,166,757</u>	<u>2,677,479</u>
Fund balances at end of year	<u>\$ 103,399</u>	<u>\$ 345,142</u>	<u>\$ 306,618</u>	<u>\$ 65,275</u>	<u>\$ 820,434</u>

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
(GAAP BASIS)—GENERAL AND SPECIAL REVENUE FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1999

	GENERAL FUND			SPECIAL REVENUE FUND (NOTE 1(D))			Variance Favorable (Unfavorable)
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
REVENUES:							
Local Sources:							
Ad valorem taxes	\$ 335,596	\$ 361,135	\$ 25,539	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales taxes	-0-	-0-	-0-	626,119	636,805	10,686	10,686
Tuition	3,750	-0-	(3,750)	-0-	-0-	-0-	-0-
Food services	-0-	-0-	-0-	36,010	30,717	(5,293)	(5,293)
Interest	15,000	10,393	(4,607)	-0-	6,394	6,394	6,394
Earnings on investments	-0-	818	818	-0-	-0-	-0-	-0-
Other	24,000	27,493	3,493	-0-	273	273	273
Total revenues from local sources	378,346	399,839	21,493	662,129	674,189	12,060	12,060
State Sources:							
Unrestricted grants-in-aid	5,631,171	5,631,171	-0-	-0-	-0-	-0-	-0-
Restricted grants-in-aid	490,564	506,285	15,721	47,695	18,224	(29,471)	(29,471)
Revenue sharing	38,000	35,045	(2,955)	-0-	-0-	-0-	-0-
Total revenues from state sources	6,159,735	6,172,501	12,766	47,695	18,224	(29,471)	(29,471)
Total revenues from federal sources	72,881	68,981	(3,900)	1,432,938	1,403,309	(29,629)	(29,629)
Total revenues	6,610,962	6,641,321	30,359	2,142,762	2,095,722	(47,040)	(47,040)

(CONTINUED)

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
(GAAP BASIS)—GENERAL AND SPECIAL REVENUE FUND TYPES, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1999

	GENERAL FUND		SPECIAL REVENUE FUND (NOTE 1(D))		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
EXPENDITURES:					
Current:					
Instructional:					
Regular	\$ 2,977,410	\$ 2,947,671	\$ 29,739	\$ 206,405	\$ 2,928
Special	823,806	812,374	11,432	180,802	77,710
Vocational education	252,498	249,953	2,545	33,208	(20,052)
Other	<u>246,780</u>	<u>238,057</u>	<u>8,723</u>	<u>478,616</u>	<u>(1,880)</u>
Total instructional expenditures	<u>4,300,494</u>	<u>4,248,055</u>	<u>52,439</u>	<u>899,031</u>	<u>58,706</u>
Support services:					
Pupils	249,157	243,838	5,319	83,173	(57,066)
Instructional staff	228,719	256,101	(27,382)	198,740	55,083
General administration	212,566	210,457	2,109	25,495	(9,224)
School administration	349,901	360,465	(10,564)	20,159	133
Business services	149,608	149,869	(261)	14,835	455
Plant services	453,024	415,628	37,396	71,469	(19,182)
Student transportation services	759,126	763,574	(4,448)	87,632	1,679
Central services	<u>25,150</u>	<u>19,865</u>	<u>5,285</u>	<u>1,488</u>	<u>(1,488)</u>
Total support services expenditures	<u>2,427,251</u>	<u>2,419,797</u>	<u>7,454</u>	<u>473,381</u>	<u>(29,610)</u>

(CONTINUED)

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
(GAAP BASIS)—GENERAL AND SPECIAL REVENUE FUND TYPES, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1999

	GENERAL FUND		SPECIAL REVENUE FUND (NOTE 1(D))		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
EXPENDITURES, CONTINUED:					
Current, Continued:					
Food services	\$ 21,727	\$ 22,225	\$ 724,796	\$ 687,629	\$ 37,167
Community services	1,650	-0-	-0-	2,234	(2,234)
Facility acquisition and construction	-0-	-0-	-0-	2,869	(2,869)
Debt Service:					
Principal retirement	4,111	13,448	-0-	-0-	-0-
Interest	-0-	945	-0-	-0-	-0-
Total expenditures	<u>6,755,233</u>	<u>6,704,470</u>	<u>2,155,914</u>	<u>2,094,754</u>	<u>61,160</u>
Excess (deficiency) of revenues over expenditures	<u>(144,271)</u>	<u>(63,149)</u>	<u>(13,152)</u>	<u>968</u>	<u>14,120</u>

(CONTINUED)

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
(GAAP BASIS)—GENERAL AND SPECIAL REVENUE FUND TYPES, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1999

	GENERAL FUND		SPECIAL REVENUE FUND (NOTE 1(D))		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 23,000	\$ 22,079	\$ 46,000	\$ 45,883	\$ (117)
Operating transfers out	<u>(46,000)</u>	<u>(45,883)</u>	<u>(23,000)</u>	<u>(22,079)</u>	<u>921</u>
Total other financing sources (uses)	<u>(23,000)</u>	<u>(23,804)</u>	<u>23,000</u>	<u>23,804</u>	<u>804</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(167,271)	(86,953)	9,848	24,772	14,924
Fund balances at beginning of year	<u>190,352</u>	<u>190,352</u>	<u>320,370</u>	<u>320,370</u>	<u>-0-</u>
Fund balances at end of year	<u>\$ 23,081</u>	<u>\$ 103,399</u>	<u>\$ 330,218</u>	<u>\$ 345,142</u>	<u>\$ 14,924</u>

See Accompanying Notes to the General Purpose Financial Statements.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies:

The accounting policies of **St. Helena Parish School Board (the School Board)** conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

(A) Basis of Presentation - Fund Accounting

The accounts of **the School Board** are organized on the basis of funds or 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 balance, revenues and expenditures, as appropriate. Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by **the School Board**:

Governmental Fund Types

Governmental funds are those through which most governmental functions of **the School Board** are financed. The acquisition, use, and balances of **the School Board's** expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination. The following are **the School Board's** governmental fund types:

- General Fund - The General Fund is the general operating fund of **the School Board** and accounts for all revenues and expenditures of **the School Board** not encompassed within other funds.

General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(A) Basis of Presentation - Fund Accounting, Continued

- Special Revenue Fund - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Debt Service Fund - The Debt Service Fund, established to meet requirements of bond ordinances, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.
- Capital Projects Fund - The Capital Projects Fund is used to account for the receipt and disbursement of the proceeds of bond issues and other special or designated revenues used for the acquisition or construction of major capital facilities, renovations and major repairs.

Fiduciary Fund Type

The Student Activity Fund, an agency fund, accounts for the receipts and disbursement of monies from student activity organizations. The School Board's responsibilities for this fund are to safeguard the fund's assets and provide guidelines for revenues, expenses and financial accountability.

Account Groups

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School Board.

General Long-term Debt Account Group - This account group is established to account for all long-term debt of the School Board and for those long-term liabilities to be liquidated with resources to be provided in future periods.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(B) Basis Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by the governmental fund types and the agency fund. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable.

Revenues from local sources consist primarily of property and sales taxes. Property taxes are recorded in the year the taxes are due and payable. Sales and use tax revenues are recorded in the month collected by the School Board.

Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant; and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(C) Reporting Entity

The School Board is a political subdivision created for providing public education to the citizens of St. Helena Parish under Louisiana Revised Statutes 17:51 and 17:121, as amended. **The School Board** has the power to sue and be sued, and to make rules and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the State Board of Elementary and Secondary Education. **The School Board** is presently composed of six (6) members elected by districts serving four (4) year terms.

The School Board is authorized to establish public schools as it deems necessary to provide adequate facilities for the citizens of the parish, to determine the number of teachers to be employed and to determine local supplements to their salaries. Accordingly, under GASB No. 14, **the School Board** is considered a primary government and does not include any component units. **The School Board** members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. These financial statements include all of the funds and account groups and all activities considered to be part of or controlled by **the School Board**.

The School Board is composed of a central office and three (3) schools. Student enrollment for the 1998-99 year was 1,548 regular and special education students. **The School Board** employs approximately 250 persons (full time) of which approximately 91% are directly employed at school sites; and the other 9% provide ancillary support such as general administration, repair and maintenance, bus transportation and financial services. The regular school term begins in early August and runs through late May.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(D) Budgetary Data

The School Board employs the following procedures in establishing the budgetary data recorded in the general purpose financial statements:

1. Annually, the Superintendent of Schools submits to **the School Board** a proposed annual budget of expected revenues and expenditures for the General Fund and Special Revenue Funds. Legally adopted budgets are only required for the General Fund and the Special Revenue Funds. The budgets are prepared under the modified accrual basis of accounting which is consistent with generally accepted accounting principles ("GAAP").
2. A public hearing is advertised and conducted to obtain public input and the proposed budgets are published.
3. The budget is adopted by **the School Board** and, as required, is submitted no later than September 30th to the State Department of Education for approval.
4. The Superintendent is authorized to move budgeted items within line items in the District's approved General Fund Budget but he (she) may not increase the total amount authorized. If during the course of the fiscal year, it becomes evident that estimated revenues, expenditures or beginning fund balance may vary substantially (5%) from the amounts budgeted, then the Superintendent shall inform the Board of the shortfall. Based on the information submitted, **the School Board** will adopt an amended budget according to the procedures set forth by the State Legislature R.S. 39:1309 and 1310, and send a copy of the revision to the Louisiana Superintendent of Education. Other budget revisions are submitted to **the School Board** for approval.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(D) Budgetary Data, Continued

5. Special Revenue Fund budgets may not exceed budgeted amounts by more than 5% unless a budget revision is approved by the State Department of Education.
6. Projects of the Capital Projects Fund remain programmed and funded until completed or until **the School Board** decides to eliminate the project. Accordingly, budget and actual comparisons are not reported in the general purpose financial statements for this fund.
7. Appropriations are valid only for the year in which made, and any part of such appropriation which is not expensed lapses at the end of the year. Encumbrances are not recognized within the accounting records for budgetary control purposes. The level of control over the budget is exercised at the department or program for the General Fund and Special Revenue Funds.
8. All budgeted amounts presented in the general purpose financial statements include the original adopted budget and all subsequent amendments, except certain Special Revenue Fund budgets that were not adopted.

(E) CASH AND CASH EQUIVALENTS

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

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(F) INVESTMENTS

Investments include a certificate of deposit with an original maturity over ninety (90) days. The **School Board's** certificate of deposit is a Category 3 investment according to the provisions of GASB Statement 3. **The School Board** considers the carrying amount of the certificate of deposit to approximate fair value.

(G) INVENTORY

Inventory of the Child Nutrition 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 expenses when consumed. All purchased inventory items are valued at cost, and commodities are assigned values based on information provided by the United States Department of Agriculture.

(H) FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. Detailed property records are maintained except for certain prior year records and supporting data that are not available to determine historical costs. Fixed assets are reported at historical cost or, if the cost is not practicably determinable, at estimated historical cost. In accordance with generally accepted accounting principles, no provision is made for depreciation of such assets in the General Fixed Assets Account Group.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(I) **TOTAL COLUMNS ON COMBINED FINANCIAL STATEMENTS**

The total columns presented in the combined financial statements are captioned Memorandum Only to indicate that they are presented only to facilitate analysis. No consolidating entries or other eliminations were made in the aggregation of the totals; thus, they do not present consolidated information and do not purport to present financial position and results of operations in conformity with generally accepted accounting principles.

(J) **COMPENSATED ABSENCES**

All 12-month employees earn from 10 to 20 days of vacation (annual) leave each year, depending on length of service with **the School Board**. Only 10 days may be carried over at the end of the fiscal year. Unlimited vacation leave can be accumulated and used at the time of retirement.

All school board employees earn from 10 to 18 days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - Summary of Significant Accounting Policies, Continued:

(J) COMPENSATED ABSENCES, CONTINUED

Sabbatical leave may be granted for rest and recuperation 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. Sabbatical leave benefits are recorded as expenditures in the period paid.

The cost of leave privileges, computed in accordance with the Governmental Accounting Standards Board's (GASB's) Codification, Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken or when employees or their heirs are paid for accrued leave upon retirement or death. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

At June 30, 1999, employees of **the School Board** have accumulated and vested \$329,932 of employees' leave benefits, computed in accordance with the GASB's Codification, Section C60, and recorded as compensated absences payable within the general long-term debt account group.

(K) CLAIMS AND JUDGMENTS

The School Board provides for losses resulting from claims and judgments. The criteria established in the GASB's Codification, Section C50 were followed in determining the accrued liability.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 2 - Property and Sales Taxes:

Ad Valorem taxes assessed on a calendar year basis become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

The School Board is authorized to collect, within St. Helena Parish, one and one-half percent sales and use taxes that are dedicated to the payment of salaries and related benefits of all school employees. Also, **the School Board** is authorized to collect, within St. Helena parish, one-half percent sales and use taxes that are dedicated to pay for capital improvements of public schools in St. Helena Parish.

On February 11, 1992, **the School Board** approved St. Helena Parish Sheriff as sales tax collector, for a fee of 3% of the tax collections, beginning April 1, 1992. The Sheriff collects the sales tax for all of St. Helena Parish and remits to **the School Board** its two percent.

NOTE 3 - Cash and Cash Equivalents:

At June 30, 1999, **the School Board** has cash (book balances) totaling \$1,005,966.

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 the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1999, **the School Board** has \$1,646,537 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance and \$2,881,319 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 3 - Cash, Continued:

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 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.

NOTE 4 - Due From Other Governments:

Amounts due from other governments consist of receivables for reimbursement of expenditures under various Federal and State programs and grants. All amounts are expected to be collected within the next twelve months.

NOTE 5 - Property, Plant and Equipment:

A summary of changes in general fixed assets for fiscal 1999 is as follows:

	<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1999</u>
Land	\$ 125,000	\$ -0-	\$ -0-	\$ 125,000
Buildings and improvements	3,103,906	-0-	-0-	3,103,906
Furniture and equipment	2,916,616	194,986	-0-	3,111,602
Construction in progress	<u>14,795</u>	<u>1,903,438</u>	<u>-0-</u>	<u>1,918,233</u>
Total	<u>\$6,160,317</u>	<u>\$2,098,424</u>	<u>\$ -0-</u>	<u>\$ 8,258,741</u>

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 6 - Pension Plan:

At June 30, 1999, **the School Board's** employees participate in three separate defined benefit pension plans, the Teachers' Retirement System of Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS) and the Parochial Employees' Retirement System of Louisiana (Parochial Plan). The three plans are cost sharing multiple-employer retirement plans. Each system is administered and controlled by a separate Board of Trustees.

All full-time maintenance and custodial personnel are covered under the LSERS Plan. All food service employees are covered under the TRSL Plan B and all teachers are covered under the TRSL's Regular Plan. As of March, 1992, the Board members of **the School Board** elected to join the Parochial Plan.

The systems are primarily funded by employee and employer contributions. With the exception of the Parochial Plan, contribution rates (as a percent of covered salaries) are established by state law. The contribution rates for **the School Board** and employees as required by the Parochial Plan were adopted by the Board of Directors.

Pertinent information, as required by the Governmental Accounting Standards Board Statement No. 27, relative to each plan follows:

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 6 - Pension Plan, Continued:

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description

The School Board participates in two membership plans of TRSL, the Regular Plan and Plan A. TRSL 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 the state statute. TRSL issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, 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 percent and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. **The School Board** is required to contribute at an actuarially determined rate. The current rate is 16.5 percent of annual covered payroll for both membership plans. Member contributions and employer contributions for TRSL are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. **The School Board's** employer contribution to TRSL, as provided by the 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 TRSL for the years ended June 30, 1999, 1998 and 1997, were \$674,124, \$637,089, and \$549,866, respectively, equal to the required contributions for each year.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 6 - Pension Plan, Continued:

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description

LSERS 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. LSERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy

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

The School Board's contributions to LSERS for the years ended June 30, 1999, 1998 and 1997 were \$30,761, \$29,505, and \$29,085, respectively, equal to the required contributions for each year.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 6 - Pension Plan, Continued:

C. Parochial Plan

Plan Description

Under the Parochial Plan, employees with ten years of creditable service may retire at age sixty; members with twenty-five years of service may retire at age fifty-five; members with thirty years of service may retire regardless of age. Five years of service credit is required to become vested for disability and survivor benefits. The Parochial Plan issues a publicly available financial report that includes financial statements and required supplementary information which may be obtained by writing the Parochial Employees' Retirement System of Louisiana.

Funding Policy

Plan members are required to contribute 9.5 percent of their annual covered salary and the **School Board** is required to contribute at an actuarially determined rate. The employer's rate was 6.20 percent for 1999 fiscal year.

The School Board's contributions to the Parochial Plan for the years ended June 30, 1999, 1998 and 1997, were \$2,427, \$3,503, and \$3,646, respectively, equal to the required contributions for each year.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 7 - Postretirement Health Care and Life
Insurance Benefits :

The **St. Helena Parish School Board** provides certain continuing health care and life insurance 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**. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by 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. Total expenditures were \$231,354 for the year ended June 30, 1999.

NOTE 8 - Changes in General Long-term
Obligations :

<u>Long-term obligations</u>	Balance July 1, 1998	<u>Additions</u>	<u>Retirements</u>	Balance June 30, 1999
Capital lease (Note 14)	\$ 18,614	\$ -0-	\$ (5,355)	\$ 13,259
Compensated absences (Note 1(J))	317,975	11,957	-0-	329,932
EPA loans	40,070	-0-	(8,093)	31,977
Liability for claims and judgments	45,968	-0-	-0-	45,968
Certificates of indebtedness (Note 15)	<u>1,906,000</u>	<u>-0-</u>	<u>(215,000)</u>	<u>1,691,000</u>
Total	<u>\$2,328,627</u>	\$ <u>11,957</u>	\$ <u>(228,448)</u>	<u>\$2,112,136</u>

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 8 - Changes in General Long-term
Obligations _____:
 Continued

The School Board has entered into a loan agreement with the United States Environmental Protection Agency (EPA) for funds not to exceed \$145,676 at zero interest rate. Loan principal payments are to be repaid semi-annually for a period of twenty (20) years. The loan proceeds finance the removal of asbestos from certain school buildings. The EPA advanced the School Board \$68,410 during the 1995 fiscal year. Principal payments on the EPA loan totaled \$8,093 for the year ended June 30, 1999.

NOTE 9 - Interfund Receivables and Payables
(Due from/to Other Funds) _____:

Individual fund interfund receivables and payables as of June 30, 1999, were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue:		
IASA Funds	\$ -0-	\$ 68,667
Other Federal/State Funds	-0-	14,841
Special Education	-0-	16,506
Sales Tax	<u>-0-</u>	<u>250</u>
 Total Special Revenue	 -0-	 100,264
General	100,264	-0-
Debt Service	276,013	-0-
Capital Projects	<u>-0-</u>	<u>276,013</u>
Total - All Funds	 <u>\$376,277</u>	 <u>\$376,277</u>

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 10 - Operating Transfers:

A summary of the operating transfers by fund for the year ended June 30, 1999, were as follows:

<u>Fund</u>	<u>Operating Transfer In</u>	<u>Operating Transfer Out</u>
General	\$ <u>22,079</u>	\$ <u>45,883</u>
Special Revenue:		
IASA Funds	16,351	17,442
Special Education	-0-	3,867
Other Federal/State Funds	-0-	770
Child Nutrition	<u>29,532</u>	<u>-0-</u>
Total Special Revenue	<u>45,883</u>	<u>22,079</u>
Total - All Funds	\$ <u>67,962</u>	\$ <u>67,962</u>

NOTE 11 - Commitments and Contingencies:

(A) LITIGATION

The School Board is a defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of **the School Board**, the outcome of these lawsuits will not have a material adverse effect on the financial statements.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 11 - Commitments and Contingencies, Continued:

(B) FEDERAL AWARD PROGRAMS

The School Board participates in a number of federal award programs. Although the grant programs have been audited through June 30, 1999, in accordance with the Single Audit Act of 1996, these programs are still subject to financial and compliance audits and resolution of identified questioned costs. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although **the School Board** expects such amounts, if any, to be immaterial.

NOTE 12 - Risk Management:

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters.

The School Board has acquired workers compensation and student liability insurance; however, it has not acquired any commercial property or other liability insurance or used any other method to finance its uninsured risks of loss. Excessive premiums in prior years caused **the School Board** not to purchase any commercial property and liability insurance.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 13 - Changes in Agency Deposits Due to Student Groups:

A summary of changes in the School Activity Agency Fund deposits due to student groups is as follows:

<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1999</u>
<u>\$35,541</u>	<u>\$197,880</u>	<u>\$(205,077)</u>	<u>\$28,344</u>

The **St. Helena Parish School Board** has three schools located in Greensburg, Louisiana. The three schools presently operated by the **School Board** system are as follows:

- | | |
|-------------------------------|-----------------------|
| St. Helena Central High | - Grades 9 through 12 |
| St. Helena Central Elementary | - Grades 5 through 8 |
| St. Helena Central Elementary | - Grades K through 4 |

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 14 - Capital Lease Obligation

The School Board has entered into a lease agreement for financing the acquisition of computer equipment. This lease qualifies as a capital lease for accounting purposes and therefore has been recorded at the present value of the future minimum lease payments as of the date of inception in the General Long-Term Debt Account Group.

Future minimum payments under the capitalized lease consist of the following at June 30, 1999:

<u>June 30,</u>	<u>Amount</u>
2000	\$6,300
2001	6,300
2002	<u>3,036</u>
 Total minimum payments	 15,636
 Less amounts representing interest	 <u>(2,377)</u>
 Long-term lease obligation	 <u>\$ 13,259</u>

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 15 - Certificates of Indebtness

On June 25, 1998, the School Board issued a \$381,000 Certificate of Indebtness, Series 1998 and \$1,525,000 Certificates of Indebtness, Series 1998. Recorded in the Capital Projects Fund, these funds are to be used to acquire, construct and improve the School Board's buildings and facilities.

The \$381,000 Certificate is secured by and payable from an irrevocable pledge and dedication of the funds to be derived from the levy and collection of a special tax of five (5) mills authorized to be levied in each of the years 1997 through 2001. The indebtedness is for a period of four (4) years at a fixed interest rate of 4.73%.

The \$1,525,000 Certificates are secured by and payable solely from an irrevocable pledge and dedication of the excess of annual revenues of the School Board above statutory, necessary and usual charges in each of the fiscal years during which the Certificates are outstanding. The indebtedness is for a period of ten (10) years with interest rates varying between 5.20% to 5.75%.

Debt service requirements to maturity are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 215,000	91,618	306,618
2001	227,000	80,742	307,742
2002	239,000	69,193	308,193
2003	146,000	56,895	202,895
2004	154,000	48,865	202,865
Thereafter	<u>710,000</u>	<u>104,075</u>	<u>814,075</u>
Total	<u>\$1,691,000</u>	<u>\$ 451,388</u>	<u>\$ 2,142,388</u>

SUPPLEMENTARY INFORMATION

ST. HELENA PARISH SCHOOL BOARD
 COMBINING BALANCE SHEET
 SPECIAL REVENUE FUNDS
 JUNE 30, 1999

	IASA FUNDS	Child Nutrition	Special Education	Sales Tax Funds	Other Federal/ State Funds	Total
<u>ASSETS</u>						
Cash	\$ 22,123	\$272,837	\$ 1,339	\$42,199	\$ 6,039	\$344,537
Due from other governments	102,122	-0-	21,943	48,233	22,477	194,775
Inventory	<u>-0-</u>	<u>28,417</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>28,417</u>
Total assets	<u>\$124,245</u>	<u>\$301,254</u>	<u>\$23,282</u>	<u>\$90,432</u>	<u>\$28,516</u>	<u>\$567,729</u>
<u>LIABILITIES AND FUND BALANCES</u>						
<u>Liabilities</u>						
Accounts payable	\$ 14,332	\$ 7,231	\$ 6,674	\$23,825	\$13,703	\$ 65,765
Salaries, wages and payroll taxes payable	24,894	15,312	-0-	-0-	-0-	40,206
Due to other funds	68,667	-0-	16,506	250	14,841	100,264
Due to other governments	<u>16,352</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>16,352</u>
Total liabilities	<u>124,245</u>	<u>22,543</u>	<u>23,180</u>	<u>24,075</u>	<u>28,544</u>	<u>222,587</u>

See Accompanying Independent Auditors' Report.

ST. HELENA PARISH SCHOOL BOARD
 COMBINING BALANCE SHEET (CONTINUED)
 SPECIAL REVENUE FUNDS
 JUNE 30, 1999

	<u>IASA</u>	<u>Child</u>	<u>Special</u>	<u>Sales</u>	<u>Other</u>	<u>Total</u>
	<u>Funds</u>	<u>Nutrition</u>	<u>Education</u>	<u>Tax</u>	<u>Federal/ State Funds</u>	<u>Funds</u>
Unreserved:						
Undesignated	\$ -0-	\$ 278,711	\$ 102	\$ 66,357	\$ (28)	\$ 345,142
Total fund						
balances	-0-	278,711	102	66,357	(28)	345,142
Total liabilities						
and fund						
balances	\$ 124,245	\$ 301,254	\$ 23,282	\$ 90,432	\$ 28,516	\$ 567,729

See Accompanying Independent Auditors' Report.

ST. HELENA PARISH SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	<u>IASA</u>	<u>Child</u>	<u>Special</u>	<u>Sales</u>	<u>Other</u>	<u>Total</u>
	<u>Funds</u>	<u>Nutrition</u>	<u>Education</u>	<u>Tax</u>	<u>Federal/ State Funds</u>	<u>Funds</u>
REVENUES						
Local Sources:						
Sales taxes	\$ -0-	\$ -0-	\$ -0-	\$636,805	\$ -0-	\$ 636,805
Food services	-0-	30,717	-0-	-0-	-0-	30,717
Interest	-0-	4,159	-0-	2,235	-0-	6,394
Other	<u>-0-</u>	<u>273</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>273</u>
Total revenues from local sources	<u>-0-</u>	<u>35,149</u>	<u>-0-</u>	<u>639,040</u>	<u>-0-</u>	<u>674,189</u>
State sources	-0-	-0-	-0-	-0-	18,224	18,224
Federal sources	<u>598,590</u>	<u>592,524</u>	<u>172,306</u>	<u>-0-</u>	<u>39,889</u>	<u>1,403,309</u>
Total revenues	<u>598,590</u>	<u>627,673</u>	<u>172,306</u>	<u>639,040</u>	<u>58,113</u>	<u>2,095,722</u>

See Accompanying Independent Auditors' Report.

ST. HELENA PARISH SCHOOL BOARD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (CONTINUED)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 1999

	IASA Funds	Child Nutrition	Special Education	Sales Tax Funds	Other Federal/ State Funds	Total
<u>EXPENDITURES</u>						
Current:						
Instructional:						
Regular	\$ -0-	\$ -0-	\$ -0-	\$ 206,405	\$ -0-	\$ 206,405
Special	-0-	-0-	91,055	89,747	-0-	180,802
Vocational						
Education	-0-	-0-	-0-	12,995	20,213	33,208
Other	<u>408,069</u>	<u>-0-</u>	<u>-0-</u>	<u>70,547</u>	<u>-0-</u>	<u>478,616</u>
Total instructional expenditures	<u>408,069</u>	<u>-0-</u>	<u>91,055</u>	<u>379,694</u>	<u>20,213</u>	<u>899,031</u>
Support Services:						
Pupils	-0-	-0-	58,569	15,224	9,380	83,173
Instructional staff	162,734	-0-	-0-	21,799	14,207	198,740
General administration	1,120	-0-	280	24,095	-0-	25,495
School administration	-0-	-0-	-0-	20,159	-0-	20,159
Business services	<u>-0-</u>	<u>-0-</u>	<u>199</u>	<u>14,636</u>	<u>-0-</u>	<u>14,835</u>
Sub-total	<u>163,854</u>	<u>-0-</u>	<u>59,048</u>	<u>95,913</u>	<u>23,587</u>	<u>342,402</u>

See Accompanying Independent Auditors' Report

ST. HELENA PARISH SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	IASA Funds	Child Nutrition	Special Education	Sales Tax Funds	Other Federal/ State Funds	Total
EXPENDITURES, Continued						
Support Services, Continued						
Plant services	\$ 21,171	\$ -0-	\$ 15,467	\$ 34,831	\$ -0-	\$ 71,469
Student transportation services	683	-0-	-0-	86,949	-0-	87,632
Central services	<u>1,488</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,488</u>
Total support services expenditures	<u>187,196</u>	<u>-0-</u>	<u>74,515</u>	<u>217,693</u>	<u>23,587</u>	<u>502,991</u>
Food services	-0-	608,115	-0-	62,047	17,467	687,629
Community services	2,234	-0-	-0-	-0-	-0-	2,234
Facility acquisition and construction	<u>-0-</u>	<u>-0-</u>	<u>2,869</u>	<u>-0-</u>	<u>-0-</u>	<u>2,869</u>
Total expenditures	<u>597,499</u>	<u>608,115</u>	<u>168,439</u>	<u>659,434</u>	<u>61,267</u>	<u>2,094,754</u>
Excess (deficiency) of revenues over expenditures	<u>1,091</u>	<u>19,558</u>	<u>3,867</u>	<u>(20,394)</u>	<u>(3,154)</u>	<u>968</u>

See Accompanying Independent Auditors' Report.

ST. HELENA PARISH SCHOOL BOARD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (CONTINUED)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 1999

		<u>Child</u>	<u>Special</u>	<u>Sales</u>	<u>Other</u>
<u>IASA</u>	<u>Funds</u>	<u>Nutrition</u>	<u>Education</u>	<u>Tax</u>	<u>Federal/ State Funds</u>
<u>Total</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
Operating Financing Sources (Uses):					
Operating transfer-in	\$ 16,351	\$ 29,532	\$ -0-	\$ -0-	\$ -0-
Operating transfer-out	(17,442)	-0-	(3,867)	-0-	(770)
	<u>(1,091)</u>	<u>29,532</u>	<u>(3,867)</u>	<u>-0-</u>	<u>(770)</u>
Total other financing sources (uses)					
	(1,091)	29,532	(3,867)	-0-	(770)
	<u>23,804</u>				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-0-	49,090	-0-	(20,394)	(3,924)
Fund balances at beginning of year	-0-	229,621	102	86,751	3,896
Fund balances at end of year	<u>-0-</u>	<u>\$278,711</u>	<u>\$ 102</u>	<u>\$ 66,357</u>	<u>\$ (28)</u>
					<u>\$ 345,142</u>

See Accompanying Independent Auditors' Report.

RECEIVED
LEGISLATIVE AUDITOR
2000 JAN -4 AM 10: 04

**OFFICIAL
FILE COPY**
DO NOT SEND OUT
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

**ST. HELENA PARISH SCHOOL BOARD
GREENSBURG, LOUISIANA**

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

Release Date _____

**FEDERAL GRANTS
FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 1999

TABLE OF CONTENTS

	<u>PAGE</u>
<u>SINGLE AUDIT REPORTS</u>	
Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditors' Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	4
Schedule of Expenditures of Federal Awards	7
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9
Schedule of Prior Year Audit Findings.....	12

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

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

We have audited the general purpose financial statements of the **St. Helena Parish School Board (the School Board)**, as of and for the year ended June 30, 1999, and have issued our report thereon dated November 19, 1999. In our report, our opinion was qualified because we have been unable to satisfy ourselves concerning a portion of the cost or estimated cost of fixed assets because detailed records and documentation of historical and estimated costs are not available. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **the School Boards'** 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 as objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the **School Board's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 judgement, could adversely affect the **School Board's** ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 99-1 to 99-3.

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 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 considerations of the internal control over

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

financial reporting would not necessarily disclosed 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 none of the reportable conditions described above is a material weakness. We also noted other matters involving the internal control over financial reporting that we have reported to management of **the School Board** in a separate letter dated November 19, 1999.

This report is intended solely for the information and use of **the School Board**, its management, the Legislative Auditor's Office, and federal awarding agencies and pass-through entities, such as the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon
BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

November 19, 1999

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

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

Compliance

We have audited the compliance of **St. Helena Parish School Board (the 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 its major federal programs for the year ended June 30, 1999. **The School Board's** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of **the School Board's** management. Our responsibility is to express an opinion on **the School Board's** compliance based on our audit.

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

Compliance, Continued

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

Internal Control Over Compliance

The management of the **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 **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.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the **School Board** as of and for the year ended June 30, 1999, and have issued our report thereon dated November 19, 1999. In our report, our opinion was qualified because we have been unable to satisfy ourselves concerning a portion of the cost or estimated cost of fixed assets because detailed records and documentation of historical and estimated costs are not available. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Except as noted in the first sentence of this paragraph, 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.

This report is intended solely for the information and use of the **School Board**, its management, the Legislative Auditor's Office, and federal awarding agencies and pass-through entities, such as the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon
BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

November 19, 1999

ST. HELENA PARISH SCHOOL BOARD
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 1999

FEDERAL GRANTOR/PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
U. S. DEPARTMENT OF AGRICULTURE:			
Child Nutrition Cluster:			
Passed Through State Department of Education:			
Summer Food Service Program	10.559	n/a	\$ 13,462
School Breakfast Program	10.553	n/a	157,148
School Lunch Program	10.555	n/a	<u>384,535</u>
Total Child Nutrition Cluster			555,145
Passed Through State Department of Education:			
Food Distribution	10.550	n/a	<u>50,841</u>
Total U. S. Department of Agriculture			<u>605,986</u>
U. S. DEPARTMENT OF EDUCATION:			
Passed Through State Department of Education:			
IASA Title I	84.010	99-IASA-46	588,277
IASA Title VI	84.151	99-IASA-46-6	10,313
Adult Basic Education	84.002	n/a	7,775
Idea P.L. 101-476	84.027	99-IP-46-5	150,525
Idea, Section 619 Preschool	84.173	99-IP-46	21,782
IASA Title II Math/Science	84.164	98-IASA-46-2	8,988
Drug-Free Schools	84.184	99-11-SA-46-IV	9,663
Starting Points Pre-School Program	93.575	n/a	37,158
Vocational Education - Basic Grant	84.048	28-99-BY-2B	28,563
Infant/Toddler Child Search	84.181	99-S-46	<u>3,260</u>
Total U. S. Department of Education			<u>866,304</u>
U. S. Environmental Protection Agency-Asbestos Abatement Grant (NOTE 4)			
	66.702	n/a	<u>-</u>
Total			<u>\$ 1,472,290</u>
n/a - Not Available			

See the Independent Auditors' Report on Supplementary Information and the
 Accompanying Notes to the Schedule of Expenditures of Federal Awards.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 1999

NOTE 1 - General:

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the **St. Helena Parish School Board (the School Board)**. **The School Board** reporting entity is defined in NOTE 1 to the general purpose financial statements for the year ended June 30, 1999. All federal awards passed through other government agencies are included on the Schedule.

NOTE 2 - Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in NOTE 1 to **the School Board's** general purpose financial statements for the year ended June 30, 1999.

The preparation of the Schedule of Expenditures of Federal Awards in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

NOTE 3 - Relationship to Federal Financial Reports:

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

NOTE 4 - EPA Loan:

The School Board has outstanding loans from the Environmental Protection Agency totaling \$31,977 as of June 30, 1999. These loans are to be repaid over the next 15 years.

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1999**

1. Summary of Auditors' Results

- A. The type of report issued on the general purpose financial statements: qualified opinion.
- B. Reportable conditions in internal control were disclosed by the audit of the financial statements: yes Material weakness: no.
- C. Noncompliance which is material to the general purpose financial statements: no.
- D. Reportable conditions in internal control over major programs: no Material weaknesses: no.
- E. The type of report issued on compliance for major programs: unqualified opinion.
- F. Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: no.
- G. Major programs:
 - United States Department of Education:
 - Improving America's School Act (IASA) - Title I (CFDA No. 84:010)
 - United States Department of Agriculture:
 - National School Breakfast Program (CFDA No. 10.553)
 - National School Lunch Program (CFDA No. 10.555)
 - Summer Food Service Program (CFDA No. 10.559)
- H. Dollar threshold used to distinguish between Type A and Type B programs: \$300,000.
- I. Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: no.

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1999
(CONTINUED)**

2. Findings Relating to the Financial Statements Reported
in Accordance with *Government Auditing Standards*

Item 99-1 - Segregation of Duties

We noted during our 1999 audit that bookkeepers are assigned and perform incompatible functions which tend to weaken internal controls.

In order to maintain appropriate internal controls, we recommend that **the School Board** review current accounting responsibilities and established procedures to ensure that assigned accounting duties are adequately segregated.

Management's Response

Management is constantly reviewing and reassigning duties performed by the bookkeepers. However, with such a small staff this problem is virtually impossible to eliminate entirely.

Item 99-2 - Insurance Coverage

Although **the School Board** is covered by worker's compensation and student liability insurance, we noted during our 1999 audit that it was not covered by property and other liability insurance.

We recommend that **the School Board** purchase commercial insurance or consider the use of any other type of risk financing to reduce the risks of loss that may arise from torts; act of God; injuries to employees; theft of; damage to and destruction of assets, etc.

Management's Response

Due to limited revenues and endeavoring to meet the 70% of funds to be spent on instruction as mandated by the State Department of Education, **the School Board** is still unable to afford the cost of liability insurance. **The School Board** will continue to review and evaluate various insurance options that may be available to decrease the risk of loss.

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1999
(CONTINUED)**

2. Findings Relating to the Financial Statements Reported
in Accordance with *Government Auditing Standards*, Continued:

Item 99 - 3 - Periodic Financial Reporting

We noted in the 1999 audit that internal financial statements were not prepared monthly.

We recommend that procedures be reviewed and updated as necessary to ensure that internal financial statements are prepared monthly and on a timely basis. Timely completed financial reports are necessary for management in analyzing the accuracy of financial information, comparing actual revenues and expenditures to budget, and submitting financial reports to outside users (i.e., grantors or financial assistance).

Management's Response

During the 1999 fiscal year, the School Board operated with one less bookkeeper than anticipated. Currently, the School Board is at full staff and internal financial statements and reports should be prepared monthly and on a timely basis.

3. **Findings and Questioned Costs Relating to Federal Awards**

No matters reported.

SCHEDULE OF PRIOR AUDIT FINDINGS

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1998**

Section I - Internal Control and Compliance Material to the Financial Statements

98-2 - Insurance Coverage

Although **the School Board** is covered by workers' compensation and student liability insurance, it is not covered by property and other liability insurance.

Current Status

Unresolved. See Current Year Audit Finding 99-2.

98-1 - Segregation of Duties

Bookkeepers are performing incompatible tasks and some controls are being omitted, such as approval and review functions.

Current Status

Unresolved. See Current Year Audit Finding 99-1.

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1998
(CONTINUED)**

Section I - Internal Control and Compliance Material to the Financial Statements,
Continued

98-4 - Periodic Financial Reporting

During our audit we noted that internal financial statements were not routinely prepared.

We recommended that procedures be reviewed and updated as necessary to ensure that internal financial statements are prepared monthly and on a timely basis. Timely completed financial reports are necessary for management in analyzing the accuracy of financial information, comparing actual revenues and expenditures to budget, and submitting financial reports to outside users (i.e., grantors or financial assistance).

Current Status

Unresolved. See Current Year Audit Finding 99-3.

98-3 - Untimely Bank Reconciliation

We noted during our 1998 audit that monthly bank reconciliations were not timely performed for the payroll cash account since September 30, 1997.

Current Status

Resolved.