

MADISON PARISH SCHOOL BOARD

Tallulah, Louisiana

**Annual Financial Report
As of and for the Year Ended
June 30, 2010**

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 1/19/11

PREPARED BY:

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**Madison Parish School Board
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(Concluded)

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Independent Auditor's Report

Board Members
Madison Parish School Board
Tallulah, Louisiana

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Madison Parish School Board as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Madison Parish School Board's management. My responsibility is to express opinions on these financial statements, based on my audit.

I conducted my 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 I 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Madison Parish School Board as of June 30, 2010, 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*, I have also issued my report dated December 31, 2010, on my consideration of the Madison Parish School Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part

of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of my audit. .

Accounting principles generally accepted in the United States of America require that the management's discussion and budgetary comparison information on pages 4 through 10 and 49 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Madison Parish School Board's financial statements as a whole. The combining and individual non-major fund financial statements are presented for the purposes of additional analysis as required by U. S. Office Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Jimmie Self, CPA
Monroe, Louisiana
December 31, 2010

REQUIRED SUPPLEMENTAL INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

**Madison Parish School Board
Management's Discussion and Analysis (MD&A)**

Our discussion and analysis of Madison Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2010. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999. Unless otherwise noted all amounts are reported in thousands.

FINANCIAL HIGHLIGHTS The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily Minimum Foundation Funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

The fund balances of all governmental funds decreased \$3,884. This is due mainly to an increase of \$5,867 in capital outlay expenditures during the current year on construction of the new Madison High School. The fund balance of the general fund increased \$1,674 mainly due to an increase in ad valorem and sales taxes.

The Title I and Reading First funds are cost reimbursement funds and do not carry a fund balance.

The Debt Service fund reported an increase in fund balance of \$881 due to an increase in sales taxes.

The Capital Projects fund reported a decrease of \$6,418 in fund balance due mainly to an increase in capital outlay for the new Madison High School of \$5,867 from prior year.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's *most significant funds*, the general fund, Title I, Reading First, Debt Service, and Capital Projects fund. The proprietary fund statements provide information about our internal service fund, which is used to account for our worker's compensation self insurance. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

**Madison Parish School Board
Management's Discussion and Analysis (MD&A)**

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Information for Major Funds

Supplemental Information

**Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members**

Our auditor has provided an opinion in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Madison Parish School Board
Management's Discussion and Analysis (MD&A)

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - Most of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

Proprietary funds - When the School Board charges customers for the services it provides - whether to outside customers or to other units of the School Board - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the School Board's other programs and activities - the worker's compensation fund.

Madison Parish School Board
Management's Discussion and Analysis (MD&A)

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, and sales tax agency fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$21,309 at June 30, 2010. Of this amount \$3,010 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets (in thousands)
June 30,

	<u>2010</u>	<u>2009</u>	<u>Variance</u>
Current and other assets	\$ 17,112	\$ 21,962	\$ (4,850)
Capital assets	<u>35,709</u>	<u>30,132</u>	<u>5,577</u>
Total assets	<u>52,821</u>	<u>52,094</u>	<u>727</u>
Current and other liabilities	2,298	3,376	(1,078)
Long-term liabilities	<u>29,214</u>	<u>29,009</u>	<u>205</u>
Total liabilities	<u>31,512</u>	<u>32,385</u>	<u>(873)</u>
Net assets			
Invested in capital assets, net of debt	10,740	10,701	39
Restricted	7,559	6,454	1,105
Unrestricted	<u>3,010</u>	<u>2,554</u>	<u>456</u>
Total net assets	<u>\$21,309</u>	<u>\$ 19,709</u>	<u>\$ 1,600</u>

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the next page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

**Madison Parish School Board
Management's Discussion and Analysis (MD&A)**

**Table 2
Changes in Net Assets (in thousands)
For the Year Ended June 30,**

	2010	2009	Variance
Net Assets – beginning	\$ 19,709	\$ 16,573	\$ 3,136
Revenues:			
Program revenues			
Charges for services	22	29	(7)
Operating grants and contributions	7,941	6,852	1,089
General Revenues			
Ad valorem taxes	2,328	2,430	(102)
Sales taxes	3,894	3,226	668
State equalization	13,866	12,933	933
Other general revenues	683	1,317	(634)
Total revenues	<u>28,734</u>	<u>26,787</u>	<u>1,947</u>
Functions/Program Expenses:			
Instruction			
Regular programs	7,849	6,586	1,263
Special programs	2,411	2,577	(166)
Other instructional programs	4,234	3,499	735
Support services			
Student services	1,190	1,075	115
Instructional staff support	2,464	1,832	632
General administration	775	566	209
School administration	1,024	1,061	(37)
Business services	1,001	775	226
Plant services	2,113	1,674	439
Student transportation services	1,164	1,086	78
Central Services	-	4	(4)
Food Services	1,699	1,665	34
Community Service Program	9	10	(1)
Interest on long-term debt	1,201	1,241	(40)
Total expenses	<u>27,134</u>	<u>23,651</u>	<u>3,483</u>
Increase (decrease) in net assets	<u>1,600</u>	<u>3,136</u>	<u>(1,536)</u>
Net Assets – ending	<u>\$ 21,309</u>	<u>\$ 19,709</u>	<u>\$ 1,600</u>

Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was \$27,134. The amount that taxpayers ultimately financed for these activities through School Board taxes was \$6,222 because some of the cost was paid by those who benefited from the program \$22 or by other governments and organizations who subsidized certain programs with grants and contributions \$7,941. The remaining amount was paid by MFP funds of \$13,866 and other revenues of \$683 which are mainly interest income and other local sources.

Total revenues increased \$1,947 due mainly to an increase in sales tax, operating grant revenues and MFP revenues during the year. However this was offset by a decline in ad valorem tax revenue and interest earnings. Total expenses increased \$3,483 due mainly to an increase in OPEB liability and salaries during the current year.

In the table below we have presented the cost of each of the School Board's six largest functions - regular programs, special programs, other instructional programs, instructional staff support, plant services, and food services as well as

**Madison Parish School Board
Management's Discussion and Analysis (MD&A)**

each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Regular programs	\$ 7,849	\$ 7,075
Special programs	2,411	1,636
Other instructional programs	4,234	972
Instructional staff support	2,464	1,070
Plant services	2,113	2,090
Food services	1,699	578
All others	6,364	5,750
Totals	<u>\$ 27,134</u>	<u>\$ 19,171</u>

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

General Fund Budgetary Highlights As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.)

Budgeted revenues were increased for Ad Valorem taxes. The original budget was based on prior year revenue. The budget was increased when it was clear that collections would be more for the current year. MFP revenue was amended when we had a better estimate of the final amount.

Budgeted expenditures were increased mainly because of the increase in MFP.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2010, the School Board had \$35,709 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$5,577 or 18.5%, from last year. This increase is due to construction expenditures for the new Madison High School. We present more detailed information on our capital assets in Note 5 to the financial statements.

**Capital Assets at June 30,
Governmental Activities**

	<u>2010</u>	<u>2009</u>	<u>Variance</u>
Land	\$ 939	\$ 939	\$ -
Construction in progress	28,719	23,571	5,148
Furniture and equipment	1,541	969	572
Buildings	4,510	4,653	(143)
Totals	<u>\$ 35,709</u>	<u>\$ 30,132</u>	<u>\$ 5,577</u>

Madison Parish School Board
Management's Discussion and Analysis (MD&A)

DEBT ADMINISTRATION At June 30, 2010, the School Board had \$29,214 in long term debt versus \$29,009 last year. The outstanding debt consists of:

	<u>2010</u>	<u>2009</u>	<u>Variance</u>
Qualified zone academy bond	\$ 556	\$ 657	\$ (101)
General obligation bonds	16,985	17,510	(525)
Sales tax revenue bonds	8,925	9,180	(255)
OPEB liability	1,984	741	1,243
Compensated absences	764	921	(157)
	<u>\$29,214</u>	<u>\$29,009</u>	<u>\$ 205</u>

The State limits the amount of general obligation debt that can be issued to 35% of the assessed value of taxable property. The net bonded debt of \$21,357 (total bonded debt of \$25,910 less the fund balance in debt service of \$4,553) is well below this threshold. We present more detailed information on our long term debt in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES The 2010-11 budget was estimated from the 2009-2010 fiscal year actual results. Fuel prices are continuing to increase and the budget will have to be monitored closely in this area and in utility expenses.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Kathy Hughes, Business Manager at Madison Parish School Board, P. O. Box 1620, Tallulah, Louisiana 71284, telephone number (318) 574-3616.

Madison Parish School Board

BASIC FINANCIAL STATEMENTS:

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

MADISON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2010

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 13,946,850
Investments	1,220,554
Receivables (net)	1,564,230
Inventory	26,962
Prepaid items	353,899
Capital assets:	
Land and construction in progress	29,657,759
Exhaustible capital assets, net of depreciation	<u>6,051,085</u>
TOTAL ASSETS	<u>52,821,339</u>
LIABILITIES	
Accounts, salaries and other payables	1,573,358
Interest payable	341,818
Deferred revenue	177,317
Claims payable	205,368
Long-term liabilities:	
Due within one year	1,468,070
Due in more than one year	<u>27,745,920</u>
TOTAL LIABILITIES	<u>31,511,849</u>
NET ASSETS	
Invested in capital assets, net of related debt	10,740,193
Restricted for:	
Debt Service	4,552,830
Salaries	406,578
Maintenance	1,189,671
School Food Service	322,390
Workers' Compensation	1,087,594
Unrestricted	<u>3,010,234</u>
TOTAL NET ASSETS	<u>\$ 21,309,490</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	
<i>Governmental activities:</i>			
<i>Instruction:</i>			
Regular programs	\$ 7,848,887		\$ 773,831 \$ (7,075,056)
Special programs	2,410,728		775,177 (1,635,551)
Other instructional programs	4,234,431		3,262,641 (971,790)
<i>Support services:</i>			
Student services	1,189,748		156,724 (1,033,024)
Instructional staff support	2,464,104		1,394,390 (1,069,714)
General administration	774,836		402,478 (372,358)
School administration	1,024,508		4,317 (1,020,191)
Business services	1,001,421		40,818 (960,603)
Plant services	2,113,432		23,194 (2,090,238)
Student transportation services	1,163,580		8,387 (1,155,193)
Central services	0		0 0
Food services	1,698,814 \$	21,741	1,099,572 (577,501)
Community service programs	8,689		0 (8,689)
Interest on long-term debt	1,200,980		0 (1,200,980)
Total Governmental Activities	27,134,158	21,741	7,941,529 (19,170,888)
<i>General revenues:</i>			
<i>Taxes:</i>			
			Ad valorem taxes levied for general purposes 2,328,203
			Sales taxes levied for general purposes 3,893,519
<i>Grants and contributions not restricted to specific programs</i>			
			Minimum Foundation Program 13,866,182
			Interest and investment earnings 92,531
			Miscellaneous 590,808
			Total general revenues 20,771,243
			Changes in net assets 1,600,355
			Net assets - beginning 19,709,135
			Net assets - ending \$ 21,309,490

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Madison Parish School Board

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

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	GENERAL	TITLE I	READING FIRST
ASSETS			
Cash and cash equivalents	\$ 5,309,438	\$ 435,412	\$ 139,684
investments	1,220,554	0	0
Receivables	191,032	584,836	0
Interfund receivables	1,390,899	0	0
Inventory	0	0	0
Prepaid items	353,899	0	0
	<u>8,465,822</u>	<u>1,020,248</u>	<u>139,684</u>
TOTAL ASSETS			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	831,981	340,884	128,806
Interfund payables	27,419	676,773	6,047
Deferred revenue	0	2,591	4,831
	<u>859,400</u>	<u>1,020,248</u>	<u>139,684</u>
Fund Balances:			
Reserved for:			
Debt Service	0	0	0
Salaries	406,578	0	0
Maintenance	1,189,671	0	0
Inventory	0	0	0
Unreserved, reported in:			
Special Revenue	0	0	0
Capital Project	0	0	0
Undesignated	6,010,173	0	0
	<u>7,606,422</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>7,606,422</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 8,465,822</u>	<u>\$ 1,020,248</u>	<u>\$ 139,684</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

	DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
\$	4,538,787	\$ 1,498,624	\$ 809,915	\$ 12,731,860
	0	0	0	1,220,554
	122,557	0	665,805	1,564,230
	0	0	0	1,390,899
	0	0	26,962	26,962
	0	0	0	353,899
	<u>4,661,344</u>	<u>1,498,624</u>	<u>1,502,682</u>	<u>17,288,404</u>
	0	1,305	270,380	1,573,356
	108,514	0	650,118	1,468,871
	0	0	169,895	177,317
	<u>108,514</u>	<u>1,305</u>	<u>1,090,393</u>	<u>3,219,544</u>
	4,552,830	0	0	4,552,830
	0	0	0	406,578
	0	0	0	1,189,671
	0	0	6,262	6,262
	0	0	406,027	406,027
	0	1,497,319	0	1,497,319
	0	0	0	6,010,173
	<u>4,552,830</u>	<u>1,497,319</u>	<u>412,289</u>	<u>14,068,860</u>
\$	<u>4,661,344</u>	<u>\$ 1,498,624</u>	<u>\$ 1,502,682</u>	<u>\$ 17,288,404</u>

Madison Parish School Board

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MADISON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2010**

Statement D

Total fund balances - governmental funds \$ 14,068,860

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

Costs of capital assets	\$ 46,755,015	
Depreciation expense to date	<u>(11,046,171)</u>	
		35,708,844

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets		1,087,594
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Long-term liabilities applicable to the School Board'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.

Balances at June 30, 2010 are:

Long-term liabilities		
General obligation bonds	(25,910,000)	
QZAB loan payable	(555,970)	
OPEB liability payable	(1,983,617)	
Compensated absences payable	(764,403)	
Interest payable	<u>(341,818)</u>	
		<u>(29,555,808)</u>

Net Assets		\$ <u>21,309,490</u>
------------	--	----------------------

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	<u>GENERAL</u>	<u>TITLE I</u>	<u>READING FIRST</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 995,776	\$ 0	\$ 0
Sales and use	2,336,116	0	0
Interest earnings	68,312	0	0
Food services	0	0	0
Other	78,384	0	0
State sources:			
Equalization	13,631,617	0	0
Other	114,464	0	0
Federal sources	124,180	2,803,785	1,421,573
Total Revenues	17,348,849	2,803,785	1,421,573
EXPENDITURES			
Current:			
Instruction:			
Regular programs	6,617,243	11,851	8,268
Special programs	1,579,049	0	0
Other instructional programs	737,511	1,742,564	1,064,696
Support services:			
Student services	814,902	81,774	0
Instructional staff support	792,954	745,594	189,415
General administration	292,791	208,665	96,034
School administration	908,998	0	0
Business services	506,847	2,150	38,668
Plant services	2,025,411	5,900	0
Student transportation services	977,024	0	2,006
Central services	0	0	0
Food services	188,088	0	5,445
Community service programs	8,689	0	0
Capital outlay	123,942	5,287	17,041
Debt service:			
Principal retirement	101,085	0	0
Interest and bank charges	0	0	0
Total Expenditures	15,674,534	2,803,785	1,421,573
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,674,315	\$ 0	\$ 0

Statement E

DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
\$ 1,332,427	\$ 0	\$ 0	\$ 2,328,203
1,557,403	0	0	3,893,519
19,895	566	882	89,655
0	0	21,741	21,741
0	0	209,812	288,196
0	0	234,565	13,868,182
0	0	482,505	598,989
0	0	2,995,022	7,344,560
<u>2,909,725</u>	<u>566</u>	<u>3,944,527</u>	<u>28,429,025</u>
0	155,000	533,818	7,328,180
0	0	775,207	2,354,256
0	0	456,378	4,001,149
0	0	270,174	1,166,850
0	0	548,181	2,276,144
2,019	0	97,779	697,288
0	0	4,317	913,315
33,860	397,235	0	978,760
0	0	6,471	2,037,782
0	0	7,583	988,613
0	0	0	0
0	0	1,265,079	1,458,612
0	0	0	8,689
0	5,866,923	0	6,013,193
780,000	0	0	881,085
<u>1,212,935</u>	<u>0</u>	<u>0</u>	<u>1,212,935</u>
<u>2,028,814</u>	<u>6,419,158</u>	<u>3,964,987</u>	<u>32,312,851</u>
\$ 880,911	\$ (6,418,592)	\$ (20,460)	\$ (3,883,826)

(CONTINUED)

MADISON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2010

	GENERAL	TITLE I	READING FIRST
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0
Bond proceeds	0	0	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	1,674,315	0	0
Fund balances - beginning	5,932,107	0	0
Fund balances - ending	\$ 7,606,422	\$ 0	\$ 0

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>OTHER</u> <u>GOVERNMENTAL</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 13,127	\$ 13,127
0	0	(13,127)	(13,127)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
880,911	(6,418,592)	(20,460)	(3,883,826)
<u>3,671,919</u>	<u>7,915,911</u>	<u>432,749</u>	<u>17,952,686</u>
<u>\$ 4,552,830</u>	<u>\$ 1,497,319</u>	<u>\$ 412,289</u>	<u>\$ 14,068,880</u>

(CONCLUDED)

MADISON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2010**

Statement F

Total net change in fund balances - governmental funds \$ (3,883,826)

Amounts reported for governmental activities in the Statement of Activities are different because:

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 capital outlays exceeds depreciation in the period:

Depreciation expense	(436,094)	
<u>Capital outlays</u>	<u>6,013,193</u>	5,577,099

The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Repayment of bond debt	881,085	
<u>OPEB liability</u>	<u>(1,243,020)</u>	(361,935)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used \$546,985 exceeded the amounts earned (\$390,042) by \$156,943. 156,943

All revenues, expenses and changes in fund net assets (deficits) of the Internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement. 100,119

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 11,955

Change in net assets of governmental activities. \$ 1,600,355

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD
PROPRIETARY FUND TYPE - INTERNAL SERVICE
STATEMENT OF NET ASSETS
June 30, 2010

Statement G

ASSETS	
Current assets:	
Cash	\$ 1,214,990
Interfund receivable	<u>77,972</u>
TOTAL ASSETS	<u>1,292,962</u>
LIABILITIES	
Current liabilities:	
Accounts payable	0
Claims payable	<u>205,368</u>
TOTAL LIABILITIES	<u>205,368</u>
NET ASSETS	
Unrestricted	<u>1,087,594</u>
TOTAL NET ASSETS	<u>\$ 1,087,594</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD
PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For The Year Ended June 30, 2010

Statement H

OPERATING REVENUE	
Services provided other funds	<u>\$ 302,612</u>
Total operating revenue	<u>302,612</u>
OPERATING EXPENSES	
Claims	152,321
Administration	<u>53,048</u>
Total operating expenses	<u>205,369</u>
Operating income (loss)	<u>97,243</u>
NONOPERATING REVENUE	
Earnings on investments	<u>2,876</u>
Changes in Net Assets	100,119
NET ASSETS - BEGINNING	<u>987,475</u>
NET ASSETS - ENDING	<u>\$ 1,087,594</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD
PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Cash Flows
For the Year Ended June 30, 2010

Statement I

CASH FLOWS FROM OPERATING ACTIVITIES	
Premiums	\$ 437,932
Claims paid	<u>(178,541)</u>
Net cash provided by operating activities	<u>259,391</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Earnings on invested proceeds	<u>2,876</u>
Net increase (decrease) in cash and cash equivalents	262,267
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>952,723</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,214,990</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 97,243
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in interfund receivable	135,320
Increase (decrease) in accounts payable	0
Increase (decrease) in claims payable	<u>26,828</u>
Net cash provided (used) for operating activities	<u>\$ 259,391</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2010

	Statement J
	<u>AGENCY FUND</u>
Total net assets	
ASSETS	
Cash and cash equivalents	\$ <u>29,103</u>
TOTAL ASSETS	<u>29,103</u>
LIABILITIES	
Deposits due others	<u>29,103</u>
TOTAL LIABILITIES	<u>\$ 29,103</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010**

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Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Madison Parish School Board 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.

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

The School Board operates six schools within the parish with a total enrollment of approximately 1,962 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds Governmental funds account for all or most of the School Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General fund - the general operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Title I fund - accounts for federal funds received for the Title I federal program.

Reading First - accounts for federal funds received for the Reading First federal program.

Debt Service - accounts for taxes collected for payment of debt and the debt service payments on the general obligation bonds and the sales tax bonds.

Capital Projects - accounts for the funds received for the 2005 General Obligation Bond issue and the 2006 sales tax bond issue to construct/improve schools.

Proprietary Funds Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Internal service fund - accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis, worker's compensation program.

Fiduciary Funds - account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

School activities agency fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales tax agency fund - used to account for collections and disbursement of sales tax receipts to Madison Parish School Board, Madison Parish Policy Jury, City of Tallulah, Village of Delta, Village of Richmond and Madison Parish Law Enforcement.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (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 Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 Accounting and Financial Reporting for Nonexchange Transactions.

Internal Activities The Worker's Compensation internal service fund provides services to the governmental funds. Accordingly, the Workers Compensation fund activity was rolled into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial statements – and Managements' Discussion and Analysis- for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

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

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

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 restricted grants are recorded when the reimbursable expenditures have been incurred.

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when the underlying exchange takes place and the resources are available.

Interest income on time deposits and investments is recorded when the interest becomes measurable and available to finance expenditures of the fiscal period.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Salaries are recorded as paid. Salaries for nine-month employees are paid over twelve months and accrued at June 30.

Principal and interest on general long-term debt is recognized when due.

Inventory items are expensed as purchased except for inventory of the school lunch fund which is expensed as consumed.

Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or other types, such as sale of fixed assets, debt extinguishments, and long-term debt proceeds) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Proprietary Fund Proprietary fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet.

Operating revenues and expenses Proprietary fund distinguish operating revenues and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the fund's principal ongoing operation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

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

Under state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less they are classified as cash equivalents and are stated at cost.

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. INVENTORY AND PREPAID ITEMS Inventory items are expensed as purchased except for inventory of the school food service fund.

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

Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid items.

L. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	15 - 40 years
Furniture and equipment	3 - 10 years

In 2010, the School Board implemented GASB 51, Accounting and Financial Reporting for Intangible Assets. The School Board had no intangibles that met the capitalization threshold as of June 30, 2009.

J. DEFERRED REVENUES Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

K. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Vacation leave can be accumulated up to a maximum of twenty-five days. However, those employees who had accumulated more than twenty-five days prior to June 30, 2003 could have their full accumulated leave count carried forward. The amount accumulated can never exceed the amount at June 30, 2003.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

Madison Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

The School Board's recognition and measurement criteria for compensated absences follows:

GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' rights to receive compensation are attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The OPEB Plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB Plan is reported based on communication to plan members.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The net assets restricted for debt service, salaries and maintenance are restricted due to enabling legislation.

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N. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Reserves Reserves represent those portions of fund equity legally segregated for a specific future use and not appropriable for expenditures.

Designated Fund Balances Designated fund balances represent tentative plans for future use of financial resources.

O. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

P. SALES TAX The School Board collects 2.5% sales tax. Of the sales tax collected 1% is dedicated for salaries, .5% is dedicated for maintenance and 1% is dedicated for capital projects.

Q. BUDGETS

General Budget Practices The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets to be adopted for the general fund and all special revenue funds.

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed.

Budget Basis of Accounting The major governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

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Notes to the Basic Financial Statements
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R. USE OF 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 and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Madison Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Madison Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Madison Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Millage rates adopted	September 08, 2009
Levy date	September 08, 2009
Tax bills mailed	On or about November 15, 2009
Due date	December 31, 2009
Lien date	January 01, 2010

Assessed values are established by the Madison Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% industrial improvements
15% machinery	15% commercial improvements
10% residential improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2004.

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 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After 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.

All property taxes are recorded in the general, special revenue maintenance fund and sinking fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2009 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2009 property taxes occurs in December, and January and February of the next year. As a result, no property taxes receivable for 2009 taxes is included on the accompanying balance sheet because none is available within 60 days of the School Board's year-end.

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Historically, virtually all ad valorem taxes receivable are collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	4.76	4.76	Statutory
Operations	5.27	5.27	2012
Debt service	30.01	14.85	2029

NOTE 3 - DEPOSITS At June 30, 2010, the School Board has cash and cash equivalents of \$15,196,507 as follows:

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

Interest rate risk: The School Board's policy does not address interest rate risk.

Credit risk: The School Board's policy does not address credit risk.

Custodial credit risk: At year end, the School Board's carrying amount of deposits was \$15,196,507 (Statement A - \$15,167,404 (includes \$1,220,554 of time deposits classified as investments) and Statement J - \$29,103) and the bank balance was \$16,539,560. Of the bank balance, \$11,114,505 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining bank balance of \$5,425,055 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES The balance of receivables at June 30, 2010, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Title I	Reading First	Debt Service	Other Governmental	Total
Intergovernmental - grants:						
Federal	\$ -	\$ 584,836	\$ -	\$ -	\$ 526,127	\$ 1,110,963
State	-	-	-	-	135,699	135,699
Local sources:						
Sales tax	183,849	-	-	122,557	-	306,406
Other	7,183	-	-	-	3,979	11,162
Total	<u>\$ 191,032</u>	<u>\$ 584,836</u>	<u>\$ -</u>	<u>\$ 122,557</u>	<u>\$ 665,805</u>	<u>\$ 1,564,230</u>

Madison Parish School Board
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NOTE 5 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2010 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital asset not being depreciated				
Land	\$ 939,093	\$ -	\$ -	\$ 939,093
Construction in progress	23,570,542	5,148,124	-	28,718,666
Total capital assets not being depreciated	<u>24,509,635</u>	<u>5,148,124</u>	<u>-</u>	<u>29,657,759</u>
Capital assets being depreciated				
Buildings	12,973,540	-	-	12,973,540
Furniture and equipment	3,258,647	865,069	-	4,123,716
Total capital assets being depreciated	<u>16,232,187</u>	<u>865,069</u>	<u>-</u>	<u>17,097,256</u>
Less accumulated depreciation				
Buildings	8,320,448	143,206	-	8,463,654
Furniture and equipment	2,289,629	292,888	-	2,582,517
Total accumulated depreciation	<u>10,610,077</u>	<u>436,094</u>	<u>-</u>	<u>11,046,171</u>
Total capital assets being depreciated, net	<u>5,622,110</u>	<u>428,975</u>	<u>-</u>	<u>6,051,085</u>
Governmental activities				
Capital assets, net	<u>\$ 30,131,745</u>	<u>\$ 5,577,099</u>	<u>\$ -</u>	<u>\$35,708,844</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 143,987
Special programs	23,036
Other instructional programs	43,599
Student services	529
Instructional staff support	54,158
General administration	5,014
School administration	3,486
Business services	3,104
Plant services	18,807
Student transportation services	117,227
Food services	23,147
Total depreciation expense	<u>\$ 436,094</u>

NOTE 6 - RETIREMENT SYSTEMS

Plan description Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

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With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with ten years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally two percent (with less than 25 years of service) or 2.5 percent (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 60 with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the 36 highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after ten years of service at age 60. The maximum retirement allowance is computed at 2.5 percent times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded through annual appropriations.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana. Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2008, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.0%	15.5%
Plan A	9.1%	15.5%
Louisiana School Employees' Retirement System	7.5%	17.6%

The School Board's contributions to Teacher's Retirement System for the years ending June 30, 2010, 2009, and 2008 were \$1,533,625, \$1,438,263, and \$1,538,490, respectively, equal to the required contributions for each year. The School Board's contributions to School Employees Retirement System for the years ending June 30, 2010, 2009, and 2008 were \$154,079, \$150,676, and \$141,602, respectively, equal to the required contributions of each year.

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NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on the number of covered parties. If the employee alone is covered the retiree pays 20% and the employer pays 80%. Coverage for an employee plus one additional person is a 25%/75% split. Three or more people covered is a 30%/70% split. All life insurance paid is 75% paid by the employee and 25% paid by the employer.

The plan is currently financed on a pay as you go basis, with the School Board contributing \$910,451 for 195 retirees.

Annual Other Post Employment Benefit Cost and Liability - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year, closed amortization period had been used. The level dollar amortization method was used. The total ARC is \$1,866,984 each fiscal year as set forth below:

	<u>2010</u>	<u>2009</u>
Normal Cost	\$ 671,111	\$ 671,111
30-year UAL amortization amount	<u>1,195,873</u>	<u>1,195,873</u>
Annual required contribution (ARC)	<u>\$ 1,866,984</u>	<u>\$ 1,866,984</u>

The following table presents the School Board's OPEB Obligation for fiscal years:

	<u>2010</u>	<u>2009</u>
Beginning Net OPEB Obligation July 1	\$ 1,027,084	\$ -
Annual required contribution	1,795,177	1,795,177
Interest on prior year Net OPEB Obligation	71,807	71,807
Adjustment to ARC	-	-
Annual OPEB Cost	<u>1,866,984</u>	<u>1,866,984</u>
Less current year retiree premiums	<u>910,451</u>	<u>839,900</u>
Increase in Net OPEB Obligation	<u>956,533</u>	<u>1,027,084</u>
Ending Net OPEB Obligation at June 30,	<u>\$ 1,983,617</u>	<u>\$ 1,027,084</u>

Utilizing the pay as you go method, the School Board contributed 48.77% of the annual post employment benefits cost during 2010.

Funded Status and Funding Progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$20,679,069 was unfunded.

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The funded status of the plan, as determined by an actuary as of July 1, 2010, was as follows:

	2010	2009
Actuarial accrued liability (AAL)	\$ 20,679,069	\$20,679,069
Actuarial value of plan assets	-	-
Unfunded actuarial accrued liability (UAAL)	\$ 20,679,069	\$20,679,069
Funded ratio (actuarial value of plan assets/AAL)	0%	0%
Covered payroll	\$ 11,988,102	\$12,468,980
UAAL as a percentage of covered payroll	172.50%	165.84%

The Schedule of Funding Progress required supplemental information follows the notes.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2008, Madison Parish School Board actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 % investment rate of return and initial actual healthcare cost trend rate of 10.0% and 9.0% for Pre-Medicare and Medicare eligible, respectively, scaling down to ultimate rates of 5.0% per year. The RP-2000 Static Health Mortality Table was used in making actuarial assumptions. Withdrawal rates for employees ranged from 7% at age 25 to 2% at age 50. Disability rates ranged from .01% at age 25 to .47% at age 55. Retirement rates ranged from 5% at age 38 to 100% at age 72. The remaining amortization period at June 30, 2010, was twenty-eight years.

NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES Payables at year-end are as follows:

	General	Title I	Reading First	Capital Projects	Other Governmental	Total
Salaries	\$ 821,537	\$ 225,965	\$106,076	\$ -	\$ 212,191	\$1,365,769
Accounts	10,444	114,919	22,730	1,305	58,189	207,587
Total	<u>\$ 831,981</u>	<u>\$ 340,884</u>	<u>\$128,806</u>	<u>\$ 1,305</u>	<u>\$ 270,380</u>	<u>\$1,573,356</u>

NOTE 9 - COMPENSATED ABSENCES At June 30, 2010, employees of the School Board have accumulated and vested \$764,403 of employee leave benefits, which were computed in accordance with GASB Codification Section C60.

Madison Parish School Board
Notes to the Basic Financial Statements
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NOTE 10 - AGENCY FUND DUE OTHERS

	<u>Balance at Beginning of year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at Ending of year</u>
Agency funds:				
Student activity funds	\$ 18,198	\$ 163,537	\$ 152,632	\$ 29,103
Sales tax collection fund	-	6,708,184	6,708,184	-
Total	<u>\$ 18,198</u>	<u>\$6,871,721</u>	<u>\$6,860,816</u>	<u>\$ 29,103</u>

NOTE 11 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One year</u>
Governmental Activities					
Bonds payable:					
2006 Sales Tax Revenue Bond	\$ 9,180,000	\$ -	\$ 255,000	\$ 8,925,000	\$ 270,000
2005 General Obligation Bond	17,510,000	-	525,000	16,985,000	550,000
Qualified zone academy bond (QZAB)	657,055	-	101,085	555,970	101,085
Other liabilities:					
OPEB liability	740,597	1,866,984	623,964	1,983,617	-
Compensated absences	921,346	390,042	546,985	764,403	546,985
Governmental activities					
Long-term liabilities	<u>\$ 29,008,998</u>	<u>\$ 2,257,026</u>	<u>\$ 2,052,034</u>	<u>\$ 29,213,990</u>	<u>\$ 1,468,070</u>

In February 2002, the School Board received \$1,061,395 from Qualified Zone Academy Bonds. The Qualified Zone Academy Bond Program is a federal program offered to school districts to acquire interest-free debt for selected projects. The federal government covers all the interest on the bonds.

Year Ending June 30,	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2011	\$ 921,085	\$ 1,171,948	\$ 2,093,033
2012	956,085	1,128,873	2,084,958
2013	996,085	1,083,985	2,080,070
2014	1,041,086	1,037,010	2,078,096
2015	1,081,086	987,710	
2016-2020	5,660,543	4,221,807	9,882,350
2021-2025	6,985,000	2,907,359	9,892,359
2026-2030	8,825,000	1,218,506	10,043,506
Total	<u>\$ 26,465,970</u>	<u>\$ 13,757,198</u>	<u>\$ 40,223,168</u>

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<u>General obligation</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>
General obligation bonds Series 2005	\$18,500,000	4.50-5.25%	March 15, 2030	\$ 16,985,000
Sales tax revenue bonds Series 2006	9,660,000	4.50-5.25%	March 15, 2030	8,925,000

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2010, the long term bonded debt balance was well below the legal limit. The bond payments are made by the debt service fund and QZAB by the general fund. The compensated absences liability attributable to the governmental activities will be liquidated 100% by the general fund.

NOTE 12 - INTERFUND ASSETS (FFS LEVEL ONLY)

Interfund Receivable/Payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Title I	\$ 665,144
General Fund	Debt Service	108,514
General Fund	Other Governmental	617,241
Internal Service	General Fund	27,419
Internal Service	Title I	11,629
Internal Service	Reading First	6,047
Internal Service	Other Governmental	32,877
Total		<u>\$ 1,468,871</u>

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement requests are received.

Interfund Transfers:

	<u>Transfer In</u>	<u>Transfer out</u>
Other Governmental	13,127	13,127
Total	<u>\$ 13,127</u>	<u>\$ 13,127</u>

The purpose of the interfund transfers was to supplement school food service and to supplement other Governmental funds where expenses exceeded budgeted revenues and transfer money from bond proceeds to the construction account.

NOTE 13 - LITIGATION AND CONTINGENCIES

Litigation At June 30, 2010, the School Board was involved in various litigations. It is the opinion of legal counsel for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

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Notes to the Basic Financial Statements
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Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Construction Commitments The School Board has a contract for construction of a new campus for middle and senior high schools. The total of the original contract was \$25,795,000. The total contract due to change orders is \$26,521,356 of which \$236,659 was outstanding on the contract at June 30.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

NOTE 14 - RISK MANAGEMENT The School Board initiated a risk management program for workers' compensation in 1992. An excess insurance policy covers individual claims in excess of \$250,000.

Changes in the claims amount for the current fiscal year are as follows:

Fiscal Year Ended	Beginning of fiscal year liability	Claims and changes in estimates	Benefit payments and claims	Ending of Fiscal year liability
2007 - 2008	\$ 258,042	\$ 20,485	\$ 124,451	\$ 154,076
2008 - 2009	154,076	141,687	117,223	178,540
2009 - 2010	178,540	151,649	124,821	205,368

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$9,077. This amount was recognized as state revenue with a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 16 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Minimum Foundation Funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$13,866,182 to the School Board, which represents approximately 49% of the School Board's total revenue for the year.

Madison Parish School Board
Notes to the Basic Financial Statements
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NOTE 17 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Actual Expenditures over Budgeted Expenditures

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General fund	\$ 15,499,764	\$ 15,674,534	\$ (174,770)
Reading First	1,080,906	1,421,573	(340,667)

Actual expenditures exceeded budgeted expenditures as a result of unanticipated accruals after year end.

B. Deficit Fund Balance

The following funds had a deficit fund balance at year end June 30, 2010. These deficits will be cleared by making a transfer from the general fund.

<u>Fund</u>	<u>Fund Balance</u>
TANF	\$ (1,439)
Classroom Based Technology	(2,048)
Miscellaneous Funds	(12,626)

18 - OUTSTANDING ENCUMBRANCES The following are the outstanding encumbrances at June 30, 2010:

General fund	\$ 128,485
Title I	250,830
Reading First	58,587
Other Non Major	222,508

19 - SALES TAX COLLECTION FUND PAYMENTS The following is a summary of the collections and payments made to local governmental entities for sales tax collections during the year ended June 30, 2010:

Receipts:	
Sales Tax Collections	\$ 6,708,184
Disbursements:	
Madison Parish School Board	3,883,169
Madison Parish Police Jury	776,637
City of Tallulah	1,051,583
Village of Delta	23,752
Village of Richmond	196,406
Madison Parish Law Enforcement	776,637
Total Disbursements:	<u>\$ 6,708,184</u>

Madison Parish School Board

REQUIRED SUPPLEMENTAL INFORMATION

Madison Parish School Board

**Schedule of Funding Progress For Other Post Employment Benefit Plan
June 30, 2010**

		(a)	(b)	(b-a)	(a/b)	(c)
Fiscal Year Ending	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll
2009	7/1/2008	\$ -	\$ 20,679,069	\$ 20,679,069	0%	\$12,468,980
2010	7/1/2008	-	20,679,069	20,679,069	0%	11,988,102

Madison Parish School Board

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

TITLE I Title I improves the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. It is designed primarily to provide instructional activities to educationally deprived children that reside in low-income areas who have been selected on the basis of a needs assessment. These services supplement, not supplant, those normally provided by state and local educational agencies.

READING FIRST To provide assistance in establishing reading programs for students in kindergarten through third grade that are based on scientifically based reading research to ensure that every student can read at grade level or above by the end of third grade.

MADISON PARISH SCHOOL BOARD

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2010

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 4,197,806	\$ 5,932,107	\$ 5,932,107	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	522,858	985,000	995,776	10,776
Sales and use	1,912,986	1,839,494	2,336,116	496,622
Interest earnings	137,610	69,709	68,312	(1,397)
Other	352,950	122,382	78,384	(43,998)
State sources:				
Equalization	12,698,052	13,866,183	13,631,617	(234,566)
Other	287,157	69,000	114,464	45,464
Federal sources	108,203	53,500	124,180	70,680
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>20,217,622</u>	<u>22,937,376</u>	<u>23,280,956</u>	<u>343,581</u>
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	5,544,266	6,178,164	6,617,243	(439,079)
Special programs	1,804,577	1,623,032	1,579,049	43,983
Other instructional programs	650,623	608,589	737,511	(128,922)
Support services:				
Student services	759,414	792,176	814,902	(22,726)
Instructional staff support	798,772	741,172	792,954	(51,782)
General administration	260,238	667,415	292,791	374,624
School administration	998,482	884,510	908,998	(24,488)
Business services	686,413	1,005,365	508,847	498,518
Plant services	1,577,327	1,795,447	2,025,411	(229,964)
Student transportation services	892,958	929,742	977,024	(47,282)
Central services	3,649	0	0	0
Food services	163,875	163,719	188,088	(24,369)
Community service programs	9,531	8,718	8,689	29
Capital Outlay	5,999	630	123,942	(123,312)
Debt service - principal retirement	101,085	101,085	101,085	0
Transfers to other funds	32,328	0	0	0
Total charges to appropriations	<u>14,285,515</u>	<u>15,499,764</u>	<u>15,674,534</u>	<u>(174,770)</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>5,932,107</u>	\$ <u>7,437,611</u>	\$ <u>7,608,422</u>	<u>168,811</u>

MADISON PARISH SCHOOL BOARD

TITLE I
Budgetary Comparison Schedule
For the Year Ended June 30, 2010

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	0
Resources (Inflows)				
Federal sources	3,768,510	3,768,510	2,803,785	(964,725)
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>3,768,510</u>	<u>3,768,510</u>	<u>2,803,785</u>	<u>(964,725)</u>
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	76,128	76,128	11,851	64,277
Other instructional programs	2,121,106	2,121,106	1,742,564	378,542
Support services:				
Student services	128,264	128,264	81,774	46,490
Instructional staff support	1,159,578	1,159,578	745,594	413,984
General administration	279,653	279,653	208,665	70,988
Business services	3,781	3,781	2,150	1,631
Plant services	0	0	5,900	(5,900)
Student transportation services	0	0	0	0
Capital Outlay	0	0	5,287	(5,287)
Total charges to appropriations	<u>3,768,510</u>	<u>3,768,510</u>	<u>2,803,785</u>	<u>964,725</u>
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	0

MADISON PARISH SCHOOL BOARD

READING FIRST
Budgetary Comparison Schedule
For the Year Ended June 30, 2010

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	0
Resources (inflows)				
Federal sources	1,080,906	1,080,906	1,421,573	340,667
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>1,080,906</u>	<u>1,080,906</u>	<u>1,421,573</u>	<u>340,667</u>
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	77,183	77,183	8,268	68,915
Other instructional programs	818,802	818,802	1,064,696	(245,894)
Support services:				
Instructional staff support	125,340	125,340	189,415	(64,075)
General administration	35,403	35,403	96,034	(60,631)
Business services	24,178	24,178	38,668	(14,490)
Student transportation services	0	0	2,006	(2,006)
Food services	0	0	5,445	(5,445)
Capital outlay	0	0	17,041	(17,041)
Total charges to appropriations	<u>1,080,906</u>	<u>1,080,906</u>	<u>1,421,573</u>	<u>(340,667)</u>
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	0

**Madison Parish School Board
Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

Budget Basis of Accounting The major governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

B. EXCESS OF EXPENDITURES OVER BUDGET

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$15,499,764	\$15,674,534	\$(174,770)
Reading First	1,080,906	1,421,573	(340,667)

MADISON PARISH SCHOOL BOARD
Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2010

Note C- Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	GENERAL FUND	TITLE I	READING FIRST
<u>Sources/inflows of resources:</u>			
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 23,280,956	\$ 2,803,785	\$ 1,421,573
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(5,932,107)	0	0
Transfers in from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	0	0	0
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 17,348,849</u>	<u>\$ 2,803,785</u>	<u>\$ 1,421,573</u>
<u>Uses/outflows of resources:</u>			
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 15,674,534	\$ 2,803,785	\$ 1,421,573
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	0	0	0
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 15,674,534</u>	<u>\$ 2,803,785</u>	<u>\$ 1,421,573</u>

Madison Parish School Board

**SUPPLEMENTAL INFORMATION:
COMBINING NONMAJOR GOVERNMENTAL FUNDS**

**Madison Parish School Board
Nonmajor Special Revenue Funds**

TITLE II To improve the skills of teachers and the quality of instruction in the mathematics and science, also to increase the accessibility of such instruction to all students.

TITLE IV This program was designed to establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

IDEA These grants to states assist them in providing a free appropriate public education to all children with disabilities.

PRESCHOOL These grants to states assist them in providing a free, appropriate public education to preschool disabled children aged three through five years.

ADULT EDUCATION Adult Education improves educational opportunities for adults and encourages the establishment of programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

VOCATIONAL EDUCATION The purpose of these grants is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

SCHOOL FOOD SERVICE Through cash grants and food donations, the school food service fund assists in providing a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

RURAL EDUCATION ACHIEVEMENT To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

JOBS FOR AMERICA'S GRADUATES A school to career program to keep young people in school through graduation and provide work based learning experiences.

MISCELLANEOUS FUNDS This fund accounts for various small local, state, and federal grants.

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) Provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their welfare programs.

CLASSROOM BASED TECHNOLOGY This fund accounts for grants from the State to support the effective use of technology in teaching and learning.

LA4 This fund accounts for the preschool program funded by the State.

**Madison Parish School Board
Nonmajor Special Revenue Funds**

EDUCATIONAL EXCELLENCE This fund accounts for monies received from the state education excellence fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

ENHANCING EDUCATION THRU TECHNOLOGY This fund accounts for grants from the federal government to assist students to improve their understanding of new technology.

STATE FISCAL STABILIZATION This fund accounts for monies received through the state from the federal government by means of the American Recovery and Reinvestment Act of 2009. It is designed to help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services.

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	<u>TITLE II</u>	<u>TITLE IV</u>	<u>IDEA</u>	<u>PRESCHOOL</u>
ASSETS				
Cash and cash equivalents	\$ 23,494	\$ 17,522	\$ 0	\$ 0
Receivables	31,418	7,464	299,072	0
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	<u>54,912</u>	<u>24,986</u>	<u>299,072</u>	<u>0</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	30,995	0	80,919	0
Interfund payable	21,041	40	218,153	0
Deferred revenues	2,876	24,946	0	0
Total Liabilities	<u>54,912</u>	<u>24,986</u>	<u>299,072</u>	<u>0</u>
Fund Balances:				
Reserved for inventory	0	0	0	0
Unreserved - undesignated	0	0	0	0
Total fund balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 54,912</u>	<u>\$ 24,986</u>	<u>\$ 299,072</u>	<u>\$ 0</u>

Exhibit 2

ADULT EDUCATION	VOCATIONAL EDUCATION	SCHOOL FOOD SERVICE	REAP	JAG	MISCELLANEOUS FUNDS
\$ 0	\$ 0	\$ 508,816	\$ 58,047	\$ 0	\$ 128,066
5,200	46,717	400	31,409	9,553	104,819
0	0	0	0	0	0
0	0	26,962	0	0	0
<u>5,200</u>	<u>46,717</u>	<u>536,178</u>	<u>89,456</u>	<u>9,553</u>	<u>232,885</u>
0	4,377	73,876	2,870	0	50,671
5,200	22,042	119,212	0	9,553	180,721
0	20,298	20,700	88,586	0	14,119
<u>5,200</u>	<u>46,717</u>	<u>213,788</u>	<u>89,456</u>	<u>9,553</u>	<u>245,511</u>
0	0	6,262	0	0	0
0	0	316,128	0	0	(12,626)
0	0	322,390	0	0	(12,626)
					0
					0
<u>\$ 5,200</u>	<u>\$ 46,717</u>	<u>\$ 536,178</u>	<u>\$ 89,456</u>	<u>\$ 9,553</u>	<u>\$ 232,885</u>

(CONTINUED)

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	TANF	CLASSROOM BASED TECHNOLOGY	LA 4	EDUCATIONAL EXCELLENCE
ASSETS				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 73,970
Receivables	0	19,144	64,839	34,744
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	0	19,144	64,839	108,714
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	0	0	24,031	2,641
Interfund payable	1,439	21,192	40,438	61
Deferred revenues	0	0	370	0
Total Liabilities	1,439	21,192	64,839	2,702
Fund Balances:				
Reserved for inventory	0	0	0	0
Unreserved - undesignated	(1,439)	(2,048)	0	106,012
Total fund balances	(1,439)	(2,048)	0	106,012
TOTAL LIABILITIES AND FUND BALANCES	\$ 0	\$ 19,144	\$ 64,839	\$ 108,714

ENHANCING EDUCATION THRU TECHNOLOGY		STATE FISCAL STABILIZATION	Exhibit 2 TOTAL
\$	0 \$	0 \$	809,915
	11,026	0	665,805
	0	0	0
	0	0	28,962
	<u>11,026</u>	<u>0</u>	<u>1,502,682</u>
	0	0	270,380
	11,026	0	650,118
	0	0	169,895
	<u>11,026</u>	<u>0</u>	<u>1,090,393</u>
	0	0	6,262
	0	0	406,027
	0	0	412,289
\$	<u>11,026</u> \$	<u>0</u> \$	<u>1,502,682</u>

(CONCLUDED)

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	TITLE II	TITLE IV	IDEA	PRESCHOOL
REVENUES				
Local sources:				
Interest earnings	\$ 0	\$ 0	\$ 0	0
Food service	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources:	<u>67,286</u>	<u>25,413</u>	<u>1,048,793</u>	<u>13,704</u>
Total revenues	<u>67,286</u>	<u>25,413</u>	<u>1,048,793</u>	<u>13,704</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	52,959	0	0	0
Special programs	0	0	645,640	12,654
Other instructional programs	9,000	0	1,921	33
Support services:				
Student services	0	23,162	21,423	0
Instructional staff support	121	1,753	299,173	0
General administration	5,206	498	79,585	1,017
School administration	0	0	0	0
Business services	0	0	0	0
Plant services	0	0	636	0
Student transportation services	0	0	415	0
Central services	0	0	0	0
Food services	0	0	0	0
Community services	0	0	0	0
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>67,286</u>	<u>25,413</u>	<u>1,048,793</u>	<u>13,704</u>
EXCESS (Deficiency) OF REVENUES				
OVER EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 3

ADULT EDUCATION	VOCATIONAL EDUCATION	SCHOOL FOOD SERVICE	REAP	JAG	MISCELLANEOUS FUNDS
\$ 0	\$ 0	882 \$	0 \$	0 \$	0
0	0	21,741	0	0	0
0	0	7,804	0	0	202,008
0	0	234,565	0	0	0
0	0	0	0	0	204,825
4,501	46,717	1,102,551	35,841	38,458	28,801
4,501	46,717	1,367,543	35,841	38,458	435,634
4,501	1,522	0	22,023	35,541	58,517
0	0	0	0	0	6,980
0	45,195	0	0	2,917	182,127
0	0	0	0	0	185,224
0	0	0	13,292	0	4,835
0	0	0	0	0	2,208
0	0	2,458	0	0	1,859
0	0	0	0	0	0
0	0	0	526	0	5,309
0	0	7,168	0	0	0
0	0	0	0	0	0
0	0	1,265,079	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,501	46,717	1,274,705	35,841	38,458	457,059
\$ 0	\$ 0	92,838 \$	0 \$	0 \$	(21,425)

(CONTINUED)

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	<u>TITLE II</u>	<u>TITLE IV</u>	<u>IDEA</u>	<u>PRESCHOOL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Other Financing Sources (Uses)	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 Net change in fund balances	 0	 0	 0	 0
 FUND BALANCES - BEGINNING	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCES - ENDING	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>0</u>

Exhibit 3

ADULT EDUCATION	VOCATIONAL EDUCATION	SCHOOL FOOD SERVICE	REAP	JAG	MISCELLANEOUS FUNDS
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13,127
0	0	0	0	0	(13,127)
0	0	0	0	0	0
0	0	92,838	0	0	(21,425)
0	0	229,552	0	0	8,799
\$ 0	\$ 0	\$ 322,390	\$ 0	\$ 0	(12,626)

(CONTINUED)

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	CLASSROOM BASED			EDUCATIONAL
	TANF	TECHNOLOGY	LA 4	EXCELLENCE
REVENUES				
Local sources:				
Interest earnings	\$ 0	\$ 0	\$ 0	0
Food service	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	131,844	145,836
Federal sources:				
	0	0	84,642	0
Total revenues	0	0	216,486	145,836
EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	332	15,097
Special programs	0	0	0	0
Other instructional programs	0	0	215,185	0
Support services:				
Student services	0	0	0	0
Instructional staff support	0	0	969	213,528
General administration	0	0	0	9,088
School administration	0	0	0	0
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	0	0
Food services	0	0	0	0
Community services	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	0	0	216,486	237,709
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0	(91,873)

ENHANCING EDUCATION THRU TECHNOLOGY	STATE FISCAL STABILIZATION	Exhibit 3 TOTAL
\$ 0	\$ 0	\$ 882
0	0	21,741
0	0	209,812
0	0	234,565
0	0	482,505
<u>61,056</u>	<u>437,259</u>	<u>2,995,022</u>
<u>61,056</u>	<u>437,259</u>	<u>3,944,527</u>
46,365	296,961	533,818
0	109,933	775,207
0	0	456,378
0	30,365	270,174
14,512	0	548,181
179	0	97,779
0	0	4,317
0	0	0
0	0	6,471
0	0	7,583
0	0	0
0	0	1,265,079
0	0	0
0	0	0
<u>61,056</u>	<u>437,259</u>	<u>3,964,987</u>
\$ 0	\$ 0	\$ (20,460)

(CONTINUED)

MADISON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	TANF	CLASSROOM BASED TECHNOLOGY	LA 4	EDUCATIONAL EXCELLENCE
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	0	0	0	(91,873)
FUND BALANCES - BEGINNING	<u>(1,439)</u>	<u>(2,048)</u>	<u>0</u>	<u>197,885</u>
FUND BALANCES - ENDING	<u>\$ (1,439)</u>	<u>\$ (2,048)</u>	<u>\$ 0</u>	<u>\$ 108,012</u>

ENHANCING EDUCATION THRU TECHNOLOGY		STATE FISCAL STABILIZATION	Exhibit 3 TOTAL
\$	0	\$ 0	13,127
	0	0	(13,127)
	0	0	0
	0	0	(20,460)
	0	0	432,749
<u>\$</u>	<u>0</u>	<u>\$ 0</u>	<u>412,289</u>

(CONCLUDED)

**Madison Parish School Board
Agency Funds**

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SALES TAX AGENCY FUND The sales tax agency fund is used to account for collections and disbursement of sales tax receipts to Madison Parish School Board, Madison Parish Police Jury, City of Tallulah, Village of Delta, Village of Richmond, and Madison Parish Law Enforcement.

MADISON PARISH SCHOOL BOARD
AGENCY FUNDS
Combining Schedule of Assets and Liabilities
June 30, 2010

Exhibit 4

	<u>SCHOOL ACTIVITIES AGENCY FUND</u>	<u>SALES TAX AGENCY FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 29,103	\$ 0	\$ 29,103
Total Assets	<u>29,103</u>	<u>0</u>	<u>29,103</u>
LIABILITIES			
Deposits due others	<u>29,103</u>	<u>0</u>	<u>29,103</u>
Total Liabilities	<u>\$ 29,103</u>	<u>\$ 0</u>	<u>\$ 29,103</u>

MADISON PARISH SCHOOL BOARD

AGENCY FUNDS -
 SCHOOL ACTIVITIES FUND
 Schedule of Changes in Deposits Due Others
 For The Year Ended June 30, 2010

Exhibit 5

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Madison High School	\$ 10,907	\$ 98,921	\$ 82,349	\$ 27,479
Tallulah Elementary School	562	15,797	15,258	1,101
Madison Middle School	6,371	13,480	17,549	2,302
Wright Elementary School	<u>358</u>	<u>35,339</u>	<u>37,476</u>	<u>(1,779)</u>
Totals	<u>\$ 18,198</u>	<u>\$ 163,537</u>	<u>\$ 152,632</u>	<u>\$ 29,103</u>

**Madison Parish School Board
General**

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2010**

Exhibit 6

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$300 per month and the Executive Committee members receive \$300 per month.

<u>Board Member</u>	<u>Amount</u>
Joe L. Walk, President	\$ 7,500
Eva Taylor, Vice President	7,200
Kizzy Bynum	7,200
Joseph Candler, Jr.	7,200
Vera Davis	7,200
Hayward Fair	7,200
Randy Morgan	7,200
Edward Yerger, Jr.	<u>7,200</u>
Total	<u>\$57,900</u>

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

To the Board Members
Madison Parish School Board
Tallulah, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the Madison Parish School Board, as of and for the year ended June 30, 2010, which collectively comprise the Madison Parish School Board's basic financial statements and have issued my report thereon dated December 31, 2010. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Madison Parish School Board's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Madison Parish School Board's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Madison Parish School Board's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the Madison Parish School Board's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all

deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison Parish School Board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management of the Madison Parish School Board, others within the School Board, and the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
December 31, 2010

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Board Members
Madison Parish School Board
Tallulah, Louisiana

Compliance

I have audited the Madison Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Madison Parish School Board's major federal programs for the year ended June 30, 2010. Madison Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Madison Parish School Board's management. My responsibility is to express an opinion on the Madison Parish School Board's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that I 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 Madison Parish School Board's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Madison Parish School Board's compliance with those requirements.

In my opinion, Madison Parish School Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

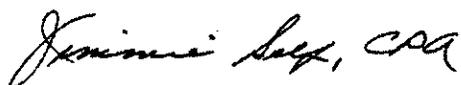
Internal Control Over Compliance

Management of Madison Parish School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Madison Parish School Board's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Madison Parish School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Madison Parish School Board, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
December 31, 2010

Madison Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA <u>Number</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	\$ -
National School Lunch Program	10.555	N/A	988,558
Summer Food Program	10.559	N/A	54,603
Food Distribution (Commodities)	10.555	N/A	<u>59,390</u>
Total United States Department of Agriculture			<u>1,102,551</u>
United States Department of Education			
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program	84.002A	N/A	4,501
Title I Part A Cluster:			
Basic Grant Program	84.010A	28-10-T1-33	1,457,802
	84.010A	28-09-TA-33	474,607
Title I ARRA	84.389A	28-09-A1-33	<u>871,376</u>
Special Education:			
Grants to States (Part B)	84.027A	28-10-B1-33	606,276
IDEA Part B ARRA	84.391A	28-09-A1-33	442,517
Preschool Grants	84.173A	28-10-P1-33	7,062
Preschool Grant - ARRA	84.392A	28-09-AP-33	<u>6,642</u>
Vocational Education:			
Basic Grants to States	84.048	28-10-02-33	46,717
Title IV (Safe and Drug Free Schools)	84.186A	28-10-70-33	25,413
Reading First	84.357A	28-09-RF-33	1,421,573
Improving Teacher Quality State Grants (Title II)	84.367A	28-10-50-33	67,286
State Fiscal Stabilization Fund ARRA	84.394A	28-10-AS-33	437,259
Rural Education Achievement Program	84.358B	28-10-RE-33	35,841
Educational Technology State Grants Cluster			
Educational Education Thru Technology	84.318X	28-10-49-33	14,691
Educational Education Thru Technology - ARRA	84.386A	28-09-59-33	<u>46,365</u>
Total United States Department of Education			<u>5,965,928</u>
United States Department of Health and Human Services			
Temporary Assistance for Need Families	93.558B	28-10-OS-33	28,801
		28-10-JS-33	38,458
		28-10-36-33	<u>84,642</u>
			<u>151,901</u>
United States Department of Defense Direct Program:			
Junior Reserve Officer Training Corps (JROTC)	12.UKN	N/A	124,180
TOTAL CASH FEDERAL AWARDS			<u>\$ 7,344,560</u>

Madison Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Madison Parish School Board. The School Board reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

Major Funds:	
General Fund	\$ 124,180
Title I	2,803,785
Reading First	1,421,573
Nonmajor Special Revenue Funds:	
Title II	67,286
Title IV	25,413
IDEA	1,048,793
Preschool	13,704
Adult Education	4,501
Vocational Education	46,717
School Food Service	1,102,551
REAP	35,841
JAG	38,458
Miscellaneous Funds	28,801
LA4	84,642
Educational Excellence	61,056
State Fiscal Stabilization	437,259
Total	<u>\$ 7,344,560</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES 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.

MADISON PARISH SCHOOL BOARD

Tallulah, Louisiana

FYE June 30, 2010

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued –

Unqualified

Internal Control over financial reporting:

• Material weakness(es) identified?

___ yes

x no

• Significant deficiency(ies) identified?

___ yes

x none reported

Noncompliance material to financial statements noted?

___ yes

x no

Federal Awards

Internal control over programs:

• Material weakness(es) identified?

___ yes

x no

• Significant Deficiency(ies) identified?

___ yes

x none reported

Type of auditor's report issued on compliance for major programs-

Unqualified

Any audit findings disclosed that are required To be reported in accordance with Section 510(a) of OMB Circular A-133?

___ yes

x no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
Title I	84.010A
Title I ARRA	84.389A
Reading First	84.357A
General Fund	UKN

Dollar threshold used to distinguish between
Type A and type B programs: \$ 300,000

Auditee qualified as a low-risk auditee? yes no

Section II – Financial Statement Findings

Findings: NONE

Section III – Federal Awards Findings and Questioned Costs

Findings : NONE

OTHER INFORMATION

**MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana**

Status of Prior Year Findings

**FYE
June 30, 2009**

There were no findings for the year ended June 30, 2009

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**AGREED-UPON PROCEDURES REPORT
ON SCHOOL BOARD PERFORMANCE MEASURES**

Madison Parish School Board
Tallulah, Louisiana

Independent Accountant's Report
on Applying Agreed-Upon Procedures

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Madison Parish School Board 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 Madison Parish School Board 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). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My 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. I 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
 - Nonpublic Transportation Revenue

(No differences noted.)

Education Levels of Public School Staff (Schedule 2)

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

(No differences noted.)

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

(No differences noted.)

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

(No differences noted.)

Number and Type of Public Schools (Schedule 3)

5. I obtained a list of schools by type as reported on the schedule. I 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, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

6. I 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 School Staff Data: Average Salaries (Schedule 5)

7. I 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. I recalculated the average salaries and full-time equivalents reported in the schedule.

(No differences noted.)

Class Size Characteristics (Schedule 6)

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

(No differences noted.)

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. I 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 Madison Parish School Board.

(No differences noted.)

Graduation Exit Examination (GEE) (Schedule 8)

11. I 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 Madison Parish School Board.

(No differences noted.)

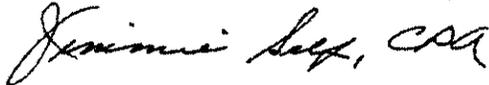
iLEAP Tests (Schedule 9)

12. I 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 Madison Parish School Board.

(No differences noted.)

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Madison Parish School Board, 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.



Jimmie Self, CPA
December 31, 2010

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana
Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2009

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data: Average Salaries

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

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

Schedule 8 - Graduation Exit Examination (GEE)

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

Schedule 9 -iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

MADISON PARISH SCHOOL BOARD
Tallulah, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2009-2010**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	5,140,229	
Other Instructional Staff Activities	770,503	
Instructional Staff Employee Benefits	2,103,647	
Purchased Professional and Technical Services	236,648	
Instructional Materials and Supplies	694,963	
Instructional Equipment	33,189	
Total Teacher and Student Interaction Activities		8,979,179
Other Instructional Activities	358,727	358,727
Pupil Support Services	1,004,000	
Less: Equipment for Pupil Support Services	0	
Net Pupil Support Services		1,004,000
Instructional Staff Services	999,953	
Less: Equipment for Instructional Staff Services	0	
Net Instructional Staff Services		999,953
School Administration	662,363	
Less: Equipment for School Administration	0	
Net School Administration		662,363
Total General Fund Instructional Expenditures (Total of Column B)		<u>12,020,052</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>33,189</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		423,855
Renewable Ad Valorem Tax		469,265
Debt Service Ad Valorem Tax		0
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		102,657
Sales and Use Taxes		2,336,116
Total Local Taxation Revenue		<u>3,331,893</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		35,088
Earnings from Other Real Property		0
Total Local Earnings on Investment in Real Property		<u>35,088</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		20,340
Revenue Sharing - Other Taxes		20,340
Revenue Sharing - Excess Portion		0
Other Revenue in Lieu of Taxes		70,685
Total State Revenue in Lieu of Taxes		<u>111,365</u>
Nonpublic Textbook Revenue		<u>7,183</u>
Nonpublic Transportation Revenue		<u>0</u>

Education Levels of Public School Staff
As of October 1, 2009

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0	0	0	0	0	0	0
Bachelor's Degree	107	50	6	100	0	0	0	0
Master's Degree	54	25.2	0	0	4	50	0	0
Master's Degree + 30	41	19.2	0	0	3	37.5	0	0
Specialist in Education	8	3.6	0	0	1	12.5	0	0
Ph. D. or Ed. D.	4	2	0	0	0	0	0	0
Total	214	100	6	100	8	100	0	100

Number and Type of Public Schools
For the Year Ended June 30, 2010

Type	Number
Elementary	2
Middle/Jr. High	1
Secondary	1
Combination	1
Total	5

Note: Schools opened or closed during the fiscal year are included in this schedule.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2009

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	1	0	1.14	0	0	0	1	3
Principals	0	0	1.86	0	0	1	3	6
Classroom Teachers	9	10	22	9	7	10	61	128
Total	10	10	25	9	7	11	65	137

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2010

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	44,963	43,887
Average Classroom Teachers' Salary Excluding Extra Compensation	43,587	42,632
Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries	139.4059	119.678

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

Class Size Characteristics
As of October 1, 2010

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	59.9%	97	39.5%	64	0.6%	1		
Elementary Activity Classes	59.1%	13	40.9%	9				
Middle/Jr. High	45.8%	60	54.2%	71				
Middle/Jr. High Activity Classes	37.5%	6	18.8%	3	25.0%	4	18.8%	3
High	74.3%	104	18.6%	26	7.1%	10		
High Activity Classes	91.9%	34	5.4%	2			27.0%	1
Combination	78.1%	150	21.9%	42				
Combination Activity Classes	73.9%	17	26.1%	6				

Note: The 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.

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2010

Achievement Level	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	2	2	6	4	3	2	1	1	10	6	1	1
Mastery	15	11	42	27	43	25	21	15	20	13	19	11
Basic	60	46	66	43	71	41	56	42	72	46	79	45
Approaching	27	20	26	17	23	13	30	23	22	14	29	17
Unsatisfactor	29	22	15	10	34	20	26	20	31	20	46	26
Total	133	100	155	100	174	100	133	100	155	100	174	100

Achievement Level	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	0	0	2	1	1	1	1	1	0	0	0	0
Mastery	8	6	19	12	4	2	9	7	13	8	4	2
Basic	45	33	79	51	46	27	65	48	76	49	62	36
Approaching	46	34	34	22	70	40	37	27	24	15	48	28
Unsatisfactor	37	27	21	14	52	30	23	17	42	27	59	34
Total	136	100	155	100	173	100	135	100	155	100	173	100

Achievement Level	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0	0	0	0	0	0	0	3	2	2	1
Mastery	2	2	5	3	5	3	1	1	2	1	2	1
Basic	24	23	41	26	43	29	42	41	48	31	49	33
Approaching	57	55	81	52	84	44	36	35	56	36	45	31
Unsatisfactor	20	19	39	18	35	24	24	23	47	30	49	33
Total	103	100	157	100	147	100	103	100	158	100	147	100

Achievement Level	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0	1	1	0	0	0	0	0	0	0	0
Mastery	5	5	6	4	4	2	6	6	4	3	3	2
Basic	42	40	20	13	27	16	60	57	40	28	41	23
Approaching	40	38	73	47	48	26	28	25	46	30	56	32
Unsatisfactor	19	18	55	35	97	58	14	13	63	41	75	43
Total	106	100	155	100	174	100	106	100	153	100	175	100

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	1	1	0	0	0	0	3	3	0	0	2	1
Mastery	8	8	7	10	3	3	6	6	5	7	4	3
Basic	35	36	35	49	44	37	46	48	30	41	69	50
Approaching Basic	37	39	23	32	32	27	27	28	21	29	21	15
Unsatisfactory	15	16	7	10	40	34	14	15	17	23	41	30
Total	96	100	72	100	119	100	96	100	73	100	137	100

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	0	0	1	1	0	0	0	0	0	0	0	0
Mastery	0	0	7	7	6	7	0	0	2	2	4	5
Basic	20	32	58	61	45	54	27	44	56	59	47	57
Approaching Basic	19	31	24	25	19	23	18	29	15	16	23	28
Unsatisfactory	23	37	5	5	13	16	17	27	22	23	9	11
Total	62	100	95	100	83	100	62	100	95	100	83	100

IOWA and iLEAP Tests
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	6	4	7	5	3	2	2	1
Mastery	18	12	9	6	10	7	20	13
Basic	65	43	58	38	61	40	68	45
Approaching Basic	30	20	34	23	48	32	29	19
Unsatisfactory	32	21	43	28	29	19	31	21
Total	151	100	151	100	151	100	151	100

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0	0	0	0	0	0	0
Mastery	17	12	10	7	2	1	0	0
Basic	47	33	33	23	44	31	0	0
Approaching Basic	37	26	28	20	50	35	0	0
Unsatisfactory	42	29	72	50	47	33	0	0
Total	143	100	143	100	143	100	0	0

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	1	0	0	0	0	39	28
Mastery	16	12	4	3	8	6	21	15
Basic	50	36	48	33	67	49	53	38
Approaching Basic	38	28	27	20	44	32	14	10
Unsatisfactory	32	23	61	44	19	14	11	8
Total	138	100	138	100	138	100	138	100

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0	2	1	1	1	0	0
Mastery	3	2	11	7	18	12	4	3
Basic	50	32	80	51	52	33	61	39
Approaching Basic	63	40	34	22	51	33	41	26
Unsatisfactory	41	26	31	20	34	22	49	32
Total	157	100	158	100	156	100	155	100

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0	2	2
Mastery	5	4	3	2
Basic	53	43	70	56
Approaching Basic	52	42	21	17
Unsatisfactory	14	11	28	23
Total	124	100	124	100