

2644

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year
July 1, 1995 - June 30, 1996

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

Release Date FEB 12 1997 Prepared by
Department of Business

Pam Roy
Business Manager

RECEIVED
FEB 12 1997
5:55

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS

	<u>STATEMENT</u>	<u>PAGE</u>
INTRODUCTORY SECTION		
Letter of Transmittal		i-vii
Organization Chart		viii
GFOA Certificate of Achievement for Excellence in Financial Reporting		ix
ASBO Certificate of Excellence in Financial Reporting		x
Elected Officials		xi
Administrative Officials		xii
FINANCIAL SECTION		
INDEPENDENT AUDITORS' REPORT		1-2
GENERAL PURPOSE FINANCIAL STATEMENTS:		
Combined Balance Sheet - All Fund Types and Account Groups	A	4-5
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Funds	B	6-7
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual General Fund	C	8
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual Special Revenue Funds	D	9
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings (Deficit) Proprietary Fund Type - Internal Service Fund	E	10
Combined Statement of Cash Flows Proprietary Fund Type - Internal Service Fund	F	11
Notes to the Financial Statements		
Index		12
Notes		13-38

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS (Continued)

	<u>SCHEDULE</u>	<u>PAGE</u>
FINANCIAL SECTION (Continued)		
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES:		
GENERAL FUND:		39
Combining Balance Sheet	1	40-41
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	2	42-43
Schedule of Revenues and Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:		
General Accounts	3	44
Bond Surplus Accounts	4	45
1967 Sales Tax Accounts	5	46
1979 Sales Tax Accounts	6	47
1993 Sales Tax Accounts	7	48
1993 Ad Valorem Tax Accounts	8	49
SPECIAL REVENUE FUNDS:		51-53
Combining Balance Sheet	9	54-55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	10	56-59

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS (Continued)

	<u>SCHEDULE</u>	<u>PAGE</u>
FINANCIAL SECTION (Continued)		
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES (Continued):		
SPECIAL REVENUE FUNDS(Continued):		
Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:		
Title I	11	60
Title VI	12	61
Adult Education	13	62
Title II	14	63
School Food Service	15	64
Parishwide Maintenance	16	65
Ruston No. 1 Maintenance and Operation	17	66
Simsboro No. 3 Maintenance and Operation	18	67
Dubach No. 5 Maintenance and Operation	19	68
Special Programs	20	69
Title IV (Drug Free)	21	70
DEBT SERVICE FUNDS:		71
Combining Balance Sheet	22	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	23	73

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS (Continued)

	<u>SCHEDULE</u>	<u>PAGE</u>
FINANCIAL SECTION (Continued)		
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES: (Continued)		
INTERNAL SERVICE FUNDS:		75
Combining Balance Sheet	24	76
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings (Deficit)	25	77
Combining Statement of Cash Flows	26	78
AGENCY FUNDS:		79
School Activity Agency Fund:		
Schedule of Changes in Deposits Due Others	27	80
GENERAL FIXED ASSETS ACCOUNT GROUP:		81
Schedule of General Fixed Assets - By Source	28	83
Schedule of General Fixed Assets - By Function	29	84-85
Schedule of Changes in General Fixed Assets - By Function	30	86
GENERAL LONG-TERM DEBT ACCOUNT GROUP:		87
Schedule of Changes in Long-Term Debt	31	88

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS (Concluded)

	<u>TABLE</u>	<u>PAGE</u>
STATISTICAL SECTION		
General Fund Expenditures by Function	a	90-91
General Fund Revenue by Source	b	92-93
Property Tax Levies	c	94-95
Property Tax Levies and Collections	d	96-97
Assessed and Estimated Actual Value of Property	e	98-99
Property Tax Millage Rates - All Overlapping Governments	f	100-101
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	g	102
Computation of Legal Debt Margin	h	103
Computation of Direct and Overlapping Debt	i	104
Ratio of Annual Debt Service Expenditure for General Bonded Debt to Total General Expenditures	j	105
Property Value, Construction and Bank Deposits	k	106-107
Principal Ad Valorem Taxpayers	l	108
Miscellaneous Statistical Data - Ten Largest Employers	m	109
Demographic Statistics	n	110
Miscellaneous Statistical Data	o	111

LINCOLN PARISH SCHOOL BOARD
410 SOUTH FARMERVILLE STREET
RUSTON, LOUISIANA 71270-4699

DAVID WRIGHT
PRESIDENT

GERALD W. COBB, Ed.D.
SUPERINTENDENT

December 16, 1996

To the School Board Members
Lincoln Parish School Board
410 South Farmerville Street
Ruston LA 71270-4699

The Comprehensive Annual Financial Report of the Lincoln Parish School Board, herein after referred to as "School Board", for the fiscal year ended June 30, 1996, is hereby transmitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rest with the Business Department of the Lincoln Parish School Board. We believe this report, as presented, is accurate in all material aspects, and that it is presented in a manner that fairly sets forth the results of operations and financial position of the School Board. Further, all disclosures necessary to enable the reader to gain an adequate understanding of our system's financial affairs have been included. This report was prepared in accordance with generally accepted accounting principles as established by the Governmental Accounting Standards Board (GASB) of the Financial Accounting Foundation. The Governmental Accounting Standards Board is the standard setting body for establishing governmental accounting and financial reporting standards.

Comprehensive Annual Financial Report Sections

The Comprehensive Annual Financial Report consists of three sections: the Introductory Section, the Financial Section and the Statistical Section. The Introductory Section includes this letter of transmittal, principal officials and a organization chart. The Financial Section consists of both general purpose financial statements, which present an overview and broad perspective of the School Board as a whole, and more detailed combining and individual fund financial statements. The Statistical Section includes data prepared from both accounting and non-accounting sources for the purpose of reflecting financial trends and fiscal capacity of the School Board, as well as other social and economic information. The data is presented for the past ten years.

Reporting Entity

For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, defining the reporting entity, this report includes all funds and account groups, of the School Board.

Economic Condition and Outlook

Lincoln Parish is located in the north central region of the state, situated between Shreveport to the west and Monroe to the east. Lincoln Parish is home to two major universities, Louisiana Tech and Grambling State. These two universities have approximately 2,100 employees with a combined student population of approximately 18,000. Lincoln Parish has a low cost of living and consistently has one of the lowest unemployment rates in the state. Lincoln Parish is packed with opportunities for business as well as pleasure.

Principal industries in Lincoln Parish are the forest products industry and poultry production and processing. A number of new restaurants have been built and construction is under way on two new motels. Community Trust Bank completed construction of a new financial center and American Bank of Ruston has begun

construction of a new main branch facility. In 1995 building permits for residential and commercial endeavors were issued in excess of \$15 million dollars. The economic stability of the area ensures the strength and steady growth of business and industry in the future.

Major Initiatives

The School Board currently operates with 71 school buses, of which 48 are board owned and 23 are contracted. We continue to update the aging bus fleet. In 1993-94 the board purchased eighteen new school buses under a lease purchase agreement, in 1994-95 nine buses were purchased outright and in 1995-1996 another eleven were purchased. Many of the former contract drivers are not repurchasing new buses as they wear out and therefore the job of supplying additional buses continues to be transferred to the school system.

In 1994-1995 the School Board implemented a parish wide computer system for the collection of statistical data on the student population for reporting purposes. In 1995-1996 the individual schools began using the accounting program on this system and all schools are now keeping their financial records in this manner. Changes and additions continue to be added to facilitate the collection and utilization of all types of student and financial data.

Another major initiative started this year is the addition of the Internet access to all seventeen schools. This will be accomplished in four phases. Phase I - to install wire in every school in the parish. Phase II - to install hubs and routers in each school and the central office. Phase III - the purchase of computers and servers for the schools and Phase IV will be the actual connections to phone lines for access. At this time Phase I has been completed and we are proceeding with Phase II.

In December of 1995 a fire partially destroyed the auditorium at Ruston High School. Rebuilding was started in the spring of 1996 and should be completed during the next fiscal year.

Single Audit

The Single Audit Act of 1984 and U. S. Office of Management and Budget, Circular A-128, "Audits of State and Local Governments," require an annual audit unless the legislature of the State opts to have a biennial audit covering both years. Louisiana Revised Statute 24:513 (1)(1) requires that any auditee that receives three million five hundred thousand dollars or more in revenues and other sources in any one year be audited annually. Lincoln Parish has contracted with an independent auditor to conduct the annual audit. Our independent auditor performed a Single Audit for the year ended June 30, 1996 and has issued the Single Audit reports under a separate binder.

Internal Accounting Control

The management of the School Board is responsible for establishing and maintaining a system of internal accounting control. The objectives of a system of internal accounting control are to provide reasonable, but not absolute, assurance that Board policy, administrative and accounting procedures, and grant administration procedures are fully implemented and are being adhered to. In addition, internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safe-guarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

All internal accounting control evaluations occur within the above framework. We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. In addition, we believe the controls provide adequate assurance that federal programs are properly administered and accounted for.

Accounting System and Budgetary Control

An explanation of the School Board's accounting and budgetary policies are contained in the Notes to the Financial Statements. Explained in detail are the basis of accounting, fund structure and other significant information regarding accounting and budgetary policies. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriate amount) is established by function within an individual fund. Budget comparisons are submitted periodically to the board. The Business Department monitors the budget and presents budget amendments, when deemed necessary, to the Board for approval. All budget amendments must be presented to the Board for approval.

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

General Governmental Function

For the fiscal year ended June 30, 1996, General Fund revenues and other sources exceeded expenditures and other uses by \$602,595. This was primarily the result of increased collections from Sales Tax.

At June 30, 1996 the fund balance of the School Board's General Fund, including reserved and unreserved, was \$3,456,630.

The revenues and other financing sources of the General Fund increased from the prior year's \$25,034,954 to the current year's \$25,500,428 an increase of 1.86 percent. This was due primarily to the increase in sales tax collections. Sales tax collections were up approximately 7.8 percent over 1994-95 totals.

The General Fund expenditures increased from \$24,088,012 in 1994-95 to \$24,897,833 for the 1995-96 fiscal year, an increase of 3.36 percent. This increase was due to normal step increases in salary and employee benefits and the purchase of eleven school buses.

The School Board has four debt service funds. The three school district debt service funds are maintaining a fund balance to meet the two ensuing years principal and interest requirements. The bonds of the districts mature through the year 2007. The Choudrant No. 6 and Simsboro No. 3 Debt Service Funds were defeased during the 1993-94 fiscal year resulting in a decrease of the districts debt service payments over the next 14 years by \$409,619 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$314,493.

The School Board has two Internal Service Funds - Workers' Compensation and Group Health Insurance program. The Workers' Compensation Fund was established in July, 1990, for the purpose of self-insuring the school system's exposure to employee accidents and injury. This fund ended the fiscal year with retained earnings of \$109,740.

The Group Health Insurance Fund was established in November 1989, to provide group insurance health care and dental benefits to employees of the School Board and their families. The fund had additions of \$3,448,879 and deductions of \$3,684,562 during 1995-96, resulting in an operating loss of \$235,683 for the year ended June 30, 1996. After non-operating revenues the statements reflect a net loss of \$228,260. The decrease in the retained earnings was the result of an increase in medical claims and a number of large claims.

The School Activity Fund is the only agency fund. This fund accounts for funds of the various schools and organizations in which the school has a fiduciary responsibility. For fiscal year 1995-96 it had additions of \$1,249,972 and deductions of \$1,252,283 leaving a balance of \$274,692.

The schedules below present a summary of revenues and expenditures of the governmental funds (General Fund, Special Revenue Funds, and Debt Service Funds) for the year ended June 30, 1996.

	<u>Amount</u>	<u>Percent of Total</u>	<u>Percentage Increase (Decrease) From 1995</u>
Revenues			
Local Sources:			
Taxes:			
Ad Valorem	\$ 5,224,341	16.03%	-5.53%
Sales and Use	6,110,643	18.75%	7.79%
Interest Earnings	497,614	1.52%	21.77%
Rent of Facilities	2,282	0.01%	-56.70%
Food Service	384,354	1.18%	-3.84%
Other	513,623	1.58%	430.49%
State Sources	16,521,941	50.69%	-2.66%
Federal Sources	<u>3,338,562</u>	<u>10.24%</u>	8.08%
Total	<u>\$32,593,360</u>	<u>100.00%</u>	1.31%
Expenditures			
Current:			
Instruction:			
Regular Programs	\$13,547,186	41.88%	1.02%
Special Ed. Programs	2,315,990	7.16%	-5.36%
Vocational Ed.	1,037,566	3.21%	11.89%
Other Programs	621,865	1.92%	32.46%
Special Programs	1,270,108	3.93%	36.00%
Adult/Continuing Ed.	46,959	0.15%	13.80%
Support Services:			
Pupil Support	691,758	2.14%	1.99%
Instructional Staff			
Support	1,345,358	4.16%	14.66%
General Administration	551,328	1.70%	-29.40%
School Administration	1,617,404	5.00%	-1.50%
Business Services	306,560	0.95%	12.97%
Operation & Maintenance			
of Plant	2,075,659	6.42%	8.02%
Student Transportation	1,943,127	6.00%	-1.48%
Operation of Non-Instructional			
Services			
Food Services	2,282,814	7.06%	-3.09%
Community Service	2,131	0.01%	-4.44%
Facilities Acquisition and			
Construction	531,976	1.64%	597.15%
Debt Service:			
Principal Retirement	1,240,373	3.83%	19.27%
Interest & Bank Charges	<u>919,519</u>	<u>2.84%</u>	-4.78%
Total Expenditures	<u>\$32,347,681</u>	<u>100.00%</u>	3.91%

Cash Management

The School Board exercises an aggressive investment program. During 1995-96, idle funds were temporarily invested in certificates of deposit and government securities. In January 1995 a cash management account was set up. The bank invested funds daily in government securities and sold them on the following day. This allowed the balance in the accounts to earn significantly higher interest than it would have in a regular interest bearing account. Investments are secured by federal deposit insurance or with securities pledged by the financial institution and held by an approved third party custodial bank in the name of the fiscal agent bank. Procedures followed and securities pledged are in accordance with the Statutes of the State of Louisiana.

During the fiscal year interest income on matured investments amounted to \$497,614. Interest rates fluctuated from a low of 4.8 to 5.61 percent during the year. As a result of the changes in interest rates and the revised investment strategy, interest income was up \$88,956 from the previous year.

Debt Administration

The School Board has four Debt Service Funds; Ruston District No. 1, Simsboro District No. 3, Choudrant District No. 6 and Series 1995 Sinking. The three school districts' debt retirement is funded by a dedicated ad valorem tax which is authorized for the maturity period of the debt. Millage rates are adjusted as required to meet debt service requirements. The Series 1995 Sinking debt retirement is being paid by federal dollars funded through the Title I program.

On October 5, 1993, the School Board issued \$1,255,000 and \$1,670,000 in General Obligation School Refunding Bonds, with interest rates of 2.6 to 4.3 per cent, to advance refund \$1,480,000 of outstanding June 1986 Series bonds with interest rates of 7.2 to 7.6 per cent and \$1,095,000 of outstanding August 1986 Series bonds with interest rates of 7.85 to 8.00 per cent. The net proceeds of \$2,903,062 (\$2,925,000 bond issue less a \$21,938 underwriter's discount) from the sale of the new bonds were used to purchase United States government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all remaining debt service payments of the June and August 1986 Series bonds relating to bonds that mature after September 1, 1996 and August 1, 1996, respectively, including interest payments on those bonds, from September 1, 1995, until maturity. As a result, the June and August 1986 Series bonds maturing after September 1, 1996 and August 1, 1996, respectively, are considered to be defeased and the liability for those bonds has been removed from the long-term debt account group.

These bond issues are rated as follows:

Moody's Investors Service

Ruston District No. 1	Aaa
Simsboro District No. 3	Baa
Choudrant District No. 6	Baa

Risk Management

During 1995-96 the School Board continued the Workers' Compensation Fund to self-insure in the area of employee accident and injury. This risk management program is supplemented by a transfer of funds when deemed necessary. As a part of this comprehensive plan, various risk control techniques which include employee accident prevention training have been implemented.

The School Board also continued to maintain its self-insured health and dental program. This program is funded by employee premium payments and supplemented by benefits paid from the 1967 Sales Tax Accounts. As a comprehensive part of this plan it is administered and monitored by a third party administrator who employs various risk control measures.

General Fixed Assets

The General Fixed Assets Account Group of the School Board is utilized to record those fixed assets used in performance of general School Board functions. The amount represents the original cost of the assets. Depreciation of general fixed assets is not recognized in the accounting system nor are public domain or infrastructures capitalized, as explained in the notes to the financial statement.

Independent Audit

State Statutes requires an annual audit by an independent certified public accountant for any auditee receiving at least three million five hundred thousand dollars in one year. The accounting firm of Allen, Green and Robinette was selected to conduct the audit. All funds and account groups of the Board presented in this report have been audited by Allen, Green and Robinette. The audit has been completed and the auditors' report on the general purpose financial statements and the accompanying combining and individual fund and account group statements and schedules are included in the Financial Section of this report. In addition, the audit report refers to the Statistical Section, which was prepared by the Business Department and our School Board is solely responsible for its content.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local Comprehensive Annual Financial Reports.

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

A Certificate of Achievement is valid for a period of one year only. The School Board was awarded this Certificate of Achievement for the Comprehensive Annual Financial Report for the year ended June 30, 1995.

ASBO Certificate of Excellence

The Lincoln Parish School Board received the Association of School Business Officials, International Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 1995. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 1995 substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International.

The Award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

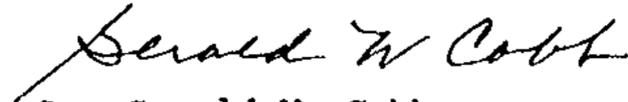
Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 1996, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

Acknowledgments

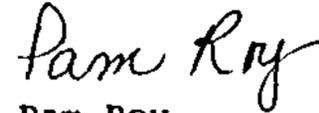
It is our desire that this report contain the necessary information and data which will provide a better understanding of the operations of the School System. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public.

We would like to take this opportunity to express our sincere appreciation to the staff of the Business Department whose extraordinary efforts contributed significantly in making this report a reality.

Respectfully submitted,



Dr. Gerald W. Cobb
Superintendent

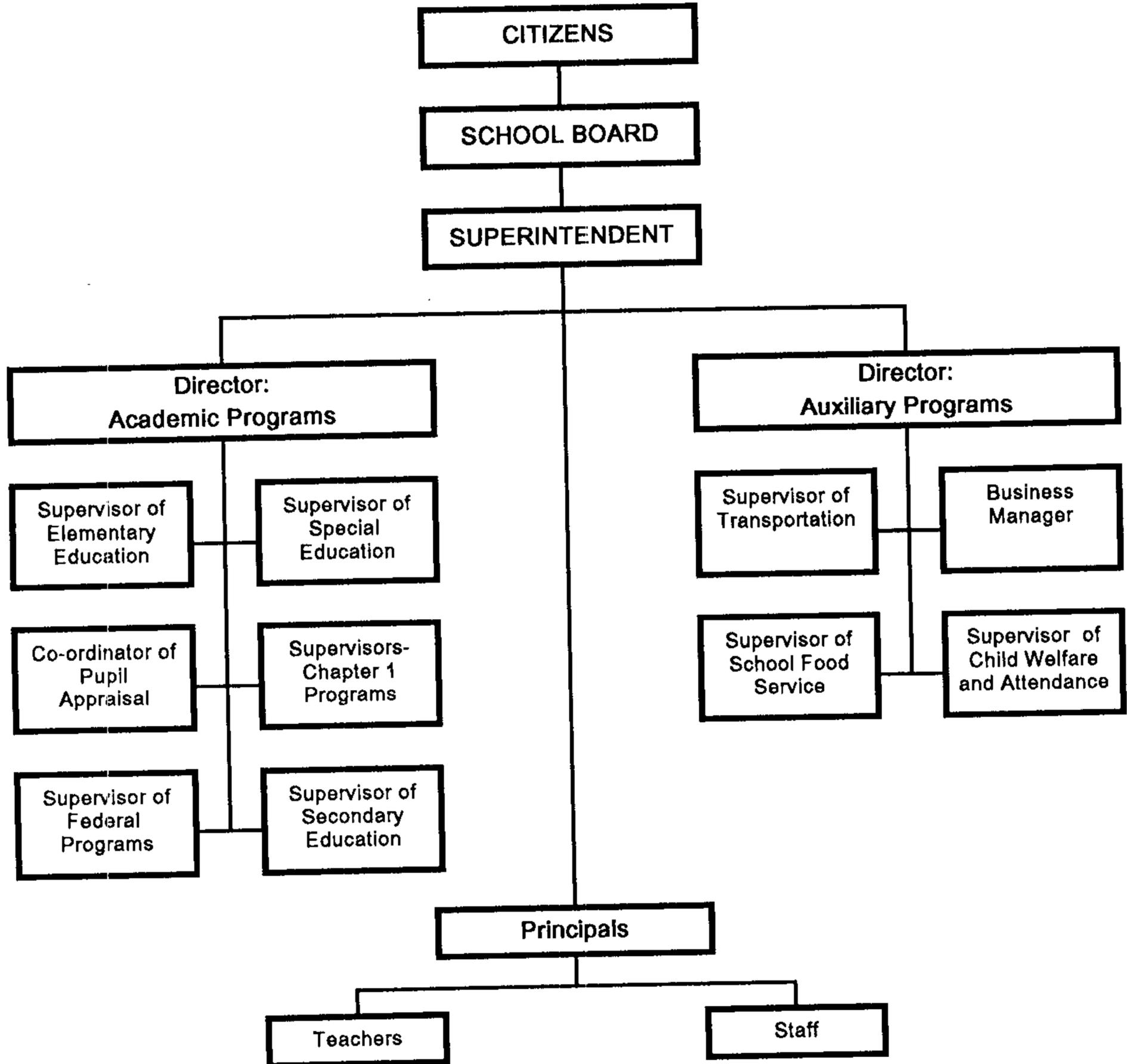


Pam Roy
Business Manager

PR/cd

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ORGANIZATION CHART



LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ELECTED OFFICIALS
JUNE 30, 1996

President, Mr. David Wright

Dr. Marty Beasley

Mr. James R. Kessler

Mr. Robert E. Shadoin

Ms. Joe E. Mitcham, Jr.

Mr. Curtis Dowling

Vice President, Mr. Wayne Barfield

Mr. Allen Tuten

Mr. George Mack

Mr. William E. Abrahm

Mr. Calvin Wilkerson

Mrs. Loyace D. Braggs

LINCOLN PARISH SCHOOL BOARD

Ruston, Louisiana

ADMINISTRATIVE OFFICIALS

JUNE 30, 1996

Dr. Gerald W. Cobb	Superintendent
Ronnie Suggs	Director, Academic Programs
Charles Owens	Director, Auxiliary Programs
Danny Bell	Supervisor, Elementary Education
Barbara Kirkland	Supervisor, Federal Programs
Dr. Charles Scriber	Supervisor, Secondary Education
Sharon Thomas	Supervisor, Special Education
Betty Wall	Coordinator of Pupil Appraisal
Willie Washington	Administrative Supervisor, Title 1
Sallie Evans	Supervisor, Title 1
Jackie Whitlock	Supervisor, Title 1
Richard Hinton	Supervisor, Child Welfare & Attendance
Pam Roy	Business Manager
Brenda Theodos	Supervisor, School Food Service
Howard Whitlock	Supervisor, Transportation



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the accompanying general purpose financial statements of the Lincoln Parish School Board as of and for the year ended June 30, 1996, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln Parish School Board as of June 30, 1996, and the results of operations and cash flows for its proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 22, 1996 on our consideration of Lincoln Parish School Board's internal control structure and a report dated November 22, 1996 on its compliance with laws and regulations.

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying combining and individual fund and account group statements and schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Lincoln Parish School Board. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. Also, the accompanying financial information listed in the table of contents as the Statistical Section is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Lincoln Parish School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on the information.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS
Combined Balance Sheet
June 30, 1996

	*****GOVERNMENTAL FUNDS*****			PROPRIETARY TYPE- INTERNAL SERVICE
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	
ASSETS AND OTHER DEBITS				
Assets				
Cash and cash equivalents	\$ 5,404,703	\$ 1,144,763	\$ 66,387	\$ 228,532
Investments	0	0	1,960,000	0
Receivables	44,919	170,693	28,565	5,357
Due from other funds	40,754	0	2,804	0
Deposits	99,476	2,500	0	0
Inventory	0	43,628	0	0
Land, buildings and equipment	0	0	0	0
Other debits				
Amount available in debt service fund	0	0	0	0
Amount to be provided for payment of debt	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	\$ 5,589,852	\$ 1,361,584	\$ 2,057,756	\$ 233,889
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities				
Accounts, salaries and other payables	\$ 2,133,222	\$ 288,059	\$ 0	\$ 277,832
Due to other funds	0	40,754	2,804	0
Deposits due others	0	0	0	0
Deferred revenues	0	18,105	0	0
Matured bonds	0	0	20,044	0
Notes payable	0	0	0	0
Bonds payable	0	0	0	0
Capital leases payable	0	0	0	0
Compensated absences payable	0	0	0	0
Total Liabilities	\$ 2,133,222	\$ 346,918	\$ 22,848	\$ 277,832
Equity and other credits				
Investments in general fixed assets	\$ 0	\$ 0	\$ 0	\$ 0
Retained earnings (deficit)				(153,683)
Reserved for future claims	0	0	0	109,740
Fund Balances:				
Reserved for inventory	0	43,628	0	0
Reserved for instruction, repairs and construction	461,632	0	0	0
Reserved for salary improvements	34,555	0	0	0
Reserved for bond surplus	12,773	0	0	0
Reserved for debt service	0	0	2,034,908	0
Unreserved and undesignated fund balance	2,947,670	971,038	0	0
Total Equity and other credits	\$ 3,456,630	\$ 1,014,666	\$ 2,034,908	\$ (43,943)
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 5,589,852	\$ 1,361,584	\$ 2,057,756	\$ 233,889

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

Statement A

*****ACCOUNT GROUPS*****					
FIDUCIARY- AGENCY FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)		
\$ 274,692	\$ 0	\$ 0	\$ 0	\$ 7,119,077	
0	0	0	0	1,960,000	
0	0	0	0	249,534	
0	0	0	0	43,558	
0	0	0	0	101,976	
0	0	0	0	43,628	
0	34,557,177	0	0	34,557,177	
0	0	2,034,908	0	2,034,908	
0	0	14,029,983	0	14,029,983	
<u>\$ 274,692</u>	<u>\$ 34,557,177</u>	<u>\$ 16,064,891</u>	<u>\$ 0</u>	<u>\$ 60,139,841</u>	
\$ 0	\$ 0	\$ 0	\$ 0	2,699,113	
0	0	0	0	43,558	
274,692	0	0	0	274,692	
0	0	0	0	18,105	
0	0	0	0	20,044	
0	0	210,169	0	210,169	
0	0	14,115,000	0	14,115,000	
0	0	457,154	0	457,154	
0	0	1,282,568	0	1,282,568	
<u>\$ 274,692</u>	<u>\$ 0</u>	<u>\$ 16,064,891</u>	<u>\$ 0</u>	<u>\$ 19,120,403</u>	
\$ 0	\$ 34,557,177	\$ 0	\$ 0	34,557,177	
0	0	0	0	(153,683)	
0	0	0	0	109,740	
0	0	0	0	43,628	
0	0	0	0	461,632	
0	0	0	0	34,555	
0	0	0	0	12,773	
0	0	0	0	2,034,908	
0	0	0	0	3,918,708	
<u>\$ 0</u>	<u>\$ 34,557,177</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 41,019,438</u>	
<u>\$ 274,692</u>	<u>\$ 34,557,177</u>	<u>\$ 16,064,891</u>	<u>\$ 0</u>	<u>\$ 60,139,841</u>	

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ALL GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996

Statement B

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 2,619,826	\$ 908,451	\$ 1,696,064	\$ 5,224,341
Sales and use	6,110,643	0	0	6,110,643
Interest earnings	333,344	54,178	110,092	497,614
Food service	0	384,354	0	384,354
Other	444,362	71,543	0	515,905
State sources:				
Equalization	15,232,067	348,519	0	15,580,586
Other	632,982	308,373	0	941,355
Federal sources:				
	127,204	3,211,358	0	3,338,562
 Total Revenues	 \$ 25,500,428	 \$ 5,286,776	 \$ 1,806,156	 \$ 32,593,360
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ 13,547,186	\$ 0	\$ 0	\$ 13,547,186
Special programs	2,343,385	1,236,568	0	3,579,953
Other instructional programs	1,420,488	292,047	0	1,712,535
Support services:				
Student services	691,758	0	0	691,758
Instructional staff support	1,039,351	306,007	0	1,345,358
General administration	448,645	49,972	52,711	551,328
School administration	1,617,404	0	0	1,617,404
Business services	306,560	0	0	306,560
Plant services	1,207,439	868,220	0	2,075,659
Student transportation services	1,781,187	161,940	0	1,943,127
Food services	247,972	2,034,842	0	2,282,814
Community service program	2,131	0	0	2,131
Facilities acquisition and construction	138,045	200,604	193,327	531,976
Debt service:				
Principal retirement	70,542	0	1,169,831	1,240,373
Interest and bank charges	35,740	0	883,779	919,519
 Total Expenditures	 \$ 24,897,833	 \$ 5,150,200	 \$ 2,299,648	 \$ 32,347,681
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 602,595	 \$ 136,576	 \$ (493,492)	 \$ 245,679

(CONTINUED)

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ALL GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996

Statement B

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	TOTAL (MEMORANDUM ONLY)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of fixed asset	\$ 0	\$ 555	\$ 0	\$ 555
Proceeds from certificate of indebtedness	0	0	275,489	275,489
Total Other Financing Sources (Uses)	\$ 0	\$ 555	\$ 275,489	\$ 276,044
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 602,595	\$ 137,131	\$ (218,003)	\$ 521,723
FUND BALANCES AT BEGINNING OF YEAR	2,854,035	877,535	2,252,911	5,984,481
FUND BALANCES AT END OF YEAR	3,456,630	1,014,666	2,034,908	6,506,204

(CONCLUDED)

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Statement C

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 2,564,000	\$ 2,619,826	\$ 55,826
Sales and use	5,700,000	6,110,643	410,643
Interest earnings	279,550	333,344	53,794
Other	247,800	444,362	196,562
State sources:			
Equalization	15,230,496	15,232,067	1,571
Other	651,703	632,982	(18,721)
Federal sources:			
	111,635	127,204	15,569
Total Revenues	<u>\$ 24,785,184</u>	<u>\$ 25,500,428</u>	<u>\$ 715,244</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 13,672,670	\$ 13,547,186	\$ 125,484
Special programs	2,206,320	2,343,385	(137,065)
Other instructional programs	1,339,845	1,420,488	(80,643)
Support services:			
Student services	701,395	691,758	9,637
Instructional staff support	1,037,540	1,039,351	(1,811)
General administration	566,790	448,645	118,145
School administration	1,623,950	1,617,404	6,546
Business services	292,530	306,560	(14,030)
Plant services	1,155,780	1,207,439	(51,659)
Student transportation services	1,979,201	1,781,187	198,014
Central services	15,050	0	15,050
Food services	237,535	247,972	(10,437)
Community service program	4,700	2,131	2,569
Facilities acquisition and construction	91,000	138,045	(47,045)
Debt service:			
Principal retirement	0	70,542	(70,542)
Interest and bank charges	0	35,740	(35,740)
Total Expenditures	<u>\$ 24,924,306</u>	<u>\$ 24,897,833</u>	<u>\$ 26,473</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ (139,122)</u>	<u>\$ 602,595</u>	<u>\$ 741,717</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>2,840,157</u>	<u>2,854,035</u>	<u>13,878</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,701,035</u>	<u>\$ 3,456,630</u>	<u>\$ 755,595</u>

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Statement D

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 901,100	\$ 908,451	\$ 7,351
Interest earnings	35,050	54,178	19,128
Food service	397,760	384,354	(13,406)
Other	34,150	71,543	37,393
State sources:			
Equalization	350,339	348,519	(1,820)
Other	288,367	308,373	20,006
Federal sources:			
	3,269,812	3,211,358	(58,454)
 Total Revenues	 \$ 5,276,578	 \$ 5,286,776	 \$ 10,198
 EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 1,407,073	\$ 1,236,568	\$ 170,505
Other instructional programs	187,761	292,047	(104,286)
Support services:			
Instructional staff support	342,645	306,007	36,638
General administration	59,148	49,972	9,176
Plant services	899,151	868,220	30,931
Student transportation services	199,300	161,940	37,360
Food services	2,174,400	2,034,842	139,558
Facilities acquisition and construction	110,001	200,604	(90,603)
 Total Expenditures	 \$ 5,379,479	 \$ 5,150,200	 \$ 229,279
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ (102,901)	 \$ 136,576	 \$ 239,477
 OTHER FINANCING SOURCES (USES)			
Proceeds from the sale of fixed asset	600	555	(45)
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	 \$ (102,301)	 \$ 137,131	 \$ 239,432
 FUND BALANCES AT BEGINNING OF YEAR	 900,874	 877,535	 (23,339)
 FUND BALANCES AT END OF YEAR	 \$ 798,573	 \$ 1,014,666	 \$ 216,093

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Combined Statement of Revenues, Expenses
and Changes in Retained Earnings (Deficit)
For The Year Ended June 30, 1996

Statement E

OPERATING REVENUE	
Premiums	\$ <u>3,448,977</u>
OPERATING EXPENSES	
Administration	\$ 118,551
Insurance expense	385,613
Claims	<u>3,225,044</u>
Total operating expenses	\$ <u>3,729,208</u>
Operating income (loss)	\$ <u>(280,231)</u>
NONOPERATING REVENUES	
Earnings on investments	\$ <u>10,264</u>
Net income (loss)	\$ <u>(269,967)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>226,024</u>
RETAINED EARNINGS (Deficit) AT END OF YEAR	\$ <u>(43,943)</u>

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Combined Statement of Cash Flows
For the Year Ended June 30, 1996

Statement F

CASH FLOW FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (280,231)
Adjustments to reconcile operating income to net cash provided (used) for operating activities	
Increase (decrease) in payable	25,588
(Increase) decrease in receivable	<u>4,806</u>
Net cash provided (used) for operating activities	<u>\$ (249,837)</u>
CASH FLOW FROM INVESTING ACTIVITIES	
(Increase) decrease in investments	\$ 327,116
Earnings on investments	<u>10,264</u>
Net cash provided (used) by investing activities	<u>\$ 337,380</u>
Net (increase) decrease in cash and cash equivalents	\$ 87,543
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>140,989</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 228,532</u>

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

INDEX

	<u>PAGE</u>
INTRODUCTION	13
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	13
A Reporting Entity	13
B Funds and Account Groups	13-15
C Measurement Focus and Basis of Accounting	15-17
D Deferred Revenues	17
E Budgets	17
F Encumbrances	18
G Cash and Cash Equivalents	18
H Short-Term Interfund Receivables/Payables	18
I Inventory	18
J Fixed Assets	19
K Compensated Absences	19-20
L Long-Term Obligations	20
M Fund Equity	20
N Interfund Transactions	20-21
O Sales Taxes	21
P Claims and Judgements	21
Q Total Columns on Combined Statements	22
R Adoption of GASB Pronouncements	22
S New Applicable GASB Pronouncements	22
NOTE 2 - FUND DEFICIT	22
NOTE 3 - EXPENDITURES - ACTUAL AND BUDGET	23-25
NOTE 4 - LEVIED TAXES	25-27
NOTE 5 - DEPOSITS AND INVESTMENTS	27-28
NOTE 6 - RECEIVABLES	29
NOTE 7 - FIXED ASSETS	29
NOTE 8 - RETIREMENT SYSTEMS	29-31
NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS	32
NOTE 10 - SALARIES AND OTHER PAYABLES	32
NOTE 11 - COMPENSATED ABSENCES	32
NOTE 12 - LEASES	32-33
NOTE 13 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS	33
NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS	33-34
NOTE 15 - INTERFUND TRANSACTIONS	35
NOTE 16 - RESERVED AND DESIGNATED FUND BALANCES	35-36
NOTE 17 - LITIGATION AND CLAIMS	36
NOTE 18 - RISK MANAGEMENT	37-38

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

INTRODUCTION

The Lincoln Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Lincoln 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 twelve members who are elected from twelve districts for terms of four years.

The School Board operates thirteen schools within the parish with a total enrollment of approximately 7,091 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the School Board have been prepared in conformity with generally accepted accounting principles (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

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

B. FUNDS AND ACCOUNT GROUPS

The accounts of the School Board are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

The 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 and account group classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General Fund — the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Special revenue funds — accounts for revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

Debt service funds — accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

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 income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary fund(s) include the following:

Internal Service Funds - accounts for operations that provide services other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

Workers' Compensation Fund — This fund, which began in fiscal year 1991, is used to account for the payment of workers' compensation benefits. Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of risk retention amounts; (2) estimated claim losses resulting from risk retention programs which include estimated liabilities for claims incurred but not yet reported at year end, and (3) operating expenses.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

Group Health Insurance Fund — Monies in this fund are received from three sources: employee deductions from payroll, 1967 Sales Tax Fund and the State of Louisiana. Monies are used to pay employee health insurance claims, the administrative cost to the insurance administrator for administration of the plan and processing medical claims, cost of excess and specific insurance to protect the fund from exposure to large claims, hospital pre-certification, and life insurance with an insurance carrier.

Fiduciary Funds

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Trust funds account for assets held by the government under the terms of a formal trust agreement.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity. The agency fund is as follows:

School Activity Agency Fund — accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Account Groups

The *general fixed assets account group* is used to account for fixed assets not accounted for in proprietary or trust funds.

The *general long-term debt account group* is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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 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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

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

Ad valorem taxes and sales taxes are susceptible to accrual.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees who elect to be paid over twelve months are accrued at June 30.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Proprietary Funds

Proprietary funds are 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 these funds are included on the balance sheet.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

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 modified accrual basis of accounting. This fund is used to account for assets that the School Board holds for others in an agency capacity.

D. DEFERRED REVENUES

The School Board reports deferred revenues on its combined balance sheet. 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 incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

E. BUDGETS

The following summarizes the budget activities of the School Board during the year ended June 30, 1996:

Completed and available for public inspection	August 7, 1995
Public notices	August 7, 1995
Public hearings	September 5, 1995
Board adoption	September 5, 1995

1. The School Board adopted budgets for the General Fund and all special revenue funds.
2. The budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end.
3. Encumbrances are not recognized within the accounting records for budgetary control purposes.
4. Formal budget integration (within the accounting records) is employed as a management control device.
5. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriate amount) is established by function within an individual fund. Budget comparisons are submitted periodically to the board. The Business Department monitors the budget and presents budget amendments, when deemed necessary, to the Board for approval. All budget amendments must be presented to the Board for approval. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The budget amendments were not considered significant by the Board.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in investments with original maturities of ninety 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 ninety days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for 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.

I. INVENTORY

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. Inventory of the School Food Service Fund is accounted for on the consumption method. Inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture. Inventories are offset by a fund balance reserve which indicates that these do not constitute "available spendable resources", even though they are a component of total assets.

Acquisition of materials and supplies other than the food purchases are accounted for on the purchase method, that is, the expenditures are charged when the items are purchased. The value of these materials and supplies, except for the food purchased in the School Food Service Special Revenue Fund, are not considered significant at June 30, 1996, and their value is not shown in the accompanying balance sheet.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures such as sidewalks and parking lots are not capitalized. Interest cost incurred during construction is not capitalized. Depreciation has not been provided on general fixed assets.

Approximately \$32,315,532 or 94 percent of fixed assets are valued at actual historical cost while the remaining \$2,241,645, or 6 percent, are valued at estimated historical cost.

K. COMPENSATED ABSENCES

All twelve-month employees earn from ten to fifteen days of vacation leave each year, depending on their length of service with the School Board. Vacation leave may be accumulated and carried forward to the next calendar year. However, upon termination, no payments are made to employees for unused vacation leave. Nine-month employees earn two work days of personal leave per academic year, which is non-cumulative.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 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, the total unused accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service. Under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

Leave benefits are based on accrued leave benefits of employees with ten years service to a maximum of twenty-five days at their current annual salary.

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

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation are attributable to services already rendered.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. COMPENSATED ABSENCES (Continued)

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 No. 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.

Sabbatical leave benefits are recorded as expenditures in the period paid.

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability is reported in the general long-term debt account group.

L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

M. FUND EQUITY

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

N. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. INTERFUND TRANSACTIONS (Continued)

All other interfund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. SALES TAXES

The School Board receives a one and one half cent sales and use tax. The tax is collected by the Lincoln Parish Sales and Use Tax Commission and is remitted to the School Board the same month the tax is collected. The sales and use tax is recorded as revenue in the General Fund.

A one-half cent sales and use tax, approved September 12, 1967, is dedicated to supplement other revenues available for the payment of salaries of teachers in the public elementary and secondary schools and for the expenses of operating said schools, such operating expenses to include payment of other personnel employed by the School Board in addition to teachers.

Another one-half cent sales and use tax, approved May 19, 1979, and rededicated March 8, 1988, was dedicated as follows:

Two-thirds is for paying salaries of certified and non-certified employees of the School Board above their base pay and paying retirement and other benefits for said employees.

One-third is for constructing, acquiring, erecting, improving and/or repairing schools and school-related facilities and for paying the cost of utilities therefor, and for improving instruction, providing instructional materials and student services and curriculum enrichment, including salaries for overstuffed instructional positions, in and for the public schools.

The third one-half cent sales and use tax, approved January 16, 1993, is dedicated for the purpose of paying institutional and support staff salaries and benefits, including but not limited to salaries and benefits, including but not limited to salaries and benefits for elementary school librarians, elementary school vocal music instructors, and elementary coordinators.

P. CLAIMS AND JUDGEMENTS

Losses resulting from claims and judgements are estimated in accordance with Governmental Accounting Standards Board No. 10. The liability for such losses is recorded in the Internal Service Funds. Incurred but not reported claims as of June 30, 1996 have been considered in determining the accrued liability.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. TOTAL COLUMNS ON COMBINED STATEMENTS

The total columns on the combined statements are captioned *Memorandum Only* to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

R. ADOPTION OF GASB PRONOUNCEMENTS

In September 1993, GASB issued Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" (GASB 20), which discusses the application of authoritative accounting pronouncements for proprietary accounting and other funds that use proprietary accounting.

The School Board was required to adopt GASB 20 in fiscal year 1995. GASB 20 allows the School Board to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements, or to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989. The School Board has elected to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

S. NEW APPLICABLE GASB PRONOUNCEMENTS

In November 1994, the GASB issued Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers" (GASB 27). GASB 27 prescribes changes in pension accounting and disclosure requirements for employers participating in single employer/agent multiple defined benefit plans, cost sharing multiple employer defined benefit plans, and defined contribution plans. The School Board sponsors a multiple-employer defined contribution plan which has some characteristics of a defined benefit pension plan. GASB 27 is effective for fiscal years beginning after June 15, 1997. The School Board has not yet determined when GASB 27 will be adopted or determined the effects of adoption.

NOTE 2 - FUND DEFICITS

The Group Health Insurance Internal Service Fund had a fund deficit at year end of \$153,683. The deficit is expected to be erased by revenues in the 1996-1997 fiscal year.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 3 - EXPENDITURES - ACTUAL AND BUDGET

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 1996:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
General Accounts			
Current:			
Instruction:			
Other instructional programs	\$997,800	\$1,024,784	\$26,984
Support services:			
Business services	251,400	270,146	18,746
Plant services	663,750	668,120	4,370
Facilities acquisition and construction	51,000	99,445	48,445
1967 Sales Tax Accounts			
Current:			
Instruction:			
Special programs	203,000	312,925	109,925
Adult continuing education	59,045	87,910	28,865
Support services:			
Instructional staff support	53,600	65,198	11,598
School administration	98,700	118,385	19,685
Plant services	63,025	71,528	8,503
Student transportation services	115,760	120,996	5,236
1979 Sales Tax Accounts			
Current:			
Instruction:			
Special programs	121,800	140,977	19,177
Other instructional programs	130,000	144,828	14,828
Support services:			
Student services	24,875	32,823	7,948
General administration	24,050	28,704	4,654
School administration	62,800	75,040	12,240
Plant services	40,900	49,049	8,149
Student transportation services	69,680	75,695	6,015
Food services	78,950	86,820	7,870

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 3 - EXPENDITURES - ACTUAL AND BUDGET (Continued)

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund (Continued)			
1993 Sales Tax Accounts			
Current:			
Instruction:			
Regular programs	941,350	1,039,184	97,834
Special programs	143,100	157,916	14,816
Other instructional programs	122,000	135,411	13,411
Support services:			
Student services	36,200	37,848	1,648
Instructional staff support	113,900	120,672	6,772
Business services	8,300	8,624	324
Plant services	45,900	54,078	8,178
Student transportation services	75,850	87,273	11,423
Food services	91,715	100,344	8,629
1993 Ad Valorem Tax Accounts			
Current:			
Support services:			
Student services	2,100	2,126	26
Instructional staff support	2,500	2,565	65
School administration	41,950	44,805	2,855
Plant services	342,205	364,664	22,459
Special Revenue Funds			
Title 1			
Facilities acquisition and construction	51,501	107,576	56,075
Adult Education			
Current:			
Instruction:			
Other instructional programs	44,878	46,958	2,080
Support services:			
General administration	201	650	449
Parishwide Maintenance			
Current:			
Support Services:			
Plant services	498,050	510,918	12,868
Facilities acquisition and construction	58,500	93,028	34,528
Simsboro No. 3 Maintenance and Operation			
Current:			
Support services:			
Plant services	36,000	44,004	8,004

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 3 - EXPENDITURES - ACTUAL AND BUDGET (Continued)

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Special Revenues Fund (Continued)			
Dubach No. 5 Maintenance and Operation			
Current:			
Support services:			
General administration	1,400	1,893	493
Special Programs			
Current:			
Instruction:			
Other instructional programs	142,883	245,089	102,206
Support services:			
Student transportation services	-	1,280	1,280

NOTE 4 - LEVIED TAXES

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

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

Property Tax Calendar

Assessment date	January 1, 1995
Tax bills mailed	On or about November 25, 1995
Total taxes are due	December 31, 1995
Lien date	January 1, 1996
Penalties and interest are added	January 1, 1996
Tax sale	May 1, 1996

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

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 4 - LEVIED TAXES (Continued)

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 roll of January 1, 1992. Total assessed value was \$153,981,170 for the 1995 calendar year. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$36,527,570 of the assessed value in calendar year 1995.

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 Funds (Maintenance Funds) and Debt Service Funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy.

Delinquent taxes considered to be uncollectible are not recorded as revenues. Property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

The tax roll is not prepared by the tax assessor until November of each year; therefore, the amount of 1995 property taxes to be collected within the next year is not known. As a result, no property tax receivable for 1995 taxes is included on the accompanying combined balance sheet.

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

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional	Statutory	4.95	4.95	Statutory
Special Maintenance and Operation	Jan. 21, 1989	5.22	5.10	1998
Special repair and equipment	Jan. 21, 1989	5.22	5.10	1998
Maintenance and operation	Jan. 16, 1993	12.00	12.00	2002
District taxes:				
Maintenance and Operations				
Ruston School District #1	Apr. 5, 1994	3.05	3.05	2003
Simsboro School District #3	July 2, 1985	3.00	2.98	1995
Dubach School District #5	Jan. 21, 1989	3.00	2.86	1998

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 4 - LEVIED TAXES (Continued)

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
District taxes: (Continued)			
Bond and Interest			
Ruston School District #1	Variable	17.00	2005
Simsboro School District #3	Variable	16.20	2006
Choudrant School District #6	Variable	45.00	2007

The difference between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

NOTE 5 - DEPOSITS AND INVESTMENTS

The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "cash and cash equivalents." Negative book cash balances are included in "due to other funds" on the combined balance sheet.

Individual fund cash deficit balance at June 30, 1996 was as follows:

<u>Fund</u>	<u>Cash Balance</u>
Title VI	\$ 1,175
Adult Education	6,423
Special Programs	27,316
Title IV (Drug Free)	452

The School Board maintains a sweep account for the operating funds of the School Board. Each fund's cash account is swept daily for excess cash. Excess amounts are invested in an overnight repurchase agreement.

At year-end, the School Board's carrying amount of deposits was \$3,839,126 and the bank balance was \$7,007,862. Of the bank balance, \$380,220 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 balance of \$6,627,642 was collateralized with securities held by the pledging financial institutions' 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 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

During the year, the School Board invested in United States government treasury bills, treasury notes, and certificates of deposit. The U. S. government investments are held in the School Board's name through a book-entry system at the Federal Reserve Bank, therefore, these investments were considered to be Category 2 which includes investments that are collateralized with securities held by the pledging financial institution's trust department or its safekeeping agent in the School Board's name.

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances were as follows:

	Category			<u>Carrying Amount</u>	<u>Market Value</u>
	1	2	3		
US Government securities	\$1,269,951	\$3,970,000	\$ -	\$5,239,951	\$5,239,207

Investments are recorded at cost.

Due to higher cash flows at certain times during the year, the School Board's investment in U. S. treasury bills for which the underlying securities were held by the School Board, increased significantly. As a result, the amounts that were in category 1 at those times were substantially higher than at year end.

A reconciliation of cash and investments as shown on the Combined Balance Sheet for the primary government follows:

Carrying amount of deposits	\$3,839,126
Carrying amount of investments	<u>5,239,951</u>
Total	<u>\$9,079,077</u>
Cash and cash equivalents	\$7,119,077
Investments	<u>1,960,000</u>
Total	<u>\$9,079,077</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 6 - RECEIVABLES

The receivables of \$249,534 at June 30, 1996, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Internal Service Fund</u>	<u>Total</u>
Taxes:					
Ad valorem	\$35,361	\$ 12,804	\$28,565	\$ -	\$ 76,730
Intergovernmental - grants:					
Federal	2,743	110,837	-	-	113,580
State	6,815	47,052	-	-	53,867
Accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,357</u>	<u>5,357</u>
 Total	 <u>\$44,919</u>	 <u>\$170,693</u>	 <u>\$28,565</u>	 <u>\$5,357</u>	 <u>\$249,534</u>

NOTE 7 - FIXED ASSETS

The changes in general fixed assets are as follows:

	<u>Balance July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
Land	\$ 360,835	\$ -	\$ -	\$ 360,835
Buildings	27,217,225	49,990	-	27,267,215
Improvements other than buildings	84,322	-	-	84,322
Furniture and equipment	4,779,947	310,097	55,549	5,034,495
Vehicles	<u>1,530,760</u>	<u>282,850</u>	<u>3,300</u>	<u>1,810,310</u>
 Total	 <u>\$33,973,089</u>	 <u>\$642,937</u>	 <u>\$58,849</u>	 <u>\$34,557,177</u>

NOTE 8 - RETIREMENT SYSTEMS

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). Each system is administered and controlled at the State level by a separate board of trustees, with contribution rates and benefit provisions approved 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.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 8 - RETIREMENT SYSTEMS (Continued)

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally 2% (with less than twenty-five years of service) or 2.5% (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six 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 fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally 3% times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5% times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Benefits of the systems are funded by employee and employer contributions. The contribution rates (as a percentage of covered salaries) are established by state law as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.00%	16.50%
Plan A	9.10%	16.50%
Louisiana School Employees' Retirement System	6.35%	6.00%
Louisiana Parochial Employees' Retirement		
July 1, 1995 - December 31, 1995	9.50%	8.00%
January 1, 1996 - June 30, 1996	9.50%	7.25%

The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by the State of Louisiana 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.

Benefits granted by the retirement systems are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. For the year ended June 30, 1996, the total payroll for the School Board amounted to \$17,798,059. The employee and employer contributions and total current-year payroll of covered employees for 1996, are as follows:

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 8 - RETIREMENT SYSTEMS (Continued)

TRS.....		<u>LSERS</u>	<u>Total</u>
	<u>Regular</u>	<u>Plan A</u>		
Employee contribution	\$ 1,216,355	\$ 33,792	\$ 105,850	\$ 1,355,997
Employer contribution	2,509,568	61,272	100,014	2,670,854
Total covered current-year payroll	15,204,393	371,342	1,666,884	17,242,619

Although contributions are determined by statute, actuarial contributions are determined for the Systems. The Systems' (TRS and LSERS) actuarially required contribution from all sources was \$391.7 million and \$10.7 million, respectively. The required contribution represents 16.16 and 5.23 percent, respectively, of salaries for the year ended June 30, 1996.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to-date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the Systems' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The Systems do not make separate measurements of assets and pension benefit obligations for individual employers. The pension benefit obligations at June 30, 1996 for the Systems, each as a whole, the Systems' net assets available for benefits on that date (valued at market), and the resulting unfunded (overfunded) pension benefit obligations were as follows:

	<u>Teachers'</u> <u>Retirement</u> <u>System</u>	<u>School</u> <u>Employees'</u> <u>Retirement</u> <u>System</u>
Pension Benefit Obligation	\$10,570,300,000	\$ 834,345,876
Net Assets Available for Benefits	<u>6,081,700,000</u>	<u>962,833,541</u>
Unfunded (Overfunded) Pension Benefit Obligation	<u>\$ 4,488,600,000</u>	<u>\$(128,487,665)</u>

The School Board's total actuarially determined contribution requirements as a percentage of total contributions required of all entities for the year ended June 30, 1996 were as follows:

Teachers' Retirement System	.64%
School Employees' Retirement System	.81%

Ten-year historical trend information showing each System's progress is accumulating sufficient assets to pay benefits when due is presented in each System's respective June 30, 1996 annual financial report.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

In accordance with State Statutes, the Lincoln Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees were provided through a self-insurance program, whose monthly premiums are paid jointly by the employees and the School Board. The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due, which was \$448,253 for 1996. The cost of retiree benefits totaled \$635,753 for 1996 for approximately 250 retirees.

NOTE 10 - SALARIES AND OTHER PAYABLES

The payables of \$5,100,543 at June 30, 1996, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Internal Service Funds</u>	<u>Total</u>
Salaries and withholding	\$1,948,938	\$232,221	\$ -	\$2,181,159
Accounts	184,284	55,838	14,379	254,501
Incurred but not reported claims	<u>-</u>	<u>-</u>	<u>263,453</u>	<u>263,453</u>
Total	<u>\$2,133,222</u>	<u>\$288,059</u>	<u>\$277,832</u>	<u>\$2,699,113</u>

NOTE 11 - COMPENSATED ABSENCES

At June 30, 1996, employees of the School Board have accumulated and vested \$1,282,568 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. This amount is not expected to be paid from current available resources; therefore the liability of \$1,282,568 is recorded within the general long-term debt account group.

NOTE 12 - LEASES

The School Board records items under capital leases as an asset and an obligation in the accompanying financial statements. The following is an analysis of equipment under capital leases:

<u>Type</u>	<u>13 Buses</u>	<u>5 Buses</u>	<u>Total</u>
School buses	<u>\$447,546</u>	<u>\$190,269</u>	<u>\$637,815</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 12 - LEASES (Continued)

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 1996:

<u>Fiscal Year</u>	<u>13 Buses</u>	<u>5 Buses</u>	<u>Total</u>
1996-1997	\$ 59,004	\$ 25,085	\$ 84,089
1997-1998	59,004	25,085	84,089
1998-1999	59,004	25,085	84,089
1999-2000	59,004	25,085	84,089
2000-2001	59,004	25,085	84,089
2001-2003	<u>118,009</u>	<u>50,170</u>	<u>168,179</u>
Total minimum lease payments	413,029	175,595	588,624
Less amounts representing interest	<u>92,252</u>	<u>39,218</u>	<u>131,470</u>
Present value of net minimum lease payments	<u>\$320,777</u>	<u>\$136,377</u>	<u>\$457,154</u>

NOTE 13 - CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in School Activity Agency Fund deposits due others for the year ended June 30, 1996 is as follows:

	<u>Balance July 1, 1995</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 1996</u>
Agency funds:				
School activity	<u>\$277,003</u>	<u>\$1,249,972</u>	<u>\$1,252,283</u>	<u>\$274,692</u>

NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1996:

	<u>Notes Payable</u>	<u>Capital Lease Obligation</u>	<u>Compensated Absences</u>	<u>Bonded Debt</u>	<u>Total</u>
Balance, July 1, 1995	\$ -	\$ 527,694	\$ 998,452	\$ 15,230,000	\$ 16,756,146
Additions	265,000	-	307,785	-	572,785
Deductions	<u>(54,831)</u>	<u>(70,540)</u>	<u>(23,669)</u>	<u>(1,115,000)</u>	<u>(1,264,040)</u>
Balance, June 30, 1996	<u>\$ 210,169</u>	<u>\$ 457,154</u>	<u>\$ 1,282,568</u>	<u>\$ 14,115,000</u>	<u>\$ 16,064,891</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 14 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS (Continued)

All School Board bonds outstanding at June 30, 1996, in the amount of \$14,325,169, are general obligation bonds with maturities from 1997 to 2007 and interest rates from 2.6 to 10.00 percent. Bond principal and interest payable in the next fiscal year are \$1,180,000 and \$804,360, respectively. The individual issues are as follows:

	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding June 30, 1996</u>
RUSTON NO. 1: December 1, 1991 - refunding issue	\$11,930,000	4.50 - 6.40%	2005	\$3,448,220	\$10,330,000
SIMSBORO NO. 3: February 1, 1978	710,000	5.00 - 5.50%	2003	75,350	325,000
November 1, 1993 - refunding issue	1,670,000	2.60 - 4.30%	2006	412,345	1,585,000
CHOUDRANT NO. 6: February 1, 1978	530,000	5.00 - 5.50%	2003	56,650	245,000
April 1, 1987	535,000	6.75 - 10.00%	2007	224,492	455,000
November 1, 1993 - refunding issue	1,255,000	2.60 - 4.30%	2006	292,240	1,175,000
SERIES 1995 SINKING	265,000	5.34%	2000	<u>36,980</u>	<u>210,169</u>
Total:				<u>\$4,546,277</u>	<u>\$14,325,169</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 1996, the School Board has accumulated \$2,034,908 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Notes</u>		<u>Bonds</u>		<u>Total</u>
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	
1997	\$ 47,000	\$12,896	\$ 1,180,000	\$ 804,360	\$ 2,044,256
1998	50,000	10,306	1,255,000	741,107	2,056,413
1999	53,000	7,556	1,335,000	672,800	2,068,356
2000	56,000	4,646	1,420,000	598,978	2,079,624
2001	4,169	1,575	1,515,000	519,272	2,040,016
Thereafter	-	-	<u>7,410,000</u>	<u>1,172,780</u>	<u>8,582,780</u>
Total	<u>\$210,169</u>	<u>\$36,979</u>	<u>\$14,115,000</u>	<u>\$4,509,297</u>	<u>\$18,871,445</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 33 percent of the assessed value of taxable property. At June 30, 1996, the statutory limit is \$50,813,786, and outstanding bonded debt totals \$14,115,000.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 15 - INTERFUND TRANSACTIONS

Due Froms/Due Tos:	<u>Due from</u>	<u>Due to</u>
General Fund	\$40,754	
Special Revenue Funds:		
Title I		\$ 5,388
Adult Education		6,423
Title VI		1,175
Special Programs		27,316
Title IV (Drug-Free)		452
Debt Service Funds:		
Ruston #1	2,804	
Choudrant #6	<u> </u>	<u>2,804</u>
Total	<u>\$43,558</u>	<u>\$43,558</u>

NOTE 16 - RESERVED AND DESIGNATED FUND BALANCES

Reserved for Instruction, Repairs and Construction

At June 30, 1996, the General Fund reflects a balance of \$461,632 (Statement A) from the sales and use taxes. One-third of the one-half cent sales tax, approved May 19, 1979, and rededicated March 8, 1988, is dedicated for constructing, acquiring, erecting, improving, and/or repairing schools and school-related facilities, and for paying the cost of utilities therefore, and for improving instruction, providing instructional materials and student services and curriculum enrichment, including salaries for overstaffed instructional positions, in and for the public schools.

Reserved for Salary Improvements

The General Fund reflects a balance of \$34,555 (Statement A) at June 30, 1996, from the sales and use taxes. Two-thirds of the one-half cent sales tax, approved May 19, 1979, and rededicated March 8, 1988, and the one-half cent sales tax approved January 16, 1993, is dedicated for paying salaries, retirement and other benefits.

Reserved for Bond Surplus

The General Fund reflects a balance of \$12,773 (Statement A) at June 30, 1996 for bond surplus. This represents the residue of the Dubach District No. 5 Debt Service Fund after all bond and interest obligations were paid off. These funds can only be used in the same manner in which the original bond issue was approved by the voters.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 16 - RESERVED AND DESIGNATED FUND BALANCES (Continued)

Reserved for Debt Service

The Debt Service Funds reflect a balance of \$2,034,908 (Statement A) at June 30, 1996 for debt service. This balance is reserved for the payment of principal and interest on bonded debt.

NOTE 17 - LITIGATION AND CLAIMS

Litigation

The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's combined financial position.

Self-Insurance

The School Board is partially self-insured for workers' compensation, and health insurance coverage. Claims are funded through employee contributions and operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$150,000 and \$75,000 per occurrence for workers' compensation insurance coverage, and for health coverage, respectively. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements.

Grant Disallowance

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act of 1984 through June 30, 1996, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

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 liability at year end.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 18 - RISK MANAGEMENT

The School Board initiated a risk management program for workers' compensation in fiscal year 1991. Premiums are paid into the Workers' Compensation Internal Service Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 1996, a total of \$44,646 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$150,000. An amount for self-insurance losses of \$14,379 has been accrued as a liability and was calculated by the third-party administrator. Interfund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds.

The Internal Service Fund - workers' compensation incurred a net income (loss) for the fiscal year 1996 of \$(41,707) and at June 30, 1996 had a retained earnings of \$109,740.

The School Board initiated a risk management program for employees health insurance in fiscal year 1992. Premiums are paid into the Group Health Insurance Internal Service Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 1996 a total of \$3,180,545 and \$118,404, respectively, was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$75,000. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds. The incurred but not reported claims at year end of \$263,453 has been accrued as a liability based upon the third party administrator's calculation using historical claim experience.

The Internal Service Fund - Group Health Insurance incurred a net loss during the fiscal year 1996 of \$228,260 and at June 30, 1996 had a retained deficit of \$153,683.

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

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year-End</u>
Workers' Compensation:				
1994-1995	\$34,212	\$ 6,584	\$29,843	\$10,953
1995-1996	10,953	47,925	44,499	14,379

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

NOTE 18 - RISK MANAGEMENT (Continued)

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year-End</u>
Health Insurance:				
1994-1995	\$228,522	\$2,848,889	\$2,836,120	\$241,291
1995-1996	241,291	3,202,707	3,180,545	263,453

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.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GENERAL FUND ACCOUNTS
Combining Balance Sheet
June 30, 1996

	<u>GENERAL</u> <u>ACCOUNTS</u>	<u>BOND SURPLUS</u> <u>ACCOUNTS</u>	<u>1967</u> <u>SALES TAX</u> <u>ACCOUNTS</u>
ASSETS			
Cash	\$ 2,774,837	\$ 12,773	\$ 31,306
Receivables	25,685	0	0
Due from other funds	40,754	0	0
Deposits	<u>99,476</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 2,940,752</u>	<u>\$ 12,773</u>	<u>\$ 31,306</u>
 LIABILITIES AND EQUITY			
Liabilities:			
Accounts, salaries and other payables	<u>\$ 1,809,801</u>	<u>\$ 0</u>	<u>\$ 10,283</u>
Total Liabilities	<u>\$ 1,809,801</u>	<u>\$ 0</u>	<u>\$ 10,283</u>
 Equity			
Fund Balances:			
Reserved for instruction, repairs and construction	\$ 0	\$ 0	\$ 0
Reserved for salary improvements	0	0	0
Reserved for bond surplus	0	12,773	0
Unreserved and undesignated fund balance	<u>1,130,951</u>	<u> </u>	<u>21,023</u>
Total Equity	<u>\$ 1,130,951</u>	<u>\$ 12,773</u>	<u>\$ 21,023</u>
 TOTAL LIABILITIES AND EQUITY	<u>\$ 2,940,752</u>	<u>\$ 12,773</u>	<u>\$ 31,306</u>

Schedule 1

1979 SALES TAX ACCOUNTS	1993 SALES TAX ACCOUNTS	1993 AD VALOREM TAX ACCOUNTS	TOTAL
\$ 693,477	\$ 1,022,676	\$ 869,634	\$ 5,404,703
0	0	19,234	44,919
0	0	0	40,754
0	0	0	99,476
<u>\$ 693,477</u>	<u>\$ 1,022,676</u>	<u>\$ 888,868</u>	<u>\$ 5,589,852</u>
<u>\$ 197,290</u>	<u>\$ 49,352</u>	<u>\$ 66,496</u>	<u>\$ 2,133,222</u>
<u>\$ 197,290</u>	<u>\$ 49,352</u>	<u>\$ 66,496</u>	<u>\$ 2,133,222</u>
\$ 461,632	\$ 0	\$ 0	\$ 461,632
34,555	0	0	34,555
0	0	0	12,773
0	973,324	822,372	2,947,670
<u>\$ 496,187</u>	<u>\$ 973,324</u>	<u>\$ 822,372</u>	<u>\$ 3,456,630</u>
<u>\$ 693,477</u>	<u>\$ 1,022,676</u>	<u>\$ 888,868</u>	<u>\$ 5,589,852</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GENERAL FUND ACCOUNTS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
June 30, 1996

	<u>GENERAL</u> <u>ACCOUNTS</u>	<u>BOND SURPLUS</u> <u>ACCOUNTS</u>	<u>1967</u> <u>SALES TAX</u> <u>ACCOUNTS</u>
REVENUES			
<i>Local sources:</i>			
<i>Taxes:</i>			
Ad valorem	\$ 1,244,819	\$ 0	\$ 0
Sales and use	0	0	2,036,881
Interest earnings	153,711	635	21,811
Other	372,028	0	72,159
<i>State sources:</i>			
Equalization	15,232,067	0	0
Other	632,982	0	0
<i>Federal sources:</i>			
	<u>127,204</u>	<u>0</u>	<u>0</u>
 Total Revenues	 <u>\$ 17,762,811</u>	 <u>\$ 635</u>	 <u>\$ 2,130,851</u>
 EXPENDITURES			
<i>Current:</i>			
<i>Instruction:</i>			
Regular programs	\$ 9,716,475	\$ 0	\$ 1,194,744
Special programs	1,724,689	0	312,925
Other instructional programs	1,024,784	0	87,910
<i>Support services:</i>			
Student services	568,393	0	50,568
Instructional staff support	715,822	0	65,198
General administration	223,646	0	32,939
School administration	1,303,010	0	118,385
Business services	270,146	0	16,420
Plant services	668,120	0	71,528
Student transportation services	1,285,676	0	120,996
Food services	2,171	0	58,637
Community service program	2,131	0	0
Facilities acquisition and construction	99,445	0	0
<i>Debt service:</i>			
Principal retirement	31,026	0	0
Interest and bank charges	21,292	0	0
	<u>21,292</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>\$ 17,656,826</u>	 <u>\$ 0</u>	 <u>\$ 2,130,250</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 105,985</u>	 <u>\$ 635</u>	 <u>\$ 601</u>
 FUND BALANCES AT BEGINNING OF YEAR	 <u>1,024,966</u>	 <u>12,138</u>	 <u>20,422</u>
 FUND BALANCES AT END OF YEAR	 <u>\$ 1,130,951</u>	 <u>\$ 12,773</u>	 <u>\$ 21,023</u>

Schedule 2

1979 SALES TAX ACCOUNTS	1993 SALES TAX ACCOUNTS	1993 AD VALOREM TAX ACCOUNTS	TOTAL
\$ 0	\$ 0	1,375,007	\$ 2,619,826
2,036,881	2,036,881	0	6,110,643
49,588	73,023	34,576	333,344
175	0	0	444,362
0	0	0	15,232,067
0	0	0	632,982
0	0	0	127,204
<u>\$ 2,086,644</u>	<u>\$ 2,109,904</u>	<u>\$ 1,409,583</u>	<u>\$ 25,500,428</u>
\$ 1,229,622	\$ 1,039,184	\$ 367,161	\$ 13,547,186
140,977	157,916	6,878	2,343,385
144,828	135,411	27,555	1,420,488
32,823	37,848	2,126	691,758
135,094	120,672	2,565	1,039,351
28,704	24,591	138,765	448,645
75,040	76,164	44,805	1,617,404
10,642	8,624	728	306,560
49,049	54,078	364,664	1,207,439
75,695	87,273	211,547	1,781,187
86,820	100,344	0	247,972
0	0	0	2,131
38,600	0	0	138,045
0	0	39,516	70,542
0	0	14,448	35,740
<u>\$ 2,047,894</u>	<u>\$ 1,842,105</u>	<u>\$ 1,220,758</u>	<u>\$ 24,897,833</u>
\$ 38,750	\$ 267,799	\$ 188,825	\$ 602,595
457,437	705,525	633,547	2,854,035
<u>\$ 496,187</u>	<u>\$ 973,324</u>	<u>\$ 822,372</u>	<u>\$ 3,456,630</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND (GENERAL ACCOUNTS)
Schedule of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 3

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 1,221,000	\$ 1,244,819	\$ 23,819
Interest earnings	165,000	153,711	(11,289)
Other	177,800	372,028	194,228
State sources:			
Equalization	15,230,496	15,232,067	1,571
Other	651,703	632,982	(18,721)
Federal sources:			
	109,475	127,204	17,729
 Total Revenues	 \$ 17,555,474	 \$ 17,762,811	 \$ 207,337
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 9,827,948	\$ 9,716,475	\$ 111,473
Special programs	1,730,420	1,724,689	5,731
Other instructional programs	997,800	1,024,784	(26,984)
Support services:			
Student services	581,120	568,393	12,727
Instructional staff support	723,875	715,822	8,053
General administration	294,590	223,646	70,944
School administration	1,327,750	1,303,010	24,740
Business services	251,400	270,146	(18,746)
Plant services	663,750	668,120	(4,370)
Student transportation services	1,291,893	1,285,676	6,217
Central services	15,050	0	15,050
Food services	2,200	2,171	29
Community service program	4,700	2,131	2,569
Facilities acquisition and construction	51,000	99,445	(48,445)
Debt service:			
Principal retirement	31,026	31,026	0
Interest and bank charges	21,292	21,292	0
 Total Expenditures	 \$ 17,815,814	 \$ 17,656,826	 \$ 158,988
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ (260,340)	 \$ 105,985	 \$ 366,325
 FUND BALANCE AT BEGINNING OF YEAR	 1,023,226	 1,023,226	 0
 FUND BALANCE AT END OF YEAR	 \$ 762,886	 \$ 1,129,211	 \$ 366,325

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND (BOND SURPLUS ACCOUNTS)
Schedule of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	Schedule 4 VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Interest earnings	\$ 550	\$ 635	\$ 85
Total Revenues	<u>\$ 550</u>	<u>\$ 635</u>	<u>\$ 85</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 550	 \$ 635	 \$ 85
 FUND BALANCE AT BEGINNING OF YEAR	 <u>12,138</u>	 <u>12,138</u>	 <u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 12,688</u>	<u>\$ 12,773</u>	<u>\$ 85</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND (1967 SALES TAX ACCOUNTS)
Schedule of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 5

VARIANCE
FAVORABLE
(UNFAVORABLE)

REVENUES

Local sources:

Taxes:

Sales and use
Interest earnings
Other

	BUDGET	ACTUAL	(UNFAVORABLE)
\$ 1,900,000	\$ 2,036,881	\$ 136,881	
14,000	21,811	7,811	
70,000	72,159	2,159	
Total Revenues	\$ 1,984,000	\$ 2,130,851	\$ 146,851

EXPENDITURES

Current:

Instruction:

Regular programs
Special programs
Other instructional programs

Support services:

Student services
Instructional staff support
General administration
School administration
Business services
Plant services
Student transportation services

Food services

\$ 1,213,300	\$ 1,194,744	\$ 18,556	
203,000	312,925	(109,925)	
59,045	87,910	(28,865)	
57,100	50,568	6,532	
53,600	65,198	(11,598)	
33,400	32,939	461	
98,700	118,385	(19,685)	
18,400	16,420	1,980	
63,025	71,528	(8,503)	
115,760	120,996	(5,236)	
64,670	58,637	6,033	
Total Expenditures	\$ 1,980,000	\$ 2,130,250	\$ (150,250)

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES

\$ 4,000 \$ 601 \$ (3,399)

FUND BALANCE AT BEGINNING OF YEAR

20,422 20,422 0

FUND BALANCE AT END OF YEAR

\$ 24,422 \$ 21,023 \$ (3,399)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND (1979 SALES TAX ACCOUNTS)
Schedule of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 6

VARIANCE
FAVORABLE
(UNFAVORABLE)

	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 1,900,000	\$ 2,036,881	\$ 136,881
Interest earnings	30,000	49,588	19,588
Other	0	175	175
	<u>\$ 1,930,000</u>	<u>\$ 2,086,644</u>	<u>\$ 156,644</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 1,288,472	\$ 1,229,622	\$ 58,850
Special programs	121,800	140,977	(19,177)
Other instructional programs	130,000	144,828	(14,828)
Support services:			
Student services	24,875	32,823	(7,948)
Instructional staff support	143,665	135,094	8,571
General administration	24,050	28,704	(4,654)
School administration	62,800	75,040	(12,240)
Business services	13,680	10,642	3,038
Plant services	40,900	49,049	(8,149)
Student transportation services	69,680	75,695	(6,015)
Food services	78,950	86,820	(7,870)
Facilities acquisition and construction	40,000	38,600	1,400
	<u>\$ 2,038,872</u>	<u>\$ 2,047,894</u>	<u>\$ (9,022)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (108,872)	\$ 38,750	\$ 147,622
FUND BALANCE AT BEGINNING OF YEAR	<u>457,437</u>	<u>457,437</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 348,565</u>	<u>\$ 496,187</u>	<u>\$ 147,622</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GOVERNMENTAL FUNDS GENERAL FUND (1993 AD VALOREM TAX ACCOUNTS)
Schedule of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

	BUDGET	ACTUAL	Schedule 8 VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 1,343,000	\$ 1,375,007	\$ 32,007
Interest earnings	20,000	34,576	14,576
Federal sources:	2,160	0	(2,160)
 Total Revenues	 \$ 1,365,160	 \$ 1,409,583	 \$ 44,423
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	\$ 401,600	\$ 367,161	\$ 34,439
Special programs	8,000	6,878	1,122
Other instructional programs	31,000	27,555	3,445
Support services:			
Student services	2,100	2,126	(26)
Instructional staff support	2,500	2,565	(65)
General administration	140,500	138,765	1,735
School administration	41,950	44,805	(2,855)
Business services	750	728	22
Plant services	342,205	364,664	(22,459)
Student transportation services	319,736	211,547	108,189
Debt service:			
Principal retirement	39,516	39,516	0
Interest and bank charges	14,448	14,448	0
 Total Expenditures	 \$ 1,344,305	 \$ 1,220,758	 \$ 123,547
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 20,855	 \$ 188,825	 \$ 167,970
 FUND BALANCE AT BEGINNING OF YEAR	 633,547	 633,547	 0
 FUND BALANCE AT END OF YEAR	 \$ 654,402	 \$ 822,372	 \$ 167,970

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

SPECIAL REVENUE FUNDS

TITLE I - LOCAL EDUCATIONAL AGENCIES

(Elementary and Secondary Education Act of 1965, Title I)

To improve 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. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

TITLE VI

(Elementary and Secondary Education Act of 1965, Title I)

To assist state and local educational agencies to improve elementary and secondary education.

Grants are awarded for students at risk of failure in school; instructional materials; school-wide improvements and effective school programs; training and professional development; early identification of children with reading disabilities, personal excellence of students and student achievements; and innovative enhancements projects to the educational program and climate of the school.

ADULT EDUCATION

(Adult Education Act, Part B)

To improve educational opportunities for adults and to encourage the establishment of adult education 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.

TITLE II - EISENHOWER MATHEMATICS AND SCIENCE EDUCATION STATE GRANTS

(Elementary and Secondary Education Act of 1965, Title II)

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

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

SPECIAL REVENUE FUNDS (Continued)

SCHOOL FOOD SERVICE

(National School Food Service Program (National School Lunch Act of 1946)
(School Breakfast Program (Child Nutrition Act of 1966)
(Food Distribution (Commodities) (National School Lunch Act of 1946 and
Nutrition Act of 1966)

To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

PARISH-WIDE MAINTENANCE

The Parish-Wide Maintenance Fund accounts for the proceeds of a specific parish-wide ad valorem tax to be used for maintenance and upkeep of school facilities.

RUSTON SCHOOL DISTRICT NO. 1
MAINTENANCE AND OPERATION

The Ruston School District No. 1 Maintenance and Operation Fund accounts for the proceeds of a 3-mil Ruston School District ad valorem tax to be used for the utilities of the schools in the district.

SIMSBORO SCHOOL DISTRICT NO. 3
MAINTENANCE AND OPERATION

The Simsboro School District No. 3 Maintenance and Operation Fund accounts for the proceeds of a 3-mil Simsboro School District ad valorem tax to be used for the utilities of the schools in the district.

DUBACH SCHOOL DISTRICT NO. 5
MAINTENANCE AND OPERATION

The Dubach School District No. 5 Maintenance and Operation Fund accounts for the proceeds of a 3-mil Dubach School District ad valorem tax to be used for maintaining and operating the school facilities in the district including the payment of the cost of the utilities.

SPECIAL PROGRAMS

The Special Programs Fund accounts for various federal and state grants to the School Board. All of the grants are restricted for special purposes.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

SPECIAL REVENUE FUNDS (Concluded)

TITLE IV - DRUG-FREE

(Drug-Free Schools and Communities Act of 1966, Title V and Elementary and Secondary Education Act)

To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 1996

	TITLE I	TITLE VI	ADULT EDUCATION	TITLE II	SCHOOL FOOD SERVICE
ASSETS					
Cash	\$ 47,512	\$ 0	\$ 0	\$ 128	\$ 656,035
Receivables	41,060	1,175	10,595	1,505	0
Deposit	0	0	0	0	0
Inventory	0	0	0	0	43,628
TOTAL ASSETS	\$ 88,572	\$ 1,175	\$ 10,595	\$ 1,633	\$ 699,663
LIABILITIES AND EQUITY					
Liabilities:					
Accounts, salaries and other payables	\$ 83,184	\$ 0	\$ 4,172	\$ 1,633	\$ 125,022
Due to other funds	5,388	1,175	6,423	0	0
Deferred revenues	0	0	0	0	18,105
Total Liabilities	\$ 88,572	\$ 1,175	\$ 10,595	\$ 1,633	\$ 143,127
Equity					
Fund balances:					
Reserved for inventory	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,628
Unreserved and undesignated	0	0	0	0	512,908
Total Equity	\$ 0	\$ 0	\$ 0	\$ 0	\$ 556,536
TOTAL LIABILITIES AND EQUITY	\$ 88,572	\$ 1,175	\$ 10,595	\$ 1,633	\$ 699,663

SCHOOL DISTRICTS

<u>PARISHWIDE MAINTENANCE</u>	<u>RUSTON NO. 1 MAINTENANCE & OPERATION</u>	<u>SIMBSORO NO 3 MAINTENANCE & OPERATION</u>	<u>DUBACH NO. 5 MAINTENANCE & OPERATION</u>	<u>SPECIAL PROGRAMS</u>	<u>TITLE IV (DRUG FREE)</u>	<u>TOTAL</u>
\$ 350,823	\$ 31,598	\$ 24,649	\$ 34,018	0 \$	0 \$	1,144,763
8,184	3,824	680	116	91,313	12,241	170,693
2,500	0	0	0	0	0	2,500
0	0	0	0	0	0	43,628
<u>\$ 361,507</u>	<u>\$ 35,422</u>	<u>\$ 25,329</u>	<u>\$ 34,134</u>	<u>\$ 91,313</u>	<u>\$ 12,241</u>	<u>\$ 1,361,584</u>
\$ 15,606	\$ 5,755	\$ 3,649	\$ 3,133	\$ 34,116	\$ 11,789	288,059
0	0	0	0	27,316	452	40,754
0	0	0	0	0	0	18,105
<u>\$ 15,606</u>	<u>\$ 5,755</u>	<u>\$ 3,649</u>	<u>\$ 3,133</u>	<u>\$ 61,432</u>	<u>\$ 12,241</u>	<u>\$ 346,918</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	43,628
345,901	29,667	21,680	31,001	29,881	0	971,038
<u>\$ 345,901</u>	<u>\$ 29,667</u>	<u>\$ 21,680</u>	<u>\$ 31,001</u>	<u>\$ 29,881</u>	<u>\$ 0</u>	<u>\$ 1,014,666</u>
<u>\$ 361,507</u>	<u>\$ 35,422</u>	<u>\$ 25,329</u>	<u>\$ 34,134</u>	<u>\$ 91,313</u>	<u>\$ 12,241</u>	<u>\$ 1,361,584</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996

	TITLE I	TITLE VI	ADULT EDUCATION	TITLE II	SCHOOL FOOD SERVICE
REVENUES					
Local sources:					
Taxes:					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	0
Interest earnings	0	0	0	0	31,047
Food service	0	0	0	0	384,354
Other	0	0	0	0	0
State sources:					
Equalization	0	0	0	0	348,519
Other	0	0	25,724	0	0
Federal sources:					
	1,358,230	35,751	23,610	24,609	1,387,506
 Total Revenues	 \$ 1,358,230	 \$ 35,751	 \$ 49,334	 \$ 24,609	 \$ 2,151,426
 EXPENDITURES					
Current:					
Instruction:					
Special Programs	\$ 912,938	\$ 35,701	\$ 0	\$ 24,534	0
Other instructional programs	0	0	46,958	0	0
Support services:					
Instructional staff support	268,055	0	1,726	0	0
General administration	20,836	50	650	75	0
Plant services	48,825	0	0	0	0
Student transportation services	0	0	0	0	0
Food services	0	0	0	0	2,034,842
Facilities acquisition and construction					
	107,576	0	0	0	0
 Total Expenditures	 \$ 1,358,230	 \$ 35,751	 \$ 49,334	 \$ 24,609	 \$ 2,034,842
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 0	 \$ 0	 \$ 0	 \$ 0	 116,584

Schedule 10

PARISHWIDE MAINTENANCE	SCHOOL DISTRICTS			SPECIAL PROGRAMS	TITLE IV (DRUG FREE)	TOTAL
	RUSTON NO. 1 MAINTENANCE & OPERATION	SIMSBORO NO 3 MAINTENANCE & OPERATION	DUBACH NO. 5 MAINTENANCE & OPERATION			
\$ 584,514	\$ 227,142	\$ 34,207	\$ 62,588	\$ 0	\$ 0	908,451
17,252	3,070	1,689	1,120	0	0	54,178
0	0	0	0	0	0	384,354
46,428	0	0	0	25,115	0	71,543
0	0	0	0	0	0	348,519
98,298	0	0	0	184,351	0	308,373
0	0	0	0	345,426	36,226	3,211,358
<u>\$ 746,492</u>	<u>\$ 230,212</u>	<u>\$ 35,896</u>	<u>\$ 63,708</u>	<u>\$ 554,892</u>	<u>\$ 36,226</u>	<u>\$ 5,286,776</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 263,395	\$ 0	1,236,568
0	0	0	0	245,089	0	292,047
0	0	0	0	0	36,226	306,007
18,057	7,117	1,033	1,893	261	0	49,972
510,918	220,189	44,004	44,284	0	0	868,220
160,660	0	0	0	1,280	0	161,940
0	0	0	0	0	0	2,034,842
93,028	0	0	0	0	0	200,604
<u>\$ 782,663</u>	<u>\$ 227,306</u>	<u>\$ 45,037</u>	<u>\$ 46,177</u>	<u>\$ 510,025</u>	<u>\$ 36,226</u>	<u>\$ 5,150,200</u>
\$ (36,171)	\$ 2,906	\$ (9,141)	\$ 17,531	\$ 44,867	\$ 0	136,576

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>ADULT EDUCATION</u>	<u>TITLE II</u>	<u>SCHOOL FOOD SERVICE</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of fixed assets	\$ 0	\$ 0	\$ 0	\$ 0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 0	\$ 0	\$ 0	0	116,584
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>439,952</u>
FUND BALANCES AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>556,536</u>

Schedule 10

PARISHWIDE MAINTENANCE	SCHOOL DISTRICTS			SPECIAL PROGRAMS	(TITLE IV) DRUG FREE	TOTAL
	RUSTON NO. 1 MAINTENANCE & OPERATION	SIMSBORO NO 3 MAINTENANCE & OPERATION	DUBACH NO. 5 MAINTENANCE & OPERATION			
\$ 555	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 555
\$ 555	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 555
\$ (35,616)	\$ 2,906	\$ (9,141)	\$ 17,531	\$ 44,867	\$ 0	\$ 137,131
381,517	26,761	30,821	13,470	(14,986)	0	877,535
\$ 345,901	\$ 29,667	\$ 21,680	\$ 31,001	\$ 29,881	\$ 0	\$ 1,014,666

(CONCLUDED)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
TITLE I

Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 11

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources:	\$ 1,496,461	\$ 1,358,230	\$ (138,231)
Total Revenues	<u>\$ 1,496,461</u>	<u>\$ 1,358,230</u>	<u>\$ (138,231)</u>
EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 1,033,468	\$ 912,938	\$ 120,530
Support services:			
Instructional staff support	303,226	268,055	35,171
General administration	24,265	20,836	3,429
Plant services	84,001	48,825	35,176
Facilities acquisition and construction	<u>51,501</u>	<u>107,576</u>	<u>(56,075)</u>
Total Expenditures	<u>\$ 1,496,461</u>	<u>\$ 1,358,230</u>	<u>\$ 138,231</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
TITLE VI
Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 12

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 45,156	\$ 35,751	\$ (9,405)
 Total Revenues	 \$ 45,156	 \$ 35,751	 \$ (9,405)
 EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 44,789	\$ 35,701	\$ 9,088
Support services:			
General administration	<u>367</u>	<u>50</u>	<u>317</u>
 Total Expenditures	 \$ 45,156	 \$ 35,751	 \$ 9,405
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 0	 \$ 0	 0
 FUND BALANCE AT BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>0</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
ADULT EDUCATION
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 13

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources:			
Other	\$ 29,511	\$ 25,724	(3,787)
Federal sources:	<u>18,756</u>	<u>23,610</u>	<u>4,854</u>
Total Revenues	<u>\$ 48,267</u>	<u>\$ 49,334</u>	<u>1,067</u>
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	\$ 44,878	\$ 46,958	(2,080)
Support services:			
Instructional staff support	3,188	1,726	1,462
General administration	<u>201</u>	<u>650</u>	<u>(449)</u>
Total Expenditures	<u>\$ 48,267</u>	<u>\$ 49,334</u>	<u>(1,067)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
TITLE II
Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 14

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 30,097	\$ 24,609	\$ (5,488)
Total Revenues	\$ 30,097	\$ 24,609	\$ (5,488)
EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 29,469	\$ 24,534	\$ 4,935
Support services:			
General administration	628	75	553
Total Expenditures	\$ 30,097	\$ 24,609	\$ 5,488
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
SCHOOL FOOD SERVICE
Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual **Schedule 15**
For the Year Ended June 30, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Interest earnings	\$ 20,000	\$ 31,047	\$ 11,047
Food service	397,760	384,354	(13,406)
State sources:			
Equalization	350,339	348,519	(1,820)
Federal sources:	<u>1,357,400</u>	<u>1,387,506</u>	<u>30,106</u>
 Total Revenues	 <u>\$ 2,125,499</u>	 <u>\$ 2,151,426</u>	 <u>\$ 25,927</u>
 EXPENDITURES			
Current:			
Food services	<u>2,174,400</u>	<u>2,034,842</u>	<u>139,558</u>
 Total Expenditures	 <u>\$ 2,174,400</u>	 <u>\$ 2,034,842</u>	 <u>\$ 139,558</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (48,901)</u>	 <u>\$ 116,584</u>	 <u>\$ 165,485</u>
 FUND BALANCE AT BEGINNING OF YEAR	 <u>448,305</u>	 <u>439,952</u>	 <u>(8,353)</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 399,404</u>	 <u>\$ 556,536</u>	 <u>\$ 157,132</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
PARISHWIDE MAINTENANCE
Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 16

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 570,100	\$ 584,514	\$ 14,414
Interest earnings	10,000	17,252	7,252
Other	34,150	46,428	12,278
State sources:			
Other	96,000	98,298	2,298
Federal sources:			
	900	0	(900)
 Total Revenues	\$ 711,150	\$ 746,492	\$ 35,342
 EXPENDITURES			
Current:			
Support services:			
General administration	\$ 19,000	\$ 18,057	\$ 943
Plant services	498,050	510,918	(12,868)
Student transportation services	199,300	160,660	38,640
Facilities acquisition and construction	58,500	93,028	(34,528)
 Total Expenditures	\$ 774,850	\$ 782,663	\$ (7,813)
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (63,700)	\$ (36,171)	\$ 27,529
 OTHER FINANCING SOURCES (USES)			
Proceeds from sale of fixed assets	\$ 600	\$ 555	\$ (45)
 Total Other Financing Sources (Uses)	\$ 600	\$ 555	\$ (45)
 EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (63,100)	\$ (35,616)	\$ 27,574
 FUND BALANCE AT BEGINNING OF YEAR	381,517	381,517	0
 FUND BALANCE AT END OF YEAR	\$ 318,417	\$ 345,901	27,484

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
RUSTON NO. 1 MAINTENANCE AND OPERATION
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 17

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 233,000	\$ 227,142	\$ (5,858)
Interest earnings	3,000	3,070	70
Federal sources:	<u>550</u>	<u>0</u>	<u>(550)</u>
Total Revenues	<u>\$ 236,550</u>	<u>\$ 230,212</u>	<u>\$ (6,338)</u>
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 7,200	\$ 7,117	83
Plant services	<u>224,600</u>	<u>220,189</u>	<u>4,411</u>
Total Expenditures	<u>\$ 231,800</u>	<u>\$ 227,306</u>	<u>\$ 4,494</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 4,750	\$ 2,906	(1,844)
FUND BALANCE AT BEGINNING OF YEAR	<u>26,761</u>	<u>26,761</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 31,511</u>	<u>\$ 29,667</u>	<u>(1,844)</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
SIMSBORO NO. 3 MAINTENANCE AND OPERATION
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 18

VARIANCE
FAVORABLE
(UNFAVORABLE)

	BUDGET	ACTUAL	VARIANCE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 38,000	\$ 34,207	\$ (3,793)
Interest earnings	1,300	1,689	389
	\$ 39,300	\$ 35,896	\$ (3,404)
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 1,200	\$ 1,033	\$ 167
Plant services	36,000	44,004	(8,004)
	\$ 37,200	\$ 45,037	\$ (7,837)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 2,100	\$ (9,141)	\$ (11,241)
FUND BALANCE AT BEGINNING OF YEAR	30,821	30,821	0
FUND BALANCE AT END OF YEAR	\$ 32,921	\$ 21,680	\$ (11,241)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
DUBACH NO. 5 MAINTENANCE AND OPERATION
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 19

VARIANCE
FAVORABLE
(UNFAVORABLE)

	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 60,000	\$ 62,588	2,588
Interest earnings	750	1,120	370
	\$ 60,750	\$ 63,708	2,958
EXPENDITURES			
Current:			
Support services:			
General administration	\$ 1,400	\$ 1,893	(493)
Plant services	56,500	44,284	12,216
	\$ 57,900	\$ 46,177	11,723
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 2,850	\$ 17,531	14,681
FUND BALANCE AT BEGINNING OF YEAR	13,470	13,470	0
FUND BALANCE AT END OF YEAR	\$ 16,320	\$ 31,001	\$ 14,681

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
SPECIAL PROGRAMS
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 20

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES			
Local sources:			
Other	\$ 0	\$ 25,115	\$ 25,115
State sources:			
Other	162,856	184,351	21,495
Federal sources:	<u>283,489</u>	<u>345,426</u>	<u>61,937</u>
 Total Revenues	 <u>\$ 446,345</u>	 <u>\$ 554,892</u>	 <u>\$ 108,547</u>
 EXPENDITURES			
Current:			
Instruction:			
Special programs	\$ 299,347	\$ 263,395	\$ 35,952
Other instructional programs	142,883	245,089	(102,206)
Support services:			
General administration	4,115	261	3,854
Student transportation services	<u>0</u>	<u>1,280</u>	<u>(1,280)</u>
 Total Expenditures	 <u>\$ 446,345</u>	 <u>\$ 510,025</u>	 <u>\$ (63,680)</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 0	 \$ 44,867	 \$ 44,867
 FUND BALANCE AT BEGINNING OF YEAR	 <u>0</u>	 <u>(14,986)</u>	 <u>(14,986)</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 0</u>	 <u>\$ 29,881</u>	 <u>\$ 29,881</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SPECIAL REVENUE FUNDS
TITLE IV (DRUG FREE)
Statement of Revenues, Expenditures
and Changes in Fund Balances- Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

Schedule 21

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 37,003	\$ 36,226	\$ (777)
 Total Revenues	 \$ 37,003	 \$ 36,226	 \$ (777)
 EXPENDITURES			
Current:			
Support services:			
Instructional staff support	\$ 36,231	\$ 36,226	\$ 5
General administration	772	0	772
 Total Expenditures	 \$ 37,003	 \$ 36,226	 \$ 777
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ 0	 \$ 0	 0
 FUND BALANCE AT BEGINNING OF YEAR	 0	 0	 0
 FUND BALANCE AT END OF YEAR	 \$ 0	 \$ 0	 0

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

DEBT SERVICE FUNDS

RUSTON SCHOOL DISTRICT NO. 1

SIMSBORO SCHOOL DISTRICT NO. 3

CHOUDRANT SCHOOL DISTRICT NO. 6

SERIES 1995 SINKING

The debt service funds are used to accumulate monies to pay outstanding bond issues and the Certificate of Indebtedness. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the legal boundaries of the respective school districts. The proceeds of the Certificate of Indebtedness funded the cost of a computer lab for the Title I program. The certificate repayment is being made by the Title I program over a three-year period which began in the 1995-1996 fiscal year.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 1996

Schedule 22

	SCHOOL DISTRICTS			SERIES	TOTAL
	RUSTON NO. 1	SIMSBORO NO. 3	DUBACH NO. 5	1995 SINKING	
ASSETS					
Cash	\$ 5,548	\$ 18,201	\$ 25,616	\$ 17,022	\$ 66,387
Investments	1,435,000	265,000	260,000	0	1,960,000
Receivables	21,461	3,712	3,392	0	28,565
Due from other funds	2,804	0	0	0	2,804
TOTAL ASSETS	\$ 1,464,813	\$ 286,913	\$ 289,008	\$ 17,022	\$ 2,057,756
LIABILITIES AND EQUITY					
Liabilities					
Due to other funds	\$ 0	\$ 0	\$ 2,804	\$ 0	\$ 2,804
Matured bonds	0	11,532	8,512	0	20,044
Total Liabilities	\$ 0	\$ 11,532	\$ 11,316	\$ 0	\$ 22,848
Equity					
Fund Balances:					
Reserved for debt service	\$ 1,464,813	\$ 275,381	\$ 277,692	\$ 17,022	\$ 2,034,908
Total Equity	\$ 1,464,813	\$ 275,381	\$ 277,692	\$ 17,022	\$ 2,034,908
TOTAL LIABILITIES AND EQUITY	\$ 1,464,813	\$ 286,913	\$ 289,008	\$ 17,022	\$ 2,057,756

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balances
For the Year Ended June 30, 1996

Schedule 23

	SCHOOL DISTRICTS			SERIES 1995 SINKING	TOTAL
	RUSTON NO. 1	SIMSBORO NO. 3	DUBACH NO. 5		
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 1,266,768	\$ 186,038	\$ 243,258	\$ 0	\$ 1,696,064
Interest earnings	80,488	16,116	13,488	0	110,092
Total Revenues	\$ 1,347,256	\$ 202,154	\$ 256,746	\$ 0	\$ 1,806,156
EXPENDITURES					
Current:					
General administration	\$ 39,671	\$ 5,615	\$ 7,425	\$ 0	\$ 52,711
Facilities acquisition and construction	0	0	0	193,327	193,327
Debt Service:					
Principal retirement	835,000	140,000	140,000	54,831	1,169,831
Interest and bank charges	670,943	95,894	106,633	10,309	883,779
Total Expenditures	\$ 1,545,614	\$ 241,509	\$ 254,058	\$ 258,467	\$ 2,299,648
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (198,358)	\$ (39,355)	\$ 2,688	\$ (258,467)	\$ (493,492)
OTHER FINANCING SOURCES (USES)					
Proceeds from certificate of indebtedness	\$ 0	\$ 0	\$ 0	\$ 275,489	\$ 275,489
TOTAL OTHER FINANCING SOURCES (USES)	\$ 0	\$ 0	\$ 0	\$ 275,489	\$ 275,489
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (198,358)	\$ (39,355)	\$ 2,688	\$ 17,022	\$ (218,003)
FUND BALANCES, AT BEGINNING OF YEAR	1,663,171	314,736	275,004	0	2,252,911
FUND BALANCES, AT END OF YEAR	\$ 1,464,813	\$ 275,381	\$ 277,692	\$ 17,022	\$ 2,034,908

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the accumulation of resources for and the payment of benefits by the School Board's risk retention programs. The School Board maintains the following risk retention funds:

Workers' Compensation -- This fund, which began in fiscal year 1991, is used to account for the payment of workers' compensation benefits. Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of risk retention amounts; (2) estimated claim losses resulting from risk retention programs which include estimated liabilities for claims incurred but not yet reported at year end, and (3) operating expenses.

Group Health Insurance -- Monies in this fund are received from three sources: employee deductions from payroll, 1967 Sales Tax Fund and the State of Louisiana. Monies are used to pay employee health insurance claims, the administrative cost to the insurance administrator for administration of the plan and processing medical claims, cost of excess and specific insurance to protect the fund from exposure to large claims, hospital pre-certification, and life insurance with an insurance carrier.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Combining Balance Sheet
June 30, 1996

Schedule 24

	<u>WORKER'S COMPENSATION</u>	<u>GROUP HEALTH INSURANCE</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 124,119	\$ 104,413	\$ 228,532
Receivables	<u>0</u>	<u>5,357</u>	<u>5,357</u>
TOTAL ASSETS	<u>\$ 124,119</u>	<u>\$ 109,770</u>	<u>\$ 233,889</u>
 LIABILITIES AND EQUITY			
Liabilities:			
Accounts payable	<u>\$ 14,379</u>	<u>\$ 263,453</u>	<u>\$ 277,832</u>
Equity:			
Retained Earnings (Deficit)	\$ 0	\$ (153,683)	\$ (153,683)
Retained Deficit:			
Reserved for future claims	<u>109,740</u>	<u>0</u>	<u>109,740</u>
TOTAL EQUITY	<u>\$ 109,740</u>	<u>\$ (153,683)</u>	<u>\$ (43,943)</u>
 TOTAL LIABILITIES AND EQUITY	 <u>\$ 124,119</u>	 <u>\$ 109,770</u>	 <u>\$ 233,889</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Schedule 25

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Combining Statement of Revenues, Expenses,
and Changes in Retained Earnings (Deficit)
For the Year Ended June 30, 1996

	<u>WORKERS'</u> <u>COMPENSATION</u>	<u>GROUP</u> <u>HEALTH</u> <u>INSURANCE</u>	<u>TOTAL</u>
OPERATING REVENUE			
Premiums	\$ 98	\$ 3,448,879	\$ 3,448,977
OPERATING EXPENSES			
Administration	\$ 147	\$ 118,404	\$ 118,551
Insurance Premiums	0	385,613	385,613
Claims	44,499	3,180,545	3,225,044
Total operating expenses	\$ 44,646	\$ 3,684,562	\$ 3,729,208
Operating income (loss)	(44,548)	(235,683)	(280,231)
NONOPERATING REVENUES			
Earnings on investments	2,841	7,423	10,264
Net income (loss)	\$ (41,707)	\$ (228,260)	\$ (269,967)
RETAINED EARNINGS AT BEGINNING OF YEAR	\$ 151,447	\$ 74,577	\$ 226,024
RETAINED EARNINGS (Deficit) AT END OF YEAR	\$ 109,740	\$ (153,683)	\$ (43,943)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Schedule 26

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Combining Statement of Cash Flows
For the Year Ended June 30, 1996

	<u>WORKERS'</u>	<u>GROUP</u>	<u>TOTAL</u>
	<u>COMPENSATION</u>	<u>HEALTH</u>	<u>INSURANCE</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (44,548)	\$ (235,683)	\$ (280,231)
Adjustments to reconcile operating income to net cash provided (used) for operating activities			
Increase (decrease) in payable	3,426	22,162	25,588
(Increase) decrease in receivable	<u>0</u>	<u>4,806</u>	<u>4,806</u>
 Net cash provided (used) for operating activities	 \$ (41,122)	 \$ (208,715)	 \$ (249,837)
 CASH FLOW FROM INVESTING ACTIVITIES			
(Increase) decrease in investments	\$ 69,401	\$ 257,715	\$ 327,116
Earnings on investments	<u>2,841</u>	<u>7,423</u>	<u>10,264</u>
 Net cash provided (used) by investing activities	 \$ 72,242	 \$ 265,138	 \$ 337,380
 Net increase (decrease) in cash and cash equivalents	 \$ 31,120	 \$ 56,423	 \$ 87,543
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>92,999</u>	 <u>47,990</u>	 <u>140,989</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <u>\$ 124,119</u>	 <u>\$ 104,413</u>	 <u>\$ 228,532</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

AGENCY FUNDS

SCHOOL ACTIVITY AGENCY FUND

The activities of the various individual school accounts are accounted for in the School Activity 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.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Schedule 27

SCHOOL ACTIVITY AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 1996

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Choudrant Elementary	\$ 6,407	\$ 27,797	\$ 25,688	\$ 8,516
Choudrant High School	9,399	119,511	120,316	8,594
Cypress Springs Elementary	9,414	70,627	65,431	14,610
Dubach High School	23,735	63,638	58,177	29,196
Glen View Elementary	15,495	44,134	38,066	21,563
Hico Elementary	5,043	24,890	17,903	12,030
Hillcrest Elementary	10,520	29,371	32,514	7,377
I. A. Lewis School	5,502	44,067	39,390	10,179
Lincoln Center	1,139	6,378	5,333	2,184
Ruston Elementary	23,618	30,627	26,103	28,142
Ruston High School	107,385	475,226	506,352	76,259
Ruston Junior High	27,902	192,044	193,649	26,297
Simsboro High	<u>31,444</u>	<u>121,662</u>	<u>123,361</u>	<u>29,745</u>
Total	<u>\$ 277,003</u>	<u>\$ 1,249,972</u>	<u>\$ 1,252,283</u>	<u>\$ 274,692</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group records the fixed assets of the School Board which are used in governmental fund-type organizations.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SCHEDULE OF GENERAL FIXED ASSETS -
BY SOURCE
June 30, 1996

Schedule 28

GENERAL FIXED ASSETS:

Land	\$	360,835
Buildings		27,267,215
Improvements Other Than Buildings		84,322
Furniture and Equipment		5,034,495
Vehicles		<u>1,810,310</u>

TOTAL GENERAL FIXED ASSETS

\$ 34,557,177

INVESTMENT IN GENERAL FIXED ASSETS:

From Capital Projects Funds	\$	25,118,725
From General Fund		6,847,169
From Special Education Fund		269,366
From Federal Funds		1,207,791
From Vocational Education Funds		566,627
From School Food Service Fund		<u>547,499</u>

TOTAL INVESTMENT IN GENERAL FIXED ASSETS

\$ 34,557,177

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**SCHEDULE OF GENERAL FIXED ASSETS -
BY FUNCTION**

June 30, 1996

<u>FUNCTION</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>
<u>Instructional</u>			
Regular	\$ 27,626,695	\$ 349,525	\$ 25,404,603
Special	<u>1,296,852</u>		<u>513,863</u>
Total Instructional	\$ <u>28,923,547</u>	\$ <u>349,525</u>	\$ <u>25,918,466</u>
<u>Supporting Services</u>			
Pupil Support	1,240,738		710,304
Instructional Staff	113,560		
General Administration	147,965		
School Administration	328,500		
Business and Central Services	1,156,366	11,310	526,795
Operation and maintenance	523,958		111,650
Student Transportation	1,571,220		
Food Service Operations	<u>551,323</u>		
Total Support Services	\$ <u>5,633,630</u>	\$ <u>11,310</u>	\$ <u>1,348,749</u>
TOTAL GENERAL FIXED ASSETS	\$ <u>34,557,177</u>	\$ <u>360,835</u>	\$ <u>27,267,215</u>

Schedule 29

<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>FURNITURE AND EQUIPMENT</u>	<u>VEHICLES</u>
\$ 19,990	\$ 1,852,577	
	<u>747,305</u>	<u>35,684</u>
<u>\$ 19,990</u>	<u>\$ 2,599,882</u>	<u>\$ 35,684</u>
60,142	470,292	
	113,560	
	131,197	16,768
	328,500	
	618,261	
	221,480	190,828
4,190		1,567,030
	<u>551,323</u>	
<u>\$ 64,332</u>	<u>\$ 2,434,613</u>	<u>\$ 1,774,626</u>
<u>\$ 84,322</u>	<u>\$ 5,034,495</u>	<u>\$ 1,810,310</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS -
BY FUNCTION**

Schedule 30

For the Year Ended June 30, 1996

<u>FUNCTION</u>	<u>BALANCE</u> <u>JULY 1, 1995</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 1996</u>
<u>Instructional</u>				
Regular	\$ 27,454,208	\$ 220,351	\$ 47,864	\$ 27,626,695
Special	<u>1,273,854</u>	<u>22,998</u>	<u> </u>	<u>1,296,852</u>
Total Instructional	<u>\$ 28,728,062</u>	<u>\$ 243,349</u>	<u>\$ 47,864</u>	<u>\$ 28,923,547</u>
<u>Supporting services</u>				
Pupil Support	\$ 1,184,123	\$ 56,615	\$	\$ 1,240,738
Instructional Staff	113,560			113,560
General Administration	144,887	10,763	7,685	147,965
School Administration	323,210	5,290		328,500
Business & Central Services	1,156,366			1,156,366
Operation & Maintenance	397,342	126,616		523,958
Student Transportation	1,418,286	156,234	3,300	1,571,220
Food Service Operations	<u>507,253</u>	<u>44,070</u>	<u> </u>	<u>551,323</u>
Total Supporting Services	<u>\$ 5,245,027</u>	<u>\$ 399,588</u>	<u>\$ 10,985</u>	<u>\$ 5,633,630</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 33,973,089</u>	<u>\$ 642,937</u>	<u>\$ 58,849</u>	<u>\$ 34,557,177</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-Term Obligation Account Group represents a summary of the general long-term debt of the Board.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Schedule 31

SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the Year Ended June 30, 1996

	<u>July 1, 1995</u>	<u>Additions</u>	<u>Payments</u>	<u>Debt Service Fund Operations</u>	<u>June 30, 1996</u>
Amount available in Debt Service Fund \$	2,252,912		\$	\$ (218,004)	2,034,908
Amount to be provided for retirement of notes payable		265,000	54,831		210,169
Amount to be provided for retirement of bonds payable	12,977,088		1,115,000	218,004	12,080,092
Amount to be provided for retirement of capital leases payable	527,694		70,540		457,154
Amount to be provided for accrued compensated absences	<u>998,452</u>	<u>307,785</u>	<u>23,669</u>		<u>1,282,568</u>
	<u>\$ 16,756,146</u>	<u>\$ 572,785</u>	<u>\$ 1,264,040</u>	<u>\$ 0</u>	<u>\$ 16,064,891</u>
Long-term debt payable:					
General obligation notes payable	\$	\$ 265,000	\$ 54,831		\$ 210,169
General obligation bonds payable	15,230,000		1,115,000		14,115,000
Capital leases payable	527,694		70,540		457,154
Compensated absences payable	<u>998,452</u>	<u>307,785</u>	<u>23,669</u>		<u>1,282,568</u>
	<u>\$ 16,756,146</u>	<u>\$ 572,785</u>	<u>\$ 1,264,040</u>	<u>\$ 0</u>	<u>\$ 16,064,891</u>

LINCOLN PARISH SCHOOL BOARD
Ruston , Louisiana

**GENERAL FUND
EXPENDITURES BY FUNCTION**
Last Ten Fiscal Years

<u>FISCAL YEAR</u>	<u>TOTAL</u>	<u>INSTRUCTION</u>	<u>STUDENT SERVICES</u>	<u>INSTRUCTIONAL STAFF SUPPORT</u>	<u>GENERAL ADMINISTRATION</u>
1996	\$ 24,897,833	\$ 17,311,059	\$ 691,758	\$ 1,039,351	\$ 448,645
1995	24,088,012	16,810,357	678,234	940,452	651,552
1994	23,074,036	15,699,971	601,926	937,417	421,750
1993	19,994,855	14,073,082	611,163	850,302	263,246
1992 (2)	21,543,711	14,792,300	676,731	735,436	440,330
1991	20,024,718	10,660,624	408,790	601,708	4,820,103
1990	18,789,180	9,672,378	405,885	538,242	4,930,663
1989	16,494,562	8,509,308	394,725	561,874	3,584,592
1988	16,023,824	7,644,748	399,972	425,938	3,578,827
1987	15,408,083	7,637,819	441,417	506,282	3,395,707 (1)

NOTES:

(1) Includes State Contribution for School Employee's Retirement System for 1987 and the years following.

(2) Beginning in Fiscal Year 1991-1992 employee benefits were distributed by function. Previously the amounts were included in General Administration.

Table a

SUPPORTING SERVICES					FACILITY ACQUISITION AND CONSTRUCTION
SCHOOL ADMINISTRATION	BUSINESS SERVICES	PLANT SERVICES	STUDENT TRANSPORTATION SERVICES	MISCELLANEOUS	
\$ 1,617,404	\$ 306,560	\$ 1,207,439	\$ 1,781,187	\$ 356,385	\$ 138,045
1,641,970	271,368	1,108,039	1,738,178	247,862	
1,642,278	307,038	1,026,099	1,558,387	241,355	637,815
1,394,066	267,768	920,330	1,419,663	195,235	
1,353,406	252,336	1,163,747	1,686,232	415,902	27,291
980,182	203,747	851,077	1,340,515	112,674	45,298
892,393	165,751	792,671	1,269,237	112,033	9,927
820,009	164,641	1,076,664	1,175,472	109,119	98,158
766,694	240,669	1,011,838	1,183,888	81,069	690,181
703,597	400,886	1,034,302	1,185,138	102,935	

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

GENERAL FUND REVENUE BY SOURCE
Last Ten Fiscal Years

FISCAL YEAR	TOTAL REVENUE	LOCAL SOURCES			TOTAL
		AD VALOREM TAX	SALES TAX	OTHER	
1996	\$ 25,500,428	\$ 2,619,826	\$ 6,110,643	\$ 777,706	\$ 9,508,175
1995	24,936,222	2,566,073	5,669,099	342,500	8,577,672
1994	23,122,077	2,255,271	4,851,024	219,544	7,325,839
1993	20,408,353	1,027,288	2,872,598	459,202	4,359,088
1992	20,754,770	1,065,711	2,797,624	280,775	4,144,110
1991	19,498,307	954,601	2,730,955	398,911	4,084,467
1990	19,084,596	943,671	2,591,806	405,679	3,941,156
1989	16,515,472	917,563	2,434,763	357,355	3,709,681
1988	15,472,229	903,640	2,325,898	274,200	3,503,738
1987	14,777,019	859,233	2,433,506	283,271	3,576,010

Table b

<u>STATE</u> <u>SOURCES</u>	<u>FEDERAL</u> <u>SOURCES</u>
\$ 15,865,049	\$ 127,204
16,316,310	42,240
15,750,376	45,862
16,016,433	32,832
16,307,890	302,770
15,074,430	339,410
14,764,172	379,268
12,571,227	234,564
11,760,170	208,321
10,987,226	213,783

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPERTY TAX LEVIES
Last Ten Calendar Years

	1996		1995		1994		1993	
	TAX RATES (Mills)	TAX (1) LEVIES (Total Taxes)	TAX RATES (Mills)	TAX (1) LEVIES (Total Taxes)	TAX RATES (Mills)	TAX (1) LEVIES (Total Taxes)	TAX RATES (Mills)	TAX (1) LEVIES (Total Taxes)
Constitutional School Tax (2)	4.95	\$762,207	4.95	\$738,197	4.95	\$682,804	4.95	\$670,476
Special School Tax (2)	5.10	785,304	5.10	760,567	5.10	703,495	5.10	690,793
Five Mill Maintenance School Tax (2)	5.10	785,304	5.10	760,567	5.10	703,495	5.10	690,793
1993 Ad Valorem Tax	12.00	1,847,774	12.00	1,789,569	12.00	1,655,283		
Ruston School District No. 1 Maintenance & Operation	3.05	320,946	3.05	320,453	3.05	299,038	3.05	292,848
Simsboro School District No. 3 Maintenance & Operation	2.98	41,579	2.98	46,662	2.98	41,570	2.98	40,665
Dubach School District No. 5 Maintenance & Operation	2.86	69,926	2.86	52,049	2.86	46,216	2.86	46,756
Debt Service Taxes								
Ruston School District No. 1	17.00	1,788,780	20.00	2,101,221	23.50	2,303,966	23.50	2,256,270
Simsboro School District No. 3	16.20	226,030	18.00	281,847	22.00	306,884	22.00	300,208
Choudrant School District No. 6	45.00	397,042	58.00	493,393	62.00	519,517	62.00	499,753
TOTALS	114.24	\$7,024,892	132.04	\$7,344,525	143.54	\$7,262,268	131.54	\$5,488,562

NOTES:

(1) Tax Levies (Total Taxes) represent the grand total of all taxes upon assessed valuation of property at applicable millage rates and includes the total tax on amount of homestead exemptions.

(2) Actual Constitutional, Special School Tax Revenue differ from Tax Levies (Total Taxes) principally due to the amount of tax exempted through the homestead exemption on assessed evaluation. Part of this difference is received by the Board through Revenue Sharing from State.

Table c

1992		1991		1990		1989		1988		1987	
TAX RATES (Mills)	TAX (1) LEVIES (Total Taxes)										
5.06	\$655,744	5.06	\$633,743	5.06	\$630,922	5.06	\$613,163	4.85	\$594,202	4.85	\$580,741
5.22	676,479	5.22	653,782	5.22	650,872	5.22	632,552	5.01	613,804	5.01	599,899
5.22	676,479	5.22	653,782	5.22	650,872	5.22	632,552	5.01	613,804	5.01	599,899
3.09	283,544	3.09	276,125	3.09	272,034	3.09	258,036	2.96	246,036	2.96	242,822
3.14	64,198	3.14	37,326	3.14	35,827	3.14	35,586	3.00	35,243	3.00	33,075
3.00	47,586	3.00	44,686	3.00	46,326						
23.50	2,156,404	25.00	2,233,956	26.50	2,332,975	29.50	2,463,448	32.00	2,659,846	32.00	2,625,107
31.50	399,652	29.00	344,734	27.00	308,063	27.00	305,996	25.00	293,693	25.00	275,623
62.00	472,641	45.00	339,020	40.00	322,308	40.00	306,070	30.00	234,207	30.00	231,857
<u>141.73</u>	<u>\$5,432,727</u>	<u>123.73</u>	<u>\$5,217,154</u>	<u>118.23</u>	<u>\$5,250,199</u>	<u>118.23</u>	<u>\$5,247,403</u>	<u>107.83</u>	<u>\$5,290,835</u>	<u>107.83</u>	<u>\$5,189,023</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Calendar Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections
1996	\$ 5,234,683	\$ 5,025,457	96.00%	\$ 8,443
1995	5,521,588	5,309,397	96.16%	107,271
1994	5,390,434	5,372,866	99.67%	4,335
1993	4,060,402	4,017,162	98.94%	25,743
1992	3,999,882	3,947,111	98.68%	22,090
1991	3,840,452	3,756,185	97.81%	35,335
1990	3,863,095	3,783,767	97.95%	5,936
1989	3,815,747	3,750,479	98.29%	5,357
1988	3,882,045	3,829,736	98.65%	14,453
1987	3,801,572	3,673,858	96.64%	8,339

Table d

Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
\$ 5,033,900	96.16%	\$ 316,897	6.05%
5,416,668	98.10%	211,130	3.82%
5,377,201	99.75%	144,239	2.68%
4,042,905	99.57%	93,636	2.31%
3,969,201	99.23%	128,971	3.22%
3,791,520	98.73%	Not Available	
3,789,703	98.10%	Not Available	
3,755,836	98.43%	Not Available	
3,844,189	99.02%	Not Available	
3,682,197	96.86%	Not Available	

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY (1) (3)
Last Ten Calendar Years

Year	Real Property (2)		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	\$ 103,375,050	\$ 809,475,943	\$ 50,606,120	\$ 315,611,893
1994	96,011,410	757,632,347	53,119,350	313,148,013
1993	93,821,850	725,476,367	44,118,360	271,139,520
1992	89,931,070	696,731,020	45,518,540	276,212,907
1991	86,492,220	669,310,477	43,101,430	256,584,893
1990	87,031,340	665,348,463	38,214,090	234,242,360
1989	85,003,130	646,667,163	39,684,950	239,065,800
1988	80,805,303	614,673,870	40,373,450	242,628,813
1987	80,171,220	604,096,697	42,344,580	254,213,467
1986	77,719,770	586,559,673	42,020,610	257,725,267

NOTES:

(1) Total assessed value is 10% to 25% of estimated actual value.

(2) Homestead exemption is \$75,000 estimated actual value (\$7,500 assessed value) per household.

(3) Source: Lincoln Parish Tax Assessors Grand Recapitulation

Table e

Exemptions Real Property	Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed Value To Total Estimated Actual Value
\$ 34,089,270	\$ 119,891,900	\$ 1,125,087,836	10.66%
35,288,800	113,841,960	1,070,780,360	10.63%
34,089,270	103,850,940	996,615,887	10.42%
33,315,340	102,134,270	972,943,927	10.50%
32,115,700	97,477,950	925,895,370	10.53%
31,748,280	93,497,150	899,590,823	10.39%
31,576,970	93,111,110	885,732,963	10.51%
31,104,540	90,074,213	857,302,683	10.51%
30,466,870	92,048,930	858,310,164	10.72%
30,014,660	89,725,720	844,284,940	10.63%

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PROPERTY TAX MILLAGE RATES - ALL OVERLAPPING GOVERNMENTS(1)
(PER \$1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years

YEAR	LINCOLN PARISH SCHOOL BOARD					TOTAL	PARISH	MAINTENANCE
	GENERAL FUND	FIVE MILL MAINTENANCE FUND	DEBT SERVICE FUND	PARISHWIDE M & O FUND	MAINTENANCE & OPERATION FUND			
1996	10.05	5.10	78.20	12.00	8.89	114.24	4.80	4.38
1995	10.05	5.10	96.00	12.00	8.89	132.04	4.80	4.38
1994	10.05	5.10	107.50	12.00	8.89	143.54	4.80	4.38
1993	10.05	5.10	107.50		8.89	131.54	4.80	4.38
1992	10.28	5.22	117.00		9.23	141.73	4.80	4.38
1991	10.28	5.22	99.00		9.23	123.73	4.91	4.48
1990	10.28	5.22	93.50		9.23	118.23	4.91	4.48
1989	10.28	5.22	96.50		6.23	118.23	4.91	4.48
1988	9.86	5.01	87.00		5.96	107.83	4.91	4.48
1987	9.86	5.01	87.00		5.96	107.83	4.70	4.29

NOTES:

(1) All information obtained from Legislative Auditors Taxes Itemized Statements except for cities tax levies which was obtained from the Lincoln Parish Tax Assessor.

(2) Includes the cities of Ruston, Grambling, Simsboro and Dubach.

<u>FIRE DISTRICT</u>	<u>ROAD CONSTRUCTION</u>	<u>HOSPITAL</u>	<u>LIBRARY MAINTENANCE</u>	<u>LAW ENFORCEMENT</u>	<u>ASSESSMENT DISTRICT</u>	<u>CITIES (2)</u>
8.00	4.38		3.60	13.22	2.51	46.28
8.00	4.38		3.60	13.22	2.51	45.12
9.90	4.38	0.70	3.60	13.22	2.51	45.12
9.90	4.38	0.70	3.60	13.22	2.51	45.12
9.90	4.38	0.70	3.60	13.22	2.51	45.12
10.20	4.48	0.70	3.68	4.83	1.50	45.13
	4.48	0.75	3.68	7.49	2.57	45.03
	4.48	0.50	3.68	7.49	2.57	48.02
	4.48	0.50	3.68	7.49	2.57	49.25
	4.29	0.30	3.52	7.18	2.46	41.70

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**
Last Ten Fiscal Years

FISCAL YEAR	(1) (3) ESTIMATED POPULATION	(2) (3) ASSESSED VALUE	GROSS BONDED DEBT	LESS DEBT SERVICE FUNDS	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1996	43,024	\$ 119,891,900	\$ 14,115,000	\$ 2,017,886	\$ 12,097,114	10.09%	\$ 281
1995	42,950	113,841,960	15,230,000	2,252,912	12,977,080	11.40%	302
1994	42,524	103,850,940	16,270,000	2,154,924	14,115,076	13.59%	332
1993	42,490	102,134,270	16,890,000	1,951,625	14,938,375	14.63%	352
1992	42,075	97,477,950	17,715,000	1,784,846	15,930,154	16.34%	379
1991	41,745	93,497,150	17,560,000	2,116,132	15,443,868	16.52%	370
1990	43,518	93,111,110	18,120,000	2,111,276	16,008,724	17.19%	368
1989	43,500	90,074,213	18,677,000	2,195,479	16,481,521	18.30%	379
1988	44,500	92,048,930	19,162,000	2,013,092	17,148,908	18.63%	385
1987	43,138	89,725,720	19,595,000	1,916,630	17,678,370	19.70%	410

NOTE:

- (1) Census information was obtained from the College of Business Administration, Division of Research at Louisiana Tech University.
- (2) The source of assessment is Lincoln Parish Assessor's tax rolls. Assessed values are established by the Parish Assessor's Office each year based on 10% of the assumed market value of residential property and commercial land and on 15% of the assumed market value of commercial buildings, personal property and 25% of the assumed market value of public utilities as required by the State Constitution. A reassessment of all property is required to be completed no less than every four years.
- (3) Estimated Population and Assessed Value is as of December 31.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 1996

ASSESSED VALUATIONS:

Assessed Value	\$ 119,891,900
Add Back: Exempt Real Property	<u>34,089,270</u>
TOTAL ASSESSED VALUE	<u>\$ 153,981,170</u>

LEGAL DEBT MARGIN:

Debt Limit of Thirty-Three Percent (33%)	\$ 50,813,786
Less Gross Bonded Debt	<u>14,115,000</u>
TOTAL LEGAL DEBT MARGIN	<u>\$ 36,698,786</u>

NOTE:

(1) Legal debt limit of 33% is established by Louisiana Revised Statute Title 39, Section 562, Paragraph G.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 1996

<u>GOVERNMENTAL UNIT</u>	<u>GROSS DEBT OUTSTANDING</u>	<u>PERCENTAGE APPLICABLE TO LINCOLN PARISH SCHOOL BOARD (1)</u>	<u>AMOUNT APPLICABLE TO LINCOLN PARISH SCHOOL BOARD</u>
DIRECT:			
Lincoln Parish School Board	\$ 14,115,000	100%	\$ 14,115,000
OVERLAPPING: (2)			
City of Grambling	185,000	100%	185,000
Lincoln General Hospital	5,000	100%	5,000
Lincoln Parish Fire Protection District No. 1	<u>3,330,000</u>	100%	<u>3,330,000</u>
TOTAL	<u>\$ 17,635,000</u>		<u>\$ 17,635,000</u>

NOTE:

(1) All property within Lincoln Parish must bear the debt of the Lincoln Parish School Board; therefore, all other taxing entities within the parish fall under the Board's taxing jurisdiction. The computation of the amount applicable to the Board, within the context that such debt will be serviced through levies upon the same properties which the Board taxes, is determined by applying the above percentages to the net amount of debt outstanding.

(2) Source: Annual audit reports of the various governments.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**
Last Ten Fiscal Years

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST AND FISCAL CHARGES (2)</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL EXPENDITURES (1)</u>	<u>RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES</u>
1996	\$ 1,115,000	\$ 888,840	\$ 2,003,840	\$ 27,162,115	7.38%
1995	1,040,000	1,029,322	2,069,322	26,157,334	7.91%
1994	971,130	1,132,462	2,103,592	25,177,628	8.36%
1993	825,000	1,268,893	2,093,893	22,088,748	9.48%
1992	930,000	1,314,262	2,244,262	23,787,973	9.43%
1991	560,000	1,689,317	2,249,317	22,274,035	10.10%
1990	557,000	1,745,948	2,302,948	21,092,128	10.92%
1989	485,000	1,795,489	2,280,489	18,775,051	12.15%
1988	433,000	1,831,769	2,264,769	18,289,393	12.38%
1987	76,000	1,703,847	1,779,847	17,187,930	10.36%

NOTE:

(1) Includes General Fund and Debt Service Funds.

(2) Excludes bond issuance's and other costs.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Property Value, Construction and Bank Deposits
Last Ten Years

Property Value (1)

<u>Year</u>	<u>Commercial (5)</u>	<u>Residential (5)</u>	<u>Exemptions (4)</u>	<u>Total</u>
1995	\$ 250,226,374 ?	\$ 559,249,570	\$ 332,477,700	\$ 476,998,244
1994	228,021,847	529,610,500	347,067,070	410,565,277
1993	221,024,127	504,452,240	332,477,700	392,998,667
1992	209,642,240	487,088,780	326,405,380	370,325,640
1991	202,884,227	466,426,250	314,491,780	354,818,697
1990	203,746,253	461,602,210	310,377,660	354,970,803
1989	195,987,113	450,680,050	307,919,180	338,747,983
1988	179,020,180	435,653,690	303,016,860	311,657,010
1987	180,237,727	423,858,970	296,321,470	307,775,227
1986	173,813,353	412,746,320	291,738,080	294,821,593

NOTE:

(1) Source: Lincoln Parish Tax Assessor's Grand Recapitulation

(2) Source: City of Ruston Inspection Department

(3) Source: Louisiana Office of Financial Institutions

(4) The exemption column is calculated at estimated actual value. Table d reflects the exemptions column at excess value.

(5) The sum of Commercial and Residential equals the estimated actual value for real property in Table d

Table k

Construction (2)					Bank Deposits (3)
Commercial		Residential			
Number of Units	Value	Number of Units	Value		
116	\$ 10,166,321	159	\$ 5,602,631	\$ 454,765,000	
115	11,290,388	344	8,874,455	472,828,000	
135	15,673,019	272	6,420,127	457,595,000	
85	7,173,821	299	8,252,320	456,996,000	
82	3,939,707	248	4,135,301	455,747,000	
81	3,100,304	223	3,624,753	438,335,000	
102	6,637,006	215	2,709,544	411,222,000	
63	3,600,339	105	2,076,118	413,269,000	
73	10,290,216	107	3,466,728	Information not available	
68	10,485,385	123	5,521,055	Information not available	

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

PRINCIPAL AD VALOREM TAXPAYERS (1)
December 31, 1995

<u>COMPANY</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSMENT</u>	<u>TAX BILL (2)</u>	<u>PERCENT OF TOTAL TAXABLE VALUATION</u>
Mississippi River Transmission Corp.	Gas Transmission	\$ 9,421,380	\$ 707,373	6.12%
South Central Bell Tele. Co.	Telephone Utility	4,817,150	404,200	3.13%
Noram Gas Transmission Co.	Gas Transmission	4,454,470	332,498	2.89%
Laclede Gas Co.	Gas Transmission	4,119,010	285,447	2.68%
Louisiana Power & Light Co.	Electric Utility	3,106,880	270,324	2.02%
Willamette Industries, Inc.	Pulp/Paper Manufacturing	2,519,960	216,971	1.64%
Ruston State Bank & Trust Co.	Financial Institution	2,316,350	195,157	1.50%
Wal Mart Stores Inc.	Retail Sales	1,920,090	164,609	1.25%
Noram Energy Corp.	Electric Utility	1,975,900	164,336	1.28%
Ball Glass Container Corp.	Glass Manufacturing	<u>1,838,380</u>	<u>157,402</u>	<u>1.19%</u>
TOTALS		<u>\$ 36,489,570</u>	<u>\$ 2,898,317</u>	<u>23.70%</u>

NOTES:

(1) Information obtained from Lincoln Parish Tax Assessor's Office

(2) Represents Parishwide Tax Bill

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

MISCELLANEOUS STATISTICAL DATA
TEN LARGEST EMPLOYERS
June 30, 1996

Industry	Company Name	Number of Employees
Construction	T. L. James Construction Company	3,000
University	Louisiana Tech University	1,200
University	Grambling State University	1,130
Public Schools	Lincoln Parish School Board	930
Poultry Production	ConAgra Poultry Co	600
Hospital	Lincoln General Hospital	536
Glass Containers	Ball Foster Glass Container Corporation	485
Hospital	North Louisiana Rehabilitation Hospital	316
Government	City of Ruston	315
Trucking	Davison Transport	280

Source: Ruston/Lincoln Chamber of Commerce

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

DEMOGRAPHIC STATISTICS
Last Ten Years

<u>YEAR</u>	<u>(1) ESTIMATED POPULATION</u>	<u>(1) PER CAPITA INCOME</u>	<u>(1) UNEMPLOYMENT RATE</u>	<u>(3) MEDIAN AGE</u>	<u>(2) PUBLIC SCHOOL ENROLLMENT</u>	<u>(2) PUBLIC HIGH SCHOOL GRADUATES</u>
1996	43,024	\$ 16,255	3.2%	25.13	7,091	357
1995	42,950	15,760	3.9%	25.04	7,129	325
1994	42,524	15,510	4.2%		7,268	340
1993	42,490	15,260	3.6%	25.07	7,247	337
1992	42,075	14,710	4.2%		7,227	346
1991	41,745	13,845	4.8%		7,099	355
1990	43,518	12,401	3.5%	24.52	6,934	390
1989	43,500	10,374	5.3%		6,883	382
1988	44,500	10,077	5.4%		6,949	350
1987	43,138	9,927	5.3%		6,751	339

NOTE:

- (1) Census information was obtained from the Department of Labor, Unemployment Office, Research Division.
- (2) Information obtained from Lincoln Parish School Board Annual Financial and Statistical Reports filed with the Louisiana Department of Education and the Louisiana Progress Profiles, District Composite Report for Lincoln Parish.
- (3) Information obtained from Louisiana State Library, Louisiana Room.

LINCOLN PARISH SCHOOL BOARD
Ruston Louisiana

Miscellaneous Statistical Data
June 30, 1996

Form of Government	President/School Board
Area of Parish	472 Square Miles
Regular School Days	180
Number of Schools:	
K & Special Ed.	1
K-5	4
K-8	5
K-12	2
6 Grade Only	1
Junior High (7-8 only)	1
High School (7-12 only)	1
High School (9-12 only)	<u>2</u>
Total	<u><u>17</u></u>
Enrollment (Public School Only):	
Preschool	29
Kindergarten	579
Grades 1-5	2,814
Grades 6-8	1,718
Grades 9-12	<u>1,951</u>
Total	<u><u>7,091</u></u>

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**COMPLIANCE WITH SINGLE AUDIT ACT OF 1984
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

RECEIVED
DIRECTOR
157
97 FEB -4 AM 9:55

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPLIANCE WITH SINGLE AUDIT ACT OF 1984
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

TABLE OF CONTENTS

	<u>PAGE</u>
COMPLIANCE WITH SINGLE AUDIT ACT OF 1984:	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	1-2
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	3
INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF COMPENSATION PAID BOARD MEMBERS AND SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE	4
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS	5
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE	6
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE	7-8
INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS	9-11
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS	12
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS	13
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS	14
STATUS OF PRIOR REPORTABLE CONDITIONS	15
STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS	16
SCHEDULE OF REPORTABLE CONDITIONS	17
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	18



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board, Ruston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, "*Audits of State and Local Governments*." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Lincoln Parish School Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Lincoln Parish School Board for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants which are described in Conditions #1 and #2 of the accompanying Schedule of Reportable Conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board, Ruston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Lincoln Parish School Board is the responsibility of management of the School Board. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the School Board's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances or noncompliance that are required to be reported under Government Auditing Standards. We noted two instances of immaterial noncompliance which are included in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 1996

The schedule of compensation paid to School Board members is presented 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 \$400 per month and the president receives \$500 per month for performing the duties of the office.

Mr. David Wright, President	\$ 6,000
Mr. William E. Abrahm	4,800
Mr. Wayne Barfield	4,800
Dr. Marty Beasley	4,800
Mrs. Loyace D. Braggs	4,800
Mr. Curtis Dowling	4,800
Mr. James R. Kessler	4,800
Mr. George Mack	4,800
Mr. Joe E. Mitcham, Jr.	4,800
Mr. Robert E. Shadoin	4,800
Mr. Allen Tuten	4,800
Mr. Calvin Wilkerson	<u>4,800</u>
Total	<u>\$58,800</u>

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1996**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA NUMBER</u>	<u>REVENUES</u>
CASH FEDERAL ASSISTANCE		
United States Department of Agriculture		
Passed through Louisiana Department of Education:		
School Breakfast Program	10.553	\$ 256,462
National School Lunch Program	10.555	<u>989,805</u>
		\$ 1,246,267
United States Department of Education		
Direct Programs:		
Impact Aid (Title VIII)	84.041	\$ 15,946
Passed Through Louisiana Department of Education:		
Adult Education - State Grant Program	84.002	23,610
Title I Grants to Local Educational Agencies formerly Chapter 1 (carryover)	84.010	1,358,230
Special Education:		
Grants to States (Part B)	84.027	245,457
Preschool Grants	84.173	39,717
Grants for Infants and Families with Disabilities (Part H - Infant/Toddler)	84.181	1,404
Vocational Education:		
Basic Grants to States	84.048	58,848
Innovative Education Program Strategies - Title VI (formerly Chapter 2)	84.298	35,751
Title II (Eisenhower Professional Development - State Grants)	84.281	24,609
Title IV (Safe and Drug-Free Schools - State Grant)	84.186	36,226
Learn 2000		
State and Local Education Systematic Improvement Grants (Learn 2000 State Grants)	84.276	<u>77,452</u>
		\$1,917,250
United States Department of Defense		
Direct Programs:		
Department of The Army ROTC	NONE	<u>33,806</u>
		\$ 33,806
		\$3,197,323
NONCASH FEDERAL ASSISTANCE		
United States Department of Agriculture		
Passed Through Louisiana Department of Agriculture and Forestry:		
Food Distribution (Commodities)	10.550	<u>141,239</u>
		\$3,338,562

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

NOTES TO THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1996

NOTE 1 - GENERAL

The accompanying schedule of federal financial assistance presents the activity of all federal financial assistance programs of the Lincoln Parish School Board, Ruston, Louisiana. The Lincoln Parish School Board (the "School Board") reporting entity is defined in note 1(B) to the School Board's general purpose financial statements. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying schedule of federal financial assistance is presented using the modified accrual basis of accounting, which is described in note 1(D) to the School Board's general purpose financial statements.

NOTE 3 - RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Federal financial assistance revenues are reported in the School Board's general purpose financial statements as follows:

	<u>Federal Sources</u>
General Fund	\$ 127,204
Special Revenue Funds:	
Title I	1,358,230
Title VI	35,751
Special Education Fund	286,578
Title II	24,609
Drug-Free - Title IV	36,226
Adult Education	23,610
Vocational Education	58,848
School Food Service	<u>1,387,506</u>
	<u>\$3,338,562</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 generally accepted accounting principles.

**LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana**

**NOTES TO THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1996**

NOTE 5 - MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Major federal financial assistance programs include any program for which federal expenditures for that program exceed 3% of total federal expenditures of all federal programs. The major federal financial assistance programs are:

Title I	CFDA# 84.010
National School Lunch Program	CFDA# 10.555

NOTE 6 - NONCASH PROGRAMS

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



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board, Ruston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996. We have also audited the Lincoln Parish School Board's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated November 22, 1996.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether the Lincoln Parish School Board complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the School Board's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the Lincoln Parish School Board and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated November 22, 1996.

The management of the Lincoln Parish School Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

Cash
Expenditures for goods and services
and accounts payable
Single audit and similar grant programs

Payroll and related liabilities
Property, equipment and capital
expenditures

Administrative Controls

General requirements:
Political activity
Civil rights
Davis-Bacon Act
Cash management
Federal financial reports
Allowable costs/cost principles
Drug-Free Workplace Act
Administrative requirements

Specific Requirements:
Types of services allowed or unallowed
Eligibility
Level of effort
Reporting
Special tests and provisions
Claims for advances and reimbursements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the years ended June 30, 1996, the Lincoln Parish School Board expended 68% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements, that are applicable to each of the School Board's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants which are described in Condition #2 of the accompanying Schedule of Reportable Conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

control structure that, in our judgment, could adversely affect the School Board's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green + Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

2414 FERRAND STREET

MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board, Ruston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996.

We have applied procedures to test the Lincoln Parish School Board's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, civil rights, Davis-Bacon Act, cash management, federal financial reports, allowable costs/cost principles, Drug-Free Workplace Act compliance and administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the School Board's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the School Board had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed an immaterial instance of noncompliance with those requirements, which is described in Finding #1 of the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board, Ruston, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996.

We have also audited the Lincoln Parish School Board's compliance with the requirements governing types of services allowed or unallowed; eligibility; level of effort; reporting; special tests and provisions and claims for advances and reimbursements that are applicable to each of the School Board's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of the Lincoln Parish School Board is responsible for the School Board's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "*Audits of State and Local Governments*." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Lincoln Parish School Board complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; level of effort; reporting; special tests and provisions and claims for advances and reimbursements that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996



ALLEN, GREEN & ROBINETTE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS
2414 FERRAND STREET
MONROE, LOUISIANA 71201

ERNEST L. ALLEN, CPA
(A PROFESSIONAL ACCOUNTING CORPORATION)

TIMOTHY J. GREEN, CPA
BONNIE T. ROBINETTE, CPA

MAIL ADDRESS:
POST OFFICE BOX 6075
MONROE, LA 71211-6075
TELEPHONE (318) 388-4422
FAX (318) 388-4664

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

BOARD MEMBERS
LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish School Board as of and for the year ended June 30, 1996, and have issued our report thereon dated November 22, 1996.

In connection with our audit of the general purpose financial statements of the Lincoln Parish School Board, and with our consideration of the School Board's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility and special provisions that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the School Board's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Lincoln Parish School Board had not complied, in all material respects, with those requirements.

This report is intended for the information of the Audit Committee, Board Members, management, Louisiana Department of Education, U. S. Department of Education and other applicable federal agencies. However, this report is a matter of public record, and its distribution is not limited.

Allen Green & Robinette

ALLEN, GREEN & ROBINETTE, L.L.P.

Monroe, Louisiana
November 22, 1996

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

STATUS OF PRIOR REPORTABLE CONDITIONS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

The status of the comments included in the prior audit report is as follows:

1. **Property and Equipment Software**

See current-year reportable condition #1.

2. **Inadequate Invoice Documentation**

This item has been resolved.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

The status of the comments included in the prior audit report is as follows:

1. **Davis-Bacon Act**

This finding is considered resolved.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

SCHEDULE OF REPORTABLE CONDITIONS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996

1. Property and Equipment Software

CONDITION: The School Board presently has two software systems for fixed assets. One system was used for many years. Another software system was developed and has been in use since 1991. The system being used provides greater flexibility but doesn't provide an audit trail for additions and deletions to fixed assets.

REASON IMPROVEMENT NEEDED: A better internal control system is needed for changes in fixed assets.

CAUSE OF CONDITION: The School Board was unaware of the weakness in the system.

EFFECT OF CONDITION: A less than desirable internal control system for fixed assets.

RECOMMENDATION: The School Board should revert to the previously used software system for fixed assets because it provides the desired control over changes to fixed assets.

MANAGEMENT'S RESPONSE: The School Board will reactivate the older property and equipment software.

2. Fixed Assets
(All Funds, All Programs)

CONDITION: The School Board's list of fixed assets is neither current nor accurate. A physical inventory is performed each summer. However, no additions and deletions are inputted until approximately six months after each physical inventory. This causes the fixed asset listing to lag behind by at least six months and as much as a year and a half. At the completion of the field work, additions and deletions for the inventory from the summer of 1996 had not been entered. Further, during testing of the fixed asset listing provided by the School Board, we were unable to locate some items appearing on the fixed asset listing. Also, we were unable to trace some equipment found at the schools to the fixed asset listing.

REASON IMPROVEMENT NEEDED: To provide an accurate accounting and safeguarding of fixed assets, to comply with state law regarding fixed assets, and to comply with requirements of all grant programs.

CAUSE OF CONDITION: Low priority placed on the fixed assets inventory.

EFFECT OF CONDITION: Inadequate accounting records, inadequate internal control over safeguarding of fixed assets, and possible noncompliance with LSA-R.S. 24:515.

RECOMMENDATION: The School Board should update its fixed asset inventory throughout the year. The listing could be updated as additions and deletions are made, on a monthly basis, or on a quarterly basis. During physical inventories, care should be taken to update the fixed asset listing so that all items are identifiable.

MANAGEMENT'S RESPONSE: Management will take the steps needed to comply with the auditors recommendations.

**LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

1. Public Bid Law

CONDITION: Out of four materials and supplies bids, one materials and supplies quote, and one public works quote tested, the following were found:

1. One instance where no documentation existed to verify that at least three quotes were obtained for the purchase of materials and supplies between \$5,000 and \$10,000.

REASON IMPROVEMENT NEEDED: To ensure that the School Board is in compliance with state statutes concerning bid laws and that the School Board receives proper value for materials and supplies or construction received.

CAUSE OF CONDITION: Procedures concerning the bidding quotation process are lax.

EFFECT OF CONDITION: The School Board may be in violation of state statutes concerning public bid law.

RECOMMENDATION: The School Board should institute all requirements of the Louisiana Public Bid Law in its procurement process and should adequately document its compliance.

MANAGEMENT'S RESPONSE: Management will take whatever action is necessary to comply with the auditors recommendations.

2. Late Filing of Audit Report

CONDITION: The Louisiana Legislative Auditor requires audit reports to be filed within six months of the year-end of the governments. The audit report as of and for the year ended June 30, 1996 was filed approximately January 31, 1997.

REASON IMPROVEMENT NEEDED: To comply with state regulations.

CAUSE OF CONDITION: An unexpected work load and turnover of personnel of the audit firm in the fourth quarter of 1996.

EFFECT OF CONDITION: Violation of state regulation.

RECOMMENDATION: Future audit reports should be filed within six months of year-end.

MANAGEMENT'S RESPONSE: The School Board will monitor closely the progress of future audits to assure compliance with this filing regulation.

**LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1996**

**3. Budget Overruns
(Various)**

CONDITION: The School Board had unfavorable budget variances exceeding 5% for the following funds for the year ended June 30, 1996:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Expenditures and other financing uses			
General Fund:			
1967 Sales Tax Accounts	1,980,000	2,130,250	150,250
1993 Sales Tax Accounts	1,745,315	1,842,105	96,790

REASON IMPROVEMENT NEEDED: The "Louisiana Local Government Budget Act" requires budgets be amended if expected actual revenues and other financing sources or expenditures and other financing uses exceed respective budgeted amounts by five percent or more.

CAUSE OF CONDITION: Actual sales tax revenues collections for the last two months of the year exceeded anticipated revenues. The sales tax revenue is primarily dedicated to salaries. Increases in sales tax collections results in increased salary expenses.

EFFECT OF CONDITION: The School Board is in violation of Louisiana Revised Statute LSA-R.S. 39:1309-1310.

RECOMMENDATION: The School Board should monitor budget to actual periodically and amend the budget as needed.

MANAGEMENT'S RESPONSE: In the future, effort will be made to anticipate material changes in actual expenditures at the end of the fiscal year in order that all budget variances are within five percent of budget as permitted by statute. These unfavorable expenditures variances were offset by favorable revenue variances, resulting in practically no gain or loss to the School Board.