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# Comprehensive Annual Financial Report

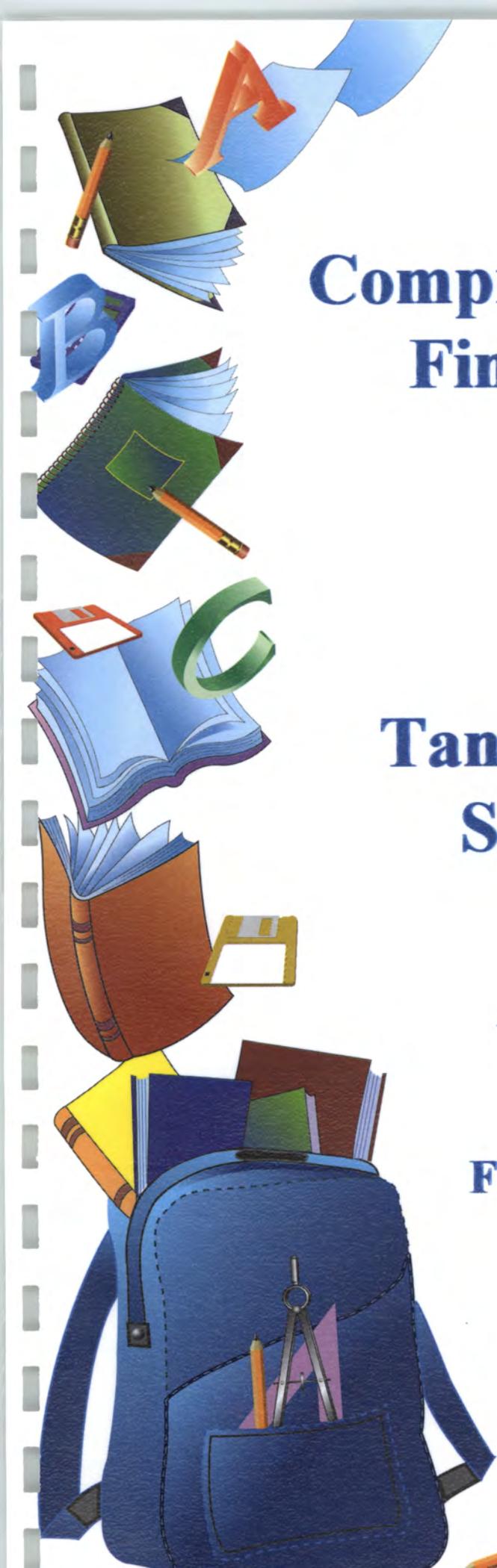
of the

## Tangipahoa Parish School System

Amite, Louisiana

For the Year Ended

June 30, 2004



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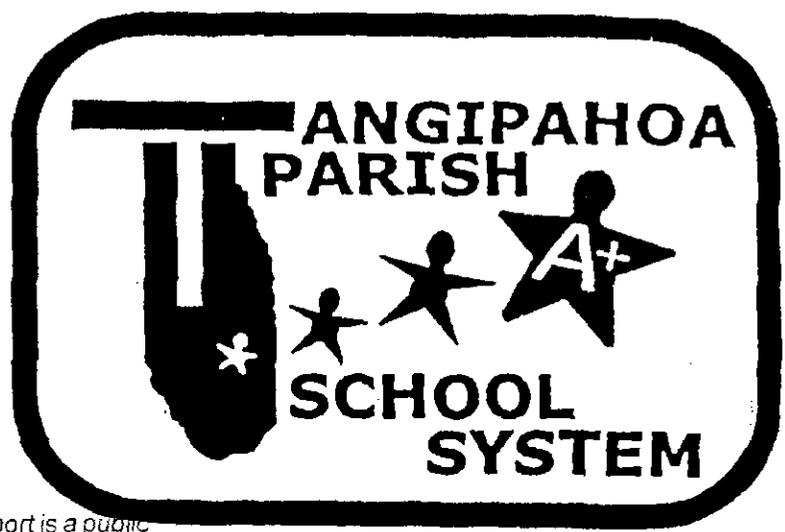
# TANGIPAHOA PARISH SCHOOL SYSTEM

STATE OF LOUISIANA  
AMITE CITY

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

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For the fiscal year  
July 1, 2003 through June 30, 2004



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

Release Date 2-2-05

Prepared by  
Finance Department

Mr. Mark Kolwe, Assistant Superintendent of  
Finance and Support Services

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Comprehensive Annual Financial Report  
For the Fiscal Year End June 30, 2004

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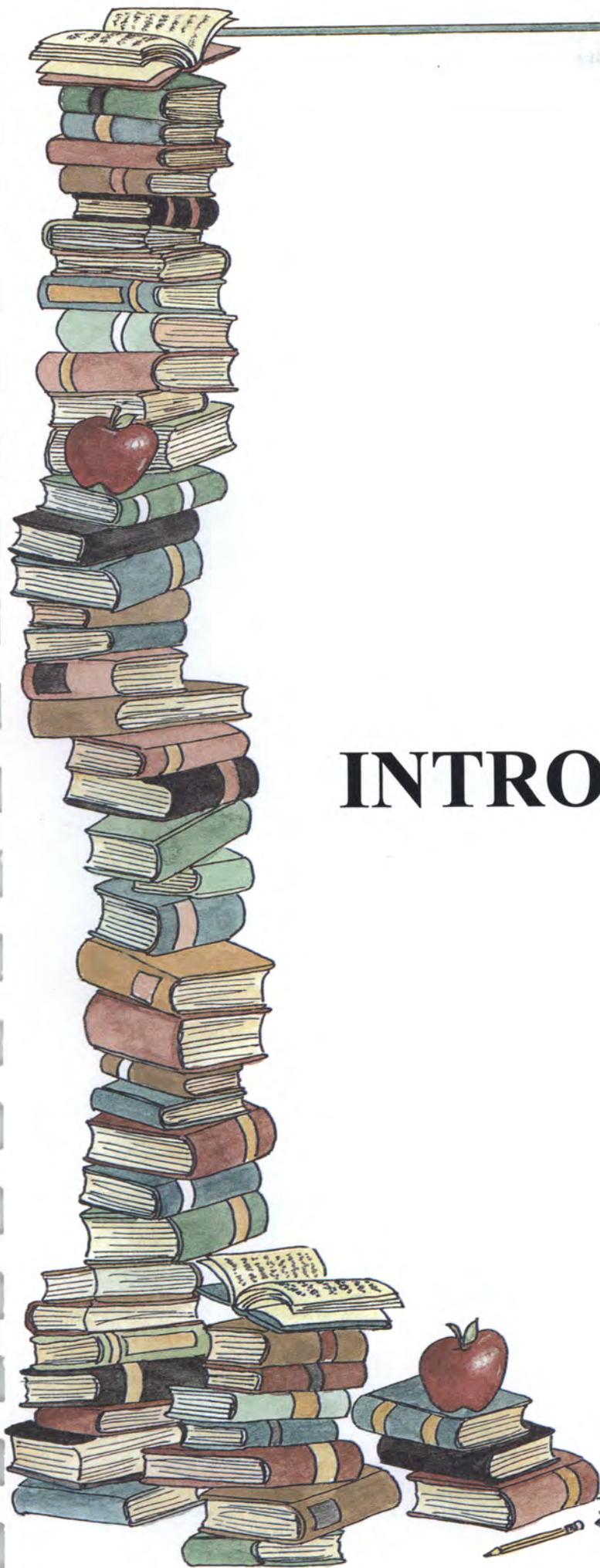
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# INTRODUCTION

**TANGIPAOA PARISH SCHOOL SYSTEM  
PRINCIPAL OFFICERS**

**SCHOOL BOARD MEMBERS**

**PRESIDENT**

Al Link

Donnie Williams, Sr.

Leonard Genco

Sandra Bailey-Simmons

Robert Caves

Carl Bardwell

Robert Potts

Maxine Dixon

Jimmy Richardson, I

**ADMINISTRATIVE OFFICIALS**

Louis Joseph, Superintendent

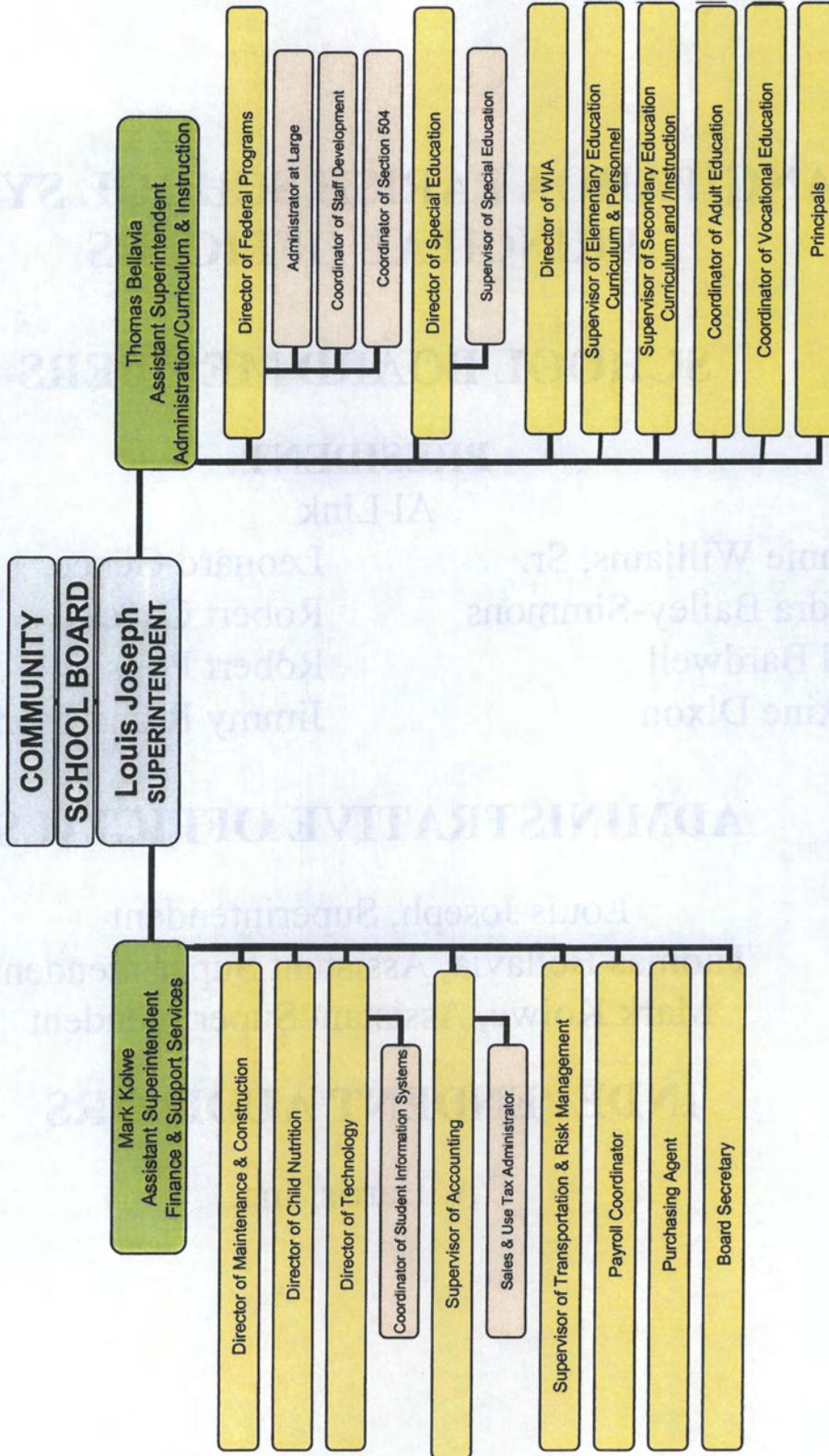
Thomas Bellavia, Assistant Superintendent

Mark Kolwe, Assistant Superintendent

**INDEPENDENT AUDITORS**

T.A. Harris, Inc.

# Tangipahoa Parish School System Organizational Structure 2003-2004





# TANGIPAHOA PARISH SCHOOL SYSTEM

59656 PULESTON ROAD • AMITE, LOUISIANA 70422  
TELEPHONE: (985) 748-7153 • FAX # (985) 748-8587

LOUIS L. JOSEPH  
Superintendent

AL LINK  
President of the Board

November 12, 2004

Tangipahoa Parish School System  
Amite, Louisiana

Dear Citizens of Tangipahoa Parish and System Board Members

The comprehensive annual financial report of the Tangipahoa Parish School System for the fiscal year ended June 30, 2004, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School System. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School System. All disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes the School System's list of principal officers, organizational chart, and this transmittal letter. The financial section includes the independent auditors' report, management discussion and analysis, the basic financial statements, and supplementary information which includes budgetary comparison schedules and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. It is recommended the reader of this report refer to the management discussion and analysis on pages 2 – 10 as it provides an overview of the financials in a concise and user friendly manner.

The School System is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the Reports on Compliance and on Internal Control over Financial Reporting Based on an audit of financial statements performed in Accordance with the *Government Auditing Standards* and the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133, are included in a separate reporting package.

This report includes all funds and activities for which the School System exercises financial accountability. The School System is a legislative body authorized to govern the public education system of Tangipahoa Parish, Louisiana. A nine member board governs the School System with each member serving a concurrent four-year term. The current board is in the second year of its four year term.

It is the responsibility of the School System to make public education available to the residents of Tangipahoa Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance, and bus transportation. The School System provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children, and vocational education. The School System has a current enrollment of approximately 18,200 pupils.

The School System is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine the local supplement to their salaries. Accordingly, since the School System 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 the accountability for financial matters, the School System is not included in any other governmental reporting entity.

## ECONOMIC CONDITION AND OUTLOOK

Tangipahoa Parish is one of the southeastern parishes of Louisiana, between New Orleans and the state's capital, Baton Rouge. Bisected north to south by the Illinois Central Gulf Railroad and Interstate 55, which intersects Interstate 12, it has ready access to the east and west coasts as well as mid-west to the Gulf Coast. The South Tangipahoa Parish Port provides the parish with water access to both inter-coastal and river transportation. These characteristics have distinguished Tangipahoa Parish as an important distribution center of the South and influence growth. "The Tangipahoa Parish School System does not discriminate on the basis of race, color, national origin, sex, age, disabilities or veteran status. We are an equal opportunity employer."

The economic growth in the New Orleans, Baton Rouge and areas along the Mississippi River has also contributed to the growth of Tangipahoa Parish.

The past year has been one of upward economic growth. Retail sales increased an average rate of 2%. The assessed value of taxable property increased 18%. The per capita income increased by 8.9%. It is expected that this moderate upward economic growth of the last year will continue.

This moderate upward economic growth has enabled us to add and improve school facilities and the quality of education in the parish. This growth has enabled the general fund to increase per student expenditures by an average of nearly 4% per year for the last five years and provided for a nearly 3.2% average increase per year in starting teachers' salaries for the past five years.

The economy of Tangipahoa Parish is primarily residential oriented, which has brought an influx of retail and service establishments, offices and shopping centers. However, there is a unique blend of residents employed in a variety of diverse industries ranging from agriculture to technology. The parish currently has a 6.4% unemployment rate as compared to a statewide rate of 5.3 percent.

### MAJOR INITIATIVES

In developing the goals and objectives for the Tangipahoa Parish School System, the System examined our nation's goals and Louisiana's educational initiatives. These goals have an effect on the planning process and in the past years have caused shifts in educational funding, priorities, and programs.

Louisiana's School and District Accountability System adopted by the State Board of Elementary and Secondary Education in October 1998 attempts to address some of these goals. The accountability system is based on the concept of continuous growth. Every school can improve and is expected to show academic growth. Also, Louisiana's new testing program for students has been implemented for the last five years. The goals adopted by the Board are as follows:

- Goal 1** All children will start school ready to read;
- Goal 2** The high school graduation rate will increase to at least 90 percent;
- Goal 3** All students will leave grades 4 and 8 having demonstrated competency in language arts and mathematics;
- Goal 4** The parish's teaching force will have the knowledge and skills needed to instruct students, and will have access to programs for the continued improvement of their professional skills;
- Goal 5** Students that graduated from high school in Tangipahoa will have the skills needed to be competitive in society and in college;
- Goal 6** Every student will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship;
- Goal 7** Every school will be free of drugs, violence and the unauthorized presence of weapons and alcohol;
- Goal 8** Every school will promote partnerships that will increase parental involvement and participation in promoting the social, emotional, and academic growth of children;
- Goal 9** Implement a parish – wide technology plan which entails having a network computer on every teacher's desk, internet access online in every school, Voice Over Internet Protocol, Distance Learning Video Conferencing, and parish-wide employee training classes;
- Goal 10** Teacher salaries in Tangipahoa Parish will be in the top twenty of the sixty-eight school boards in the state.

The Tangipahoa Parish School System is dedicated to hiring and keeping the most qualified teaching personnel. In order to attract the best teachers to the parish and to be competitive with the leading Louisiana parish school systems, the superintendent and staff have concentrated efforts on increasing teachers' salaries. Starting pay for the teachers has increased by 69% over the past nine years, and an average of 3.2% per year for the last five years.

To achieve the overall goals and objectives for the 2004-2005 school year, instructional and school-based programs receive the majority of the allocated funds. The largest expenditure in education is for salaries and benefits. Of the total governmental funds budget of \$142 million, over \$101.9 million is dedicated to this category. Materials, supplies, and equipment comprise an additional \$11 million. The remaining portions are committed to paying debt principle and interest, utilities, and other administrative costs.

The School System has been in the midst of a major capital expansion program of its school and administrative facilities as a result of the growth experienced within the parish. Several facilities were completed in the 2004 fiscal year, and numerous expansion projects are underway as listed below:

- Amite High school auditorium budgeted \$2.4 million is in progress;
- Amite High Classroom Additions budgeted \$1.6 million is in progress;
- Loranger Middle School has budgeted \$1.3 million for classroom and dining hall additions;
- Sumner Jr. High budgeted \$4.5 million for classroom additions;
- Independence Middle has budgeted \$2.9 million for classroom additions.

## FINANCIAL INFORMATION

**Internal Controls.** Management of the School System is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School System are protected for loss, theft or misuse and to ensure that adequate accounting data are compiled to generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Single Audit.** As a recipient of federal, state and local financial assistance, the School System also is responsible for exerting that adequate internal controls are in the place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School System's single audit, tests are made to determining the adequacy of internal controls, including the portion related to federal programs, as well as to determining that the School System has complied with applicable laws and regulations. The results of the School System's single audit for the fiscal year ended June 30, 2004 provided no instances of material weaknesses in internal controls or significant violations of applicable laws and regulations.

**Budgeting Controls.** In addition, the School System maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all subsequent amendments, approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function of project level within the individuals funds. The School System also maintains encumbrance accounting systems as one technique of accomplishing budgetary control. Encumbered amounts at year end, for budgetary purposes, are included as expenditures in the General Fund and the Capital Projects Funds. In the other funds, encumbered amounts lapse at year end; however encumbrances generally are reapportioned as part of the next year's budget.

As demonstrated by the statements and schedule included in the financial section of this report, the School System continues to meet its responsibility for sound financial management.

**General Government Functions.** The following schedule presents a summary of governmental funds revenues for the fiscal year ended June 30, 2004.

	Governmental Revenues	June 30, 2004
<b>Local Sources:</b>		
Ad Valorem Taxes		\$3,829,929
Sales and Use Taxes		22,965,052
Tuition		169,368
Investment Income		631,357
1% Tax		222,306
Other		3,148,478
<b>State Sources:</b>		
Unrestricted Grants in Aid		71,873,547
Restricted Grants in Aid		2,173,520
Base Constitutional Tax		112,656
<b>Federal Sources</b>		<b>27,768,345</b>
<b>Total Revenues</b>		<b>\$132,894,558</b>

The two most significant local revenue sources are advalorem taxes and sales taxes. Property tax mileages are established by the State Constitution and/or tax propositions approved by the electorate. Any increase to current mileages or additional mileages must be approved by a referendum of the voters. Sales taxes show a continued growth in collections, which are attributable to the expansion of the local economy over the previous year and to the growth in the population. The School System collects the maximum two percent sales tax allowed by the state law. The decline in earnings on investments is primarily attributable to the lowest interest rates offered since the 1960's.

State revenue sources continue to provide the majority of the School System's revenue. The increase in the State's 2003-04 appropriation for equalization is composed primarily of additional funding generated by the growth in student enrollment. The increase in federal sources is primarily due to extra funding for the various programs. In particular, the Workforce Investment Act and programs directed toward students with disabilities (IDEA) and educationally deprived children (IASA).

The following schedule presents a summary of governmental funds expenditures for the current fiscal year.

<b>Governmental Expenditures</b>	<b>June 30, 2004</b>
Current:	
Instruction:	
Regular Ed Programs	\$46,881,139
Special Ed Programs	18,232,425
Vocational Ed Programs	2,528,817
Other Instructional Programs	2,292,875
Special Programs	2,423,658
Adult Programs	411,624
Support Services:	
Student Services	3,635,387
Instructional Staff Support	5,388,307
General Administration	1,191,973
School Administration	5,245,603
Business Services	759,826
Plant Services	8,719,111
Central Services	1,197,305
Student Transportation	7,703,294
Food Services	8,220,600
Community Service Programs	6,154,667
Capital Outlay	4,875,031
Debt Service:	
Principle Retirement	5,137,728
Issuance Cost	92,325
Interest and Bank Charges	2,319,575
<b>Total Expenditures</b>	<b><u>\$133,133,317</u></b>

Total governmental expenditures has held steady compared to last fiscal year. However, instructional expenditures has increased \$4 million compared to last fiscal year. This increase is primarily attributable to the continued commitment by the School System to increase per student expenditures. Additional teachers were added to the staff during the 2004 fiscal year. Conversely, capital outlay decreased \$5.7 million compared to last year as a result of completed the new administrative and maintenance facilities last fiscal year. The remaining increase in expenditures of \$1.6 million was a result of increases in support service expenditures.

**General Fund Balance.** The fund balance of the General Fund increased in fiscal year 2004 to \$13.2 million which is the equivalent of 57 days of expenditures. Approximately \$650,000 of the general fund balance is primarily earmarked for technology but the remaining \$12.57 million is available for appropriations.

**Debt Administration.** At June 30, 2004, the School System had a number of debt issues outstanding, including \$16.5 million of sales tax bonds, \$21.2 million of general obligation bonds, and \$9.1 million of revenue bonds.

The sales tax bonds are serviced by an irrevocable pledge of the sales taxes collected by the School System. Sales tax receipts are placed in reserve in the debt service funds until sufficient balances are maintained to meet the debt service requirements. As of June 30, 2004, the School System maintains approximately \$300,000 in the sinking and reserve fund for these issues.

The general obligation bonds are secured by the good faith and credit of the Tangipahoa Parish School System. These bonds are currently serviced by advalorem taxes collected by the School System. As of June 30, 2004 the School System maintains approximately \$2.1 million reserve funds for these issues.

The revenue bonds are secured by and payable from a pledge and dedication of the surplus annual revenues of the School System's general funds and special revenue funds above statutory, necessary, and usual charges in each fiscal year that the bonds are outstanding. As of June 30, 2004 the School System maintains approximately \$430,000 reserve funds for these issues.

Not included in the School Systems long term debt are approximately \$46 million of school district general obligation and sales tax bonds defeased. The notes to the Financial Statements contain more detailed information on the defeased bonds.

The School System is limited by state statute from issuing general obligation bonds in excess of 35% of the anticipated sales tax revenues. The one-cent sales and use tax dedicated to service the bonds will expire in 2007 when the bonds are deemed.

**Cash Management.** Cash temporarily idle during the year was invested in demand deposits, and Louisiana's Asset Management Program (LAMP). The average yield on investments was 1.34% percent and the School System

earned interest revenue of \$631 thousand on all investments (governmental and proprietary) for the year ended June 30, 2004.

The School Systems investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or secured by the pledge of securities owned by the financial institution. These pledged securities are held by a mutually agreed upon third-party financial institution in the name of the School System.

**Risk Management.** In fiscal year 1992, the School System initiated a risk management program for workers' compensation. As part of this comprehensive plan, resources began to be accumulated in an Internal Service Fund to meet potential losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented to minimize accident -related losses. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$250,000.

In addition, in fiscal year 1992, the School System initiated a risk management program for general liability and property damage. Resources are transferred from the General Fund and accumulated in an Internal Service Fund to pay potential claims. The School System has undertaken a program to determine methods to limit our exposure to general liability claims and to minimize any potential loss of or damage to property. Third-party coverage of commercial insurance for individual claims in excess of \$150,000 for general liability and \$50,000 for each property damage claim maintained by the School System.

#### OTHER INFORMATION

**Independent Audit.** State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of T.A. Harris, Inc. APAC was selected by the School System to perform the fiscal year 2004 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended and related OMB Circular A-133. The independent auditors' report on the financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the Single Audit Act are included in a separate Single Audit reporting package.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Tangipahoa Parish School System for its comprehensive annual financial report for the fiscal year ended June 30, 2003.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The Tangipahoa Parish School System was also awarded a Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2003 by the Association of School Business Officials, International (ASBO).

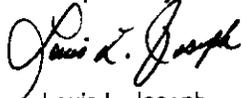
The award certifies that the school system has presented its comprehensive annual financial report to the ASBO panel of Review for critical review and evaluations and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. The Tangipahoa Parish School System has received both certificates for the last sixteenth consecutive years. We believe our current comprehensive annual financial report continues to conform to the program requirements of both organizations and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.

**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Accounting. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, our gratitude is extended to the Graphic Arts Department for their valued assistance in the design of this report.

In closing, without the leadership and support of the Members of the School System, both individually and collectively, preparation of this report would not have been possible.

Respectively submitted,



Louis L. Joseph  
Superintendent



Mark Kolwe  
Assistant Superintendent /Finance and Support Services

**TANGIPAHOA PARISH SCHOOL SYSTEM  
Amite, Louisiana**

**Elected School Board Members**

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
<b><u>President</u></b>			
Mr. Al Link District D	1-1-03	12-31-2006	January, 1999
<b><u>Vice President</u></b>			
Mr. Leonard Genco District C	1-1-03	12-31-2006	January, 2003
Mrs. Sandra Bailey-Simmons District H	1-1-03	12-31-2006	August, 2001
Mr. Carl Bardwell District I	1-1-03	12-31-2006	January, 1999
Mr. Robert Caves District F	1-1-03	12-31-2006	January, 1999
Mrs. Maxine Dixon District G	1-1-03	12-31-2006	January, 1991
Mr. Robert Potts District B	1-1-03	12-31-2006	January, 2003
Rev. Jimmy A. Richardson, I District A	1-1-03	12-31-2006	January, 1995
Mr. Donnie Williams District E	1-1-03	12-31-2006	January, 1991



**TANGIPAHOA PARISH SCHOOL SYSTEM  
Amite, Louisiana**

**First Level Administrators**

Began  
in This  
Position

		Began in This Position
Mr. Louis Joseph	Superintendent	07/03
Mr. Thomas Bellavia	Assistant Superintendent, Administration, Elementary Curriculum	07/03
Mr. Mark Kolwe	Assistant Superintendent, Finance & Support Services	07/03
Ms. Vicki Allen	Coordinator, Student Information Systems	04/94
Ms. Paulette Cefalu-Walkwitz	Supervisor, Curriculum/Instruction, Elementary	08/00
Ms. Glenda Dufreche	Director, Special Education	08/74
Mr. Darrell Fairburn	Supervisor, Personnel	07/03
Ms. Deborah Forshag	Director, Federal Programs	07/03
Mr. Rory Hayden	Director, Workforce Investment Act (JTPA)	11/98
Ms. Patricia Hutchinson	Director, School Food Service	10/98
Mr. Daniel Keen	Vocational Coordinator	07/99
Dr. Elizabeth Moulds	Administrator-at-Large	07/93
Ms. Joanna Newman	Supervisor, Curriculum/Instruction, Secondary	01/01
Ms. Victoria Ott	Supervisor, Curriculum/Instruction, Elementary	07/98
Mr. Jake Ragusa	Director, Technology	05/01
Mr. Jim Reeve	Adult Education Coordinator	08/01
Ms. Kaye Roberts	Supervisor, Accounting Services	09/97
Mr. Bret Schnadelbach	Supervisor, Risk Management & Transportation	07/96
Mr. James Clark	Director, Maintenance & Construction	08/04
Ms. Lynell Higgenbotham	Supervisor, Curriculum/Instruction, Elementary	07/03
Ms. Ann Smith	Coordinator, Pupil Services	07/03
Mr. Lawrence Thompson	Coordinator, Pupil Services	07/03
Ms. Elmira Wilkerson	Supervisor, Curriculum/Instruction, Secondary	10/77

# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Tangipahoa Parish  
School System,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**TANGIPAHOA PARISH SCHOOL SYSTEM**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2003

Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*William F. Hall*  
President

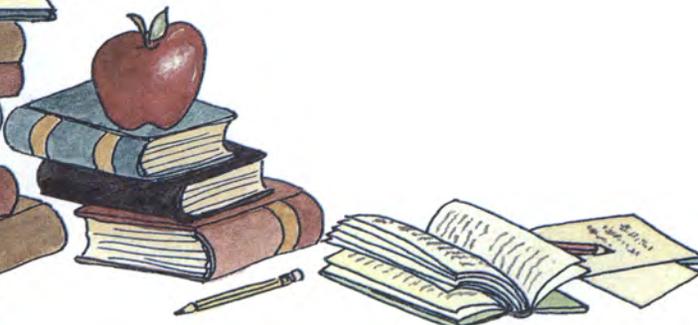
*Bonnie W. Keller*  
Executive Director



**Senator Ben Nevers presents School System Awards on CAFR and Budget from GFOA and ASBO to our School System.**



# FINANCIAL SECTION



# T.A. Harris Inc. Certified Public Accountant

A Professional Accounting Corporation

## INDEPENDENT AUDITORS' REPORT

The Board Members of the  
Tangipahoa Parish School System  
Amite, Louisiana

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Tangipahoa Parish School System (School System), as of and for the year ended June 30, 2004, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System's management. Our responsibility is to express an opinion on these financial statements based on our audit.

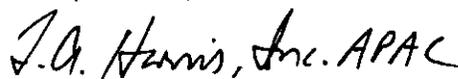
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the School System, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2004, on our consideration of the School System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 2 through 10 and 34 through 37 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurements and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

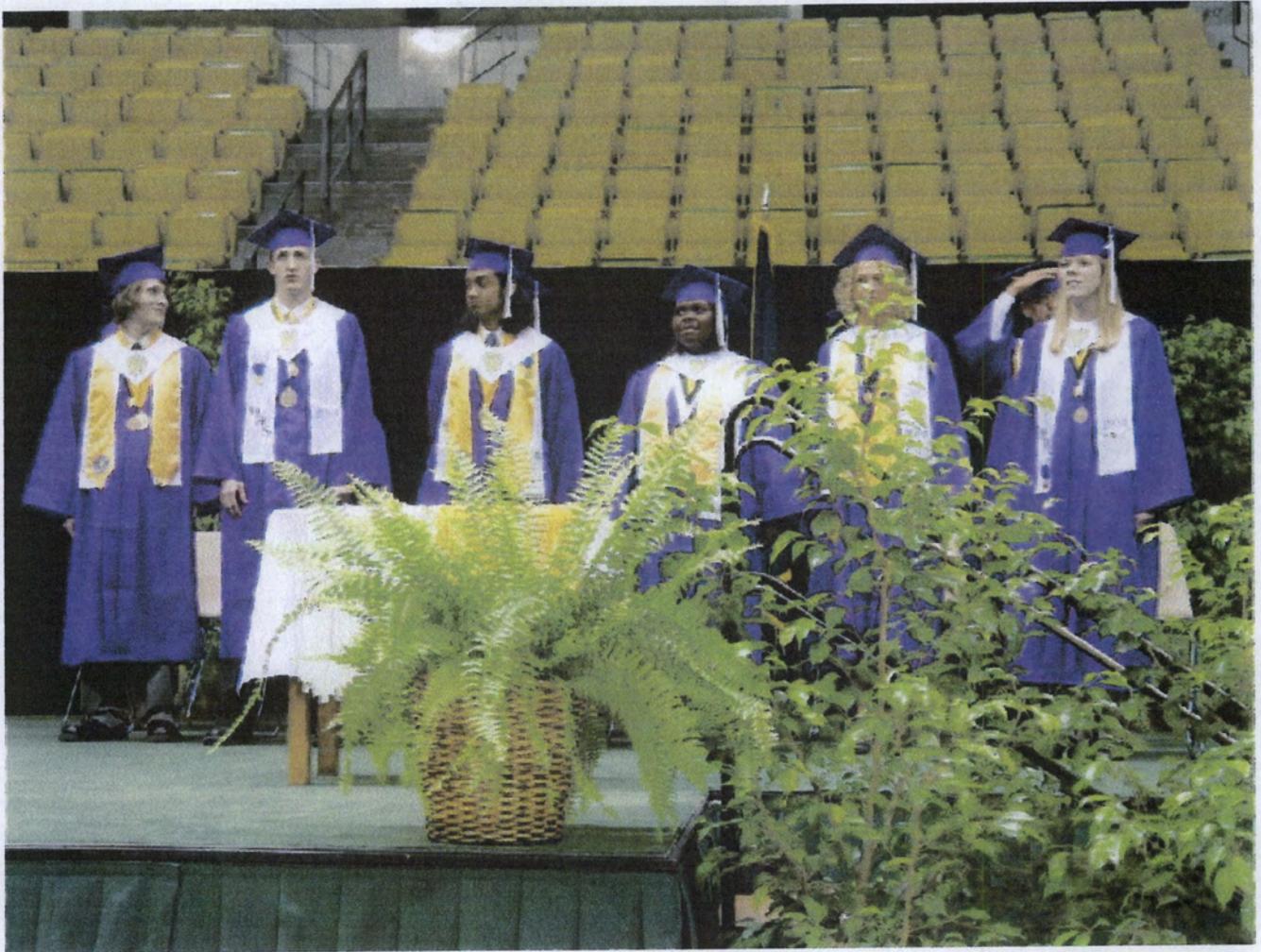
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The accompanying other supplementary information and statistical data on pages 38 through 98 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary information included in the statistical data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



T.A. Harris, Inc. APAC  
November 12, 2004



**REQUIRED SUPPLEMENTARY INFORMATION  
(PART A)**



Hammond High School Top Seniors 2004

## TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA

### Management's Discussion and Analysis June 30, 2004

We offer readers of the Tangipahoa Parish School System's financial statements this narrative overview and analysis of the financial activities of the Tangipahoa Parish School System for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

#### Financial Highlights

Key financial highlights for the 2003-04 fiscal year include the following:

- Statement of Net Assets – The assets of the Tangipahoa Parish School System exceeded its liabilities at the close of the 2004 fiscal year by \$58 million (net assets) compared to the previous year's \$51.4 million. Of this \$58 million, approximately \$27 million (considered unrestricted net assets) may be used to meet School System's obligations to citizens and creditors as opposed to last year's \$26.7 million.
- Statement of Activities – The total net assets of the Tangipahoa Parish School System increased by more than \$6.6 million for the year ended June 30, 2004. The majority of this increase can be attributed to net capital asset purchases (additions minus deletions) of \$9.6 million. Depreciation expense which is functionally allocated only amounted to \$2.5 million, resulting in an increase in net assets of \$7.1 of the \$6.6 million total increase. Last year the increase was \$8.5 million.
- Governmental Funds Balance Sheet – As of the close of the current fiscal year, the Tangipahoa Parish School System's governmental funds reported combined ending fund balance of nearly \$41.2 million, an increase of \$6.4 million in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$12.6 million which is available for spending within the General Fund, \$6.1 million which is available for spending within the Sales Tax Maintenance Fund, \$3.1 million which is available for spending within the numerous Special Revenue Funds, and 6.6 million available for spending within the Capital Project Funds, (2) \$2.8 million which is reserved for the payment of outstanding bond issues within the Debt Service Funds, and (3) \$9.9 million which is designated for specific projects within the Capital Projects Funds, General Fund, and Sales Tax Maintenance Fund.
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances- Total revenues for the year ended June 30, 2004 for the governmental funds of the Tangipahoa Parish School System amounted to \$132.9 million. Approximately 93% of this amount is received from three major revenue sources: (1) \$71.9 million from Louisiana's State Equalization, (2) \$23 million from local sales and use taxes, and (3) \$27.7 million from federal grants. Last year the System's total revenue was \$128.5 with very similar composition percentages.
- General Fund's Ending Fund Balance – At the end of the current fiscal year, fund balance for the General Fund, a major fund, was \$13.2 million or 16% of total General Fund expenditures. The \$12.6 million (undesignated) fund balance is available for spending at the School System's discretion.
- Capital Assets – Total capital assets (net of depreciation) was \$65.7 million or 53.2% of total assets compared to \$63.9 million or 56.1% last fiscal year. The School System uses these assets to provide educational and support services to children, adults, and administrative purposes; consequently, these assets are not available for future spending.
- Long-Term Debt – The Tangipahoa Parish School System's total long-term debt increased \$1.6 million, (4%) during the current fiscal year due to two new debt issues in the Sumner and Independence districts.

#### Overview of the Financial Statements

This management discussion and analysis is intended to serve as an introduction to the Tangipahoa Parish School System's basic financial statements. The School System's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Tangipahoa Parish School System.

## TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA

### Management's Discussion and Analysis June 30, 2004

- The Statement of Net Assets presents information on all of the Tangipahoa Parish School System's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Tangipahoa Parish School System is improving or deteriorating.
- The Statement of Activities presents information showing how the School System's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Tangipahoa Parish School System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Tangipahoa Parish School System can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Tangipahoa Parish School System near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School System's near-term financing decisions. Both the governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Tangipahoa Parish School System maintains 49 individual governmental funds. Information is presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Sales Tax Maintenance Fund, and IASA Fund (which were the only individual funds considered to be major), and for all other funds. Data for the other 46 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Tangipahoa Parish School System adopts an annual appropriated budget for its General Fund, each individual Special Revenue Fund, as well as each individual Capital Projects funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Tangipahoa Parish School System. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Tangipahoa Parish School System's own programs. The School System maintains two fiduciary funds named the School Activity and 2<sup>nd</sup> Sales Tax .
- **Proprietary funds.** Proprietary funds are used to account for the School System's ongoing organizations and activities which are similar to those often found in the private sector. This objective is to earn revenues which approximate its costs and expenses. The School System operates two Proprietary fund type funds, an Enterprise fund and an Internal Service fund. The Enterprise fund is titled the Sales Tax Collection Fund which is used to collect a two percent sales tax within Tangipahoa Parish. The Internal Service fund serves as a self-insurance fund. The activities for these two funds are presented separately in the fund financial statements, however they are grouped within the presentation of the government-wide financial statements. The Enterprise Fund is the sole fund reflected in the business-type activities column and the Internal Service Fund is merged into the governmental activities.

**TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA**

**Management's Discussion and Analysis  
June 30, 2004**

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School System's compliance with budgets for its major funds.

**Financial Analysis of Government-wide Activities**

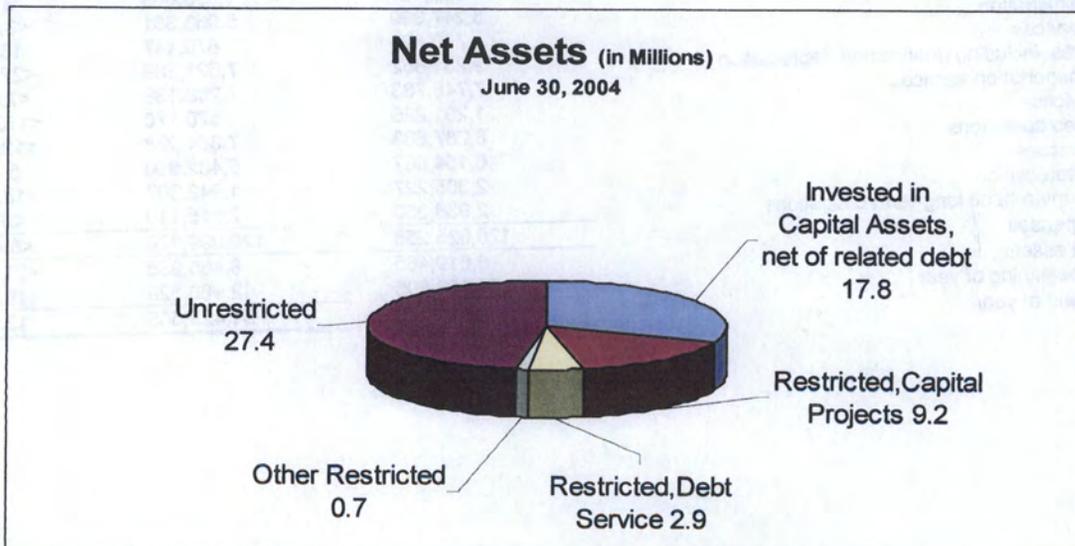
As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Tangipahoa Parish School System, assets exceed liabilities by \$57.5 million at the close of the most recent fiscal year which provides the School System with a "healthy" net asset amount.

The largest portion of the Tangipahoa Parish School System's net assets totaling more than \$27.4 million (47%) reflects its unrestricted net assets. This amount may be used at the School System's discretion. Investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding represents \$17.9 million or 31% of total net assets. The School System uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Tangipahoa Parish School System's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Tangipahoa Parish School System's Net Assets**

**Governmental and Business-Type Activities**

	<u>2004</u>	<u>2003</u>	<u>Percent Change</u>
<b>Assets:</b>			
Current and other assets	\$57,586,066	\$50,037,930	15
Capital assets, net of accumulated depreciation	65,746,369	63,935,812	3
<b>Total assets</b>	<b>123,332,435</b>	<b>113,973,742</b>	<b>8</b>
<b>Liabilities:</b>			
Current liabilities	15,303,619	14,174,364	8
Long-term liabilities	49,979,846	48,369,873	3
<b>Total liabilities</b>	<b>65,283,465</b>	<b>62,544,237</b>	<b>4</b>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	17,857,524	17,509,239	2
Restricted	12,788,452	7,198,134	78
Unrestricted	27,402,994	26,722,132	3
<b>Total net assets</b>	<b>\$58,048,970</b>	<b>\$51,429,505</b>	<b>13</b>



**TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA**

**Management's Discussion and Analysis  
June 30, 2004**

Restricted net assets of \$12.8 million consist of: \$2.9 million restricted for debt service, \$9.2 million restricted for capital projects, and \$.7 million restricted for other purposes. The reserved for debt service is reported separately to show the legal constraints for the payment of outstanding long-term debt obligations and to limit the School System from using these funds for day-to-day operations. Debt Service Funds account for 100% of that total. The restricted portion for capital projects consists of two portions. Six hundred and fifty thousand dollars is shown reserved in the General Fund, while the remaining \$8.7 million is within the Capital Projects funds, which is in the "Other Governmental" Funds column of the fund financial statements.

Governmental activities increased the Tangipahoa Parish School System's net assets by \$6.6 million, which was a 13% growth in the net assets compared to last fiscal year. We have grouped business-type activities with governmental-type activities for our analysis due to the immaterial amounts of the business-type activities.

**Tangipahoa Parish School System's Changes in Net Assets**

<b>Governmental and Business –Type Activities</b>	<b><u>June 30, 2004</u></b>	<b><u>June 30, 2003</u></b>	<b><u>Percent Change</u></b>
<b>Revenues:</b>			
<b>Program revenues:</b>			
Charges for services	1,775,712	1,471,165	20.1
Federal and State grants /entitlements	29,941,865	28,832,508	3.8
<b>General revenues:</b>			
Ad valorem taxes	3,829,929	3,774,246	1.5
Sales and use taxes	22,965,052	22,569,289	1.8
1% Tax	222,306	216,478	2.7
Base Constitution Tax	112,656	110,853	1.6
Minimum Foundation Program	71,873,547	67,965,622	5.7
E-Rate- Grant	335,348	1,771,437	<81.1>
Interest on investments	648,445	735,049	<11.8>
Other general revenues	1,540,863	1,109,238	38.9
<b>Total revenues</b>	<b>133,245,723</b>	<b>128,546,885</b>	<b>3.7</b>
<b>Expenses:</b>			
<b>Instruction:</b>			
Regular Ed	46,883,758	47,156,636	.8
Special Ed	18,233,678	13,306,363	<37>
Vocational Ed	2,530,070	2,299,114	<10>
Other Instructional	2,293,029	2,148,777	<6.7>
Special	2,424,880	5,638,426	57
Adult Ed	412,839	337,364	<22.4>
<b>Support services:</b>			
Pupil support services	3,635,387	3,532,382	<2.9>
Instructional staff support services	5,388,307	4,306,873	<25.1>
General administration	962,127	1,393,605	31
School administration	5,247,369	5,053,351	<3.8>
Business services	750,826	870,447	13.7
Plant services, including unallocated depreciation	9,231,852	7,521,289	<22.7>
Student transportation services	7,746,763	7,209,138	<7.5>
Central services	1,201,226	570,170	<110.6>
Food services operations	8,287,883	7,374,928	<12.4>
Community services	6,154,667	6,482,890	5.1
Unallocated depreciation	2,305,227	1,942,307	<18.7>
Debt service – interest on long-term obligations	2,936,350	2,915,110	<.7>
<b>Total expenses</b>	<b>126,626,258</b>	<b>120,099,170</b>	<b>&lt;5.4&gt;</b>
<b>Increase in net assets</b>	<b>6,619,465</b>	<b>8,468,985</b>	<b>&lt;21.8&gt;</b>
<b>Net assets at beginning of year</b>	<b>51,429,505</b>	<b>42,960,520</b>	<b>19.7</b>
<b>Net assets at end of year</b>	<b>58,048,970</b>	<b>\$ 51,429,505</b>	<b>12.9</b>

**TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA**

**Management's Discussion and Analysis  
June 30, 2004**

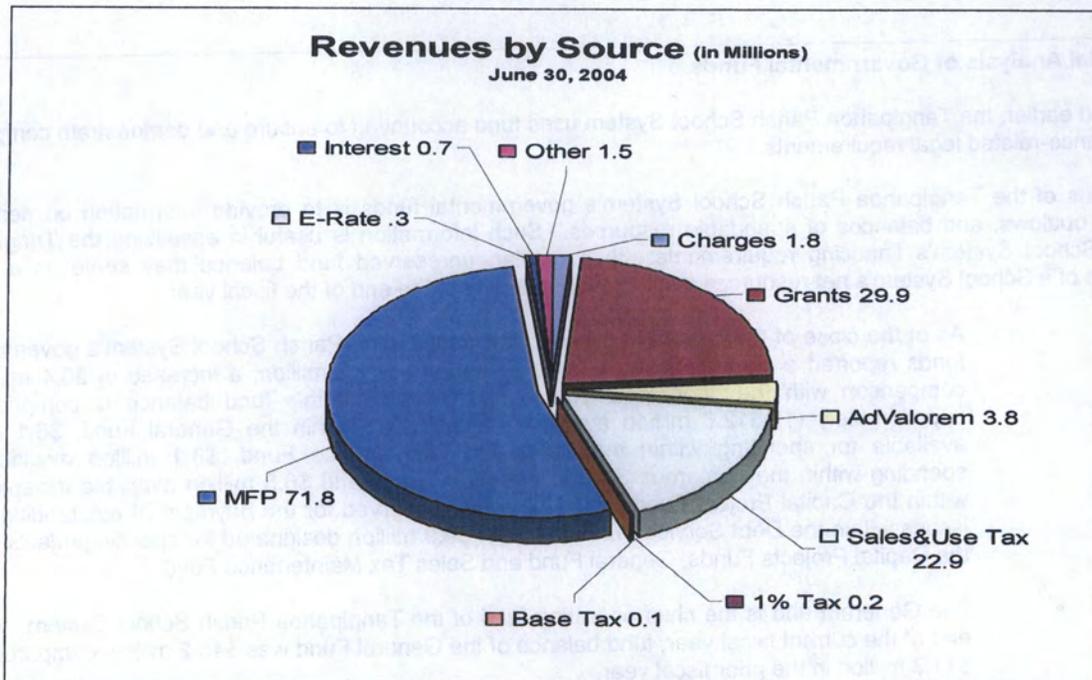
**Revenues by Source – Governmental Activities**

- Grants and Contributions Not Restricted To Specific Programs:** The single largest source of revenue to the Tangipahoa Parish School System for grants and contributions not restricted to a specific program is the State Equalization or commonly called the Minimum Foundation Program (MFP). The MFP is a distribution of over \$2 billion to 66 public school systems by the State of Louisiana for salaries and general operations. The State does not provide money for building schools or retiring debt. The distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past 4 years.

<u>Fiscal Year</u>	<u>Total MFP</u>	<u>Increase (Decrease)</u>	
2000-2001	64,095,367	1,119,804	1.8%
2001-2002	66,409,538	2,314,171	3.6%
2002-2003	67,965,622	1,556,084	2.3%
2003-2004	71,873,547	3,907,925	5.8%

In FY 2003-04, the School System received \$72 million of its total revenues from the MFP. Most of the \$4 million increase was used to fund an increase in pay for certified personnel.

- Operating Grants and Contributions:** Operating grants and contributions are the second largest source of revenues for the School System. This revenue type is primarily comprised of Federal grants with some state grants included. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost.
- Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Tangipahoa Parish School System. A 2% sales tax rate is levied upon the sale and consumption of goods and services within the parish.
- Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the fourth largest source of revenue for the School System. Ad valorem collections are based upon the number of mills (approved annually by the School System) and the taxable assessed value (established by the Tangipahoa Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature.



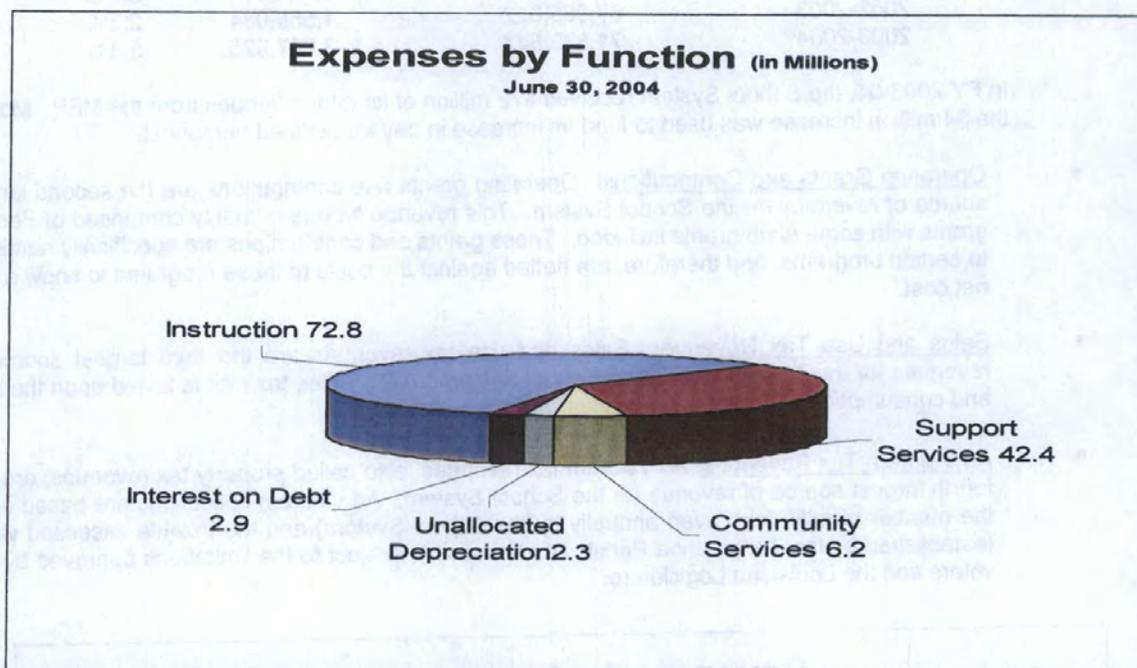
## TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA

### Management's Discussion and Analysis June 30, 2004

#### Program Expenses – Governmental Activities

Expenses for regular ed, special ed, vocational ed, other instructional, special and adult ed are considered instructional services and relate to direct expenses of providing instruction to students. Instruction services for fiscal year 2004 totaled nearly \$72.8 million, 57% of total expenditures. The remaining can be best described in three categories: (1) Support services, which relate to those functions that support the instructional services provided, such as administration, transportation, food services, and plant services. Support services for fiscal 2004 totaled \$42.2 million, or 33.4% of total expenditures; (2) Community services which relate specifically to a federal grant entitled "Workforce Investment Act" had expenditures totaling \$6.2 million or 4.9% of total expenditures; and finally interest on debt payments and unallocated depreciation which totaled \$5.2 million or 4.1% of total expenditures.

The program revenues for fiscal 2004 directly related to these expenses totaled \$29.9 million, which resulted in net program expenses of \$94.9 million. These net program expenses are funded by general revenues of the School System.



#### Financial Analysis of Governmental Funds

As noted earlier, the Tangipahoa Parish School System uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Tangipahoa Parish School System's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Tangipahoa Parish School System's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a School System's net resources available for spending at the end of the fiscal year.

- As of the close of the current fiscal year, the Tangipahoa Parish School System's governmental funds reported a combined ending fund balance of \$41.2 million, a increase of \$6.4 million in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$12.6 million available for spending within the General Fund, \$6.1 million available for spending within the Sales Tax Maintenance Fund, \$3.1 million available for spending within the numerous Special Revenue Funds and \$6.5 million available for spending within the Capital Project Funds, (2) \$2.8 million reserved for the payment of outstanding bond issues within the Debt Service Funds, and (3) \$9.9 million designated for specific projects within the Capital Projects Funds, General Fund and Sales Tax Maintenance Fund.
- The General Fund is the chief operating fund of the Tangipahoa Parish School System. At the end of the current fiscal year, fund balance of the General Fund was \$13.2 million compared with \$11.8 million in the prior fiscal year.

TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA

Management's Discussion and Analysis  
June 30, 2004

- The Sales Tax Maintenance Fund, the other major fund had an ending fund balance of \$6.6 million, compared to last year's ending fund balance of \$6.1 million.
- The Debt Service Funds have a total fund balance of \$2.8 million, all of which is reserved for the payment of debt service. A net decrease of \$16 thousand occurred during the current fiscal year.
- The Capital Projects Funds have a total fund balance of nearly 15.2 million, all of which is designated for capital improvements. A net increase of \$3.8 million resulted in the current fiscal year.

**Budgetary Highlights**

The Tangipahoa Parish School System recognizes the importance of sound fiscal planning, as well as, the technical relationship of the financial structure to the teaching of students. Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the School System complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA.R.S. 39:1301 et seq.).

The original budget for the School System was adopted on August 1, 2003, and the final budget amendment was adopted on June 2004. Substantial differences between the original budget and the final amended budget of the General Fund is as follows:

General Fund

Revenues

- Sales and used tax revenue was originally budgeted for \$11.3 million then revised to \$11.5 million, constituting a \$200 thousand revision. The School System is conservative in its budgeting techniques and therefore assumed no increase in retail sales for the 2004 fiscal year. Upon reassessment during the fiscal year, it was determined retail sales (thus sales tax revenues) had in fact risen. Therefore, a budget revision was adopted.
- The E-rate grant was originally budgeted for \$1.5 million then revised to \$260 thousand. This revision was due to the state requiring the School System to reflect discounts received on expenditures made in the same fiscal year net of the discount. The grant was originally budgeted at its gross number. Therefore the reciprocal expenditure category, "regular instruction" was effected by a decrease from original to final budget by the same amount.
- Unrestricted Grants-in-aid was originally budgeted for \$70.5 million then revised to \$71.9 million. This was due to MFP funding from the state increasing the amount due the School System.

Expenditures

- Regular instruction expenditures was originally budgeted at \$46.4 million then revised to \$45.6 million, a decrease of \$800 thousand. The largest part of this decrease was do to the re-budgeting of the E-rate grant. See the second bullet above under revenues.

TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA

Management's Discussion and Analysis  
June 30, 2004

**Capital Assets and Debt Administration**

Capital Assets: The Tangipahoa Parish School System's investment in capital assets as of June 30, 2004, amounts to \$65.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. Major capital asset events during the fiscal year included the following:

- The near completion of the Amite High School auditorium added nearly \$2 million to the School System's buildings.
- Amite High School also is near completion of nearly \$1.6 million in class room additions which has increased the School System's buildings.
- Depreciation expense for the year amounted to \$2.6 million, which decreased the net value of the School System's net assets.

Long-term debt: At the end of the current fiscal year, the Tangipahoa Parish School System had total bonded debt outstanding of \$45,128,750. The following table summarizes bonds outstanding at June 30, 2004 and 2003.

	2004	2003
General Obligation Bonds	\$21,195,000	\$16,325,000
Revenue Bonds	9,075,000	9,900,000
Sales Tax Bonds	16,542,500	18,903,750
Total	\$46,812,500	\$45,128,750

Long-term debt issues for 2003-04 fiscal year include the following:

- Total outstanding bond debt increased \$1.6 million during the fiscal year.
- The Tangipahoa Parish School System maintains a bond rating of "Aaa" from Moody's for Construction District No. 107, while the remaining six districts maintain a "Baa" from Moody's for its general obligation bonds. Sales and Revenue bonds are rated "Aaa".
- Louisiana statutes limit the amount of general obligation debt the School System may issue to 35% of its total assessed valuation. The current debt limitation for the Tangipahoa Parish School System is \$159.8 million dollars, which is significantly higher than the \$21.2 million outstanding at June 30, 2004.
- The School System issued \$6.6 million in new general obligation debt in 2004 to provide resources for capital improvements in the Sumner and Independence districts.

For additional information regarding capital assets and long-term debt, see the note 7 and note 11 in the notes to the financial statements.

**Economic Factors and Next Year's Budgets and Rates**

The following economic factors were considered when the budget for FY 2004-05 was presented to the Board:

- The School System forecasts student enrollment to remain constant for the 04-05 school year.
- The Minimum Foundation Program from the State is estimated to increase to \$73.5 million, or a \$1.5 million increase, for the 2005 fiscal year- most of which goes to increase certified personnel's salary.
- The School System will use the 2004-2005 group hospitalization premiums adopted by the State of Louisiana for 2004 at an increase of \$750 thousand for the General Fund alone.
- Sales and use tax collections were estimated at same level as prior year.
- The unemployment rate in Tangipahoa Parish is presently at 6.4%. This rate has been between 6% and 7% for the past four years.
- The School System will use the employer's contribution rates for the Teachers' Retirement System at 15.5% and 14.8% for the School Employees' Retirement System for the 2005 fiscal year.
- Interest income will increase due to a new fiscal agent agreement that will pay 58 points plus the 30 day Treasury Bill yield.
- The voters of Independence District No. 39A passed a \$3.2 million bond issue to fund the construction of a new junior high school and make renovations to existing buildings in the district.

**TANGIPAHOA PARISH SCHOOL SYSTEM – AMITE, LOUISIANA**

**Management's Discussion and Analysis  
June 30, 2004**

**Requests for Information**

This financial report is designed to provide a general overview of the Tangipahoa Parish School System's finances for all those with an interest in the School System's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Administrative Director of Finance and Support Services, Tangipahoa Parish School System, 59656 Puleston Rd, Amite, Louisiana 70422, or by calling (985) 748-7153.



Deputy Bud Cason discusses Parish's D.A.R.E. Program with students of Amite Elementary School.

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



Pictured above are winners of the Louisiana School Boards Association Art Contest sponsored by the Tangipahoa Parish School System. Left to Right: Tyler Carter – 1<sup>st</sup> place (Gr. K-4), Isaac Barnes – 1<sup>st</sup> place (Gr. 5-8), Lane Thompson (Gr. 9-12)

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Statement of Net Assets

As of June 30, 2004

	<i>Governmental Activities</i>	<i>Business -Type Activities</i>	<i>Total</i>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$21,317,900	\$1,440,641	\$22,758,541
Investments	27,229,946	176,954	27,406,900
Receivables:			
Due from Other Governments	5,510,549	0	5,510,549
Note Receivable	16,574	0	16,574
Other	396,662	65,277	461,939
Inventory	353,665	0	353,665
Prepays	1,077,898	0	1,077,898
Capital Assets:			
Land	2,470,522	0	2,470,522
Construction in Progress	2,692,644	0	2,692,644
Capital Assets, net of Accumulated Depreciation	60,583,203	0	60,583,203
<b>TOTAL ASSETS</b>	<b>121,649,563</b>	<b>1,682,872</b>	<b>123,332,435</b>
<b>LIABILITIES</b>			
Accounts Payable	3,797,431	1,173,835	4,971,266
Salaries Payable	8,781,762	0	8,781,762
Deferred Revenues	608,214	0	608,214
Claims and Judgements Payable	417,927	0	417,927
Accrued Interest Payable	524,450	0	524,450
Long-term Liabilities:			
Due within one year	5,799,316	0	5,799,316
Due in more than one year	44,180,530	0	44,180,530
<b>TOTAL LIABILITIES</b>	<b>64,109,630</b>	<b>1,173,835</b>	<b>65,283,465</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	17,857,524	0	17,857,524
Restricted for:			
Capital Projects and Sales Tax Maintenance Projects	9,201,703	0	9,201,703
Debt Service	2,841,238	0	2,841,238
Other Purposes	745,511	0	745,511
Unrestricted	26,893,957	509,037	27,402,994
<b>TOTAL NET ASSETS</b>	<b>\$57,539,933</b>	<b>\$509,037</b>	<b>\$58,048,970</b>

See accompanying notes to financial statements.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Statement of Activities

For the Year Ended June 30, 2004

FUNCTION/PROGRAM	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
	Expenses	Charges for Services	Operating Grants & Contributions	Governmental Activities	Business-Type Activities	
<b>Primary Government:</b>						
<b>Governmental Activities:</b>						
Current:						
Instruction:						
Regular Ed Programs	\$46,883,758	\$48,540	\$1,814,958	(\$45,020,260)		(\$45,020,260)
Special Ed Programs	18,233,678	0	6,252,897	(11,980,781)		(11,980,781)
Vocational Ed Programs	2,530,070	0	439,664	(2,090,406)		(2,090,406)
Other Instructional Programs	2,293,029	0	1,122,483	(1,170,546)		(1,170,546)
Special Programs	2,424,880	0	2,423,658	(1,222)		(1,222)
Adult Ed Education	412,839	0	406,969	(5,870)		(5,870)
Support Services:						
Student Services	3,635,387	114,384	703,816	(2,817,187)		(2,817,187)
Instructional Staff Support	5,388,307	6,444	3,025,315	(2,356,548)		(2,356,548)
General Administration	672,796	0	23,097	(649,699)		(649,699)
School Administration	5,247,369	0	161,082	(5,086,287)		(5,086,287)
Business Services	750,826	0	45,537	(705,289)		(705,289)
Plant Services	9,231,852	0	298,962	(8,932,890)		(8,932,890)
Central Services	1,201,226	0	281,993	(919,233)		(919,233)
Student Transportation	7,746,783	0	35,512	(7,711,271)		(7,711,271)
Food Services	8,287,883	1,272,367	8,784,811	(230,705)		(230,705)
Community Service Programs	6,154,667	0	6,121,111	(33,556)		(33,556)
Unallocated Depreciation on Facilities	2,305,227	0	0	(2,305,227)		(2,305,227)
Interest and Charges on Long-Term Debt	2,936,350	0	0	(2,936,350)		(2,936,350)
<b>Total Governmental Activities</b>	<b>126,336,927</b>	<b>1,441,735</b>	<b>29,941,865</b>	<b>(94,953,327)</b>		<b>(94,953,327)</b>
<b>Business-Type Activities:</b>						
General Administration	289,331	333,977	0		44,646	44,646
<b>Total Business-Type Activities</b>	<b>289,331</b>	<b>333,977</b>	<b>0</b>		<b>44,646</b>	<b>44,646</b>
<b>Total Primary Government</b>	<b>\$126,626,258</b>	<b>\$1,775,712</b>	<b>\$29,941,865</b>	<b>(94,953,327)</b>	<b>44,646</b>	<b>(94,908,681)</b>
<b>GENERAL REVENUES:</b>						
Taxes:						
Ad valorem taxes				3,829,929		3,829,929
Sales and use taxes				22,965,052		22,965,052
1% Tax				222,306		222,306
Base constitution tax				112,656		112,656
Grants and contributions not restricted to specific programs:						
Minimum Foundation Program				71,873,547		71,873,547
E-Rate Grant				335,348		335,348
Interest and investment earnings				639,297	9,148	648,445
Other				1,540,863		1,540,863
<b>TRANSFERS</b>				26,862	(26,862)	0
<b>TOTAL GENERAL REVENUES &amp; TRANSFERS</b>				<b>101,545,860</b>	<b>(17,714)</b>	<b>101,528,146</b>
<b>CHANGE IN NET ASSETS</b>				<b>6,592,533</b>	<b>26,932</b>	<b>6,619,465</b>
<b>NET ASSETS, Beginning of Year</b>				<b>50,947,400</b>	<b>482,105</b>	<b>51,429,505</b>
<b>NET ASSETS, End of Year</b>				<b>\$57,539,933</b>	<b>\$509,037</b>	<b>\$58,048,970</b>

See accompanying notes to financial statements.

**BASIC FINANCIAL STATEMENTS:**  
**FUND FINANCIAL STATEMENTS (FFS)**



**Learning is Fun at  
Roseland Elementary School.**

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Governmental Funds  
Balance Sheet

As of June 30, 2004

	<u>FUND TYPES</u>				<u>Total</u>
	<u>MAJOR</u>			<u>NON-MAJOR</u>	
	<u>General</u>	<u>Sales Tax Maintenance</u>	<u>IASA</u>	<u>Other Governmental</u>	
<b>ASSETS</b>					
Cash and Cash Equivalents	\$1,034,121	\$2,812,783	\$0	\$16,347,113	\$20,194,017
Investments	16,961,790	3,741,115	0	6,289,281	26,972,186
Receivables:					
Note Receivable	0	0	0	16,574	16,574
Other	391,083	0	0	5,579	396,662
Due from Other Funds	3,858,954	0	0	0	3,858,954
Due from Other Governments	0	0	3,442,007	2,068,542	5,510,549
Inventory	102,503	87,822	0	163,340	353,665
Prepays	882,310	0	0	0	882,310
<b>TOTAL ASSETS</b>	<b>\$23,230,761</b>	<b>\$6,641,720</b>	<b>\$3,442,007</b>	<b>\$24,870,429</b>	<b>\$58,184,917</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$3,330,196	\$24,880	\$20,966	\$386,495	\$3,762,537
Salaries Payable	6,650,633	0	652,268	1,478,861	8,781,762
Due to Other Funds	0	0	2,788,773	1,104,468	3,873,241
Deferred Revenues	22,924	0	0	585,290	608,214
<b>TOTAL LIABILITIES</b>	<b>10,003,753</b>	<b>24,880</b>	<b>3,442,007</b>	<b>3,555,114</b>	<b>17,025,754</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	650,000	520,042	0	8,681,861	9,851,703
Reserved for Inventory	0	0	0	95,511	95,511
Reserved for Debt Service	0	0	0	2,841,238	2,841,238
Unreserved - Undesignated, reported in:					
Major Funds	12,577,008	6,096,798	0	0	18,673,806
Special Revenue Funds	0	0	0	3,137,969	3,137,969
Capital Projects Funds	0	0	0	6,558,936	6,558,936
<b>TOTAL FUND BALANCES</b>	<b>13,227,008</b>	<b>6,616,840</b>	<b>0</b>	<b>21,315,315</b>	<b>41,159,163</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$23,230,761</b>	<b>\$6,641,720</b>	<b>\$3,442,007</b>	<b>\$24,870,429</b>	<b>\$58,184,917</b>

See accompanying notes to financial statements.

**TANGIPAHOA PARISH SCHOOL BOARD - AMITE, LOUISIANA**

**Reconciliation of the Governmental Funds Balance Sheet  
to Statement of Net Assets  
June 30, 2004**

Total fund balances - governmental funds \$41,159,163

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

Cost of capital assets	120,394,474	
Accumulated depreciation	<u>(54,648,105)</u>	65,746,369

Elimination of interfund assets and liabilities

Interfund assets	(3,858,954)	
Interfund liabilities	<u>3,873,241</u>	14,287

Net assets of the internal service fund is a proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement less interfunds estimated in the consolidation into the governmental activities.

Total net assets internal service fund	1,138,697	
Interfund assets internal service fund	<u>(14,287)</u>	1,124,410

Long-term liabilities applicable to the School System's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Assets.

Balance at June 30, 2004 are :

Bonds payable	(46,812,500)	
Note payable	(1,076,345)	
Accrued interest payable	(524,450)	
Compensated absences	<u>(2,091,001)</u>	<u>(50,504,296)</u>

Net assets - governmental activities \$57,539,933

**See accompanying notes to financial statements.**

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2004

	FUND TYPES				Total
	MAJOR			NON-MAJOR	
	General Fund	Sales Tax Maintenance	IASA	Other Governmental	
<b>REVENUES</b>					
Local Sources:					
Ad Valorem Taxes	\$1,043,406	\$0	\$0	\$2,786,523	\$3,829,929
Sales and Use Taxes	1,488,592	4,777,483	0	8,698,997	22,965,052
Tuition	169,368	0	0	0	169,368
Investment Income	224,811	54,207	0	352,339	631,357
1% Tax	222,306	0	0	0	222,306
E-Rate Grant	335,348	0	0	0	335,348
Other	548,604	731	0	2,263,795	2,813,130
State Sources:					
Unrestricted Grants-in-Aid	71,873,547	0	0	0	71,873,547
Restricted Grants-in-Aid	724,399	0	0	1,449,121	2,173,520
Base Constitutional Tax	112,656	0	0	0	112,656
Federal Sources	270,780	0	8,877,270	18,620,295	27,768,345
<b>TOTAL REVENUES</b>	<b>87,013,817</b>	<b>4,832,401</b>	<b>8,877,270</b>	<b>32,171,070</b>	<b>132,894,558</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular Ed Programs	44,607,445	0	2,125	2,002,616	46,612,186
Special Ed Programs	11,917,956	0	5,736,179	578,290	18,232,425
Vocational Ed Programs	2,089,153	0	0	439,664	2,528,817
Other Instructional Programs	1,170,392	0	0	1,122,483	2,292,875
Special Programs	0	0	0	2,423,658	2,423,658
Adult Ed Programs	4,655	0	0	408,969	411,624
Support Services:					
Student Services	2,817,187	0	354,434	463,766	3,635,387
Instructional Staff Support	2,387,602	0	2,058,424	941,281	5,388,307
General Administration	1,094,278	31,054	769	65,872	1,191,973
School Administration	5,084,521	0	52,306	108,776	5,245,603
Business Services	705,289	44,498	586	453	750,826
Plant Services	4,366,351	4,041,798	181,441	127,521	8,719,111
Central Services	915,312	0	69,162	212,831	1,197,305
Student Transportation	7,408,042	0	6,648	288,604	7,703,294
Food Services	163,422	0	0	8,057,178	8,220,600
Community Service Programs	7,650	0	25,906	8,121,111	6,154,667
Capital Outlay	373,763	210,665	0	4,290,603	4,875,031
Debt Service:					
Principal Retirement	221,478	0	0	4,916,250	5,137,728
Issuance Cost	0	0	0	92,325	92,325
Interest and Bank Charges	62,646	0	0	2,256,929	2,319,575
<b>TOTAL EXPENDITURES</b>	<b>85,399,142</b>	<b>4,328,015</b>	<b>8,488,980</b>	<b>34,917,180</b>	<b>133,133,317</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,614,675</b>	<b>504,386</b>	<b>388,290</b>	<b>(2,746,110)</b>	<b>(238,759)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>					
Transfers In	1,478,113	0	0	1,690,100	3,168,213
Transfers (Out)	(1,665,140)	0	(388,290)	(1,087,921)	(3,141,351)
Proceeds from Sale of Assets	0	0	0	100	100
Bond Proceeds	0	0	0	6,600,000	6,600,000
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(187,027)</b>	<b>0</b>	<b>(388,290)</b>	<b>7,202,279</b>	<b>6,626,962</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>1,427,648</b>	<b>504,386</b>	<b>0</b>	<b>4,456,169</b>	<b>6,388,203</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>11,799,360</b>	<b>6,112,454</b>	<b>0</b>	<b>16,859,146</b>	<b>34,770,960</b>
<b>FUND BALANCES, End of Year</b>	<b>\$13,227,008</b>	<b>\$6,616,840</b>	<b>\$0</b>	<b>\$21,315,315</b>	<b>\$41,159,163</b>

See accompanying notes to financial statements.

**TANGIPAOHA PARISH SCHOOL BOARD - AMITE, LOUISIANA**

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,  
and Changes in Fund Balances to the Statement of Activities  
June 30, 2004**

Total net changes in fund balances - governmental funds		\$6,388,203
<p>Capital outlays are reported in governmental funds as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays is described as follows:</p>		
Capital outlays which were capitalized	9,616,264	
Capital disposals/retirements, net	(5,243,354)	
Depreciation expense	<u>(2,562,353)</u>	
		1,810,557
<p>Bond proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond and debt principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount that proceeds received exceeds the repayments.</p>		
Bond proceeds received	(6,600,000)	
Principle payments made on outstanding debt, net	<u>5,137,728</u>	
		(1,462,272)
<p>In the Statement of Activities, certain operating expenses-compensated absences- are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of the financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amounts paid by the following amount.</p>		
		(147,701)
<p>Elimination of interfund transactions:</p>		
Transfers in	(3,168,213)	
Transfers out	<u>3,141,351</u>	
		(26,862)
<p>Revenues and expenses of the Internal Service Fund are reported in the Proprietary fund in the fund financial statements but included as governmental activities in the government-wide financial statements.</p>		
Change in net assets internal service fund (operating income)	<u>520,256</u>	
		520,256
<p>Interest on long-term debt in the Statement of Activities differs from the amounts reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.</p>		
Accrued interest June 30, 2003	34,802	
Accrued interest June 30, 2004	<u>(524,450)</u>	
		<u>(489,648)</u>
Change in net assets of governmental activities		<u>\$6,592,533</u>

**See accompanying notes to financial statements.**

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Proprietary Funds  
Statement of Net Assets**

As of June 30, 2004

	<u>Enterprise</u>	<u>Internal Service</u>
	<u>Sales Tax Collection Fund</u>	<u>Self-Insurance Fund</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$1,440,641	\$1,123,883
Investments	176,954	257,760
Due from Other Funds	65,277	14,287
Prepays	0	195,588
<b>TOTAL ASSETS</b>	<b>\$1,682,872</b>	<b>\$1,591,518</b>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	0	34,894
Due to Other Governments	1,173,835	0
Claims & Judgements Payable	0	417,927
<b>TOTAL LIABILITIES</b>	<b>1,173,835</b>	<b>452,821</b>
<b>NET ASSETS</b>		
Unrestricted	509,037	1,138,697
<b>TOTAL NET ASSETS</b>	<b>\$509,037</b>	<b>\$1,138,697</b>

**See accompanying notes to financial statements.**

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Net Assets**

**For the Year Ended June 30, 2004**

	<u>Enterprise</u>	<u>Internal Service</u>
	<u>Sales Tax Collection Fund</u>	<u>Self -Insurance Fund</u>
<b>OPERATING REVENUES</b>		
Tax Collection Fees	\$333,977	\$0
Premiums Received	0	1,548,846
<b>TOTAL OPERATING REVENUES</b>	<u>333,977</u>	<u>1,548,846</u>
<b>OPERATING EXPENSES</b>		
Claims Expense	0	952,721
General Administration	266,007	75,869
Plant Services	23,324	0
<b>TOTAL OPERATING EXPENSES</b>	<u>289,331</u>	<u>1,028,590</u>
<b>NET OPERATING INCOME</b>	<u>44,646</u>	<u>520,256</u>
<b>NONOPERATING REVENUES</b>		
Investment Income	9,148	7,940
<b>INCOME BEFORE TRANSFERS</b>	<u>53,794</u>	<u>528,196</u>
Transfers In	0	0
Transfers (Out)	(26,862)	0
<b>CHANGE IN NET ASSETS</b>	<u>26,932</u>	<u>528,196</u>
<b>NET ASSETS, Beginning of Year</b>	<u>482,105</u>	<u>610,501</u>
<b>NET ASSETS, End of Year</b>	<u>\$509,037</u>	<u>\$1,138,697</u>

*See the accompanying notes to financial statements.*

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Proprietary Funds  
Statement of Cash Flows

For the Year Ended June 30, 2004

	<u>Enterprise</u>	<u>Internal Service</u>
	<u>Sales Tax Collection Fund</u>	<u>Self-Insurance Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Cash Received:</b>		
Tax Collection Fees (from customers)	333,977	0
Premiums from (internal charges)	0	1,548,846
<b>Cash Paid:</b>		
Prepays	0	(32,904)
General Administration Expenses	(213,765)	(70,398)
Plant Services	(23,324)	0
Claims	0	(1,649,078)
Other Funds	(65,277)	0
Due to Other Governments	0	0
<b>NET CASH PROVIDED(USED) IN OPERATING ACTIVITIES</b>	<b>31,611</b>	<b>(203,534)</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Cash Transfers In	0	0
Cash Transfers (Out)	(26,862)	0
<b>NET CASH PROVIDED(USED) IN NON-CAPITAL FINANCING ACTIVITIES</b>	<b>(26,862)</b>	<b>0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Cash Received for Interest Income	9,148	7,940
(Purchases)/Sales of Investments	(1,694)	(2,467)
<b>NET CASH PROVIDED(USED) INVESTING ACTIVITIES</b>	<b>7,454</b>	<b>5,473</b>
<b>NET INCREASE(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>12,203</b>	<b>(198,061)</b>
<b>CASH and cash equivalents, Beginning of Year</b>	<b>1,428,438</b>	<b>1,321,944</b>
<b>CASH and cash equivalents, End of Year</b>	<b>\$1,440,641</b>	<b>\$1,123,883</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
<b>Operating Income (Loss)</b>	<b>\$44,646</b>	<b>\$520,256</b>
Adjustments to reconcile operating income (loss) to net cash provide by (used) in operating activities:		
Changes in:		
Prepaid expenses	0	(32,904)
Due to's and payables	52,242	(690,886)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$96,888</b>	<b>(\$203,534)</b>

See accompanying notes to financial statements.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Statement of Fiduciary Assets and Liabilities - Agency Funds

As of June 30, 2004

**ASSETS**

Cash and Cash Equivalents	\$2,009,440
<b>TOTAL ASSETS</b>	<u>\$2,009,440</u>

**LIABILITIES**

Liabilities:	
Amounts Held for Other Groups	\$2,009,440
<b>TOTAL LIABILITIES</b>	<u>\$2,009,440</u>

See accompanying notes to financial statements.

# TANGIPAOHA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES

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

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999. The following is a summary of the School System's significant policies:

#### A. REPORTING ENTITY

The Tangipahoa Parish School System (School System) was created by Louisiana Revised Statute 17:51 for the purpose of providing public education for the children within Tangipahoa Parish, Louisiana. A board consisting of nine members elected from legally established districts is charged with the management and operation of the School System.

The School System is composed of a central office, 37 schools and nine support facilities. Student enrollment as of May 2004, was approximately 18,200. The School System employs approximately 1,100 persons of which 1,100 are directly involved in the instructional process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation, and food service. The regular school term normally begins during the latter half of August and runs through the end of May.

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School System is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School System may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School System also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected School System members are financially accountable. There are no other primary governments with which the School System has a *significant relationship*.

Certain units of local government over which the School System exercises no authority, such as the City-Parish government and other independently elected officials, are excluded from the accompanying financial statements. These units of government are considered separate from those of the parish School System. The School System is not a component unit of any other entity and does not have any component units which require inclusion in the basic financial statements.

#### B. BASIS OF PRESENTATION-FUND ACCOUNTING

The accounts of the School System are organized on the basis of funds, 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 comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

##### **Governmental Fund Types:**

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

**General Fund** - The General Fund is the general operating fund of the School System. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds**- Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state, and local grant and entitlement programs and special district funds established for various educational objectives.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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**Debt Service Funds** - Debt Service Funds, established to meet requirements of bond ordinances are used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

**Capital Project Funds** - Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). Separate capital projects funds are maintained to account for the proceeds of major general obligation bonds and other financing proceeds.

### Proprietary Fund Types:

Proprietary Funds are used to account for the School System's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School System's proprietary funds consist of an Enterprise and Internal Service fund described as follows:

**Enterprise Fund** - The Enterprise Fund is referred to as the Sales Tax Collection Fund and is used to account for the collection of a 3% sales tax within Tangipahoa Parish. The School System charges each local government it collects for a flat rate of 0.65% of collection which has been mutually agreed upon by all parties. The fund collects sales taxes for the following governments: Tangipahoa Parish Council, City of Hammond, City of Ponchatoula, Town of Amite City, Town of Kentwood, City of Independence, Town of Roseland, Village of Tangipahoa, and the Village of Tickfaw.

**Internal Service Fund** - The Internal Service Fund is used to account for the accumulation of resources for and the payment of benefits by the School System's self-insurance programs. An internal service fund has been established to administer certain claims for workers' compensation, fleet, property and general liability. Insurance policies for these types of claims have a total deductible of \$250,000. Claims payable and related expenses, including those claims incurred but not reported, are reported as an estimate using the accrual basis of accounting. The School System maintains a self-insurance fund which includes Workers' Compensation and Risk Management Funds.

### Fiduciary Fund Types:

Fiduciary Funds are used to account for assets held by the School System in a trustee or agency capacity. The School System maintains two fiduciary fund type, agency funds. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

**Agency Funds** - The School Activity Fund and 2<sup>nd</sup> Sales Tax Fund accounts for assets held in a custodial capacity.

## C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

### Government Wide Financial Statement (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level. The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*. The School System applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 in accounting and reporting its business-type activities.

**Internal Activities** - The workers' compensation and risk management funds provide services to the governmental funds. Accordingly, these funds were rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid "grossing up" effect of a straight inclusion.

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

**Allocation of Indirect Expense** - The School System reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### **Fund Financial Statements (FFS)**

Fund financial statements report detailed information about the School System. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The Internal Service and Enterprise funds are presented on single columns on the face of the proprietary fund statements. The major funds for the 2003-04 fiscal year are the General Fund which is used to account for all financial resources except those required to be accounted for in another fund; The 82 Sales Tax Maintenance Fund, a special revenue fund used to account for activity resulting from the 1982 sales and use tax, after the payment of debt service requirements, which is restricted for the maintenance of school facilities; and, IASA, a special revenue fund used to account for federal grants relative to the Improving America Schools Act.

### **Governmental Funds**

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 proprietary (enterprise and internal service funds) and fiduciary fund type (agency funds) are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The governmental fund types are reported in the financial statements on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when they become both measurable and available. Available means expected to be collected within two months for property taxes. Revenues not considered available are recorded as deferred revenues. The following practices in recording revenues and expenditures have been used for the governmental funds.

**Revenues** - Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem, sales, and other taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on December 31 of each year, and become delinquent on January 1. An enforceable lien attaches to the property as of January 10. The taxes were levied by the School System on July 20, 2003. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School System considers them available to finance current year obligations and are collected by the School System. Substantially all other revenues are recorded when received.

**Expenditures** - Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but are paid over a twelve-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as long-term debt. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues are charges to customers for services. Principle operating expenses are the costs of providing services and include administrative expenses. Other revenues and expenses are classified as non-operating in the financial statements. The School System applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 in accounting and reporting its enterprise funds.

**Deferred Revenues** - Deferred revenues arise when resources are received before the School System has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures, when tuition is received in advance of the commencement of classes or when there is an inventory of donated food commodities at year end. In subsequent periods, when the School System has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### D. BUDGET PRACTICES AND BUDGETARY ACCOUNTING

Annual budgets are legally adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds by the School System. The School System also follows certain procedures in establishing the budgetary data reflected in the financial statements. These procedures are as follows:

Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to September 15, the budget is legally enacted through adoption by the System's Board. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service, and Capital Projects Funds. Accordingly, the General, Special Revenue, Debt Service, and Capital Projects Funds budgets have appropriations legally adopted at the "appropriated budget" level. The General Fund budget is adopted and presented on a basis consistent with generally accepted accounting principles (GAAP). Appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended. The only legal requirement is that the System adopt budgets which reflect expenditures at a level equal to or less than total revenues plus fund balances. All Special Revenue Fund budgets that are not grant oriented have annual appropriated budgets adopted prior to September 15 by the System. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. These funds' budgets are taken to the finance committee and then to the Board for approval. All Special Revenue Fund appropriations lapse at the end of the fiscal year. Special Revenue Fund budgets are adopted and presented on a basis consistent with generally accepted accounting principles (GAAP). Capital projects are approved on a project basis with total estimated costs for each project by the System.

The System annually adopts a capital projects expenditure and debt service budget each fiscal year. The budget presented in the financial statements are the annual budgets of the Capital Projects Funds and the Debt Service Funds which were legally adopted on a basis consistent with GAAP. The annual appropriations lapse at the end of the fiscal year. Since all appropriations lapse at the end of the fiscal year, current year transactions which are directly related to a prior year's budget are rebudgeted in the current year. The total budget of a given fund is the legal level of budgetary control at which the System must approve any over-expenditures of appropriations of amounts. The School Board members must approve or authorize any, other than minor, additional appropriations, changes, revisions or transfers affecting the original budgets. Management may not amend or make revisions to the budgets which are other than minor. Once adopted, the budget can be amended by subsequent action. Reallocations of appropriations within a given fund may be approved by Parish management with subsequent ratification of the System's Board. The budgets presented are as originally adopted as well as adjusted for final revisions.

### E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Project Funds. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. As materials are subsequently received and construction contracts are executed, liabilities are recorded and related encumbrances are liquidated.

### F. RESTRICTED NET ASSETS-GOVERNMENT-WIDE FINANCIAL STATEMENTS

For Government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use are either, (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) Imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the School System's policy to use restricted resources first, then unrestricted resources as they are needed.

### G. RESERVES AND DESIGNATIONS OF FUND BALANCE-FUND FINANCIAL STATEMENTS

**Reserves:** Use of the term "reserve" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance is not available to appropriate for expenditure or is legally segregated for a specific future use. The reserve for debt service represents the portion of fund balance that has been reserved in the Debt Service Funds for future payment of principal and interest on bonded debt. The reserve for encumbrances at year end represents the estimated amount the School System intends to honor as a commitment regardless of the lapse in the appropriation.

**Designations:** Use of the term "designated" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. Designated fund balances may be changed and are subject to subsequent authorization before expenditures can be made.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### **H. CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits or investments with original maturity dates of less than 90 days. Under state law, the School System may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School System may invest in United States bonds, treasury notes and bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost which approximate fair value. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less at the date of acquisition are considered to be cash equivalents in the Internal Service Fund.

The School System maintains four bank accounts, exclusive of the individual school activity accounts. The operating account and imprest payroll and account payable accounts are used for the majority of School System receipts and disbursements. In addition, WIA (Hammond) maintains their own bank account. The School System maintains an accounting record reflecting the equity or deficit of each participating fund's interest in the pooled operating cash account. For presentation purposes, a fund's equity in the pooled cash account is reported as "Cash", while deficits are reported as inter fund payables and receivables in order to reflect an accurate cash balance. Cash balances of all funds are invested to the extent possible in certificates of deposits, treasury notes, the LAMP or in interest-bearing checking accounts. Interest earned on these certificates, treasury bills and on checking account balances is distributed to the individual funds on the basis of invested balances of the participating funds during the year.

### **I. INVENTORY**

*Inventory of the General Fund is valued at cost (first-in, first-out) and consists of expendable materials and supplies which are recorded as expenditures when consumed. Inventory of the School Food Service special revenue fund consists of food purchased by the School System and commodities granted by the USDA through the Louisiana Department of Education. The commodities are recorded as revenues and expenditures when consumed. Commodities at year end is recorded as a deferred revenue. The purchased food is recorded as an expenditure when consumed. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the USDA.*

### **J. INTERGOVERNMENTAL RECEIVABLES**

Due from Other Governments primarily consist of receivables for reimbursement of expenditures under various state and federal programs and grants. These amounts also represent various tax-type revenues due at year-end. All amounts are expected to be collected within the next fiscal year.

### **K. SHORT-TERM INTER FUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS**

During the course of normal operations, numerous transactions occur between funds for goods provided or services rendered. These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds, but are eliminated in the GWFS. Any residual balances outstanding between governmental activities and business -type activities are reported in the GWFS as internal balances. The same is true for transfers. All interfund balances are expected to be liquidated within one year. The principle purpose (source) of interfund balances is *negative cash balances in the special revenue funds (pooled cash)*. The General Fund records as a receivable and special revenue funds record as a payable its negative cash interest in the System's pooled cash.

### **L. CAPITAL ASSETS**

Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets. The School System maintains a threshold level of the following: \$1 (land and CIP), \$5,000 (machinery and vehicles), \$25,000 (building and land improvements), and \$50,000 (building) for capitalizing capital assets. Capital assets are reported in the GWFS, but not reported in the FFS. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. The School System does not possess any material amounts of infrastructure capital assets, such as roads and bridges.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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Straight-line depreciation is calculated based on the following estimated useful lives:

Buildings	25-40 years
Land Improvements	10-25 years
Building Improvements	10-30 years
Machinery, Furniture and Equipment	5-20 years
Vehicles	5 - 8 years

### M. COMPENSATED ABSENCES

All compensated absence liabilities result from governmental fund activities. Current expenditures include salary and salary related payments for leave taken during the year and for leave payments made to employees whose employment terminated during the year. Since the largest portion of the liability remaining at the end of the year in compensated absences does not require the use of current resources, it is recorded in the debt portion of the GWFS Statement of Net Assets and not in the General Fund. The cost of compensated absence privileges (unused sick leave) is recognized as a current year expenditure in the General Fund when leave is actually taken, or when employees are paid for accrued leave upon retirement or death (liquidated). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Sick Leave** - Teachers and other school employees accrue from 10 to 12 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is to be paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on, or any portion thereof, a 25-day maximum per employee. Sick leave is not payable upon discharge or termination.

**Extended Sick Leave** - Teachers and school bus operators may be eligible to receive 65% of their pay at the time leave begins for illness or illness of an immediate family member. No more than 90 days of extended sick leave may be taken in a 6 year period. Extended sick leave requires a statement from a licensed physician and Board approval. Additionally, regular sick leave must be exercised before extended sick leave begins.

**Vacation** - Full-time employees who work year round are granted vacation in varying amounts (a maximum of 16 days per year) as established by the School System policy. Up to 10 cumulative vacation days may be carried forward and in the event of termination, an employee receives compensation for any unused earned vacation.

**Sabbatical Leave** - Any employee with a teaching certificate is entitled to one semester of sabbatical leave immediately following six semesters of consecutive service or two semesters of sabbatical leave immediately following twelve or more consecutive semesters of consecutive service. Unused sabbatical leave may be carried forward to one or more periods subsequent to that in which it is earned, but no more than two semesters of leave may be accumulated. Sabbatical leave does not vest. Leave may only be taken for rest and recuperation (approved by a doctor) or for professional and cultural improvement. All sabbatical leaves must be approved by the School System. Teachers on leave cannot exceed 10% of workforce at one time for special schools and 5% for parish and city schools.

### N. ESTIMATES

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

### O. CLAIMS AND JUDGEMENTS

The School System provides for losses and anticipated expenses resulting from claims and judgements including claim adjustment expenditures/expenses, salvage and subrogation. Losses resulting from claims and judgements are estimated by utilizing a case by case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50. The liability for such losses is recorded in the Internal Service Fund. Incurred but not reported claims as of June 30, 2004, have been considered in determining the accrued liability.

### P. LONG - TERM OBLIGATIONS

In the GWFS, and proprietary fund types in the FFS, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, when material, are reported as deferred charges and amortized over the term of the related debt.

### Q. AD VALOREM TAXES

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. After 1978, the assessor is required to reappraise all property every four years. The School System is permitted by constitutional and statutory authority of the State to levy taxes up to \$4.06 per \$1,000 of assessed valuation for operations other than the payment of principal and interest on long-term debt. State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1<sup>st</sup> of the following year. Therefore, there are no delinquent taxes at year-end. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid. After the notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed. The Sheriff of Tangipahoa Parish, as provided by State law is the official tax collector of general property taxes levied by the School System. The 2004 tax calendar is as follows:

Millage rates adopted/Levy Date	July 20
Tax bills mailed	November 30
Due date	December 31
Lien date	January 10

Property taxes are recorded in the General and Debt Service Funds. Additionally, there is a 3 mill tax collected by one Special Revenue Fund. As explained in Note 1C, revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and usually result in subsequent adjustments to the tax roll. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

### R. SALES AND USE TAXES

The School System receives a 2% parish-wide sales/use tax. The first 1% sales/use tax is dedicated to supplement other revenues available to the general fund for the payment of salaries of teachers, bus drivers, janitors, lunchroom employees, and other personnel employed by the School System. Any remaining revenues are to be used for the operations of schools. The second 1% of sales and use tax is to be used for the payment of bond indebtedness, maintenance of school facilities, and pay-as-you-go capital projects.

### NOTE 2 - EXCESS EXPENDITURES AND USES OVER APPROPRIATIONS

For the year ended June 30, 2004, the following funds had actual expenditures and other financing uses over budgeted appropriations as follows:

	<u>Budgeted</u>	<u>Actual</u>	<u>Excess</u>
<b>Special Revenue Funds:</b>			
School Lunch/Breakfast	7,726,135	8,078,782	352,647
Crystal Academy	442,830	462,559	19,729
Adult Education	408,457	409,508	1,051
Timber Fund	32,305	54,992	22,687
21 <sup>st</sup> Century	869,495	1,000,135	130,640
Workforce Investment Act	5,780,000	6,564,466	784,466
<b>Debt Service Funds:</b>			
District General Obligation Bonds	2,435,717	2,623,688	187,971
District Revenue Bonds	1,250,488	1,258,931	8,443
<b>Capital Projects :</b>			
Construction District #116 - Sumner	252,932	546,459	293,527
Construction District #104 - Loranger	1,373,406	1,399,991	26,585
Construction District #115 - Independence	533,690	616,111	82,421
1982 Pay-As-You Go	1,398,793	1,496,202	97,409

Actual expenditures/uses exceeded budgeted as a result of unanticipated expenditures occurring in the month of June after the last budget. The excess expenditures were funded by available and appropriate fund balance.

# TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 3 - CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

At June 30, 2004 the School System's carrying value of deposits are as follows:

Money market accounts:	
Governmental Funds	\$20,194,017
Proprietary Funds	<u>2,564,524</u>
Total money market accounts	<u>\$22,758,541</u>

Cash balances of all funds are combined to the extent possible. Interest earned on deposits is distributed to the individual funds based on the invested balances of the participating funds during the year. Interest is recorded when earned. Under state law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank. At June 30, 2004, cash and cash equivalents were entirely insured or collateralized with securities held by a mutually acceptable third party financial institution in the School System's name; however, the securities may be released only upon the written authorization of the School System. This is the lowest credit risk as defined by the Governmental Accounting Standards Board. The bank balances are fully insured and collateralized at June 30, 2004 as follows:

Total Bank Balances	<u>\$25,522,410</u>
Federal Deposit Insurance	300,000
Letter of Credit - FHLB	15,600,000
Pledged Securities	<u>18,783,093</u>
Total Collateral	<u>\$34,683,093</u>

At year-end, the individual schools had a balance per bank in cash of \$1,649,958 in various accounts. The balances of these accounts are fully collateralized with either FDIC insurance and/or pledged securities. Because these accounts are not assets of the School System (Agency funds) the balances are not reflected in the FFS or GWFS.

### NOTE 4 - INVESTMENTS

Investments of \$27,406,900 (\$26,972,186 in governmental funds and \$434,714 in the proprietary funds) at June 30, 2004 are in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

### NOTE 5 - NOTE RECEIVABLE

In 1990, the System sold a building under a long-term note receivable. This note has been recorded at its present value utilizing an implicit rate of 11% (prime rate at the date of the sale) since the note is non-interest bearing. The note had a face value of \$90,000 and is payable in 216 monthly installments of \$417 which began in November 1992. The revenue on this note receivable is deferred until payments are received under the measurable and available criteria.

TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 - CHANGES IN AGENCY DEPOSITS DUE OTHERS

A summary of changes in the Agency Fund's deposits due others are as follows:

	School Activity Funds	2 <sup>nd</sup> Sales Tax Fund	Total
Balance at beginning of year	\$1,947,678	\$0	\$1,947,678
Additions	4,944,244	11,488,592	16,432,836
Deductions	4,882,482	11,488,592	16,371,074
Balance at end of year	\$2,009,440	\$0	\$2,009,440

NOTE 7 - CAPITAL ASSETS

A summary of changes in capital assets are as follows:

	July 1, 2003	Additions	Deletions	June 30, 2004
<b>Nondepreciable assets:</b>				
Land	\$2,320,176	\$151,646	\$1,300	\$2,470,522
Construction in progress	\$3,750,223	4,086,029	5,143,608	\$2,692,644
<b>Depreciable assets:</b>				
Building & Improvements	106,505,263	4,943,250	200,000	111,248,513
Furniture & Equipment	4,848,090	435,339	1,300,634	3,982,795
Subtotal depreciable assets	111,353,353	5,378,589	1,500,634	115,231,308
Less Accumulated Depreciation				
Building & Improvements	(49,783,822)	(2,290,263)	200,000	(51,874,085)
Furniture & Equipment	(3,704,118)	(272,090)	1,202,188	(2,774,020)
Total Accumulated Depreciation	(53,487,940)	(2,562,353)	1,402,188	(54,648,105)
Capital Assets, net	\$57,865,413	\$2,816,236	(\$98,446)	\$60,583,203

Depreciation expense of \$2,562,353 for 2004 was charged to the following governmental functions:

Instruction:	
Regular Ed	\$123,871
Special Ed	1,253
Vocational Ed	1,253
Other Instructional Programs	154
Special Programs	1,222
Adult Ed	1,215
Support Services:	
General Administration	1,079
School Administration	1,766
Plant Services	10,620
Student Transportation	43,489
Central Services	3,921
Food Services	67,283
Facilities, Acquisitions and Construction	2,305,227
Total	\$2,562,353

Construction in progress at June 30, 2004 is composed of the following:

Project	Authorization	Expended	Committed
Amite High Auditorium	\$2,398,311	\$2,012,906	\$385,405
Amite High Classroom Additions	1,615,648	1,562,873	52,775
Loranger Elementary Four Classrooms	495,669	494,765	904
Loranger Middle Eight Classrooms & Dining Hall	1,342,267	893,670	448,597
Chesbrough Elementary ReRoof Main Building	79,637	41,648	37,989
Independence High Improvements	443,520	438,645	4,875
Spring Creek Elementary Gym Renovations	260,764	72,180	188,584
Amite High Baseball Field Lighting	87,655	76,011	11,644
Sumner Jr. High School	4,491,174	87,415	4,403,759
Loranger High Weight room	85,188	12,633	72,555
Independence Middle School	2,941,517	85,848	2,855,669
Sumner High Track Upgrade & Bleacher Replacement	523,891	300,111	223,780
Total	\$14,765,241	\$6,078,705	\$8,686,536

# TANGIPAOHA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 8 - RETIREMENT PLANS

Substantially all employees of the school system are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information, as required by the *GASB Statement No. 27*, relative to each plan follows.

#### **Teachers' Retirement System of Louisiana (TRS)**

Plan description: The School System participates in two membership plans of the TRS, the Regular Plan and Plan A. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. 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 9.1 percent of their annual covered salary for the Regular Plan and Plan A respectively. The School System is required to contribute at an actuarially determined rate. The current rate is 13.1 percent of annual covered payroll for Plan A and 13.1 percent for the Regular Plan. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School System's employer contribution to the TRS, as provided by state law is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittance from the School System. The School System's contributions to the TRS for the years ended June 30, 2004, 2003, and 2002 were \$7,543,885, \$7,521,389, and \$7,494,549 respectively, equal to the required contributions for each year.

#### **Louisiana School Employees' Retirement System (LSERS)**

Plan Description: The 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. The LSERS issues a publicly available financial report that includes financial statements and required supplementaries for the LSERS. 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 7.5 percent of their annual covered salary and the School System is required to contribute at an actuarially determined rate. The current rate is 7.0 percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School System's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School System. The School System's contributions to the LSERS for the years ended June 30, 2004, 2003, and 2002 were \$463,368, \$355,623, and \$368,129 respectively, equal to the required contributions for each year.

### NOTE 9 - CLAIMS AND JUDGEMENTS

At June 30, 2004, the School System was a defendant in lawsuits principally arising from the normal course of operations. The School System's legal counsel has reviewed the School System's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the System and to arrive at an estimate, if any, of the amount or range of potential loss to the System. As a result of the review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", or "remote", as defined by the *GASB*. Amounts of claims classified as "probable" have been accrued in the claims liability and the liability for self-insurance losses, as explained in Note 14. The amount of claims and lawsuits which have been classified as "reasonably possible" individually range from \$3,000 to \$100,000. It is the opinion of the School System, after conferring with legal counsel, that the liability, if any which might arise from these lawsuits would not have a material adverse effect on the School System's financial position.

### NOTE 10 - FEDERAL GRANTS

The School System participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 2004, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School System expects such amounts, if any, to be immaterial.

**TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 11 - CHANGES IN LONG-TERM DEBT**

The following is a summary of the long-term debt transactions the year ended June 30, 2004:

	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
General Obligation Bonds	\$16,325,000	\$6,600,000	\$1,730,000	\$21,195,000	\$1,800,000
Sales Tax Bond	18,903,750		2,361,250	16,542,500	2,387,500
Revenue Bonds	9,900,000		825,000	9,075,000	855,000
Subtotal Bonds	45,128,750	6,600,000	4,916,250	46,812,500	5,042,500
Note Payable-lighting	1,297,823		221,478	1,076,345	232,925
Subtotal Bonds & Note	46,426,573	6,600,000	5,137,728	47,888,845	5,275,425
Comp Absences Payable	1,943,300	435,262	287,561	2,091,001	523,891
<b>Total</b>	<b>\$48,369,873</b>	<b>\$7,035,262</b>	<b>\$5,425,289</b>	<b>\$49,979,846</b>	<b>\$5,799,136</b>

A schedule of individual issues outstanding as of June 30, 2004 is as follows:

<u>District /Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Final Year</u>	<u>Principal Outstanding</u>
<b>General Obligation Bonds</b>				
Hammond District No. 1:				
November 1, 1995	\$7,130,000	8%	2015	\$5,195,000
May 1, 2003	4,180,000	2.0-3.6%	2014	3,510,000
Champ Cooper No. 106:				
May 1, 2003	1,000,000	2.0-3.5%	2013	910,000
Kentwood District No. 107:				
May 1, 2003	1,335,000	2.0-3.6%	2014	1,235,000
Ponchatoula Dist No. 108:				
May 1, 2003	3,380,000	2.0-3.5%	2013	2,970,000
Independence Dist No. 39				
April 1, 2004	3,200,000	5%	2024	3,200,000
Sumner District No. 116:				
May 1, 2003	960,000	2.0-3.5%	2013	870,000
November 1, 2003	3,400,000	3.6-6.0%	2023	3,305,000
Subtotal-General Obligation Bonds	24,585,000			21,195,000
<b>Sales Tax Bond</b>				
1997 Refunding Bond	23,975,000	3.8-5.35%	2010	16,542,500
<b>Revenue Bonds</b>				
Amite District No. 102 - July 1, 2001	3,745,000	3.75-5.5%	2013	3,030,393
Loranger District No. 104 - July 1, 2001	1,910,000	3.75-5.5%	2013	1,545,541
Champ Cooper District No. 106 - July 1, 2001	440,000	3.75-5.5%	2013	356,042
Independence District No. 115 - July 1, 2001	2,955,000	3.75-5.5%	2013	2,391,140
Sumner District No. 116- July 1, 2001	2,165,000	3.75-5.5%	2013	1,751,884
Subtotal-Revenue Bonds - July 1, 2001	11,215,000			9,075,000
<b>Total Bonds Payable</b>	<b>\$59,775,000</b>			<b>\$46,812,500</b>

Future debt service requirements on bonds and note payable are as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2005	\$5,275,425	\$2,186,004	\$7,461,429
2006	5,556,962	1,916,737	7,473,699
2007	5,902,625	1,690,007	7,592,632
2008	5,443,940	1,433,001	6,876,941
2009	5,494,895	1,184,817	6,679,712
2010-2014	15,494,998	2,802,373	18,297,371
2015-2019	2,515,000	815,897	3,330,897
2020-2024	2,205,000	298,560	2,503,560
<b>Total</b>	<b>\$47,888,845</b>	<b>\$12,327,396</b>	<b>\$60,216,241</b>

All principal and interest requirements are funded in accordance with Louisiana law by the annual tax levy on taxable property within the parish taxing district. At June 30, 2004, the School System had accumulated \$2,841,238 in the Debt Service Funds for future bonded debt requirements. The School System is legally restricted from incurring long-term

**TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

debt financed through property taxes in excess of 35% of the assessed value of taxable property. At June 30, 2004, the statutory limit was \$159.8 million and the remaining debt margin was \$140.7 million. With regard to compensated absences, the General Fund typically absorbs the payment and or liquidation of this non-debt long-term liability.

In November 2003, the School System issued \$3,400,000 in general obligation bonds with a final maturity date of 2023. This issue will be used for facility upgrades and repairs in the Sumner Construction District No. 116. Additionally in April of 2004, the School System issued \$3,200,000 with a final maturity date of 2024 for facility upgrades and repairs in the Independence Construction District No. 39. The bonds cumulatively carry interest rates that range between 3.6 and 6 percent.

**NOTE 12 - PRIOR YEAR DEFEASANCE OF DEBT**

The School System defeased certain sales tax and general obligation bonds in the current and prior fiscal years by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. The proceeds of the new debt were used to purchase U.S. Government securities. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School System's financial statements. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. At June 30, 2004, the following bonds are consider defeased:

	<u>Amount Outstanding</u>	<u>Date Defeased</u>
Sales Tax Bond Series 1985A	\$15,245,000	May 1, 1987
Sales Tax Bond Series 1987A	20,555,000	May 1, 1997
Hammond District No. 1 Series 1992A	1,860,000	May 1, 2003
Hammond District No. 1 Series 1994A	1,985,000	May 1, 2003
Champ Cooper District No. 106 Series 1993A	980,000	May 1, 2003
Kentwood District No. 107 Series 1995A	1,165,000	May 1, 2003
Ponchatoula District No. 108 Series 1993B	2,615,000	May 1, 2003
Ponchatoula District No. 108 Series 1993D	660,000	May 1, 2003
Sumner District No. 116 Series 1993C	900,000	May 1, 2003
Total	<u>\$45,965,000</u>	

**NOTE 13 - INTERFUND RECEIVABLES/PAYABLES**

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<b>General Fund (major fund)</b>	<u>\$3,858,954</u>	
<b>IASA (major fund)</b>		<u>2,768,773</u>
<b>Proprietary - Internal Service Fund</b>	<u>14,287</u>	
<b>Non-Major Special Revenue Funds:</b>		
IDEA		735,726
K-3		176,084
Workforce Investment Act		168,631
Adult Education		22,552
21 <sup>st</sup> Century		1,475
<b>Subtotal Non-Major Special Revenue Funds</b>		<u>1,104,468</u>
Total	<u>\$3,873,241</u>	<u>\$3,873,241</u>

**NOTE 14 - RISK MANAGEMENT**

The School System initiated a risk management program in 1992 which provides that it self-fund a certain portion of each claim for workers' compensation, general liability, auto liability, and building and contents losses. Premiums are paid into the workers' compensation Internal Service Fund by all funds from which salaries are paid and are available to pay claims, claim reserves, and administrative costs of the program. During fiscal year 2003-2004, a total of approximately \$650 thousand was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$250,000. An amount for self-insurance losses (benefit) of (\$15,131) has been accrued as a liability (asset) based upon an actuary's estimate. Inter fund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds. In addition, the School System is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. The School System risk management fund (an internal service fund) is also used to account for and finance its uninsured risk of loss. Under this program, the risk management fund provides coverage up to a maximum of \$150,000 for each general liability claim and \$50,000 for each property damage claim. The School System purchases commercial insurance for claims in excess of coverage provided by the fund. An amount for self-insurance losses of \$433,058 has been accrued as a liability based upon an actuary's estimate. The General Fund of the School System makes payments to the Risk Management Fund based on estimates of the amounts needed to pay claims and to establish a reserve for catastrophic

TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

losses. That reserve was \$1,138,697 at June 30, 2004 and is reported as the net assets of the risk management Internal Service Fund. The claims liability of \$417,926 reported in the fund at June 30, 2004 is based on the requirements of *Governmental Accounting Standards Board* which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claims liability amount in previous fiscal years were as follows:

	Beginning of Year Liability	Claims and Changes In Estimates	Benefit Payments/ Insurance Reimb.	Balance at Year-End
<b>Workers' Compensation:</b>				
2001-2002	155,779	273,280	225,349	203,710
2002-2003	203,710	753,449	288,470	668,689
2003-2004	668,689	(61,677)	622,143	(15,131)
<b>Risk Management:</b>				
2001-2002	713,877	479,559	515,666	677,770
2002-2003	677,770	66,372	298,547	445,595
2003-2004	445,595	209,139	221,676	433,058
<b>Totals:</b>				
2001-2002	869,656	752,839	741,015	881,480
2002-2003	881,480	819,821	587,017	1,114,284
2003-2004	1,114,284	147,462	843,819	417,927

The School System continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. For each of the past three years, the amount of settlements have not exceeded insurance coverage.

NOTE 15 - TRANSFERS

	Transfer In	Transfer Out
<b>General Fund</b>	\$1,478,113	\$1,665,140
<b>IASA</b>		388,290
<b>Proprietary - Sales Tax Collection Fund</b>		26,862
<b>Non-Major Special Revenue Funds:</b>		
School Food Service	1,143,000	
IDEA	70,062	508,237
LEAP	529	
Workforce Investment Act		444,694
Miscellaneous	349,850	18,161
LA 4		21,835
Adult Education	101,420	8,018
Vocational Education		3,229
21 <sup>st</sup> Century		45,398
Literacy Challenge		8,092
<b>Subtotal Non-Major Special Revenue Funds</b>	1,664,861	1,057,664
<b>Non-Major Debt Service Fund:</b>		
District General Obligation Bonds	25,239	
<b>Subtotal Non-Major Debt Service Funds</b>	25,239	
<b>Non-Major Capital Project Funds:</b>		
82 Pay-As-You Go		30,257
<b>Subtotal Non-Major Capital Project Funds</b>		30,257
<b>Total</b>	\$3,168,213	\$3,168,213



**Students of Ms. O'Donnell, Ms. Reis, and Ms. Simmons having fun learning multiplication facts at D. C. Reeves Elementary School.**

**REQUIRED SUPPLEMENTARY INFORMATION  
(PART B)**



O. W. Dillon Elementary School students  
celebrate Black History Month

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

General Fund  
 Budgetary Comparison Schedule  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balances-Budget to Actual

For the Year Ended June 30, 2004

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
<b>REVENUES</b>			
Local Sources:			
Ad Valorem Taxes	\$996,154	\$996,154	\$1,043,406
Sales and Use Taxes	11,274,294	11,499,780	11,488,592
Tuition	187,866	172,235	169,368
Investment Income	275,000	240,500	224,811
1% Tax	207,375	217,872	222,306
E-Rate Grant	1,529,163	257,720	335,348
Other	473,575	535,444	548,604
State Sources:			
Unrestricted Grants-in-Aid	70,549,142	71,873,547	71,873,547
Restricted Grants-in-Aid	669,510	1,808,283	724,399
State Revenue Sharing	112,269	112,269	112,656
Federal Sources	207,518	240,583	270,780
<b>TOTAL REVENUES</b>	<b>86,481,866</b>	<b>87,954,387</b>	<b>87,013,817</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular Ed Programs	46,436,388	45,626,665	44,607,445
Special Ed Programs	11,966,477	12,059,603	11,917,956
Vocational Ed Programs	2,021,171	2,115,867	2,089,153
Other Instructional Programs	1,301,193	1,252,659	1,170,392
Adult Ed Programs	2,832	355	4,655
Support Services:			
Student Services	2,893,373	2,796,824	2,817,187
Instructional Staff Support	2,209,522	2,167,633	2,387,602
General Administration	821,591	939,197	1,094,278
School Administration	5,083,516	5,137,142	5,084,521
Business Services	807,563	721,417	705,289
Plant Services	4,101,996	4,597,542	4,368,351
Central Services	990,278	950,264	915,312
Student Transportation	7,439,682	7,500,964	7,408,042
Food Services	149,662	155,462	163,422
Community Service Programs	7,650	7,650	7,650
Capital Outlay	0	372,740	373,763
Debt Service:			
Principal Retirement	221,478	221,478	221,478
Interest and Bank Charges	61,646	61,646	62,646
<b>TOTAL EXPENDITURES</b>	<b>86,516,018</b>	<b>86,685,108</b>	<b>85,399,142</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(34,152)</b>	<b>1,269,279</b>	<b>1,614,675</b>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	764,695	112,114	1,478,113
Transfers (Out)	(1,814,202)	(1,784,179)	(1,665,140)
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(1,049,507)</b>	<b>(1,672,065)</b>	<b>(187,027)</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(1,083,659)</b>	<b>(402,786)</b>	<b>1,427,648</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>11,799,360</b>	<b>11,799,360</b>	<b>11,799,360</b>
<b>FUND BALANCES, End of Year</b>	<b>\$10,715,701</b>	<b>\$11,396,574</b>	<b>\$13,227,008</b>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Sales Tax Maintenance Fund  
 Budgetary Comparison Schedule  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balances-Budget to Actual

For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	4,850,000	4,850,000	4,777,463
Tuition	0	0	0
Investment Income	58,250	58,250	54,207
Other	550	550	731
State Sources:			
Unrestricted Grants-in-Aid	0	0	0
Restricted Grants-in-Aid	0	0	0
Federal Sources	0	0	0
<b>TOTAL REVENUES</b>	<u>4,908,800</u>	<u>4,908,800</u>	<u>4,832,401</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular Ed Programs	0	0	0
Special Ed Programs	0	0	0
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Adult Ed Programs	0	0	0
Support Services:			
Student Services	0	0	0
Instructional Staff Support	0	0	0
General Administration	31,500	31,500	31,054
School Administration	0	0	0
Business Services	45,684	45,684	44,498
Plant Services	4,154,718	4,154,718	4,041,798
Central Services	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Service Programs	0	0	0
Capital Outlay	200,500	200,500	210,665
Debt Service:			
Principal Retirement	0	0	0
Interest and Bank Charges	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>4,432,402</u>	<u>4,432,402</u>	<u>4,328,015</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>476,398</u>	<u>476,398</u>	<u>504,386</u>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	0	0	0
Transfers (Out)	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>476,398</u>	<u>476,398</u>	<u>504,386</u>
<b>FUND BALANCES, Beginning of Year</b>	<u>6,112,454</u>	<u>6,112,454</u>	<u>6,112,454</u>
<b>FUND BALANCES, End of Year</b>	<u>\$6,588,852</u>	<u>\$6,588,852</u>	<u>\$6,616,840</u>

See accompanying independent auditors' report.

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

IASA

Budgetary Comparison Schedule  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balances-Budget to Actual

For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Tuition	0	0	0
Investment Income	0	0	0
Other	0	0	0
State Sources:			
Unrestricted Grants-in-Aid	0	0	0
Restricted Grants-in-Aid	0	0	0
Federal Sources	8,781,913	11,626,033	8,877,270
<b>TOTAL REVENUES</b>	<u>8,781,913</u>	<u>11,626,033</u>	<u>8,877,270</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular Ed Programs	29,608	0	2,125
Special Ed Programs	6,186,529	7,069,175	5,736,179
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	34,040	0
Adult Ed Programs	0	0	0
Support Services:			
Student Services	492,907	361,445	354,434
Instructional Staff Support	1,157,915	2,146,885	2,059,424
General Administration	3,770	3,136	769
School Administration	36,925	36,920	52,306
Business Services	3,128	1,000	586
Plant Services	281,578	285,639	181,441
Central Services	69,644	40,680	69,162
Student Transportation	3,372	7,906	6,648
Food Services	0	0	0
Community Service Programs	110,125	109,625	25,906
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Bank Charges	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>8,375,501</u>	<u>10,096,451</u>	<u>8,488,980</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	406,412	1,529,582	388,290
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	251,315	0	0
Transfers (Out)	(406,414)	(521,001)	(388,290)
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>(155,099)</u>	<u>(521,001)</u>	<u>(388,290)</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	251,313	1,008,581	0
<b>FUND BALANCES, Beginning of Year</b>	0	0	0
<b>FUND BALANCES, End of Year</b>	<u>\$251,313</u>	<u>\$1,008,581</u>	<u>\$0</u>

See accompanying independent auditors' report.

**TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULE**

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**A. BUDGETS**

The School System utilizes the following procedures in establishing budgetary data reflected in the financial statements: Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to September 15, the budget is legally enacted through adoption by the System's Board.

Formal budgetary integration is employed as a management control device during the year for the General, Sales Tax Maintenance, and IASA Funds. Accordingly, these three funds' budgets have appropriations legally adopted at the "appropriated budget" level. The General Fund budget is adopted and presented on a basis consistent with generally accepted accounting principles (GAAP). Appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended. The only legal requirement is that the System adopt budgets which reflect expenditures at a level equal to or less than total revenues plus fund balances. The Sales Tax Maintenance Fund, and IASA budgets have an annual appropriated budget adopted prior to September 15 by the System. This budget is taken to the finance committee and then to the Board for approval. The Sales Tax Maintenance Fund and IASA budget appropriations lapse at the end of the fiscal year. This budget is adopted and presented on a basis consistent with generally accepted accounting principles (GAAP).

The annual appropriations lapse at the end of the fiscal year. Since all appropriations lapse at the end of the fiscal year, current year transactions which are directly related to a prior year's budget are rebudgeted in the current year. The total budget of a given fund is the legal level of budgetary control at which the System must approve any over-expenditures of appropriations of amounts. The School Board members must approve or authorize any, other than minor, additional appropriations, changes, revisions or transfers affecting the original budgets. Management may not amend or make revisions to the budgets which are other than minor. Once adopted, the budget can be amended by subsequent action. Reallocations of appropriations within a given fund may be approved by Parish management with subsequent ratification of the System's Board. The budgets presented are as originally adopted as well as adjusted for final revisions.

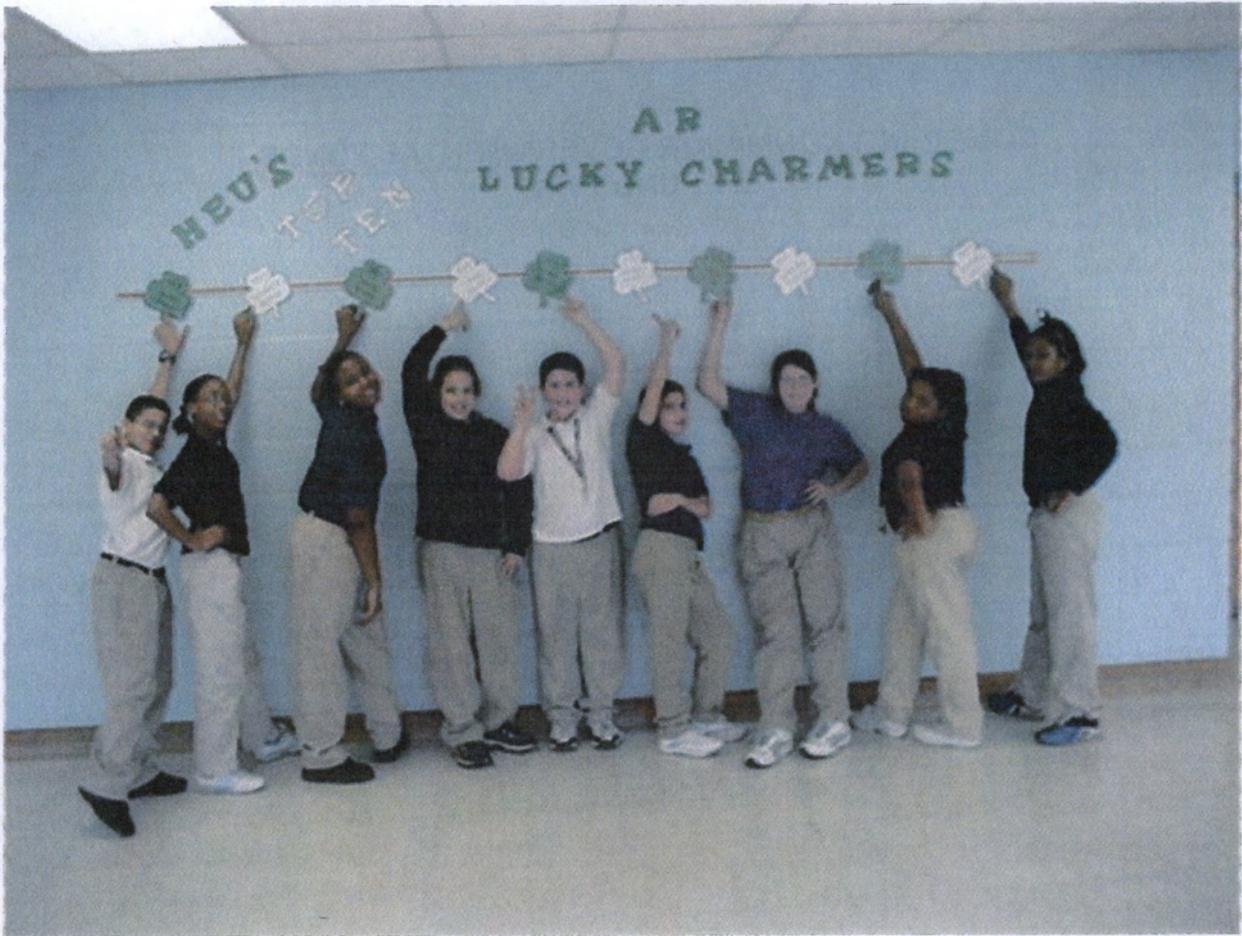
**SUPPLEMENTAL INFORMATION**



Smoky Mountain Music Festival  
Gatlinburg, TN 2003

**Loranger High School Band  
participates in the Smoky Mountain Music Festival.**

**COMBINING NONMAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**



Hammond Eastside Upper School's Accelerated readers

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Governmental Funds  
 Combining Balance Sheet - By Fund Type

As of June 30, 2004

	<i>Special Revenue Funds</i>	<i>Debt Service Funds</i>	<i>Capital Projects Funds</i>	<i>Total</i>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$3,873,472	\$1,755,821	\$10,717,820	\$16,347,113
Restricted Cash	0	0	0	0
Investments	320,740	1,213,399	4,735,142	6,269,281
Receivables:				
Note Receivable	0	0	16,574	16,574
Other	5,579	0	0	5,579
Due from Other Governments	2,068,542	0	0	2,068,542
Inventory	163,340	0	0	163,340
<b>TOTAL ASSETS</b>	<b>\$6,431,673</b>	<b>\$2,969,220</b>	<b>\$15,469,536</b>	<b>\$24,870,429</b>
<b>LIABILITIES</b>				
Accounts Payable	174,130	127,982	212,365	514,477
Salaries Payable	1,478,861	0	0	1,478,861
Due to Other Funds	1,104,468	0	0	1,104,468
Deferred Revenues	440,734	0	16,574	457,308
<b>TOTAL LIABILITIES</b>	<b>3,198,193</b>	<b>127,982</b>	<b>228,939</b>	<b>3,555,114</b>
<b>FUND BALANCES</b>				
Reserved for Encumbrances	0	0	8,681,661	8,681,661
Reserved for Inventory	95,511	0	0	95,511
Reserved for Debt Service	0	2,841,238	0	2,841,238
Unreserved - Undesignated	3,137,969	0	6,558,936	9,696,905
<b>TOTAL FUND BALANCES</b>	<b>3,233,480</b>	<b>2,841,238</b>	<b>15,240,597</b>	<b>21,315,315</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$6,431,673</b>	<b>\$2,969,220</b>	<b>\$15,469,536</b>	<b>\$24,870,429</b>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type

For the Year Ended June 30, 2004

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
<b>REVENUES</b>				
Local Sources:				
Ad Valorem Taxes	\$400,200	\$2,386,323	\$0	\$2,786,523
Sales and Use Taxes	0	4,574,396	2,124,601	6,698,997
Investment Income	14,796	200,881	136,662	352,339
Other	2,250,115	0	13,680	2,263,795
State Sources:				
Restricted Grants-in-Aid	1,449,121	0	0	1,449,121
Federal Sources	18,620,295	0	0	18,620,295
<b>TOTAL REVENUES</b>	<b>22,734,527</b>	<b>7,161,600</b>	<b>2,274,943</b>	<b>32,171,070</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Ed Programs	1,331,281	0	671,335	2,002,616
Special Ed Programs	578,290	0	0	578,290
Vocational Ed Programs	439,664	0	0	439,664
Other Instructional Programs	1,122,483	0	0	1,122,483
Special Programs	2,423,658	0	0	2,423,658
Adult Ed Programs	406,969	0	0	406,969
Support Services:				
Student Services	463,766	0	0	463,766
Instructional Staff Support	941,281	0	0	941,281
General Administration	22,328	29,734	13,810	65,872
School Administration	108,776	0	0	108,776
Business Services	453	0	0	453
Plant Services	117,521	0	10,000	127,521
Central Services	212,831	0	0	212,831
Student Transportation	288,604	0	0	288,604
Food Services	8,057,178	0	0	8,057,178
Community Service Programs	6,121,111	0	0	6,121,111
Capital Outlay	61,529	0	4,229,074	4,290,603
Debt Service:				
Principal Retirement	0	4,916,250	0	4,916,250
Issuance Cost	0	0	92,325	92,325
Interest and Bank Charges	0	2,256,929	0	2,256,929
<b>TOTAL EXPENDITURES</b>	<b>22,697,723</b>	<b>7,202,913</b>	<b>5,016,544</b>	<b>34,917,180</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>36,804</b>	<b>(41,313)</b>	<b>(2,741,601)</b>	<b>(2,746,110)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers In	1,664,861	25,239	0	1,690,100
Transfers (Out)	(1,057,664)	0	(30,257)	(1,087,921)
Proceeds from Sale of Assets	100	0	0	100
Payments to Escrow Agent	0	0	0	0
Bond Proceeds	0	0	6,600,000	6,600,000
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>607,297</b>	<b>25,239</b>	<b>6,569,743</b>	<b>7,202,279</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>644,101</b>	<b>(16,074)</b>	<b>3,828,142</b>	<b>4,456,169</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>2,589,379</b>	<b>2,857,312</b>	<b>11,412,455</b>	<b>16,859,146</b>
<b>FUND BALANCES, End of Year</b>	<b>\$3,233,480</b>	<b>\$2,841,238</b>	<b>\$15,240,597</b>	<b>\$21,315,315</b>

See accompanying independent auditors' report.

## NONMAJOR SPECIAL REVENUE FUNDS

*NonMajor Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The School System maintains the following Special Revenue Funds:*

### SCHOOL LUNCH/BREAKFAST FUND

The School Lunch/Breakfast Fund is used to account for the operations of the school food service program in the parish school system during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

### TIMBER FUND

The Sixteenth Section Fund, Champ Cooper Timber, and Kentwood Timber - are used to account for the use of funds and proceeds of the sale of timber on applicable lands.

### INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA)

**Public Law 94-142** authorizes funding of the Handicapped Preschool and School Program, which is a federally financed program of free education in the least restrictive environment for children with exceptionalities.

**Extension Special Ed** - provides for medical and health services for handicapped children and free education in the least restrictive environment. This program is primarily funded by the federal government.

### LA 4 PROGRAM

The LA 4 Improvement Enhancement grant is a state funded one time grant to be used at Midway Elementary and Woodland Park Early Learning Center. These funds will be used to improve and enhance the new LA 4 Pre-K grant.

### LEAP

LEAP constitutes two programs, *LEAP Summer Remediation* which provides assistance to students who have failed one or more parts of the state criterion referenced tests for promotion; and *LEAP Tutoring* which its objectives are to improve reading and mathematics skill for students who are repeating 4<sup>th</sup> and 8<sup>th</sup> grade and first time 4<sup>th</sup> and 8<sup>th</sup> grade students who score below the 30<sup>th</sup> percentile on their 3<sup>rd</sup> and 7<sup>th</sup> grade Iowa test.

### CRYSTAL ACADEMY

Crystal Academy offers students who academically behind their peers new opportunities to catch up or learn a trade. It is supported by tax collection revenue and general fund transfers.

### WORKFORCE INVESTMENT ACT

Workforce Investment Act (WIA) is a federally funded project which provides opportunities for economically disadvantaged individuals to prepare for careers in health occupations, such as licensed practical nurses, nurses aides and assistants, and orderlies; automobile mechanics; clerical occupations, such as typists, word processors and data processors; food service workers; and child care workers and attendants.

### MISCELLANEOUS PROGRAMS

Miscellaneous Programs is used to account for those programs that are anticipated to have a short duration or have relatively low monetary activity. For the fiscal year 2004, the following were grouped into Miscellaneous Programs: Learn and Serve America, Education Excellence, Arts Council of B.R., School Improvement, PM School, Life Skills, FIE Earmark Grant, LEAP Remediation, Starting Points, Section 504 Expenditures, Technology Improvement EETT, TANF Afterschool for All, Walmart Champ Cooper, LA Teacher Assist and Assmt, LTAAP Mentoring, Pre-GED Skills, CBT Building Online Learn, Title I Homeless, and Rural Ed Achievement.

### K-3 READING

The K-3 Reading and Math Initiative is a State funded program. The target population for this initiative is kindergarten through third grade students who are at risk of experiencing difficulty in reading and/or mathematics.

**ADULT EDUCATION FUND**

The Adult education fund is a state and federally funded program offering higher education opportunities to persons who are age 16 or older.

**VOCATIONAL EDUCATION FUND**

The Vocational Education fund is a federally funded program restricted to expenditures for salaries, supplies and equipment to be used in vocational education programs.

**21<sup>st</sup> CENTURY**

is a federally funded program that provides support to local education agencies who elect in long-term, systematic, reform activities that lead to higher levels of student achievement and the achievement of the national and state education goals. Equipment including a multimedia computer, television, VCR, scanner, LCD player, and printer was purchased for each site to facilitate training.

**8(g) SPECIAL PROJECTS FUNDS**

The 8(g) Special Projects Funds are state grants provided by the State Board of Elementary and Secondary Education to create programs for special projects deemed worthy by the State Board.

**LITERACY CHALLENGE**

These funds are coordinated with federal, state, and district initiatives to provide research-based professional development experiences for classroom teachers and para-professionals with technology resources. The goal is to increase student academic achievement by providing meaningful skills and methodologies to support classroom teachers that will use these methods, materials, and equipment to provide effective classroom instruction.



**Amite Elementary School Kindergarten students**

**Amite Branch of Tangipahoa Parish Library**

**TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Nonmajor Special Revenue Funds  
Combining Balance Sheet**

As of June 30, 2004

	<u>School Lunch/ Breakfast</u>	<u>Timber Fund</u>	<u>IDEA</u>	<u>LA 4 Program</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$1,912,019	\$622,881	\$43,068	\$181,735
Investments	320,740	0	0	0
Accrued Interest Receivable	0	0	0	0
Other Receivables	5,579	0	0	0
Due From Other Funds	0	0	0	0
Due From Other Governments	0	0	923,693	0
Inventory, at cost	163,340	0	0	0
<b>TOTAL ASSETS</b>	<u>\$2,401,678</u>	<u>\$622,881</u>	<u>\$966,761</u>	<u>\$181,735</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$12,595	\$0	\$2,200	\$0
Salaries Payable	428,968	0	197,263	38,383
Due to Other Funds	0	0	735,726	0
Due to Other Governments	0	0	0	0
Deferred Revenues	67,829	0	31,572	0
<b>TOTAL LIABILITIES</b>	<u>509,392</u>	<u>0</u>	<u>966,761</u>	<u>38,383</u>
Fund Balances:				
Reserved for Inventory	95,511	0	0	0
Unreserved - Undesignated	1,796,775	622,881	0	143,352
<b>TOTAL FUND BALANCES</b>	<u>1,892,286</u>	<u>622,881</u>	<u>0</u>	<u>143,352</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$2,401,678</u>	<u>\$622,881</u>	<u>\$966,761</u>	<u>\$181,735</u>

See accompanying independent auditors' report.

<i>LEAP</i>	<i>Crystal Academy</i>	<i>Workforce Investment Act</i>	<i>Miscellaneous Programs</i>	<i>K-3 reading</i>	<i>Adult Education</i>	<i>Vocational Education</i>
\$0	\$208,380	\$353,255	\$515,151	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	566,927	297,988	176,084	55,708	0
0	0	0	0	0	0	0
<u>\$0</u>	<u>\$208,380</u>	<u>\$920,182</u>	<u>\$813,139</u>	<u>\$176,084</u>	<u>\$55,708</u>	<u>\$0</u>
\$0	\$0	\$105,332	\$31,168	\$0	\$0	\$0
0	42,345	646,219	33,803	0	33,156	0
0	0	168,631	0	176,084	22,552	0
0	0	0	0	0	0	0
0	67	0	339,175	0	0	0
<u>0</u>	<u>42,412</u>	<u>920,182</u>	<u>404,146</u>	<u>176,084</u>	<u>55,708</u>	<u>0</u>
0	0	0	0	0	0	0
0	165,968	0	408,993	0	0	0
<u>0</u>	<u>165,968</u>	<u>0</u>	<u>408,993</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$208,380</u>	<u>\$920,182</u>	<u>\$813,139</u>	<u>\$176,084</u>	<u>\$55,708</u>	<u>\$0</u>

(Continued)

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Funds  
Combining Balance Sheet

As of June 30, 2004

	<u>21st Century</u>	<u>8(g) Special Projects Funds</u>	<u>Literacy Challenge</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$0	\$17,533	\$19,450	\$3,873,472
Investments	0	0	0	320,740
Accrued Interest Receivable	0	0	0	0
Other Receivables	0	0	0	5,579
Due From Other Funds	0	0	0	0
Due From Other Governments	26,815	21,327	0	2,068,542
Inventory, at cost	0	0	0	163,340
<b>TOTAL ASSETS</b>	<u>\$26,815</u>	<u>\$38,860</u>	<u>\$19,450</u>	<u>\$6,431,673</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$0	\$22,835	\$0	\$174,130
Salaries Payable	25,340	16,025	17,359	1,478,861
Due to Other Funds	1,475	0	0	1,104,468
Due to Other Governments	0	0	0	0
Deferred Revenues	0	0	2,091	440,734
<b>TOTAL LIABILITIES</b>	<u>26,815</u>	<u>38,860</u>	<u>19,450</u>	<u>3,198,193</u>
Fund Balances:				
Reserved for Inventory	0	0	0	95,511
Unreserved - Undesignated	0	0	0	3,137,969
<b>TOTAL FUND BALANCES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,233,480</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$26,815</u>	<u>\$38,860</u>	<u>\$19,450</u>	<u>\$6,431,673</u>

See accompanying independent auditors' report.



TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2004

	<u>School Lunch/ Breakfast</u>	<u>Timber Fund</u>	<u>IDEA</u>	<u>LA 4 Program</u>
<b>REVENUES</b>				
Local Sources:				
Ad Valorem Taxes	\$0	\$0	\$0	\$0
Sales and Use Taxes	0	0	0	0
Investment Income	7,940	2,096	0	0
Other	1,272,367	502,161	0	0
State Sources	0	0	0	0
Federal Sources	5,797,303	0	3,459,567	599,220
<b>TOTAL REVENUES</b>	<b>7,077,610</b>	<b>504,257</b>	<b>3,459,567</b>	<b>599,220</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Ed Programs	0	0	0	523
Special Ed Programs	0	0	0	0
Vocational Ed Programs	0	0	0	0
Other Instructional Programs	0	0	0	0
Special Programs	0	0	1,927,902	494,665
Adult Ed Programs	0	0	0	0
Support Services:				
Student Services	0	0	391,495	0
Instructional Staff Support	0	0	535,356	36,912
General Administration	6,738	0	0	0
School Administration	0	0	0	0
Business Services	0	0	119	334
Plant Services	32	0	30,299	100
Central Services	15,314	0	76,219	0
Student Transportation	0	0	53,160	619
Food Services	8,056,698	0	0	0
Community Services	0	0	305	1,034
Capital Outlay	0	54,992	6,537	0
<b>TOTAL EXPENDITURES</b>	<b>8,078,782</b>	<b>54,992</b>	<b>3,021,392</b>	<b>534,187</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,001,172)</b>	<b>449,265</b>	<b>438,175</b>	<b>65,033</b>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers In	1,143,000	0	70,062	0
Transfers (Out)	0	0	(508,237)	(21,835)
Proceeds from Sales of Fixed Assets	100	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>1,143,100</b>	<b>0</b>	<b>(438,175)</b>	<b>(21,835)</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER USES</b>	<b>141,928</b>	<b>449,265</b>	<b>0</b>	<b>43,198</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>1,750,358</b>	<b>173,616</b>	<b>0</b>	<b>100,154</b>
<b>FUND BALANCES, End of Year</b>	<b>\$1,892,286</b>	<b>\$622,881</b>	<b>\$0</b>	<b>\$143,352</b>

See accompanying independent auditors' report.

<i>LEAP</i>	<i>Crystal Academy</i>	<i>Workforce Investment Act</i>	<i>Miscellaneous Programs</i>	<i>K-3 Reading</i>	<i>Adult Education</i>	<i>Vocational Education</i>
\$0	\$400,200	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	1,501	0	3,259	0	0	0
0	22,145	0	175,703	277,739	0	0
434,513	0	0	585,341	0	2,334	0
0	0	6,564,466	453,537	0	305,754	272,182
434,513	423,846	6,564,466	1,217,840	277,739	308,088	272,182
0	396,531	0	604,663	0	0	0
0	0	0	101,493	275,655	0	0
0	0	0	170,711	0	0	268,953
322,145	0	0	0	0	0	0
0	0	0	1,091	0	0	0
0	0	0	13,045	0	393,924	0
0	1,147	0	64,433	0	558	0
11,970	1,471	0	236,873	2,084	0	0
0	15,590	0	0	0	0	0
0	21,368	0	87,408	0	0	0
0	0	0	0	0	0	0
13,527	25,972	0	40,249	0	7,008	0
0	0	0	121,298	0	0	0
87,400	0	0	59,842	0	0	0
0	480	0	0	0	0	0
0	0	6,119,772	0	0	0	0
0	0	0	0	0	0	0
435,042	462,559	6,119,772	1,501,106	277,739	401,490	268,953
(529)	(38,713)	444,694	(283,266)	0	(93,402)	3,229
529	0	0	349,850	0	101,420	0
0	0	(444,694)	(18,161)	0	(8,018)	(3,229)
0	0	0	0	0	0	0
529	0	(444,694)	331,689	0	93,402	(3,229)
0	(38,713)	0	48,423	0	0	0
0	204,681	0	360,570	0	0	0
\$0	\$165,968	\$0	\$408,993	\$0	\$0	\$0

(Continued)

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2004

	<u>21st Century</u>	<u>8(g) Special Projects</u>	<u>Literacy Challenge</u>	<u>Totals</u>
<b>REVENUES</b>				
Local Sources:				
Ad Valorem Taxes	\$0	\$0	\$0	\$400,200
Sales and Use Taxes	0	0	0	0
Investment Income	0	0	0	14,796
Other	0	0	0	2,250,115
State Sources	0	426,933	0	1,449,121
Federal Sources	1,000,135	0	168,131	18,620,295
<b>TOTAL REVENUES</b>	<u>1,000,135</u>	<u>426,933</u>	<u>168,131</u>	<u>22,734,527</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Ed Programs	1,548	250,066	77,950	1,331,281
Special Ed Programs	53,614	125,726	21,802	578,290
Vocational Ed Programs	0	0	0	439,664
Other Instructional Programs	800,338	0	0	1,122,483
Special Programs	0	0	0	2,423,658
Adult Ed Programs	0	0	0	406,969
Student Services	6,133	0	0	463,766
Instructional Staff Support	5,187	51,141	60,287	941,281
General Administration	0	0	0	22,328
School Administration	0	0	0	108,776
Business Services	0	0	0	453
Plant Services	334	0	0	117,521
Central Services	0	0	0	212,831
Student Transportation	87,583	0	0	288,604
Food Services	0	0	0	8,057,178
Community Services	0	0	0	6,121,111
Capital Outlay	0	0	0	61,529
<b>TOTAL EXPENDITURES</b>	<u>954,737</u>	<u>426,933</u>	<u>160,039</u>	<u>22,697,723</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	45,398	0	8,092	36,804
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers In	0	0	0	1,664,861
Transfers (Out)	(45,398)	0	(8,092)	(1,057,664)
Proceeds from Sales of Fixed Assets	0	0	0	100
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>(45,398)</u>	<u>0</u>	<u>(8,092)</u>	<u>607,297</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER USES</b>	0	0	0	644,101
<b>FUND BALANCES, Beginning of Year</b>	0	0	0	2,589,379
<b>FUND BALANCES, End of Year</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,233,480</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>School Lunch/Breakfast</i>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Investment Income	6,784	7,600	7,940
Other	1,259,442	1,232,000	1,272,367
State Sources	0	0	0
Federal Sources	5,211,990	5,477,500	5,797,303
<b>TOTAL REVENUES</b>	<u>6,478,216</u>	<u>6,717,100</u>	<u>7,077,610</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular Ed Programs	0	0	0
Special Ed Programs	0	0	0
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Special Programs	0	0	0
Adult Ed Programs	0	0	0
Support Services:			
Student Services	0	0	0
Instructional Staff Support	0	0	0
General Administration	0	0	6,738
School Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	32
Central Services	15,935	17,235	15,314
Student Transportation	0	0	0
Food Services	7,605,281	7,708,900	8,056,698
Community Services	0	0	0
Capital Outlay	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>7,621,216</u>	<u>7,726,135</u>	<u>8,078,782</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,143,000)	(1,009,035)	(1,001,172)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	1,143,000	1,143,000	1,143,000
Transfers (Out)	0	0	0
Proceeds from Sales of Fixed Assets	0	100	100
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>1,143,000</u>	<u>1,143,100</u>	<u>1,143,100</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	0	134,065	141,928
<b>FUND BALANCES, Beginning of Year</b>	1,750,358	1,750,358	1,750,358
<b>FUND BALANCES, End of Year</b>	<u>\$1,750,358</u>	<u>\$1,884,423</u>	<u>\$1,892,286</u>

See accompanying independent auditors' report.

For the year ended June 30, 2008  
Budget (Total Available and Actual)  
Actual (Total Available and Actual)  
Difference (Total Available and Actual)



Kentwood High School Senior Football players

Account	Actual	Budget	Difference
Capital Outlay	0	0	0
Operating Expenses	1,000,000	1,000,000	0
Other Financing Sources	0	0	0
<b>Total Expenditures</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>
Operating Income	0	0	0
Other Financing Sources	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>
Operating Expenses	1,000,000	1,000,000	0
Other Financing Sources	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Available</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>
<b>Total Available</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>Timber Fund</i>			<i>IDEA</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	0	\$0	\$0
0	0	0	0	0	0
1,500	1,500	2,096	0	0	0
0	226,468	502,161	0	0	0
0	0	0	54,362	80,125	0
0	0	0	3,117,802	3,945,024	3,459,567
1,500	227,968	504,257	3,172,164	4,025,149	3,459,567
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	2,153,669	2,514,082	1,927,902
0	0	0	0	0	0
0	0	0	333,478	467,288	391,495
0	0	0	242,197	326,309	535,356
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	119
0	0	0	32,727	32,792	30,299
0	0	0	26,022	81,501	76,219
0	0	0	20,355	14,840	53,160
0	0	0	0	0	0
0	0	0	0	5,439	305
0	32,305	54,992	0	116,669	6,537
0	32,305	54,992	2,808,448	3,558,920	3,021,392
1,500	195,663	449,265	363,716	466,229	438,175
0	0	0	70,062	70,062	70,062
0	0	0	(428,154)	(539,687)	(508,237)
0	0	0	0	0	0
0	0	0	(358,092)	(469,625)	(438,175)
1,500	195,663	449,265	5,624	(3,396)	0
173,616	173,616	173,616	0	0	0
\$175,116	\$369,279	\$622,881	\$5,624	(\$3,396)	\$0

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>LA 4 Program</i>		
	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
<b>REVENUES:</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Investment Income	0	0	0
Other	0	0	0
State Sources	0	0	0
Federal Sources	546,250	628,100	599,220
<b>TOTAL REVENUES</b>	<b>546,250</b>	<b>628,100</b>	<b>599,220</b>
<b>EXPENDITURES:</b>			
Current:			
Instruction:			
Regular Ed Programs	0	0	523
Special Ed Programs	0	0	0
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Special Programs	516,927	635,032	494,665
Adult Ed Programs	0	0	0
Support Services:			
Student Services	0	0	0
Instructional Staff Support	0	40,231	36,912
General Administration	0	0	0
School Administration	0	0	0
Business Services	0	500	334
Plant Services	1,600	1,500	100
Central Services	0	0	0
Student Transportation	0	1,663	619
Food Services	0	0	0
Community Services	0	2,000	1,034
Capital Outlay	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>518,527</b>	<b>680,926</b>	<b>534,187</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>27,723</b>	<b>(52,826)</b>	<b>65,033</b>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	0	0	0
Transfers (Out)	(27,723)	(47,326)	(21,835)
Proceeds from Sales of Fixed Assets	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(27,723)</b>	<b>(47,326)</b>	<b>(21,835)</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>0</b>	<b>(100,152)</b>	<b>43,198</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>100,154</b>	<b>100,154</b>	<b>100,154</b>
<b>FUND BALANCES, End of Year</b>	<b>\$100,154</b>	<b>\$2</b>	<b>\$143,352</b>

See accompanying independent auditors' report.

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>LEAP</i>			<i>Crystal Academy</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$380,000	\$397,500	\$400,200
0	0	0		0	0
0	0	0	2,550	1,500	1,501
0	0	0	23,500	23,000	22,145
436,433	477,734	434,513	0	0	0
0	0	0	0	0	0
<u>436,433</u>	<u>477,734</u>	<u>434,513</u>	<u>406,050</u>	<u>422,000</u>	<u>423,846</u>
65,034	0	0	381,000	376,708	396,531
0	0	0	0	0	0
0	0	0	0	0	0
272,824	390,802	322,145	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1,147
0	0	11,970	1,000	1,822	1,471
0	0	0	1,000	15,590	15,590
0	0	0	21,205	21,375	21,368
0	0	0	0	0	0
10,920	13,393	13,527	21,655	26,835	25,972
0	0	0	0	0	0
87,655	73,539	87,400	231	0	0
0	0	0	500	500	480
0	0	0	0	0	0
0	0	0	500	0	0
<u>436,433</u>	<u>477,734</u>	<u>435,042</u>	<u>427,091</u>	<u>442,830</u>	<u>462,559</u>
0	0	(529)	(21,041)	(20,830)	(38,713)
0	0	529	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>529</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	(21,041)	(20,830)	(38,713)
0	0	0	204,681	204,384	204,681
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$183,640</u>	<u>\$183,554</u>	<u>\$165,968</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>Workforce Investment Act</i>		
	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
<b>REVENUES:</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Investment Income	0	0	0
Other	0	0	0
State Sources	0	0	0
Federal Sources	5,510,000	5,780,000	6,564,466
<b>TOTAL REVENUES</b>	<b>5,510,000</b>	<b>5,780,000</b>	<b>6,564,466</b>
<b>EXPENDITURES:</b>			
Current:			
Instruction:			
Regular Ed Programs	0	0	0
Special Ed Programs	0	0	0
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Special Programs	0	0	0
Adult Ed Programs	0	0	0
Support Services:			
Student Services	0	0	0
Instructional Staff Support	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	0
Central Services	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	5,210,000	5,520,000	6,119,772
Capital Outlay	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>5,210,000</b>	<b>5,520,000</b>	<b>6,119,772</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>300,000</b>	<b>260,000</b>	<b>444,694</b>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	0	0	0
Transfers (Out)	(300,000)	(260,000)	(444,694)
Proceeds from Sales of Fixed Assets	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(300,000)</b>	<b>(260,000)</b>	<b>(444,694)</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCES, End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>Miscellaneous Programs</i>			<i>K-3 Reading</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
38,337	8,675	3,259	0	0	0
316,880	171,140	175,703	304,983	298,446	277,739
312,568	808,123	585,341	0	0	0
234,586	597,201	453,537	0	0	0
902,371	1,585,139	1,217,840	304,983	298,446	277,739
436,593	761,383	604,663	0	0	0
60,635	60,298	101,493	142,161	113,287	275,655
0	21,029	170,711	0	0	0
0	0	0	0	0	0
0	64,346	1,091	0	0	0
4,297	0	13,045	0	0	0
68,715	86,232	64,433	0	77,029	0
287,641	577,993	236,873	162,822	108,130	2,084
0	6,864	0	0	0	0
85,320	91,011	87,408	0	0	0
0	0	0	0	0	0
42,163	43,482	40,249	0	0	0
0	162,161	121,298	0	0	0
39,048	28,739	59,842	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,024,412	1,903,538	1,501,106	304,983	298,446	277,739
(122,041)	(318,399)	(283,266)	0	0	0
482,809	464,143	349,850	0	0	0
(8,457)	(32,404)	(18,161)	0	0	0
0	0	0	0	0	0
474,352	431,739	331,689	0	0	0
352,311	113,340	48,423	0	0	0
360,570	360,570	360,570	0	0	0
\$712,881	\$473,910	\$408,993	\$0	\$0	\$0

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>Adult Education</i>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES:</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Investment Income	0	0	0
Other	0	0	0
State Sources	114,377	130,797	2,334
Federal Sources	163,869	170,706	305,754
<b>TOTAL REVENUES</b>	<u>278,246</u>	<u>301,503</u>	<u>308,088</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction:			
Regular Ed Programs	0	0	0
Special Ed Programs	0	0	0
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Special Programs	0	0	0
Adult Ed Programs	378,769	390,309	393,924
Support Services:			
Student Services	940	1,338	558
Instructional Staff Support	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Business Services	0	0	0
Plant Services	7,140	9,119	7,008
Central Services	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Capital Outlay	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>386,849</u>	<u>400,766</u>	<u>401,490</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(108,603)</u>	<u>(99,263)</u>	<u>(93,402)</u>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	118,331	106,954	101,420
Transfers (Out)	(8,159)	(7,691)	(8,018)
Proceeds from Sales of Fixed Assets	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>110,172</u>	<u>99,263</u>	<u>93,402</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>1,569</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES, Beginning of Year</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES, End of Year</b>	<u>\$1,569</u>	<u>\$0</u>	<u>\$0</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>Vocational Education Fund</i>			<i>21st Century</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
314,463	283,342	272,182	906,600	906,600	1,000,135
<u>314,463</u>	<u>283,342</u>	<u>272,182</u>	<u>906,600</u>	<u>906,600</u>	<u>1,000,135</u>
0	0	0	0	0	1,548
0	0	0	0	0	53,614
302,351	280,113	268,953	0	0	0
0	0	0	663,574	626,469	800,338
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	5,000	5,000	6,133
0	0	0	35,000	35,000	5,187
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	10,000	10,000	334
0	0	0	0	0	0
0	0	0	150,000	150,000	87,583
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>302,351</u>	<u>280,113</u>	<u>268,953</u>	<u>863,574</u>	<u>826,469</u>	<u>954,737</u>
12,112	3,229	3,229	43,026	80,131	45,398
0	0	0	0	0	0
(12,112)	(3,229)	(3,229)	(43,026)	(43,026)	(45,398)
0	0	0	0	0	0
<u>(12,112)</u>	<u>(3,229)</u>	<u>(3,229)</u>	<u>(43,026)</u>	<u>(43,026)</u>	<u>(45,398)</u>
0	0	0	0	37,105	0
0	0	0	0	0	0
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$37,105</u>	<u>\$0</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>8(g) Special Projects Funds</i>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES:</b>			
Local Sources:			
Ad Valorem Taxes	\$0	\$0	\$0
Sales and Use Taxes	0	0	0
Investment Income	0	0	0
Other	0	0	0
State Sources	313,096	435,515	426,933
Federal Sources	0	0	0
<b>TOTAL REVENUES</b>	<u>313,096</u>	<u>435,515</u>	<u>426,933</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction:			
Regular Ed Programs	173,096	257,763	250,066
Special Ed Programs	139,000	127,302	125,726
Vocational Ed Programs	0	0	0
Other Instructional Programs	0	0	0
Special Programs	0	0	0
Adult Ed Programs	0	0	0
Support Services:	0	0	0
Student Services	0	0	0
Instructional Staff Support	1,000	50,753	51,141
General Administration	0	0	0
School Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	0
Central Services	0	0	0
Student Transportation	0	578	0
Food Services	0	0	0
Community Services	0	0	0
Capital Outlay	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>313,096</u>	<u>436,396</u>	<u>426,933</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	0	(881)	0
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	0	0	0
Transfers (Out)	0	0	0
Proceeds from Sales of Fixed Assets	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	0	(881)	0
<b>FUND BALANCES, Beginning of Year</b>	0	0	0
<b>FUND BALANCES, End of Year</b>	<u>\$0</u>	<u>(\$881)</u>	<u>\$0</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

*Literacy Challenge*

<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0
0	0	0
0	0	0
0	0	0
0	0	0
180,000	199,127	168,131
<u>180,000</u>	<u>199,127</u>	<u>168,131</u>
170,427	162,130	77,950
0	0	21,802
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	60,287
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
<u>170,427</u>	<u>162,130</u>	<u>160,039</u>
9,573	36,997	8,092
0	15,398	0
(9,573)	(8,092)	(8,092)
0	0	0
<u>(9,573)</u>	<u>7,306</u>	<u>(8,092)</u>
0	44,303	0
0	0	0
<u>\$0</u>	<u>\$44,303</u>	<u>\$0</u>

See accompanying independent auditors' report.



## NONMAJOR DEBT SERVICE FUNDS

*The Debt Service Funds are used to accumulate monies for the payment of bond issues. The bond issues are financed by sales tax collections and special property tax levies on property within the territorial limits of the School System.*



**Roseland Elementary School**  
**Ms. Lee's Second Grade class**

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Debt Service Funds  
Combining Balance Sheet

As of June 30, 2004

	<b>Sales Tax Bond</b>	<b>District Revenue Bonds</b>	<b>District General Obligation Bonds</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$332,712	\$435,791	\$987,318	\$1,755,821
Restricted Cash and Cash Equivalents	0	0	0	0
Investments	0	0	1,213,399	1,213,399
Ad Valorem Taxes Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$332,712</b>	<b>\$435,791</b>	<b>\$2,200,717</b>	<b>\$2,969,220</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Other Liabilities	0	0	127,982	\$127,982
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>127,982</b>	<b>127,982</b>
Fund Balances:				
Reserved for Debt Service	332,712	435,791	2,072,735	2,841,238
<b>TOTAL FUND BALANCES</b>	<b>332,712</b>	<b>435,791</b>	<b>2,072,735</b>	<b>2,841,238</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$332,712</b>	<b>\$435,791</b>	<b>\$2,200,717</b>	<b>\$2,969,220</b>

See accompanying independent auditors' report.

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Debt Service Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2004

	<i>Sales Tax Bond</i>	<i>District Revenue Bond</i>	<i>District General Obligation Bond</i>	<i>Totals</i>
<b>REVENUES</b>				
Local Sources:				
Taxes:				
Ad Valorem	\$0	\$0	\$2,386,323	\$2,386,323
Sales and Use	3,313,902	1,260,494	0	4,574,396
Investment Income	14,552	2,519	183,810	200,881
<b>TOTAL REVENUES</b>	<b>3,328,454</b>	<b>1,263,013</b>	<b>2,570,133</b>	<b>7,161,600</b>
<b>EXPENDITURES</b>				
Current:				
General Administration	21,541	8,193	0	29,734
Debt Service:				
Principal Retirement	2,361,250	825,000	1,730,000	4,916,250
Issuance Cost	0	0	0	0
Interest and Bank Charges	937,503	425,738	893,688	2,256,929
<b>TOTAL EXPENDITURES</b>	<b>3,320,294</b>	<b>1,258,931</b>	<b>2,623,688</b>	<b>7,202,913</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>8,160</b>	<b>4,082</b>	<b>(53,555)</b>	<b>(41,313)</b>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers In	0	0	25,239	25,239
Transfers (Out)	0	0	0	0
Accrued Interest	0	0	0	0
Payments to Escrow Agent	0	0	0	0
Bond Proceeds	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>0</b>	<b>0</b>	<b>25,239</b>	<b>25,239</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>8,160</b>	<b>4,082</b>	<b>(28,316)</b>	<b>(16,074)</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>324,552</b>	<b>431,709</b>	<b>2,101,051</b>	<b>2,857,312</b>
<b>FUND BALANCES, End of Year</b>	<b>\$332,712</b>	<b>\$435,791</b>	<b>\$2,072,735</b>	<b>\$2,841,238</b>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Debt Service Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<b>Sales Tax Bond</b>		
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Local Services:			
Taxes:			
Advalorem	\$0	\$0	\$0
Sales and Use	3,286,119	3,315,500	3,313,902
Investment Income	10,000	11,365	14,552
<b>TOTAL REVENUES</b>	<b>3,296,119</b>	<b>3,326,865</b>	<b>3,328,454</b>
<b>EXPENDITURES</b>			
Current:			
General Administration	22,000	22,000	21,541
Debt Service:			
Principle Retirement	2,335,000	2,335,000	2,361,250
Issuance Cost	0	0	0
Interest and Bank Charges	978,673	978,673	937,503
<b>TOTAL EXPENDITURES</b>	<b>3,335,673</b>	<b>3,335,673</b>	<b>3,320,294</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(39,554)</b>	<b>(8,808)</b>	<b>8,160</b>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Transfers In	0	0	0
Transfers (Out)	0	0	0
Accrued Interest	0	0	0
Payment to Escrow Agent	0	0	0
Bond Proceeds	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(39,554)</b>	<b>(8,808)</b>	<b>8,160</b>
<b>FUND BALANCES, Beginning of Year</b>	<b>324,552</b>	<b>324,552</b>	<b>324,552</b>
<b>FUND BALANCES, End of Year</b>	<b>\$284,998</b>	<b>\$315,744</b>	<b>\$332,712</b>

See accompanying independent auditors' report.

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Nonmajor Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual**

For the Year Ended June 30, 2004

<i>District Revenue Bonds</i>			<i>District General Obligation Bonds</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$2,299,250	\$2,394,944	\$2,386,323
1,252,300	1,252,300	1,260,494	0	0	0
4,005	3,600	2,519	21,700	179,060	183,810
<u>1,256,305</u>	<u>1,255,900</u>	<u>1,263,013</u>	<u>2,320,950</u>	<u>2,574,004</u>	<u>2,570,133</u>
0	0	8,193	106,999	120,282	0
825,000	825,000	825,000	1,150,888	1,635,000	1,730,000
0	0	0	0	0	0
424,638	425,488	425,738	607,185	666,554	893,688
<u>1,249,638</u>	<u>1,250,488</u>	<u>1,258,931</u>	<u>1,865,072</u>	<u>2,421,836</u>	<u>2,623,688</u>
6,667	5,412	4,082	455,878	152,168	(53,555)
0	0	0	25,239	25,239	25,239
0	0	0	(14,276)	(13,881)	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>10,963</u>	<u>11,358</u>	<u>25,239</u>
6,667	5,412	4,082	466,841	163,526	(28,316)
431,709	431,709	431,709	2,101,051	2,101,051	2,101,051
<u>\$438,376</u>	<u>\$437,121</u>	<u>\$435,791</u>	<u>\$2,567,892</u>	<u>\$2,264,577</u>	<u>\$2,072,735</u>

See accompanying independent auditors' report.

## NONMAJOR CAPITAL PROJECTS FUNDS

*The Capital Projects Funds account for the district wide construction and improvement of public school facilities. Financing has been provided by the proceeds from various sales, revenue, and general obligation bonds. The School System maintains the following Capital Projects Funds:*

### **1982 SALES TAX PAY-AS-YOU-GO FUND**

The 1982 Sales Tax Pay-As-You-Go Fund is used to accumulate the remaining avails of the 1982 Sales and Use Tax after all debt service and maintenance requirements have been met. These funds, together with earnings on investments, are used for the construction and renovation of parish school facilities.

### **DISTRICT FUNDS**

The various district funds are used to account for the construction and renovation of school facilities within the respective school districts. Bond issues funded by ad valorem taxes within the various school districts and earnings on investments provide the majority of the financing. Other sources of revenues include litigations or insurance proceeds.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Funds  
Combining Balance Sheet

As of June 30, 2004

	<i>Construction District #102 Amite</i>	<i>1982 Sales Tax Pay-As-You-Go</i>	<i>Hammond District #1</i>	<i>Construction District #106 Champ Cooper</i>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$664,350	\$3,340,058	\$20,104	\$0
Investments	49,311	1,984,985	28,473	0
Note Receivable	0	0	0	0
Accrued Interest	0	0	0	0
Due From Other Funds	0	0	0	0
Other Receivable	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$713,661</b>	<b>\$5,325,043</b>	<b>\$48,577</b>	<b>\$0</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$0	\$38,296	\$0	\$0
Deferred Revenues	0	0	0	0
Due to Other Funds	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>38,296</b>	<b>0</b>	<b>0</b>
Fund Balances:				
Reserved for Encumbrances	331,960	117,864	0	0
Unreserved - Undesignated	381,701	5,168,883	48,577	0
<b>TOTAL FUND BALANCES</b>	<b>713,661</b>	<b>5,286,747</b>	<b>48,577</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$713,661</b>	<b>\$5,325,043</b>	<b>\$48,577</b>	<b>\$0</b>

See accompanying independent auditors' report

<i>Ponchatoula Settlement</i>	<i>Miscellaneous</i>	<i>Construction District #116 Sumner</i>	<i>Construction District #104 Loranger</i>	<i>Construction District #115 Independence</i>	<i>Total</i>
\$5,583	\$14,293	\$3,501,299	\$141,762	\$3,030,371	\$10,717,820
108,888	0	1,688,431	416,267	458,787	4,735,142
0	16,574	0	0	0	16,574
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$114,471</u>	<u>\$30,867</u>	<u>\$5,189,730</u>	<u>\$558,029</u>	<u>\$3,489,158</u>	<u>\$15,469,536</u>
\$0	\$0	\$88,221	\$0	\$85,848	\$212,365
0	16,574	0	0	0	16,574
0	0	0	0	0	0
<u>0</u>	<u>16,574</u>	<u>88,221</u>	<u>0</u>	<u>85,848</u>	<u>228,939</u>
0	0	4,854,113	522,055	2,855,669	8,681,661
114,471	14,293	247,396	35,974	547,641	6,558,936
<u>114,471</u>	<u>14,293</u>	<u>5,101,509</u>	<u>558,029</u>	<u>3,403,310</u>	<u>15,240,597</u>
<u>\$114,471</u>	<u>\$30,867</u>	<u>\$5,189,730</u>	<u>\$558,029</u>	<u>\$3,489,158</u>	<u>\$15,469,536</u>

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2004

	<u>Construction District #102 Amite</u>	<u>1982 Sales Tax Pay-As-You-Go</u>	<u>Hammond District #1</u>	<u>Construction District #106 Champ Cooper</u>
<b>REVENUES</b>				
Local Sources:				
Sales and Use Tax	\$0	\$2,124,601	\$0	\$0
Investment Income	8,248	57,346	404	26
Other	0	0	0	0
<b>TOTAL REVENUES</b>	<u>8,248</u>	<u>2,181,947</u>	<u>404</u>	<u>26</u>
<b>EXPENDITURES</b>				
Current:				
Regular Instruction	0	666,597	477	0
Special Instruction	0	0	0	0
Instructional Staff Support	0	0	0	0
General Administration	0	13,810	0	0
Business Services	0	0	0	0
Plant Services	0	10,000	0	0
Bond Issuance Costs	0	0	0	0
Capital Outlay	960,463	775,538	0	22,837
<b>TOTAL EXPENDITURES</b>	<u>960,463</u>	<u>1,485,945</u>	<u>477</u>	<u>22,837</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(952,215)	716,002	(73)	(22,811)
<b>OTHER FINANCING SOURCES/(USES)</b>				
Proceeds from Bond Sales	0	0	0	0
Transfers (Out)	0	(30,257)	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>0</u>	<u>(30,257)</u>	<u>0</u>	<u>0</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	(952,215)	685,745	(73)	(22,811)
<b>FUND BALANCES, Beginning of Year</b>	1,665,876	4,601,002	48,650	22,811
<b>FUND BALANCES, End of Year</b>	<u>\$713,661</u>	<u>\$5,286,747</u>	<u>\$46,577</u>	<u>\$0</u>

See accompanying independent auditors' report

<u>Ponchatoula Settlement</u>	<u>Miscellaneous</u>	<u>Construction District #116 Sumner</u>	<u>Construction District #104 Loranger</u>	<u>Construction District #115 Independence</u>	<u>Totals</u>
\$0	\$0	\$0	\$0	\$0	\$2,124,601
1,088	2,687	38,680	11,854	18,329	136,862
0	13,680	0	0	0	13,680
<u>1,088</u>	<u>16,367</u>	<u>38,680</u>	<u>11,854</u>	<u>18,329</u>	<u>2,274,943</u>
0	4,281	0	0	0	671,335
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	13,810
0	0	0	0	0	0
0	0	0	0	0	10,000
0	0	51,622	0	40,703	92,325
0	0	494,637	1,399,991	575,408	4,229,074
<u>0</u>	<u>4,281</u>	<u>546,459</u>	<u>1,399,991</u>	<u>616,111</u>	<u>5,016,544</u>
1,088	12,106	(509,779)	(1,388,137)	(597,782)	(2,741,801)
0	0	3,400,000	0	3,200,000	6,800,000
0	0	0	0	0	(30,257)
<u>0</u>	<u>0</u>	<u>3,400,000</u>	<u>0</u>	<u>3,200,000</u>	<u>6,569,743</u>
1,088	12,106	2,890,221	(1,386,137)	2,602,218	3,828,142
113,383	2,187	2,211,268	1,946,166	801,092	11,412,455
<u>\$114,471</u>	<u>\$14,293</u>	<u>\$5,101,509</u>	<u>\$558,029</u>	<u>\$3,403,310</u>	<u>\$15,240,597</u>

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

	<i>Construction District #102 - Amite</i>		
	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
<b>REVENUES</b>			
Sales and Use Taxes	\$0	\$0	\$0
Investment Income	60,000	13,475	8,248
Other Revenues		0	0
<b>TOTAL REVENUES</b>	<u>60,000</u>	<u>13,475</u>	<u>8,248</u>
<b>EXPENDITURES</b>			
Current:			
Regular Instruction	0	0	0
Special Instruction	0	0	0
Instructional Staff Support	0	0	0
General Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	0
Bond Issuance Costs	0	0	0
Capital Outlay	0	1,024,876	960,463
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>1,024,876</u>	<u>960,463</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	60,000	(1,011,401)	(952,215)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Proceeds from Bond Sales	0	0	0
Transfers (Out)	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	60,000	(1,011,401)	(952,215)
<b>FUND BALANCES, Beginning of Year</b>	1,665,876	1,665,876	1,665,876
<b>FUND BALANCES, End of Year</b>	<u>\$1,725,876</u>	<u>\$654,475</u>	<u>\$713,661</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>1982 Sales Tax Pay-As-You-Go Fund</i>			<i>Hammond District #1</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$2,110,792	\$2,110,792	\$2,124,601	\$0	\$0	\$0
0	0	57,346	0	0	404
0	0	0	0	0	0
<u>2,110,792</u>	<u>2,110,792</u>	<u>2,181,947</u>	<u>0</u>	<u>0</u>	<u>404</u>
58,085	685,814	666,597	0	477	477
0	0	0	0	0	0
0	0	0	0	0	0
0	0	13,810	0	0	0
0	0	0	0	0	0
0	9,600	10,000	0	0	0
0	0	0	0	0	0
944,711	703,379	775,538	48,141	0	0
<u>1,002,796</u>	<u>1,398,793</u>	<u>1,465,945</u>	<u>48,141</u>	<u>477</u>	<u>477</u>
1,107,996	711,999	716,002	(48,141)	(477)	(73)
0	0	0	0	0	0
0	0	(30,257)	0	0	0
<u>0</u>	<u>0</u>	<u>(30,257)</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,107,996	711,999	685,745	(48,141)	(477)	(73)
4,601,002	4,601,002	4,601,002	48,650	48,650	48,650
<u>\$5,708,998</u>	<u>\$5,313,001</u>	<u>\$5,286,747</u>	<u>\$509</u>	<u>\$48,173</u>	<u>\$48,577</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

Construction District #106 - Champ Cooper

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Sales and Use Taxes	\$0	\$0	\$0
Investment Income	6,000	300	26
Other Revenues	0	0	0
<b>TOTAL REVENUES</b>	<u>6,000</u>	<u>300</u>	<u>26</u>
<b>EXPENDITURES</b>			
Current:			
Regular Instruction	0	0	0
Special Instruction	0	0	0
Instructional Staff Support	0	0	0
General Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	0
Bond Issuance Costs	0	0	0
Capital Outlay	15,000	22,836	22,837
<b>TOTAL EXPENDITURES</b>	<u>15,000</u>	<u>22,836</u>	<u>22,837</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(9,000)	(22,536)	(22,811)
<b>OTHER FINANCING SOURCES/(USES)</b>			
Proceeds from Bond Sales	0	0	0
Transfers (Out)	(25,239)	(25,239)	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>(25,239)</u>	<u>(25,239)</u>	<u>0</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	(34,239)	(47,775)	(22,811)
<b>FUND BALANCES, Beginning of Year</b>	22,811	22,811	22,811
<b>FUND BALANCES, End of Year</b>	<u>(\$11,428)</u>	<u>(\$24,964)</u>	<u>\$0</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

*Nonmajor Capital Projects Fund*  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>Ponchatoula Settlement</i>			<i>Miscellaneous</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$0	\$0	\$0
20,000	13,275	1,088	10,020	5,205	2,687
0	100	0	16,845	10,000	13,680
20,000	13,375	1,088	26,865	15,205	16,367
0	0	0	0	4,261	4,261
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	4,261	4,261
20,000	13,375	1,088	26,865	10,944	12,106
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
20,000	13,375	1,088	26,865	10,944	12,106
113,383	113,383	113,383	2,187	2,187	2,187
<u>\$133,383</u>	<u>\$126,758</u>	<u>\$114,471</u>	<u>\$29,052</u>	<u>\$13,131</u>	<u>\$14,293</u>

See accompanying independent auditors' report.

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

*Construction District #116 - Sumner*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Sales and Use Taxes	\$0	\$0	\$0
Investment Income	35,000	33,700	36,680
Other Revenue	0	0	0
<b>TOTAL REVENUES</b>	<u>35,000</u>	<u>33,700</u>	<u>36,680</u>
<b>EXPENDITURES</b>			
Current:			
Regular Instruction	0	0	0
Special Instruction	0	0	0
Instructional Staff Support	0	0	0
General Administration	0	0	0
Business Services	0	0	0
Plant Services	0	0	0
Bond Issuance Costs	0	0	51,622
Capital Outlay	0	252,932	494,837
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>252,932</u>	<u>546,459</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>35,000</u>	<u>(219,232)</u>	<u>(509,779)</u>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Proceeds from Bond Sales	0	3,401,248	3,400,000
Transfers (Out)	0	0	0
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<u>0</u>	<u>3,401,248</u>	<u>3,400,000</u>
<b>EXCESS/(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>35,000</u>	<u>3,182,016</u>	<u>2,890,221</u>
<b>FUND BALANCES, Beginning of Year</b>	<u>2,211,288</u>	<u>2,211,288</u>	<u>2,211,288</u>
<b>FUND BALANCES, End of Year</b>	<u>\$2,246,288</u>	<u>\$5,393,304</u>	<u>\$5,101,509</u>

See accompanying independent auditors' report.

TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Nonmajor Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2004

<i>Construction District #104 Loranger</i>			<i>Construction District # 115 Independence</i>		
<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
\$0	\$0	\$0	\$0	\$0	\$0
30,000	17,200	11,854	30,000	9,800	18,329
0	0	0	0	0	0
<u>30,000</u>	<u>17,200</u>	<u>11,854</u>	<u>30,000</u>	<u>9,800</u>	<u>18,329</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	40,703
1,257,645	1,373,406	1,399,991	59,736	533,690	575,408
<u>1,257,645</u>	<u>1,373,406</u>	<u>1,399,991</u>	<u>59,736</u>	<u>533,690</u>	<u>616,111</u>
(1,227,645)	(1,356,206)	(1,388,137)	(29,736)	(523,890)	(597,782)
0	0	0	0	3,200,000	3,200,000
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,200,000</u>	<u>3,200,000</u>
(1,227,645)	(1,356,206)	(1,388,137)	(29,736)	2,676,110	2,602,218
1,946,166	1,946,166	1,946,166	801,092	801,092	801,092
<u>\$718,521</u>	<u>\$589,960</u>	<u>\$558,029</u>	<u>\$771,356</u>	<u>\$3,477,202</u>	<u>\$3,403,310</u>

See accompanying independent auditors' report.



Some of the Ponchatoula High School cheerleaders huddle together to smile for the camera.

## FIDUCIARY FUND - AGENCY FUNDS

*The Agency Funds are used to account for assets held by the School System as an agent for others. The following Agency Funds are maintained by the School System:*

### **2<sup>nd</sup> SALES TAX FUND**

The 2nd Sales Tax Fund accounts for the collection and distribution of a one per cent sales and use tax levied for a period of 30 years which began February 1, 1983.

### **SCHOOL ACTIVITY FUNDS**

The activities of the various individual school accounts are accounted for in the School Activity Fund. While the accounts are under the supervision of the School System, they belong to the individual schools or their student bodies and are not available for use by the School System.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Statement of Changes in Assets and Liabilities

For the Year Ended June 30, 2004

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>
<b>2nd SALES TAX FUND</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$0	\$11,488,592	\$11,488,592	\$0
<b>Liabilities</b>				
Amounts Held for Other Groups	\$0	\$11,488,592	\$11,488,592	\$0
<b>SCHOOL ACTIVITY FUNDS</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$1,947,678	\$4,944,244	\$4,882,482	\$2,009,440
<b>Liabilities</b>				
Amounts Held for Other Groups	\$1,947,678	\$4,944,244	\$4,882,482	\$2,009,440
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$1,947,678	\$16,432,836	\$16,371,074	\$2,009,440
<b>Liabilities</b>				
Amounts Held for Other Groups	\$1,947,678	\$16,432,836	\$16,371,074	\$2,009,440

See accompanying independent auditors' report.

## PROPRIETARY FUNDS

*Proprietary Funds are used to account for the School System's ongoing organizations and activities which are similar to those often found in the private sector. The School System maintains the following Proprietary Type Funds:*

### **SALES TAX COLLECTION FUND (ENTERPRISE FUND)**

The Sales Tax Collection Fund is used to account for the collection of all local sales and use taxes within the parish of Tangipahoa. The collection costs are shared proportionately by the parish and each municipality based on the percentage of their collections to the total taxes collected.

### **SELF INSURANCE FUND (INTERNAL SERVICE FUND)**

The Self-Insurance Fund was created in September, 1992 to administer a self insurance program for the deductible portion of their workers compensation, fleet, general liability and property insurance.

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Supplementary Individual Fund Comparative Statement of Net Assets  
Proprietary Fund Type - Enterprise and Internal Service Funds**

As of June 30, 2004 with Comparative Amounts for June 30, 2003

	<i>Enterprise</i>		<i>Internal Service</i>	
	<i>2004</i>	<i>2003</i>	<i>2004</i>	<i>2003</i>
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$1,440,641	\$1,428,438	\$1,123,883	\$1,321,944
Investments	176,954	175,260	257,760	255,293
Due From Other Funds	65,277	0	14,287	14,287
Other Receivables	0	0	0	0
Other	0	0	0	30,000
Prepays	0	0	195,588	132,684
<b>TOTAL ASSETS</b>	<b>\$1,682,872</b>	<b>\$1,603,698</b>	<b>\$1,591,518</b>	<b>\$1,754,208</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	\$0	\$0	\$34,894	\$29,423
Claims and Self Insurance Losses Liability	0	0	417,927	1,114,284
Due to Other Funds	0	0	0	0
Due to Other Governments	1,173,835	1,121,593	0	0
<b>TOTAL LIABILITIES</b>	<b>1,173,835</b>	<b>1,121,593</b>	<b>452,821</b>	<b>1,143,707</b>
<b>NET ASSETS</b>				
Unrestricted	509,037	482,105	1,138,697	610,501
<b>TOTAL NET ASSETS</b>	<b>\$509,037</b>	<b>\$482,105</b>	<b>\$1,138,697</b>	<b>\$610,501</b>

See accompanying independent auditors' report

**TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Supplementary Individual Fund Comparative Statements of Revenues, Expenses and Changes In Net Assets - Proprietary Fund Type - Enterprise and Internal Service Funds**

**For the Year Ended June 30, 2004 with Comparative Amounts For The Year Ended June 30, 2003**

	<i>Enterprise</i>		<i>Internal Service</i>	
	<i>2004</i>	<i>2003</i>	<i>2004</i>	<i>2003</i>
<b>REVENUES</b>				
Tax Collection Fees	\$333,977	\$327,378	\$0	\$0
Insurance Proceeds	0	0	1,548,846	1,407,170
<b>TOTAL REVENUES</b>	<b>333,977</b>	<b>327,378</b>	<b>1,548,846</b>	<b>1,407,170</b>
<b>OPERATING EXPENSES</b>				
Claims	0	0	952,721	1,613,635
General Administration	266,007	285,986	75,869	29,873
Plant Services	23,324	20,122	0	0
<b>TOTAL OPERATING EXPENSES</b>	<b>289,331</b>	<b>306,108</b>	<b>1,028,590</b>	<b>1,643,508</b>
<b>OPERATING INCOME</b>	<b>44,646</b>	<b>21,270</b>	<b>520,256</b>	<b>(236,338)</b>
<b>NONOPERATING REVENUES</b>				
Interest Income	9,148	18,667	7,940	13,846
<b>INCOME BEFORE TRANSFERS</b>	<b>53,794</b>	<b>39,937</b>	<b>528,196</b>	<b>(222,492)</b>
Transfer In	0	0	0	0
Transfer (Out)	(26,862)	(32,944)	0	0
<b>CHANGE IN NET ASSETS</b>	<b>26,932</b>	<b>6,993</b>	<b>528,196</b>	<b>(222,492)</b>
<b>NET ASSETS, Beginning of Year</b>	<b>482,105</b>	<b>475,112</b>	<b>610,501</b>	<b>832,993</b>
<b>NET ASSETS, End of Year</b>	<b>\$509,037</b>	<b>\$482,105</b>	<b>\$1,138,697</b>	<b>\$610,501</b>

*See accompanying independent auditors' report*

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Supplementary Comparative Statement of Cash Flows  
 Proprietary Fund Type - Enterprise and Internal Service Funds

For the Year Ended June 30, 2004 with Comparative Amounts For the Year Ended June 30, 2003

	Enterprise		Internal Service	
	2004	2003	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash Paid:				
Tax Collection Fees	333,977	327,378	0	0
Premiums	0	0	1,548,846	1,407,170
Cash Paid:				
Prepays	0	0	(32,904)	(15,519)
General Administration Expenses	(213,765)	(285,986)	(70,398)	(105,676)
Plant Services	(23,324)	(20,122)	0	0
Claims	0	0	(1,649,078)	(1,380,831)
Other Funds	(65,277)	0	0	0
Due to Other Government Liabilities	0	(69,525)	0	0
<b>NET CASH PROVIDED(USED) IN OPERATING ACTIVITIES</b>	<b>31,611</b>	<b>(48,255)</b>	<b>(203,534)</b>	<b>(94,856)</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Cash Transfers In	0	0	0	0
Cash Transfers (Out)	(26,862)	(32,944)	0	0
<b>NET CASH PROVIDED(USED) IN NON-CAPITAL FINANCING ACTIVITIES</b>	<b>(26,862)</b>	<b>(32,944)</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Cash Received for Interest Income	9,148	18,667	7,940	13,846
(Purchases)/Sales of Investments	(1,694)	(2,545)	(2,467)	(3,708)
<b>NET CASH PROVIDED(USED) INVESTING ACTIVITIES</b>	<b>7,454</b>	<b>16,122</b>	<b>5,473</b>	<b>10,138</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVILANTS</b>	<b>12,203</b>	<b>(65,077)</b>	<b>(198,061)</b>	<b>(84,718)</b>
<b>CASH, Beginning of Year</b>	<b>1,428,438</b>	<b>1,493,515</b>	<b>1,321,944</b>	<b>1,406,662</b>
<b>CASH, End of Year</b>	<b>\$1,440,641</b>	<b>\$1,428,438</b>	<b>\$1,123,883</b>	<b>\$1,321,944</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
<b>Operating Income (Loss)</b>	<b>\$44,646</b>	<b>\$21,270</b>	<b>\$520,256</b>	<b>(\$236,338)</b>
Adjustments to reconcile operating income (loss) to net cash provide by (used) in operating activities:				
Changes in:				
Prepaid expenses	0	0	(32,904)	(15,519)
Due to's and payables	52,242	(69,575)	(690,886)	157,001
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$96,888</b>	<b>(\$48,305)</b>	<b>(\$203,534)</b>	<b>(\$94,856)</b>

See accompanying independent auditors' report.

**CAPITAL ASSETS**

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Supplementary Comparative Schedule of Capital Assets - By Source

As of June 30, 2004 and June 30, 2003

	<u>2004</u>	<u>2003</u>
<b>CAPITAL ASSETS</b>		
Land	\$2,470,522	\$2,320,176
Buildings and Improvements	111,248,513	106,505,263
Furniture and Fixtures	3,982,795	4,848,090
Construction Work-In-Progress	2,692,644	3,750,223
<b>Subtotal Capital Assets</b>	120,394,474	117,423,752
<b>Accumulated Depreciation</b>	(54,648,105)	(53,487,940)
<b>CAPITAL ASSETS NET OF ACCUMULATED DEPRECIATION</b>	<u>\$65,746,369</u>	<u>\$63,935,812</u>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Supplementary Schedule of Changes in Capital Assets  
By Function and Activity

For the Year Ended June 30, 2004

	<i>Capital Assets July 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Capital Assets June 30, 2004</i>
<b>FUNCTION AND ACTIVITY</b>				
Administrative	\$9,915,944	\$0	(\$3,516,289)	\$6,399,655
Instructional	94,455,155	13,857,233	0	108,312,388
Maintenance	9,302,430	0	(6,312,643)	2,989,787
Construction Work-In-Progress	3,750,223	4,086,029	(5,143,608)	2,692,644
<b>Subtotal Capital Assets</b>	<b>117,423,752</b>	<b>17,943,262</b>	<b>(14,972,540)</b>	<b>120,394,474</b>
<b>Accumulated Depreciation</b>				<b>(54,648,105)</b>
<b>CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION</b>				<b><u>\$65,746,369</u></b>

See accompanying independent auditors' report.

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Supplementary Schedule of Capital Assets - By Function

As of June 30, 2004 with Comparative Total Amounts for June 30, 2003

	<i>Land</i>	<i>Buildings and Improvements</i>	<i>Furniture and Equipment</i>	<i>2004</i>	<i>2003</i>
<b>FUNCTION AND ACTIVITY</b>					
Administrative	\$86,495	\$6,036,713	\$276,447	\$6,399,655	\$7,551,359
Instructional	2,186,487	103,245,946	2,879,955	108,312,388	103,214,159
Maintenance	197,540	1,965,854	826,393	2,989,787	2,908,011
Total Capital Assets Allocated to Functions	<u>\$2,470,522</u>	<u>\$111,248,513</u>	<u>\$3,982,795</u>	<u>\$117,701,830</u>	<u>\$113,673,529</u>
Construction Work-In-Progress				2,692,644	3,750,223
<b>Subtotal Capital Assets</b>				<u>120,394,474</u>	<u>117,423,752</u>
<b>Accumulated Depreciation</b>				(54,648,105)	(53,487,940)
<b>CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION</b>				<u>\$65,746,369</u>	<u>\$63,935,812</u>

See accompanying independent auditors' report.



# STATISTICAL SECTION



TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

General Fund School System Expenses by Function (Unaudited)

Last Ten Fiscal Years

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
<b>Current:</b>										
<b>Instruction:</b>										
Regular Ed Programs	\$44,807,445	\$44,849,289	\$43,110,855	\$42,645,848	\$41,680,108	\$41,656,545	\$35,704,985	\$32,128,484	\$30,011,489	\$29,291,646
Special Ed Programs	13,064,416	11,537,886	11,216,645	11,318,618	10,772,814	10,207,734	9,217,345	8,213,782	7,514,480	6,707,195
Vocational Ed Programs	2,089,153	2,024,001	2,130,373	0	0	0	0	0	0	0
Other Instructional Programs	23,932	1,140,640	1,180,125	0	0	0	0	0	0	0
Adult Continuing Education	4,855	2,345	512	5,339	5,148	4,665	5,598	2,040	8,474	5,447
<b>Support Services:</b>										
Student Services	2,817,187	2,561,759	2,485,576	2,756,614	2,623,391	2,348,547	2,205,995	2,024,137	1,788,889	1,680,922
Instructional Staff Support	2,387,602	2,254,032	2,348,560	2,298,708	2,371,938	2,332,369	2,284,588	2,137,204	1,889,447	1,875,750
General Administration	1,094,278	937,062	681,587	761,008	732,839	657,779	1,107,696	413,926	687,918	653,434
School Administration	5,084,521	4,797,682	4,751,147	4,783,598	4,654,869	4,528,567	3,892,825	3,634,085	3,263,618	3,126,277
Business Services	705,289	824,188	691,905	680,848	688,378	680,572	644,034	594,274	587,914	512,306
Plant Services	4,368,351	3,679,003	3,163,932	4,005,351	3,383,050	3,276,311	3,313,044	3,384,352	3,224,358	2,896,523
Central Services	915,312	385,134	825,902	816,874	739,192	720,706	612,109	531,968	471,046	910,729
Student Transportation	7,408,042	6,845,120	6,479,723	6,594,325	6,156,337	5,947,318	5,667,146	5,369,829	5,189,534	5,490,486
Food Services	163,422	143,238	77,287	78,306	79,498	84,014	57,894	56,671	49,231	51,115
Community Service Program	7,850	441	15,300	7,950	7,341	4,650	4,950	4,650	14,813	4,950
Claims Expense	0	0	0	0	0	0	0	0	0	0
Capital Outlay	373,763	3,537,556	3,593,964	683,570	1,200	12,721	0	0	0	3,988
<b>Debt Service:</b>										
Principal Retirement	221,478	210,593	200,245	190,404	181,047	194,876	26,437	907,606	228,795	180,454
Interest and Bank Charges	62,846	72,532	82,880	92,721	102,078	92,468	4,900	55,775	82,703	90,887
<b>TOTAL EXPENDITURES</b>	<b>\$85,399,142</b>	<b>\$85,802,511</b>	<b>\$83,036,518</b>	<b>\$77,740,782</b>	<b>\$74,379,028</b>	<b>\$72,751,042</b>	<b>\$64,749,246</b>	<b>\$59,458,793</b>	<b>\$55,017,359</b>	<b>\$53,467,944</b>

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

General Fund School System Revenues by Source (Unaudited)

Last Ten Fiscal Years

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
<b>Local Sources:</b>										
Ad Valorem Taxes	\$1,043,408	\$938,221	\$1,132,542	\$861,182	\$761,431	722,799	\$695,311	\$656,339	\$579,542	\$539,540
Sales and Use Taxes	11,488,592	11,274,293	10,790,144	10,715,670	10,345,484	9,667,010	8,949,889	8,433,148	8,106,523	7,352,145
Investment Income	224,811	352,723	620,975	1,413,290	1,388,280	1,358,866	887,749	571,860	512,279	491,262
Tuition	169,368	171,132	167,866	175,638	213,952	221,368	110,352	183,323	200,249	130,760
Other	1,106,258	628,765	1,397,323	1,545,899	1,403,818	2,687,595	198,107	272,187	238,165	290,379
<b>Total Revenue from Local Sources</b>	<b>14,032,435</b>	<b>13,365,134</b>	<b>14,128,850</b>	<b>14,711,679</b>	<b>14,092,965</b>	<b>14,657,638</b>	<b>10,841,408</b>	<b>10,116,857</b>	<b>9,636,758</b>	<b>8,804,086</b>
<b>State Sources:</b>										
Equalization	71,873,547	0	0	0	0	0	0	0	0	0
Unrestricted Grants-in-Aid	112,856	67,965,622	66,561,275	63,138,894	63,138,894	60,502,694	56,643,537	51,223,002	45,027,355	42,715,683
Restricted Grants-in-Aid	724,399	3,065,560	965,721	827,206	827,206	1,441,839	1,085,256	1,184,395	1,126,054	2,415,581
<b>Total Revenue from State Sources</b>	<b>72,710,602</b>	<b>71,031,182</b>	<b>67,526,996</b>	<b>63,966,100</b>	<b>63,966,100</b>	<b>61,944,533</b>	<b>57,728,793</b>	<b>52,407,398</b>	<b>46,153,409</b>	<b>45,131,264</b>
<b>Revenue from Federal Sources</b>	<b>270,780</b>	<b>213,063</b>	<b>151,948</b>	<b>126,078</b>	<b>126,078</b>	<b>288,626</b>	<b>230,784</b>	<b>217,503</b>	<b>162,605</b>	<b>153,771</b>
	<b>\$87,013,817</b>	<b>\$84,609,399</b>	<b>\$91,807,794</b>	<b>\$78,803,857</b>	<b>\$76,185,143</b>	<b>\$76,890,797</b>	<b>\$68,800,985</b>	<b>\$62,741,698</b>	<b>\$55,952,772</b>	<b>\$54,089,121</b>

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Parish-Wide Property Tax Levies and Collections (Unaudited)**

**Last Ten Calendar Years**

<b>Calendar Year</b>	<b>(1) Amount of Tax Levied</b>	<b>(2) Amount of Tax Collected</b>	<b>Percent of Levy Collected</b>	<b>Prior Year Tax Collections</b>
2003	21,129,143	20,748,818	98.2%	198,808
2002	20,304,187	19,976,861	98.4%	211,868
2001	18,527,231	18,111,566	97.8%	235,418
2000	17,387,982	16,595,718	95.4%	110,345
1999	14,324,697	14,142,260	98.7%	174,422
1998	14,007,030	13,623,212	97.3%	74,649
1997	14,366,560	13,408,657	93.3%	134,949
1996	13,526,275	13,404,530	99.1%	234,448
1995	10,057,162	9,968,298	99.1%	239,599
1994	9,863,489	9,561,115	96.9%	240,324

(1) *Tangipahoa Parish Tax Assessor*

*This amount represents the original levy of the Assessor, less the amount of homestead exemption. The amounts to be paid by the taxpayer are ultimately collected in full except for adjustments due to assessment errors and delayed homestead exemption.*

(2) *Tangipahoa Parish Sheriff's Office - Official Tax Collector*

**TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Assessed and Estimated Actual Value of Taxable Property (Unaudited)**

**Last Ten Calendar Years**

Calendar Year	Assessed Value	(1) & (2) Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
2004	456,602,905	3,902,588,932	11.7%
2003	396,385,425	3,384,909,615	11.7%
2002	379,745,939	3,245,691,786	11.7%
2001	361,840,385	3,092,652,863	11.7%
2000	342,511,374	2,927,447,641	11.7%
1999	301,906,381	2,580,396,414	11.7%
1998	290,356,311	2,481,677,872	11.7%
1997	283,432,831	2,422,502,829	11.7%
1996	264,927,084	2,264,334,100	11.7%
1995	231,805,371	1,981,242,487	11.7%

SOURCE: Tangipahoa Parish Tax Assesor

(1) Residential buildings and all lands are assessed at 10% of market value. Commercial buildings, inventory and equipment are assessed at 15% of market value. Public service property is assessed at 25% of market value.

(2) Exempt Properties

(a) Industries under a 10-yr exemption contract for 1997 with an estimated approximate value of \$63,600,000.

(b) Non-profit organizations, schools, and governments are exempt and an assessed value is not calculated for them.

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**  
**Property Tax Rates and Tax Levies - Direct and Overlapping Governments**  
 (Unaudited)  
 Last Ten Fiscal Years

Fiscal Year	Tax Rates (mills per dollar)				Tax Rates (mills per dollar)				Parish Totals	
	Parish Tax	Road Taxes	School Taxes	Drainage Taxes	Fire Protection Taxes	Law Enforcement District	Sheriff's Operating Tax	Other Tax		(1) Cities
2004	19.50	6.2	15.3	9.3	9.9	7.81	10.00	4.3	16.7	99.01
2003	19.50	2.5	6.5	9.3	9.9	7.81	10.00	6.9	16.8	89.21
2002	19.50	2.7	6.9	9.3	9.9	7.81	10.00	4.00	16.70	86.81
2001	19.45	1.66	7.1	9.2	9.84	7.81	10.00	5.05	16.70	86.81
2000	19.50	2.29	7.25	9.18	9.90	7.81	10.26	5.02	16.72	87.93
1999	17.40	2.53	8.13	4.95	10.07	7.81	10.26	3.26	16.72	81.13
1998	17.31	6.54	8.76	4.95	10.29	7.81	10.26	4.92	16.79	87.63
1997	19.32	11.32	8.88	4.76	10.31	7.81	10.26	4.70	16.84	94.20
1996	19.40	10.42	9.84	4.74	10.41	7.81	10.26	4.80	16.69	94.37
1995	17.48	10.58	9.22	4.80	11.34	7.80	10.26	4.48	16.69	92.65

Fiscal Year	Tax Levies				Tax Levies				Parish Totals	
	Parish Tax	Road Taxes	School Taxes	Drainage Taxes	Fire Protection Taxes	Law Enforcement District	Sheriff's Operating Tax	Other Tax		(1) Cities
2004	5,929,316	157,514	4,650,725	2,625,428	2,858,005	2,377,730	3,044,463	2,042,140	3,681,037	27,366,358
2003	5,020,006	154,671	3,856,558	2,222,114	2,325,063	2,013,694	2,578,349	2,751,550	3,173,635	24,097,640
2002	4,773,467	155,206	3,918,359	2,094,319	2,174,530	1,918,242	2,453,572	2,818,492	3,071,010	23,375,197
2001	4,489,034	82,913	4,000,038	1,961,676	2,018,183	1,802,879	2,308,422	1,664,087	2,844,894	21,472,126
2000	4,169,449	102,656	3,801,169	1,810,060	1,911,501	1,673,798	2,198,873	1,720,576	2,755,947	20,144,029
1999	3,253,898	102,212	3,717,538	809,184	1,546,084	1,457,423	1,914,622	1,484,441	2,464,485	16,749,687
1998	3,085,865	259,990	3,852,881	809,184	1,413,779	1,392,065	1,828,760	1,390,946	2,409,178	16,441,438
1997	3,374,544	474,218	3,848,985	762,226	1,383,454	1,364,474	1,792,516	1,366,134	2,363,522	16,730,081
1996	3,099,048	358,895	3,863,973	690,551	1,329,124	1,639,039	1,247,647	1,297,998	2,139,241	15,685,516
1995	2,444,854	333,490	2,495,221	612,567	685,636	1,435,157	1,091,053	958,184	1,897,929	11,955,091

(1) Cities: Includes all incorporated areas in the parish which are Kentwood, Tangipahoa, Amite, Roseland, Independence, Tickfaw, Hammond, and Ponchatoula.

Source: Tangipahoa Parish Tax Assessor

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita (Unaudited)

Last Ten Fiscal Years

Fiscal Year	(1) Estimated Population	Assessed Value	General Obligation Bonded Debt	Less Available Debt Service Fund	Net General Obligation Bonded Debt	Ratio of Net General Obligation Bonded Debt To Assessed Value	Net General Obligation Bonded Debt Per Capita
2004	102,414	456,602,905	21,195,000	2,841,238	18,353,762	4.0%	179
2003	101,776	396,385,425	16,325,000	2,857,312	13,467,688	3.4%	132
2002	100,861	379,745,939	17,935,000	3,153,932	14,781,068	3.9%	147
2001	100,588	361,840,385	19,330,000	2,433,576	16,896,424	4.7%	168
2000	98,285	342,511,374	20,650,000	2,475,657	18,174,343	5.3%	185
1999	96,983	301,906,381	21,885,000	2,182,109	19,702,891	6.5%	203
1998	95,283	290,356,311	23,095,000	1,966,489	21,128,511	7.3%	222
1997	94,364	283,432,831	24,620,000	1,964,867	22,655,133	8.0%	240
1996	93,229	264,927,084	26,005,000	1,666,397	24,338,603	9.2%	261
1995	91,972	231,805,371	20,075,000	1,912,524	18,162,476	7.8%	197

(1) Estimates - Louisiana Dept. of Labor Research and Statistics Unit and 2000 Official U.S. Census.

**TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Computation of Legal Debt Margin (Unaudited)**

**As of June 30, 2004**

Net Assessed Value	\$304,446,310
Plus: Exempt Property	<u>152,156,595</u>
Total Assessed Value	<u>456,602,905</u>
Debt Limit - Thirty-five percent of Assessed Value (1)	<u>159,811,017</u>
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt (2)	21,195,000
Less: Net Assets in Applicable Debt Service Funds	<u>2,072,735</u>
Total Amount of Debt Applicable to Debt Limit	<u>19,122,265</u>
Legal Debt Margin	<u>\$140,688,752</u>

(1) Legal debt limit of 35% of assessed value is established by Louisiana Revised Statute Title 39, Section 562.

(2) Computation of legal debt margin is calculated by using total bonded indebtedness of property tax bonds only, which excludes indebtedness of sales tax bonds.

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Computation of Direct and Overlapping Bonded Debt (Unaudited)**

**As of June 30, 2004**

	<u>Gross Debt Outstanding</u>	<u>Amount in Debt Service For Principal</u>	<u>Net Debt Outstanding</u>
<b>Overlapping Debt:</b>			
<b>Other Governmental Agencies</b>			
Florida Parishes Juvenile Justice Commission	1,110,000	52,000	1,058,000
Sheriff of Tangipahoa Parish	520,000	8,500	511,500
Southeastern Louisiana University	1,318,000	60,000	1,258,000
<b>Special Districts</b>			
Sewer District No 1	746,600	12,000	734,600
General Service District No 5	10,000	800	9,200
General Service District No 8	10,000	800	9,200
Road District No 101	280,000	4,200	275,800
Road District No 101-1	28,000	900	27,100
Ponchatoula Area Recreation District No 1	385,000	7,000	378,000
Second Ward Water District	477,000	7,800	469,200
Water Works District	14,144,653	72,000	14,072,653
Rural Fire Protection No 2	341,000	7,500	333,500
<b>Municipalities</b>			
City of Hammond	13,520,000	70,000	13,450,000
City of Ponchatoula	1,330,000	58,000	1,272,000
Town of Kentwood	815,995	25,000	790,995
Village of Roseland	65,000	9,500	55,500
<b>Hospital Districts</b>			
Hospital Service District #1 (North Oaks Regional Medical Center)	54,860,000	1,180,000	53,680,000
<b>Subtotal Overlapping Debt</b>	<b>89,961,248</b>	<b>1,576,000</b>	<b>88,385,248</b>
<b>Direct Debt:</b>			
Tangipahoa Parish School System	16,325,000	2,857,000	13,468,000
<b>Subtotal Direct Debt</b>	<b>16,325,000</b>	<b>2,857,000</b>	<b>13,468,000</b>
<b>Total Direct and Overlapping Debt</b>	<b>\$106,286,248</b>	<b>\$4,433,000</b>	<b>\$101,853,248</b>

Source: Annual Financial Reports of Individual Entities on file with Louisiana Legislative Auditors' Office

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Ratio of Debt Service Fund Annual Debt Service Expenditures to Total General Fund Expenditures and Revenues (Unaudited)

Last Ten Fiscal Years

Fiscal Year	Debt Service Fund Principal Payments	Debt Service Fund Interest and Bank Charges	Debt Service Fund Total		Ratio of Debt Service Fund Debt Service to General Fund Expenditures	Total General Fund Revenues	Ratio of Debt Service Fund Debt Service to General Fund Revenues
			Debt Service Fund	Debt Service			
2004	\$4,916,250	\$2,256,929	\$7,173,179	\$86,685,108	8.3%	\$87,954,387	8.2%
2003	4,581,250	3,034,681	7,615,931	85,802,511	8.9%	84,609,399	9.0%
2002	4,050,000	2,516,679	6,566,679	83,036,518	7.9%	81,807,794	8.0%
2001	3,450,000	2,304,643	5,754,643	77,740,782	7.4%	80,144,615	7.2%
2000	3,355,000	2,408,341	5,763,341	74,379,028	7.7%	78,185,143	7.4%
1999	3,325,000	2,434,821	5,759,821	72,751,042	7.9%	76,890,797	7.5%
1998	3,635,000	2,621,193	6,256,193	64,749,246	9.7%	68,800,965	9.1%
1997	3,512,500	3,115,740	6,628,240	59,458,793	11.1%	62,741,698	10.6%
1996	1,796,627	4,302,135	6,038,762	55,017,359	11.0%	55,952,772	10.8%
1995	1,488,978	3,927,139	5,416,117	53,467,844	10.1%	54,089,121	10.0%

**TANGIPAOHA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Demographic Statistics (Unaudited)**

**Last Ten Fiscal Years**

<b>(1)</b> <b>Fiscal Year</b>	<b>(2)</b> <b>Population</b>	<b>(2)</b> <b>Per Capita Income</b>	<b>(2)</b> <b>Median Age</b>	<b>(3)</b> <b>Public Enrollment</b>	<b>(2)</b> <b>Non-Public Enrollment</b>	<b>(2)</b> <b>Unemployment Rate</b>
2004	102,414	21,067	30.0	18,211	2,395	5.3%
2003	101,776	19,348	30.1	17,656	2,401	6.8%
2002	100,861	18,134	30.1	17,911	2,368	6.5%
2001	100,861	17,739	30.1	18,123	2,085	6.6%
2000	98,285	17,466	30.1	18,557	2,085	6.6%
1999	96,983	16,393	30.1	18,546	2,230	8.0%
1998	95,283	16,333	30.6	18,667	2,199	9.7%
1997	94,364	16,333	30.6	18,209	2,393	10.0%
1996	93,229	15,928	30.6	17,971	2,393	11.5%
1995	91,972	15,545	30.5	17,830	2,322	11.3%

(1) All information is parish-wide, 2000 Official U.S. Census - Population

(2) Louisiana Department of Labor - Research & Statistics Unit

(3) Louisiana School Directors, published by Louisiana Department of Education

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**State Support and Local Support of General Fund per Student (Unaudited)**

**Last Ten Fiscal Years**

<i>Fiscal Year</i>	<i># of Students</i>	<i>State Support</i>	<i>State Support Per Student</i>	<i>Total General Fund Student Expenditures</i>	<i>Total Cost Per Student</i>	<i>Local Support Per Student</i>
2004	18,211	72,710,602	3,993	85,399,142	4,689	771
2003	17,656	71,031,182	4,023	85,719,517	4,855	757
2002	17,911	67,526,996	3,770	83,036,518	4,636	784
2001	18,123	65,293,058	3,603	77,740,782	4,290	759
2000	18,557	63,966,100	3,447	74,379,028	4,008	533
1999	18,546	61,944,533	3,340	72,751,042	3,923	536
1998	18,667	57,728,793	3,093	64,749,246	3,469	536
1997	18,209	52,407,338	2,878	59,458,793	3,265	488
1996	17,971	46,153,409	2,568	55,017,359	3,061	440
1995	17,830	45,131,264	2,531	53,467,844	2,999	408

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Construction and Bank Deposits (Unaudited)

Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>(1)</i> <i>Commercial Construction</i>		<i>(1)</i> <i>Residential Construction</i>		<i>(2)</i> <i>Bank Deposits</i>
	<i>Number of Permits</i>	<i>Value</i>	<i>Number of Permits</i>	<i>Value</i>	
2004	46	10,875,693	501	57,997,863	938,000,000
2003	29	10,249,900	396	42,638,789	814,000,000
2002	35	14,188,299	370	37,923,995	784,000,000
2001	40	39,535,500	377	38,412,935	752,000,000
2000	51	7,222,000	468	45,924,050	708,934,000
1999	47	8,527,000	436	42,502,550	721,401,720
1998	54	7,635,727	592	33,826,700	693,655,500
1997	54	7,635,727	592	33,826,700	693,655,500
1996	38	46,502,000	621	39,032,245	665,318,000
1995	34	3,985,000	490	29,657,340	527,475,000

(1) Source: Tangipahoa Parish Government's Building Inspectors and Clerks

(2) Source: FDIC

TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA

Principal Taxpayers (Unaudited)

For the Year Ended December 31, 2004

<i>Taxpayer</i>	<i>Type of Business</i>	<i>2004 Assessed Valuation</i>	<i>Tax Levied</i>	<i>Percentage of Total Assessed Valuation</i>
Bellsouth Telecommunication	Utility - Telephone	\$9,736,580	\$860,365	8.8%
Entergy	Utility - Electric	11,604,600	1,088,281	9.4%
OhioCubo, Inc. Super Valu, Inc.	Warehouse	2,138,075	214,299	10.0%
Sunbelt Dix Properties Corp. Winn Dixie	Food Distributor	5,826,483	1,088,281	18.7%
First Guaranty Bank	Financial Institution	4,928,632	358,338	7.3%
Florida Gas Transmission Co.	Utility - Gas	2,279,370	229,735	10.1%
Sanderson Farms, Inc.	Poultry Distributor	1,796,724	180,087	10.0%
Walmart Stores East #489	Retail	9,116,956	793,397	8.7%
Charter Communications	Cabel Company	2,676,056	233,256	8.7%
AmSouth Bank	Financial Institution	2,672,295	192,896	7.2%
<b>TOTAL</b>		<b>\$52,775,771</b>	<b>\$5,238,935</b>	<b>9.9%</b>

Source: Tangipahoa Parish Tax Assessor's Office

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

**Summary of Compensation Paid to School System Board Members (Unaudited)**

**For the Fiscal Year Ended June 30, 2004**

(4) Board Members	(1) (2) Compensation	(3) Travel Reimbursement
Leonard Genco	\$9,600	\$1,020
Carl Bardwell	9,600	1,768
Robert Caves	10,200	0
Maxine Dixon	9,600	0
Robert Potts	9,600	0
Al Link	10,200	411
James Richardson	9,600	1,134
Sandra Bailey	9,600	3,829
Donnie Williams	9,600	0
	<u>\$87,600</u>	<u>\$8,162</u>

(1) Total compensation per member if \$800 per month.

(2) President of the School System Board receives \$900 per month in total compensation.  
The President serves a twelve-month term from January through December.

(3) Board members are permitted to be reimbursed for travel expenditures up to \$2000 per year. A majority of the board may approve travel over this limit.

(4) Board Members elected serve January 1, 2003 through December 31, 2006.

**TANGIPAHOA PARISH SCHOOL SYSTEM - AMITE, LOUISIANA**

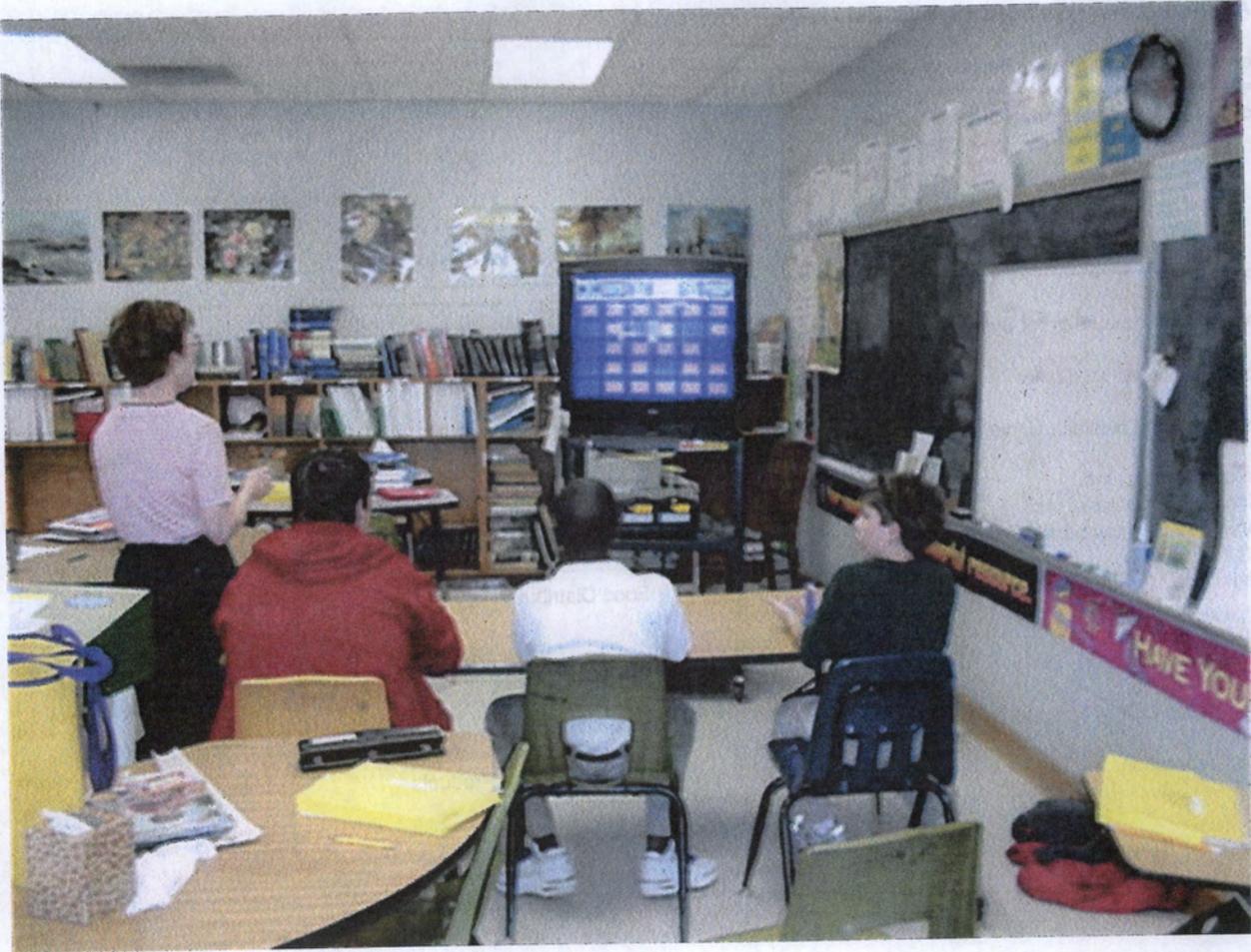
**Ten Largest Employers - Parish Wide (Unaudited)**

**For the Fiscal Year Ended June 30, 2004**

<b>(1)</b> <b>Company Name</b>	<b>Type of Business</b>
Tangipahoa Parish School System	Education - Public Schools
North Oaks Medical Center	Healthcare Facility
Southeastern Louisiana University	Education - University
Walmart Stores, Inc.	Retail
Winn Dixie Louisiana, Inc.	Food Distributor
Hammond Developmental Center	Education - Special
Winn Dixie Louisiana, Inc.	Food Distributor
Sanderson Farms, Inc. (Processing Division)	Chicken Processing
Lallie Kemp Charity Hospital	Healthcare Facility
Neill Corporation	Beauty and Hair Products

(1) Source: Louisiana Department of Labor

(2) Companies are listed in order by size, the largest employer first



Mrs. Duke's class of Hammond Eastside Upper School  
play CLASSROOM JEOPARDY.

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TANGIPAOA PARISH SCHOOL  
SYSTEM

AGREED-UPON PROCEDURES  
REPORT

AS OF AND FOR THE YEAR  
ENDED JUNE 30, 2004

REPORT OF T.A. HARRIS, INC.  
A PROFESSIONAL ACCOUNTING CORP.

# T.A. Harris Inc. Certified Public Accountant

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A Professional Accounting Corporation

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the  
Tangipahoa Parish School System  
Amite, Louisiana

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

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

**No differences noted.**

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

**No differences noted.**

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

**No differences noted.**

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

**No differences noted.**

Number and Type of Public Schools (Schedule 3)

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

**No differences noted.**

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

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

**No differences noted.**

Public Staff Data (Schedule 5)

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

**No differences noted.**

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

**No differences noted.**

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in

procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

**No differences noted.**

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

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

**No differences noted.**

The Graduation Exit Exam for the 21st Century (Schedule 8)

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

**No differences noted.**

The Iowa Tests (Schedule 9)

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

**No differences noted.**

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

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

*J. G. Harris, Inc. APAC*

November 12, 2004

**Tangipahoa Parish School System**  
**General Fund Instructional and Support Expenditures**  
**as of and for the year ended June 30, 2004**

	<u>Data</u>
General Fund Instructional and Equipment Expenditures:	
General Fund Instructional Expenditures:	
Teacher and Student Interaction Activities:	
Classroom Teacher Salaries	\$40,010,894
Other Instructional Staff Salaries	4,041,986
Instructional Staff Employee Benefits	13,719,961
Purchased Professional and Technical Services	78,075
Instructional Materials and Supplies	1,685,540
Instructional Equipment	<u>658,893</u>
Total Teacher and Student Interaction Activities	\$60,195,349
Other Interaction Activities	\$53,325
Pupil Support Activities	\$2,818,733
Less: Equipment for Pupil Support Activities	<u>(5,843)</u>
Net Pupil Support Activities	2,812,890
Instructional Staff Services	\$2,524,276
Less: Equipment for Instructional Staff Services	<u>(3,597)</u>
Net Instructional Staff Activities	\$2,520,679
Total General Fund Instructional Expenditures	\$65,582,243
Total General Fund Instructional Equipment Expenditures	\$668,333

**Note:**

This schedule includes General Fund instructional and equipment expenditures. This data is presented annually in the MFP 70% Expenditure Requirement Report.

**Tangipahoa Parish School System**  
**Certain Local Revenue Sources**  
**as of and for the year ended June 30, 2004**

	<u>Data</u>
Certain Local Revenue Sources	
Local Taxation Revenue:	
Constitutional Ad Valorem Tax	\$1,043,406
Renewable Ad Valorem Tax	400,200
Debt Service Ad Valorem Tax	2,386,323
Up to 1% Collections by the Sheriff on Taxes Other than School Taxes	222,306
Sales and Use Taxes	<u>22,965,052</u>
Total Local Taxation Revenue	<u>\$27,017,287</u>
Local Earnings on Investment in Real Property:	
Earnings from 16th Section Property	\$489,645
<i>Earnings from Other Real Property</i>	<u>12,516</u>
Total Local Earnings on Investment in Real Property	<u>\$502,161</u>
State Revenue in Lieu of Taxes:	
Revenue Sharing - Constitutional Tax	\$112,656
Revenue Sharing - Other Taxes	22,146
Revenue Sharing - Excess Portion	0
Other Revenue in Lieu of Taxes	<u>0</u>
Total State Revenue in Lieu of Taxes	<u>\$134,802</u>
State Revenues for Non-public Education	
Non-public Textbook Revenue	\$58,328
Non-public Transportation Revenue	<u>120,163</u>
Total State Revenue for Non-public Education	<u>\$178,491</u>

## Note:

This schedule includes local taxation revenue, earnings on investments, revenue in lieu of taxes, and non-public textbook and transportation revenue. This data is used in the Minimum Foundation Program (MFP) formula.

**Schedule 2**

**Tangipahoa Parish School Board  
Education Levels of Public School Staff  
as of October 1, 2003**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Un-certificated		Certificated		Un-certificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	3	0.0%	0	0.0%	0	0.0%	0	0.0%
Bachelor's Degree	685	64.5%	34	94.4%	1	1.9%	0	0.0%
Master's Degree	227	21.4%	2	5.6%	9	16.7%	0	0.0%
Master's Degree + 30	139	13.1%	0	0.0%	39	72.1%	0	0.0%
Specialist in Education	6	1.0%	0	0.0%	4	7.4%	0	0.0%
Ph.D. or Ed.D.	3	0.0%	0	0.0%	1	1.9%	0	0.0%
Total	1063	100.0%	36	100.0%	54	100.0%	0	0.0%

**Note:**

- (1) This schedule provides the number and percentage of full time classroom teachers, differentiating those having a teacher certificate and those without a teaching certificate, as well as, the number and percentage of full time classroom teachers, and the number and percentages of principals and assistant principals with education levels.
- (2) Full-Time Classroom Teachers, employed as of October 1, are defined with LAUGH guidelines as having an Object Code of 112 and an accompanying function code within the 1000 series and assigned teaching responsibilities that comprise more than 50% of the individuals duties.
- (3) Principals and assistant principals , employed as of October 1, are defined in accordance with LAUGH guidelines as having an object code of 111 with an accompany function code of 2410 and 2420. These employees are concerned with directing and managing the operation of a particular school. If the a principal or assistant principal is also assigned a teaching responsibilities that comprise more than 50% of his or her duties, then the principal should be included in the court as a classroom teacher.
- (4) Certificated Teachers / Principals / Assistant Principals: Teaching certificates are issued to those qualified professionals authorized to teach or perform designated duties in the schools under the jurisdiction of the Louisiana State Board of Elementary and Secondary Education based on their completion of an approved teacher education program and all other legal requirements. These requirements are referred to the Louisiana Standards for State Certification of School Personnel - Bulletin 746 published by the State Department of Education.

**Tangipahoa Parish School System  
Number and Type of Public Schools  
as of and for the year ended June 30, 2004**

	<u>Number</u>
Elementary Schools	21
Middle/Junior High Schools	6
Secondary	8
Combination	0
	<hr/>
Total	35

Note:

- (1) This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently report to the Louisiana Legislature in the Annual Financial and Statistical Report (AFSR).
- (2) Elementary School - Any school whose grade structure falls within the range PK-8 and does not fit the definition for Middle/Junior High School.
- (3) Middle/Junior High School - Any school whose grade structure within the range 4-9, includes grades 7 or 8, and excludes PK-3 and 10-12.
- (4) High School - Any school whose grade structure falls within the range 6-12 and includes grades in 10-12 range, or any school that includes only grade 9.
- (5) Combination School - Any school whose grade structure falls within the range PK-12 and is not described by any of the above definitions. These schools generally contain some grades in the K-6 range and some grades in the 9-12 range. Examples include grade structures such as K-12; K-3 plus 9-12; and 4-6 plus 9-12. Non-graded schools (schools with no grade structure) are also considered combination schools.

**Schedule 4**

**Tangipahoa Parish School System  
Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers  
as of October 1, 2003**

Category	Total Years Experience							Total
	0-1	2-3	4-10	11-14	15-19	20-24	25 +	
Principals	0	0	3	0	4	2	12	21
Assistant Principals	0	0	1	4	3	2	23	33
Classroom Teachers	100	95	277	155	115	127	230	1099
Total	100	95	281	159	122	131	265	1153

**Note:**

- (1) This schedule includes the number of public school principals, assistant principals and full time classroom teachers grouped by varying years of experience in the teaching profession. Selective criteria for employees reported on this schedule are (a) be employed as of October 1, (2) have job responsibilities within their assigned classification that comprise more than 50% of the individual's job duties, and (3) meet the definitions contained within the Louisiana Accounting and Uniform Governmental Handbook (LAUGH) for their respective job classification.
  
- (2) Principals and assistant principals, employed as of October 1, are defined in accordance with LAUGH guidelines as having an object code of 111 with an accompany function code of 2410 and 2420. These employees are concerned with directing and managing the operation of a particular school. If the a principal or assistant principal is also assigned a teaching responsibilities that comprise more than 50% of his or her duties, then the principal should be included in the court as a classroom teacher.

**Tangipahoa Parish School System**  
**Public School Staff Data: Average Salaries**  
**as of and for the year ended June 30, 2004**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$39,278.91	\$39,169.28
Average Classroom Teacher's Salary Excluding Extra Compensation	\$38,859.52	\$38,746.23
Number of Teacher Full Time Equivalent (FTEs) used in Computation of Average Salaries	1,155.00	1,145.00

## Note:

- (1) Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

**Tangipahoa Parish School System**  
**Class Size Characteristics**  
**as of October 1, 2003**

Category	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	29.0%	275	53.0%	508	18.0%	170	0.0%	0
Elementary Activity Classes	17.0%	15	40.0%	34	40.0%	34	3.0%	3
Middle / Jr. High	16.0%	113	55.0%	381	29.0%	202	0.0%	0
Middle / Jr. High Activity Classes	10.0%	13	24.0%	28	36.0%	41	30.0%	33
High	38.0%	522	36.0%	494	25.0%	346	0.0%	0
High Activity Classes	33.0%	52	20.0%	31	22.0%	34	25.0%	39
Combination	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	0.0%	0	0.0%	0	0.0%	0	0.0%	0

## Note:

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

Schedule 7-a

**Tangipahoa Parish School System**  
**Louisiana Educational Assessment Program (LEAP 21) for the 21st Century**  
**as of and for the year ended June 30, 2004**

District Achievement Level Results Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	30	2.0%	11	0.7%	40	2.5%	31	2.1%	27	1.7%	29	1.8%
Mastery	252	16.7%	199	12.7%	189	12.0%	174	11.6%	181	11.6%	99	6.3%
Basic	617	41.0%	651	41.7%	561	35.5%	579	38.5%	589	37.7%	531	33.6%
Approaching Basic	340	22.6%	417	26.7%	535	33.8%	369	24.5%	399	25.5%	458	29.0%
Unsatisfactory	267	17.7%	284	18.2%	256	16.2%	352	23.4%	366	23.4%	464	29.3%
Total	1,506	100.0%	1,562	100.0%	1,581	100.0%	1,505	100.0%	1,562	100.0%	1,581	100.0%

District Achievement Level Results Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	0	0.0%	21	1.4%	49	3.1%	16	1.1%	18	1.2%	17	1.1%
Mastery	24	2.3%	175	11.7%	144	9.1%	207	13.8%	160	10.7%	104	6.6%
Basic	240	22.5%	578	38.5%	638	40.4%	678	45.1%	714	47.6%	632	40.0%
Approaching Basic	633	59.4%	548	36.5%	514	32.5%	357	23.7%	378	25.2%	436	27.6%
Unsatisfactory	169	15.9%	180	12.0%	236	14.9%	246	16.4%	231	15.4%	390	24.7%
Total	1,066		1,502	100.0%	1,581	100.0%	1,504	100.0%	1,501	100.0%	1,579	100.0%

Note:

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

Schedule 7-b

**Tangipahoa Parish School System**  
**Louisiana Educational Assessment Program (LEAP 21) for the 21st Century**  
**as of and for the year ended June 30, 2004**

District Achievement Level Results Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	7	0.5%	12	1.0%	25	2.0%	31	1.9%	44	3.4%	14	1.1%
Proficient	147	10.6%	187	15.0%	201	16.1%	83	5.0%	70	5.4%	44	3.3%
Basic	488	35.1%	508	40.9%	404	32.3%	852	51.3%	568	43.4%	559	42.5%
Approaching Basic	468	33.7%	396	31.9%	475	38.0%	310	18.7%	286	21.9%	356	27.1%
Unsatisfactory	279	20.1%	140	11.3%	144	11.5%	384	23.1%	340	26.0%	343	26.1%
Total	1,389	100.0%	1,243	100.0%	1,249	100.0%	1,660	100.0%	1,308	100.0%	1,316	100.0%

District Achievement Level Results Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	16	1.3%	8	0.6%	20	1.7%	21	1.6%	3	0.2%	12	1.0%
Proficient	227	17.8%	218	17.2%	210	17.3%	144	11.3%	134	10.6%	127	10.5%
Basic	421	33.0%	492	38.9%	433	35.7%	527	41.3%	559	44.2%	550	45.4%
Approaching Basic	354	27.7%	356	28.2%	334	27.6%	346	27.1%	339	26.8%	287	23.7%
Unsatisfactory	258	20.2%	190	15.0%	215	17.7%	238	18.7%	229	18.1%	236	19.5%
Total	1,276	100.0%	1,264	100.0%	1,212	100.0%	1,276	100.0%	1,264	100.0%	1,212	100.0%

Note:

This schedule represents student performance testing data and district summary scores for grade 8 in English Language Arts, Mathematics, Science, and Social Studies.

## Schedule 8

**Tangipahoa Parish School System**  
**The Graduation Exit Examination for the 21st Century (GEE 21)**  
**as of and for the year ended June 30, 2004**

District Achievement Level Results Students	English Language Arts						Mathematics					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced	20	1.6%	8	0.7%	10	0.9%	79	6.4%	84	7.0%	82	7.2%
Mastery	216	17.6%	134	11.1%	154	13.6%	183	14.9%	188	15.7%	147	12.9%
Basic	446	36.4%	513	42.7%	447	39.4%	454	37.0%	420	35.0%	394	34.6%
Approaching Basic	275	22.4%	261	21.7%	267	23.5%	198	16.1%	214	17.8%	159	14.0%
Unsatisfactory	268	21.9%	286	23.8%	257	22.6%	313	25.5%	293	24.4%	356	31.3%
Total	1,225		1,202		1,135		1,227		1,199		1,138	

District Achievement Level Results Students	Science						Social Studies					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	32	2.8%	12	1.2%	24	2.2%	13	1.2%	19	1.8%	10	0.9%
Mastery	186	16.5%	150	14.4%	162	15.0%	132	11.8%	137	13.2%	102	9.4%
Basic	395	35.0%	369	35.5%	384	35.5%	516	45.9%	465	44.8%	484	44.8%
Approaching Basic	273	24.2%	254	24.4%	218	20.2%	273	24.3%	214	20.6%	223	20.6%
Unsatisfactory	241	21.4%	254	24.4%	293	27.1%	189	16.8%	204	19.6%	262	24.2%
Total	1,127		1,039		1,081		1,123		1,039		1,081	

## Note:

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

**Tangipahoa Parish School System**  
**The Iowa Tests**  
**as of and for the year ended June 30, 2004**

**Schedule 9**

	Composite		
	2004 Number	2003 Number	2002 Number
<i>Iowa Tests of Basic Skills (ITBS)</i>			
Grade 3	59	56	54
Grade 5	56	54	51
Grade 6	45	47	53
Grade 7	48	51	50
<i>Iowa Tests of Educational Development (ITED)</i>			
Grade 9	50	50	50

**NOTE:**

The Iowa Tests used in Louisiana are norm-referenced achievement tests that are standardized nationally, allowing the comparison of performance between students tested within the State to that of students tested within the national sample.

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**TANGIPAOA PARISH SCHOOL  
SYSTEM, AMITE, LOUISIANA**

**SINGLE AUDIT REPORTS**

**AS OF AND FOR THE YEAR  
ENDED JUNE 30, 2004**

**REPORTS OF TA HARRIS INC.**

**A PROFESSIONAL ACCOUNTING  
CORPORATION**

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# T.A. Harris Inc. Certified Public Accountant

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A Professional Accounting Corporation

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

The Board Members of the  
Tangipahoa Parish School System  
Amite, Louisiana

We have audited the basic financial statements of the Tangipahoa Parish School System (School System) as of and for the year ended June 30, 2004, and have issued our report thereon dated November 12, 2004. We conducted our audit in accordance with standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the School System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as 2004-1.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions 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 System'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 2004-1 and 2004-2.

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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. However the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2004-1 and 2004-2.

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

*J. G. Harris, Inc. APAC*

November 12, 2004  
Baton Rouge, Louisiana

# T.A. Harris Inc. Certified Public Accountant

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A Professional Accounting Corporation

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

The Board Members of the  
Tangipahoa Parish School System  
Amite, Louisiana

### **Compliance**

We have audited the compliance of the Tangipahoa Parish School System (School System) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The School System'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 each of its major federal programs is the responsibility of the School System's management. Our responsibility is to express an opinion on the School System's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School System'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 System's compliance with those requirements.

In our opinion, the School System complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However the results of our audit procedures disclosed an instance of noncompliance with those requirements, which are required to be reported on accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2004-1.

### **Internal Control Over Compliance**

The management of the School System is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contract and grants applicable to federal programs. In planning and performing our audit, we considered the School System'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 do not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contract 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.

***Schedule of Expenditures of Federal Awards***

We have audited the basic financial statements of the School System as of and for the year ended June 30, 2004, and have issued our report thereon dated November 12, 2004. Our audit was performed for the purpose of forming an opinion on the basic 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 required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*J. G. Harris, Inc. APAC*  
November 12, 2004  
Baton Rouge, Louisiana

TANGIPAOHA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2004

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	PASS THROUGH GRANTOR AWARD NUMBER	EXPENDITURES
<b>United States Department of Agriculture:</b>			
Passed Through Louisiana Department of Education School Lunch Program	10.555A	NONE	\$4,072,688
School Breakfast Program	10.553A	NONE	1,252,479
Passed Through Louisiana Department of Agriculture Food Distribution Program	10.550H	NONE	472,136
<b>Total United States Department of Agriculture</b>			<b>5,797,303</b>
<b>United States Department of Education:</b>			
Passed Through Louisiana Department of Education			
Improving America's School Act (IASA)			
Educationally Deprived Children-Local Agencies (Title I)	84.010A	04-T1-53	5,882,853
Strengthening Skills of Teachers (Title II)	84.367A	04-50-53	1,510,414
Drug-Free Schools (Title III)	84.186A	04-70-53	172,599
Improving School Programs (Title VI)	84.298A	04-SI-53	1,062,046
Migrant	84.011A	4-M1-53	249,358
Total IASA			8,877,270
Individuals with Disabilities Act (IDEA)			
Special Education Extension Preschool Application	84.173A	04-P1-53	594,440
Handicapped Preschool and School Programs PL-942	84.027A	04-B1-63	2,865,127
Total IDEA			3,459,567
Adult Education	84.002A	04-44-53	305,754
Vocational Education-Various Basic Grants to State	84.048A	NONE	272,182
21st Century	84.287A	NONE	1,000,135
FIE Earmark Grant	84.215K	U215K032286	41,727
Tech Improvement EETT	84.318X	04-49-53	140,555
Rural Ed Achievement	84.358B	4-RE-53	56,551
Homeless	84.196A	04-H1-53	10,176
Literacy Challenge	84.318X	04-46-53	188,131
<b>Total United States Department of Education</b>			<b>14,332,048</b>
<b>United States Department of Health and Human Development:</b>			
Starting Points Program	93.588	04-38-53	61,864
TANF Afterschool for all	93.558	NONE	164,762
Pre GED Skills Option P	93.558	04-36-53	21,101
LA 4 Program	93.558	NONE	556,021
School Nurse Program	93.778A	NONE	114,151
<b>Total United States Department of Health and Human Development</b>			<b>917,899</b>
<b>United States Department of Defense:</b>			
ROTC	12.404A	NONE	156,629
<b>United States Department of Labor:</b>			
Passed Through Louisiana Department of Labor			
Workforce Investment Act Adult Program	17.258A	CFMS # 559701	1,949,905
Workforce Investment Act Youth Activities	17.259A	CFMS # 559701	2,964,117
Workforce Investment Act Dislocated Worker	17.260AB	CFMS # 559701	1,650,444
<b>Total United States Department of Labor</b>			<b>6,564,466</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$27,768,345</b>

see accompanying notes to schedule of expenditures of federal awards

**TANGIPAOHA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

=====

**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 - GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Tangipahoa Parish School System (School System), Amite, Louisiana. The School System's reporting entity is defined in note 1 of the School System's financial statements. All federal awards received directly from federal agencies, as well as 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 of the School System's financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

Federal award revenues are reported in the School System's basic financial statements (fund financial statements) as follows:

	<u><b>Federal Sources</b></u>
General Fund	\$270,780
Special Revenue Funds	<u>27,497,565</u>
Total	<u><u>\$27,768,345</u></u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying schedule agree with the amounts in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**NOTE 5 - MAJOR FEDERAL AWARDS**

The dollar threshold of 833,050 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS**

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

TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS/CORRECTIVE ACTION PLANS

=====

FOR THE YEAR ENDED JUNE 30, 2004

(1) **Summary of Auditor's Results :**

- (a) The type of report issued on the financial statements:  
unqualified opinion
- (b) Reportable conditions on internal control were disclosed by the audit of the Financial Statements: yes Material Weaknesses: no
- (c) Noncompliance which is material to the financial statements: no
- (d) Reportable conditions on internal control over major programs: yes 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: yes
- (g) Major Programs:
  - Workforce Investment Act Youth Activities (CFDA Number 17.258A)
  - Workforce Investment Act Adult Program (CFDA Number 17.259A)
  - Workforce Investment Act Dislocated Workers(CFDA Number 17.260AB)
  - Title II-Strengthening Skills of Teachers (CFDA Number 84.367A)
  - School Lunch Program (CFDA Number 10.555A)
  - School Breakfast Program (CFDA Number 10.553A)
  - Food Distribution Program (CFDA Number 10.550H)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$833,050
- (i) Auditee qualified as a low-risk auditee under Section .530 of OMB Circular A-133: yes

(2) **Findings Relating to Financial Statements Reported in Accordance with Government Auditing Standards:**

Yes

2004-1 (see below, #3)

2004-2

*Criteria:* An in-depth School System internal audit in April 2004, revealed discrepancies in actual bank deposits and cash receipts that had been submitted from parish businesses over a two year period.

*Condition:* In approximately a two year period 259 discrepancies were identified.

*Questioned Cost:* \$65,277.43

**TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS/CORRECTIVE ACTION PLANS**

**=====**  
**FOR THE YEAR ENDED JUNE 30, 2004**

*Context:* School System's sales tax collection control procedures were overridden/circumvented by two colluding employees, resulting in theft.

*Effect:* Taxpayer's remittances were misappropriated by colluding employees.

*Cause:* School System sales tax collection employees overrode/circumvented internal controls through various fraudulent techniques.

*Recommendation:* In May of 2004, the School System fully implemented new control policies and procedures relative to its sales tax collection department to prevent future misappropriation of this kind. Additionally, the School System is considering eliminating all cash receipts. Insurance proceeds from the School System's bonding company were received in November 2004 in the amount of \$61,508.79.

*Managements Response:* See above. Moreover, a detailed management response letter is attached to this packet. Contact Person: Mark Kolwe (985)748-7153.

**(3) Findings and Questioned Costs Relating to Federal Awards:**

Yes

CFDA Title/Number: Workforce Investment Act Youth Activities -17.258A  
Workforce Investment Act Adult Program -17.259A  
Workforce Investment Act Dislocated Workers -17.260AB  
21<sup>st</sup> Century Grant - 84.287A

*Criteria:* The School System did not amend its budget for the Special Revenue Funds - Workforce Investment Act (WIA) and the 21<sup>st</sup> Century grant so that expenditures and transfers did not exceed budgeted appropriations by more than five percent. This was a violation of Louisiana RS 39:1311.

*Condition:* Final actual expenditures and transfers exceeded budgeted appropriations by greater than five percent for both the WIA grants and 21<sup>st</sup> Century grant.

*Questioned Cost:* Not Applicable.

*Context:* Proper budget amendments were not completed.

*Effect:* The School System was in violation of Louisiana State budget law.

*Cause:* The School System feels these were isolated oversights, and have not had an issue with this type of violation in the past.

*Recommendation:* To ensure compliance with this State law, the School System should collectively monitor its funds' budget to actual variances by assigning an individual ultimate responsibility for particular grants.

*Managements Response:* The School System will assign separate individuals responsibility for periodic review of the WIA and 21<sup>st</sup> Century grant relative to budget to actual comparisons. Contact Person: Mark Kolwe (985)748-7153.

TANGIPAHOA PARISH SCHOOL SYSTEM, AMITE, LOUISIANA

SCHEDULE OF PRIOR AUDIT FINDINGS & MANAGEMENT LETTERS

=====

FOR THE YEAR ENDED JUNE 30, 2004

<u>Finding</u>	<u>Fiscal Yr.</u>	<u>Status</u>	<u>Contact Person</u>
2003-1	2003	Resolved	Rory Hayden



# TANGIPAHOA PARISH SCHOOL SYSTEM

## SALES AND USE TAX DIVISION

POST OFFICE BOX 159 • AMITE, LOUISIANA 70422  
TELEPHONE (985) 748-5229 • FAX (985) 748-2489

May 28, 2004

Mr. Louis L. Joseph, Superintendent  
Tangipahoa Parish School System  
59656 Puleston Road  
Amite, Louisiana 70422

RE: Tangipahoa Parish School System  
Sales & Use Tax Division  
Internal audit and review

Dear Mr. Joseph:

I have received a copy of Mr. Odus Stafford's findings and recommendations for the cash collection process within the Sales Tax Division. The following steps have been taken to address Mr. Stafford's recommendations:

1. Our current stock of cash receipt books are pre-printed and consecutively numbered. When cash is received, a receipt is written and then signed by two employees. The receipt books currently in use are duplicates. The original is given to the customer and the copy remains intact in the receipt book. If a mistake or error is made on a receipt, the original is voided and is retained in the receipt book along with the copy. At the request of Mr. Stafford, triplicate receipt books have been ordered. The original will be given to the customer, the first copy will be attached to the file copy of the bank deposit, and the second copy will remain intact in the receipt book. The leftover duplicate receipt books will be voided and turned over to Mr. Stafford. All cash is being deposited daily. Cash received after the bank deposit is made is being locked in the vault and deposited the next business day. The sales tax administrator spot checks the bank deposit book to the cash receipts book throughout the week to determine that cash is deposited timely. At the close of each month, beginning with the month of April 2004, the administrator completes a report comparing total cash receipts for the month to total cash deposited in that month. This report will be kept at the sales tax office and will be available for inspection.

2. The sales tax administrator is now the only user authorized to delete unpaid sales tax returns. We are required to delete a sales tax return when the data is entered on the incorrect month or incorrect account number. The incorrect return is deleted and a new blank return is created for that month. A copy of the edit is retained along with the corrected edit for backup. Sales tax returns must also be deleted when a business closes after returns have already been created for the months after the closing date. If these returns are not deleted, the delinquent list will not be accurate. To verify the reason for deletion of these returns, the File Maintenance Menu can be reviewed for the closing date of the business. A log book detailing deleted returns will be maintained documenting date the return was deleted, account number, report period, original batch number, and reason for deletion. The log book will be available for review and approval by the accounting supervisor.
3. When an NSF check is returned by the bank a demand letter is sent to the taxpayer. This letter notifies the taxpayer that they have ten (10) days to pay with certified funds the check and NSF fee. After that time, the check is turned over to the district attorney for collection. When the check is cleared, the interest and penalties are then billed if the taxes have become delinquent.

The following procedures and controls have been implemented in addition to the ones requested by the internal auditor.

1. All exterior door locks and the interior safe door lock have been changed.
2. A lock has been installed on the sales tax administrator's office door so that confidential files or projects can be protected.
3. All payment agreements for delinquent taxpayers must be approved by the sales tax administrator.
4. All employees are required to log off of computer when not in use. All computers have been password protected – if the computer is not used for a short period of time, the computer locks and only the current user can unlock the screen by entering the password that matches. This control will help insure that data will not be entered under the incorrect user name.

Page 3  
Mr. Joseph  
May 24, 2004

Following are some recommendations prepared by the sales tax administrator. These recommendations may require further study and/or approval by the superintendent and internal auditor.

1. Implement a "no cash" policy within the sales tax department.
2. Install safety measures such as a security system and bullet-proof glass or locked doors separating the lobby from the remainder of the building.

The audit by Mr. Odus Stafford was conducted in a professional and courteous manner. His findings are fair, and his recommendations are greatly appreciated. If you have any questions or require additional information, please advise.

Sincerely,



Donna Drude  
Sales & Use Tax Administrator

Approved: Kaye Roberts  
Kaye Roberts, Supervisor of  
Accounting

C: Mr. Odus Stafford  
Ms. Kaye Roberts  
Mr. Mark Kolwe  
School Board Members