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April 16, 2003

**HONORABLE J. "TOM" SCHEDLER, CHAIRMAN,
AND MEMBERS OF THE LEGISLATIVE AUDIT
ADVISORY COUNCIL**
Baton Rouge, Louisiana

We were requested by the Legislative Audit Advisory Council to review whether school board allocations for vocational agriculture programs were complying with Louisiana law. Louisiana Revised Statute (R.S.) 17:181 requires school boards to allocate annually to each secondary (high) school, in addition to any other funding, not less than fifty dollars (\$50) per student enrolled at the school in a vocational agriculture, agribusiness, or agriscience (agriculture) program for providing instructional materials and supplies.

We visited twelve school boards, interviewed certain employees, and reviewed selected current (2002-2003) and prior school year (2001-2002) records. In addition, we requested and received written certifications from nine additional school boards on their compliance with R.S. 17:181 (see Appendix A for listing of school boards visited, and Appendix B for listing of school boards providing certifications).

A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Results of Review

1. Nine of the twelve school boards we visited allocated or spent less than \$50 per agriculture student as required by law (see Appendix A).
2. Three of the nine school boards that we received written certifications from informed us of their noncompliance with the law. In addition, of the other six school boards, we determined two school boards that operated schools with block (semester) class schedules did not include the second (spring) semester agriculture student enrollment in the computation of their school allocations (see Appendix B).
3. The Louisiana Department of Education (DOE) does not provide formal guidance to individual school boards for complying with R.S. 17:181. Therefore, there is little consistency in how each school board is complying with this law. In addition, the DOE does not monitor school boards' compliance with this law.
4. Certain areas of the law are open to interpretation and school boards we visited had different interpretations. We found inconsistencies/variances among the school boards we visited in computing and administering their required annual agriculture program allocations as follows (see Appendix A):

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- The law does not specify the date(s) to be used for agriculture student enrollment. We found that seven school boards used the October 1 student count, one used two count dates (October 1 and February 21), one used September 17, one used November 8, and two school boards did not use a student count date.
- Student counts used by two of the six school boards that operated schools with block class schedules did not include the second (spring) semester agriculture student enrollment.
- The law does not appear to require students to be counted in duplicate in instances when the student is enrolled in more than one agriculture class. Of the ten school boards that based their allocations on student counts, four school boards used the number of students enrolled in agriculture classes (duplicate) and six used non-duplicate student counts.
- The law does not specify whether the allocated funds should be provided directly to the school to spend or whether the school board should maintain and control the funds. We found ten school boards maintaining and controlling the allocated funds and two school boards providing the funds directly to the schools.

Recommendations

The DOE should:

- Provide specific guidelines to school boards for computing and administering their agriculture program allocations for instructional materials and supplies. This guidance should ensure uniformity in the computation of allocations among school boards and provide for consistency in measuring compliance with the law.
- Require all school boards to report to the DOE their annual agriculture program allocations/expenditures in total and on a per student basis. This reporting could be accomplished through their Annual Financial Report or by separate report.
- Provide an annual report to the legislature of school boards' compliance with the law.

DOE Response

On March 28, 2003, DOE officials informed us that they would provide specific guidelines to school boards. Also, if requested by the legislature, they would conduct an annual independent survey of school boards' compliance with the law and provide the legislature with a separate report.

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We will follow up with the DOE to determine that guidelines are provided to school boards and that DOE has procedures in place to monitor the school boards' compliance with this law. Copies of this report have been delivered to the DOE and other authorities as required by state law.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Grover C. Austin". The signature is fluid and cursive, with a large initial "G" and "A".

Grover C. Austin, CPA
First Assistant Legislative Auditor

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[LDOE03]

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LOUISIANA DEPARTMENT OF EDUCATION

BACKGROUND, SCOPE, AND METHODOLOGY

The Louisiana State Department of Education's (DOE) *Annual School Report System - Statewide Summary Report* for school year 2001-2002, reports that there are 18,590 students enrolled in agriculture programs in 52 parishes with a total of 242 instructors/teachers. Annually, school boards are required to provide certain vocational program enrollment and financial data to the DOE.

In the 1997 Regular Session, Louisiana Revised Statute (R.S.) 17:181 was enacted relative to secondary school vocational education. R.S. 17:181 states, "Effective with the 1997-1998 school year and thereafter, the governing authority of each public secondary school shall allocate annually to each secondary school in the school system, in addition to any other funding, not less than fifty dollars per student enrolled at the school in a vocational agriculture, agribusiness, or agriscience program for use in providing adequate instructional materials and supplies for such students."

Louisiana Attorney General Opinion 98-42 provides, in part, that the cost for the materials and supplies is funded through the Minimum Foundation Formula and that school boards and superintendents have to comply with the fifty-dollar funding requirement for vocational agriculture students or they would be violating the law and could be sued to require their compliance.

The Legislative Auditor's office received a legislative request to review certain school boards for compliance with this law (R.S. 17:181). We received information that various school boards may not be providing the \$50 per vocational agriculture student funding to their high schools. In addition to reviewing the allocations made by those school boards, we chose seven additional school boards for review.

School boards provide various allocations out of their state and local funds (General Fund), both direct and indirect, for the benefit of their high school vocational agriculture programs. However, our compliance review focused only on direct allocations made from the school board's General Fund to the high schools for providing their agriculture programs/students with materials and supplies.

Our procedures consisted of (1) visiting twelve school boards and reviewing selected records for the current school year (2002-2003) and prior school year (2001-2002); (2) requesting a certification letter from superintendents of nine additional school boards, including supporting documentation of their student allocations; (3) interviewing certain employees of the school boards; (4) reviewing applicable Louisiana laws and Attorney General opinions; and (5) making inquiries of other persons to the extent we considered necessary to achieve our purpose.

Appendix A

SUMMARY

Twelve School Boards Visited

School Districts	Allocations/ Expenditures Per Agriculture Student	School Year	Student Count Dates	Allocation Based on Duplicate or Non-Duplicate Student Count***	Did Count Include Students Enrolled in 1 st & 2 nd Semesters of Schools on Block Schedule?	Funds Maintained at School Board or Individual Schools
1. Ascension Parish	\$50.00	2002-03	October 1	Non-Duplicate	Yes	School Board
2. Cameron Parish	\$77.80	2001-02	**	**	Not Applicable	School Board
3. Iberia Parish	\$35.10*	2002-03	October 1	Non-Duplicate	No	School Board
4. Jefferson Davis Parish	\$23.50	2002-03	October 1	Non-Duplicate	Not Applicable	School Board
5. Lafayette Parish	\$19.83*	2001-02	**	**	Not Applicable	School Board
6. Lafourche Parish	\$12.00	2002-03	October 1	Non-Duplicate	Yes	School Board
7. Livingston Parish	\$50.00	2002-03	October 1 & February 21****	Duplicate	Yes	Individual Schools
8. St. Helena Parish	\$0	2002-03	September 17	Duplicate	No	School Board
9. St. Landry Parish	\$28.00*	2002-03	October 1	Duplicate	Not Applicable	School Board
10. St. Martin Parish	\$36.92	2001-02	November 8	Non-Duplicate	Yes	School Board
11. Vermilion Parish	\$8.75	2002-03	October 1	Duplicate	Not Applicable	Individual Schools
12. West Feliciana Parish	\$10.74	2001-02	October 1	Non-Duplicate	Not Applicable	School Board

*Subsequent to our visit, the school board informed us that additional funds were allocated to the school(s) to increase funding up to \$50 per student.

**The school board did not allocate funds to agriculture programs on a per student basis. We calculated the per student amount using the October 1, non-duplicate student count.

***Allocations were based either on the number of students enrolled in agriculture classes (duplicate) or students were counted only once regardless of the number of agriculture classes enrolled (non-duplicate).

****The school board used two student count dates for computing the allocations for a school operating under a block (semester) schedule.

Nine School Boards Allocating Less Than \$50 Per Agriculture Student

Iberia Parish. During the current school year (2002-2003), school board allocations to the career centers' agriculture programs for providing materials and supplies totaled \$1,825, or \$35.10 per student. However, subsequent to our visit, the school board informed us that an additional allocation totaling \$780 (\$15 per student) was made to increase funding up to \$50 per student.

Jefferson Davis Parish. During the current school year, school board allocations to the six high schools with agriculture programs for providing materials and supplies totaled \$10,879, or \$23.50 per agriculture student.

Lafayette Parish. For the prior school year (2001-2002), materials and supplies expenditures for agriculture programs at four high schools totaled \$8,267, or an average of \$19.83 per student. We reviewed compliance in the prior year because the school board does not budget/allocate funds to schools on a per student basis during a school year. The school board allocated \$1,000 to each of the four high schools that have agriculture programs for providing instructional materials and supplies, regardless of the number of students. In addition, teachers request additional funds during the school year subject to certain approvals and the funds being available. Subsequent to our visit, the school board informed us that an allocation totaling \$28,447 was provided to the schools to increase the funding up to \$50 per student in the current school year.

Lafourche Parish. During the current school year, the school board allocated \$12 per agriculture student to the three high schools with agriculture programs for providing materials and supplies totaling \$10,920. We were informed that schools spend their own monies and request reimbursement of their allocated funds from the school board.

St. Helena Parish. Although the current year budget reflects \$7,550 allocated for materials and supplies, the per student allocation is zero (\$0) because the school board did not spend any of the funds as of the date of our visit on March 5, 2003. Therefore, we reviewed compliance in the prior year and found that the school board did not spend any of the \$5,000 allocated for providing agriculture students with materials and supplies (\$0 per student).

St. Landry Parish. During the current school year, the school board provided a \$28 per student allocation for materials and supplies to the five high schools and career center with agriculture programs totaling \$24,360. However, subsequent to our visit, the school board informed us that an additional allocation totaling \$19,140 (\$22 per student) was provided to the schools and career center to increase the funding up to \$50 per student.

St. Martin Parish. The school board's current year allocation totals \$13,700 and is based on \$50 per agriculture student at two high schools; however, the school board only spent \$4,230 (31%) on materials and supplies as of the date of our visit on March 6, 2003, or \$16.27 per student. Therefore, we reviewed compliance in the prior school year and found that materials and supplies expenditures for agriculture programs totaled \$9,450, or an average of \$36.92 per student.

Vermilion Parish. During the current school year, the school board allocated \$8.75 per agriculture student to six high schools with agriculture programs for providing materials and supplies totaling \$6,230. The allocated funds were given to the individual high schools to maintain and spend.

West Feliciana Parish. The school board's current year vocational education budget for materials and supplies includes an allocation of \$3,900, which was based on \$50 per student; however, the school board only spent \$596 (15%) as of the date of our visit on February 21, 2003, or \$7.65 per student. Therefore, we reviewed compliance in the prior school year and found that materials and supplies expenditures for agriculture programs totaled \$956, or \$10.74 per student.

Three School Boards Allocating \$50 or More Per Agriculture Student

Ascension Parish. During the current school year, the school board allocated \$50 per agriculture student to four high schools with agriculture programs totaling \$12,150.

Cameron Parish. For the prior school year, materials and supplies expenditures for the agriculture programs in three high schools totaled \$9,181, or an average of \$77.80 per student. We reviewed compliance in the prior school year because the school board does not budget/allocate funds for agriculture programs on a per student basis during a school year. We were informed that General Fund monies are budgeted for all vocational programs in total and are available for requisitioning by all vocational teachers (including agriculture teachers) during the school year with the approvals of the principal and certain school board officials.

Livingston Parish. During the current school year, the school board allocated \$50 per student to eight high schools with agriculture programs, totaling \$45,150, and gave the funds directly to the schools to maintain and spend.

Appendix B

RESULTS OF CERTIFICATIONS

We selected nine additional school boards and requested the superintendents to certify to us, in writing, whether their school board was in full compliance with R.S. 17:181 and to provide us with documentation supporting their allocations per student.

We received three responses informing us of noncompliance (Allen Parish, Orleans Parish, and Richland Parish). However, in addition, we determined two school boards (City of Bogalusa and Washington Parish) that operated schools with block (semester) class schedules did not include the second (spring) semester student enrollment in the computation of their school allocations. A summary of responses received is as follows:

School Districts	Response Received as to Whether the School Board Was in Full Compliance With R.S. 17:181
1. Allen Parish	No ¹
2. City of Bogalusa	Yes ²
3. DeSoto Parish	Yes
4. Evangeline Parish	Yes
5. Orleans Parish	No ³
6. Pointe Coupee Parish	Yes
7. Richland Parish	No ⁴
8. Tensas Parish	Yes
9. Washington Parish	Yes ⁵

¹ **Allen Parish.** For the prior school year (2001-2002), materials and supplies expenditures were less than \$50 per agriculture student for three of the six high schools.

² **City of Bogalusa.** School board allocations were not based on all students enrolled in agriculture programs during the school year. The current year (2002-2003) allocation for schools on block schedule was computed at \$50 per student but was based on the agriculture student enrollment for the first (fall) semester only and did not include the second (spring) semester enrollment. Subsequent to our inquiry, the school board informed us that an allocation would be made to account for the spring semester agriculture students based on the April 1 enrollment.

³ **Orleans Parish.** The school board did not provide any allocations to schools for providing agriculture students with materials and supplies. Subsequent to our inquiry, we were informed that a \$50 per agriculture student allocation was computed and distributed to two schools on March 14, 2003.

⁴ **Richland Parish.** The current year allocation totaled \$36.19 per agriculture student. Subsequent to our inquiry, we were informed that the school board would change its allocation to not less than \$50 per student.

⁵ **Washington Parish.** School board allocations were not based on all students enrolled in agriculture programs during the school year. The current year allocation for schools on block schedule was computed at \$50 per student but was based on the agriculture student enrollment for the first (fall) semester only and did not include the second (spring) semester enrollment.