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TENSAS PARISH SCHOOL BOARD  
ST. JOSEPH, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED JUNE 30, 1998

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 NOV 25 1998

TENSAS PARISH SCHOOL BOARD  
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**INDEPENDENT AUDITOR'S REPORT**

To the Board Members  
Tensas Parish School Board  
St. Joseph, Louisiana

We have audited the accompanying general-purpose financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Tensas Parish 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tensas Parish School Board, as of June 30, 1998, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 1998, on our consideration of the Tensas Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general-purpose financial statements. Also, the supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Marcus, Robinson & Hassell*

Marcus, Robinson and Hassell  
October 28, 1998

**TENSAS PARISH SCHOOL BOARD**  
**COMBINED BALANCE SHEETS - ALL TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 1998**

	<u>Governmental Fund Types</u>		
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
<b><u>ASSETS AND OTHER DEBITS</u></b>			
Cash	661,245	291,252	23,228
Investments	0	0	0
Receivables	271,971	95,588	5,263
Due From Other Funds	55,205	101	0
Inventory, at cost	0	7,668	0
Land	0	0	0
Buildings	0	0	0
Furniture and Equipment	0	0	0
Amount available in debt service funds	0	0	0
Amount to be provided for retirement of general long-term obligations	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL ASSETS AND OTHER DEBITS</u></b>	<b><u>988,421</u></b>	<b><u>394,609</u></b>	<b><u>28,491</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
<b>Liabilities:</b>			
Accounts Payable	14,259	23,652	0
Accrued Payroll and Payroll Taxes	0	0	0
Amounts due State of Louisiana	0	7,905	0
Due to Other Funds	544,547	153,199	0
Due to Federal Government	0	62,500	0
School Activity Funds	0	0	0
Compensated Absences Payable	0	0	0
Bonds Payable	0	0	0
Deferred Compensation Benefits	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL LIABILITIES</u></b>	<b>558,806</b>	<b>247,256</b>	<b>0</b>
<b>Fund Equity:</b>			
Investment in General Fixed Assets	0	0	0
Reserved for Debt Service	0	0	28,491
Unreserved - Undesignated	429,615	97,353	0
Restricted	<u>0</u>	<u>50,000</u>	<u>0</u>
<b><u>TOTAL FUND EQUITY</u></b>	<b><u>429,615</u></b>	<b><u>147,353</u></b>	<b><u>28,491</u></b>
<b><u>TOTAL LIABILITIES AND FUND EQUITY</u></b>	<b><u>988,421</u></b>	<b><u>394,609</u></b>	<b><u>28,491</u></b>

See Notes to Financial Statements

<u>Fiduciary Fund Types</u>			<u>Account Groups</u>		<u>Total (Memorandum Only)</u>	
<u>Trust And Agency Fund</u>	<u>Agency- School Activity Fund</u>	<u>Agency- Payroll Fund</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	<u>1998</u>	<u>1997</u>
6,286	17,301	259,126	0	0	1,258,438	1,451,349
20,265	0	0	0	0	20,265	0
0	0	0	0	0	372,822	331,455
0	0	642,440	0	0	697,746	595,363
0	0	0	0	0	7,668	20,549
0	0	0	309,540	0	309,540	309,540
0	0	0	4,173,565	0	4,173,565	4,024,765
0	0	0	3,501,970	0	3,501,970	3,460,279
0	0	0	0	28,491	28,491	34,455
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>206,028</u>	<u>206,028</u>	<u>209,863</u>
<u>26,551</u>	<u>17,301</u>	<u>901,566</u>	<u>7,985,075</u>	<u>234,519</u>	<u>10,576,533</u>	<u>10,437,618</u>
0	5,625	0	0	0	43,536	138,582
0	0	901,566	0	0	901,566	838,482
0	0	0	0	0	7,905	2,268
0	0	0	0	0	697,746	595,363
0	0	0	0	0	62,500	0
0	11,676	0	0	0	11,676	20,816
0	0	0	0	224,519	224,519	229,318
0	0	0	0	10,000	10,000	15,000
<u>26,551</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,551</u>	<u>0</u>
26,551	17,301	901,566	0	234,519	1,985,999	1,839,829
0	0	0	7,985,075	0	7,985,075	7,794,584
0	0	0	0	0	28,491	34,455
0	0	0	0	0	526,968	718,750
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>7,985,075</u>	<u>0</u>	<u>8,590,534</u>	<u>8,597,789</u>
<u>26,551</u>	<u>17,301</u>	<u>901,566</u>	<u>7,985,075</u>	<u>234,519</u>	<u>10,576,533</u>	<u>10,437,618</u>

See Notes to Financial Statements

**TENSAS PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**  
**YEAR ENDED JUNE 30, 1998**

<u>REVENUES</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>(Memorandum Only)</u>	
				<u>1998</u>	<u>1997</u>
<b>Local Sources:</b>					
<b>Taxes:</b>					
Ad Valorem Taxes	621,786	0	0	621,786	604,048
Sales and Use	0	420,584	0	420,584	416,037
Rentals, leases and royalties	441	0	0	441	8,800
Interest Earnings	37,683	9,034	867	47,584	47,611
Other	75,897	148,945	0	224,842	294,687
<b>State Sources:</b>					
Unrestricted grants-in-aid	4,370,390	0	0	4,370,390	4,325,469
State Revenue Sharing	33,282	0	0	33,282	32,761
Restricted grants-in-aid	475,388	0	0	475,388	183,484
<b>Federal Sources:</b>					
Restricted grants-in-aid-Subgrants	<u>225,144</u>	<u>1,989,813</u>	<u>0</u>	<u>2,214,957</u>	<u>2,187,932</u>
<b>TOTAL REVENUES</b>	<b>5,840,011</b>	<b>2,568,376</b>	<b>867</b>	<b>8,409,254</b>	<b>8,100,829</b>
 <b>EXPENDITURES</b>					
<b>Instruction:</b>					
Regular Programs	2,153,088	176,299	0	2,329,387	2,180,001
Special Programs	1,393,735	1,008,679	0	2,402,414	2,218,478
Adult and Continuing Education	100,997	0	0	100,997	83,804
<b>Support Services:</b>					
Support Programs for Pupils	291,864	117,699	0	409,563	434,845
Instructional Staff Support Programs	147,361	380,003	0	527,364	463,954
General Administration Programs	193,822	188,363	0	382,185	257,680
School Administration Service Programs	374,505	0	0	374,505	353,230
Business Services Programs	119,730	7,367	0	127,097	122,256
Operation and Maintenance of Plant	572,728	89,199	0	661,927	607,665
Pupil Transportation Services	397,705	21,129	0	418,834	424,911
Other Support Services	33,650	664,826	0	698,476	710,302
Community Service Program	14,617	0	0	14,617	19,539
Facility Acquisition & Construction	152,803	0	0	152,803	191,384
<b>Debt Service:</b>					
Principal Retirement	0	0	5,000	5,000	5,000
Interest and Paying Agent Fees	<u>0</u>	<u>0</u>	<u>1,831</u>	<u>1,831</u>	<u>2,183</u>
<b>TOTAL EXPENDITURES</b>	<b>5,946,605</b>	<b>2,653,564</b>	<b>6,831</b>	<b>8,607,000</b>	<b>8,075,232</b>
 <b>EXCESS (DEFICIENCY) OF</b>					
<b>REVENUES OVER</b>					
<b>EXPENDITURES</b>	<b>(106,594)</b>	<b>(85,188)</b>	<b>( 5,964)</b>	<b>(197,746)</b>	<b>25,597</b>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD  
COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES-ALL GOVERNMENTAL FUND TYPES-CONTINUED  
YEAR ENDED JUNE 30, 1998

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Debt</u> <u>Service</u> <u>Funds</u>	<u>Total</u> <u>(Memorandum Only)</u>	
				<u>1998</u>	<u>1997</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	19,997	117,175	0	137,172	52,597
Operating transfers (Out)	(106,354)	(30,818)	0	(137,172)	(52,597)
<u>TOTAL OTHER FINANCING</u> <u>SOURCES (USES)</u>	<u>(86,357)</u>	<u>86,357</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>AND OTHER SOURCES OVER</u> <u>EXPENDITURES AND OTHER USES</u>	(192,951)	1,169	(5,964)	(197,746)	25,597
<u>FUND BALANCES - JULY 1, 1997</u>	<u>622,566</u>	<u>146,184</u>	<u>34,455</u>	<u>803,205</u>	<u>777,608</u>
<u>FUND BALANCES - JUNE 30, 1998</u>	<u>429,615</u>	<u>147,353</u>	<u>28,491</u>	<u>605,459</u>	<u>803,205</u>

See Notes to Financial Statements

**TENSAS PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES**  
**YEAR ENDED JUNE 30, 1998**

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>REVENUES</b>			
Local Sources:			
Taxes:			
Ad Valorem	622,799	621,786	(1,013)
Sales and Use	0	0	0
Other	33,279	33,282	3
Rentals, Leases, and Royalties	0	441	441
Interest Earnings	32,088	37,683	5,595
Other	106,073	75,897	(30,176)
State Sources:			
Unrestricted Grants-in-Aid	4,370,390	4,370,390	0
Restricted Grants-in-Aid	332,391	362,057	29,666
Federal Sources:			
Restricted Grants-in-Aid-Subgrants	<u>396,984</u>	<u>338,475</u>	<u>(58,509)</u>
<b><u>TOTAL REVENUES</u></b>	<b><u>5,894,004</u></b>	<b><u>5,840,011</u></b>	<b><u>(53,993)</u></b>
<b>EXPENDITURES</b>			
Instruction:			
Regular	2,186,451	2,153,088	33,363
Special	1,422,866	1,393,735	29,131
Adult and Continuing Education	81,550	100,997	(19,447)
Support Services:			
Support Programs for Pupils	283,992	291,864	(7,872)
Instructional Staff Support Programs	144,875	147,361	(2,486)
General Administration Programs	180,358	193,822	(13,464)
School Administration Service Programs	358,498	374,505	(16,007)
Business Service Programs	120,407	119,730	677
Operation and Maintenance of Plant	527,853	572,728	(44,875)
Pupil Transportation Services	418,787	397,705	21,082
Other Support Services	24,104	33,650	(9,546)
Community Services	21,919	14,617	7,302
Facility Acquisition & Construction	136,872	152,803	(15,931)
Debt Services:			
Principal Retirement	0	0	0
Interest and Paying Agent Fees	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>5,908,532</u></b>	<b><u>5,946,605</u></b>	<b><u>(38,073)</u></b>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>			
<b><u>OVER EXPENDITURES</u></b>	<b>(14,528)</b>	<b>(106,594)</b>	<b>(92,066)</b>

See Notes to Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
0	0	0	0	0	0
416,036	420,584	4,548	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
9,758	9,034	(724)	1,000	867	(133)
252,193	148,945	(103,248)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>2,025,205</u>	<u>1,989,813</u>	<u>(35,392)</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,703,192	2,568,376	(134,816)	1,000	867	(133)
180,513	176,299	4,214	0	0	0
993,751	1,008,679	(14,928)	0	0	0
0	0	0	0	0	0
120,084	117,699	2,385	0	0	0
380,479	380,003	476	0	0	0
185,605	188,363	(2,758)	0	0	0
0	0	0	0	0	0
7,114	7,367	(253)	0	0	0
89,127	89,199	(72)	0	0	0
20,865	21,129	(264)	0	0	0
723,279	664,826	58,453	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	5,000	5,000	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>1,831</u>	<u>169</u>
<u>2,700,817</u>	<u>2,653,564</u>	<u>47,253</u>	<u>7,000</u>	<u>6,831</u>	<u>169</u>
2,375	(85,188)	(87,563)	(6,000)	(5,964)	36

See Notes to Financial Statements

**TENSAS PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET**  
**(GAAP BASIS) AND ACTUAL ALL GOVERNMENT FUND TYPES-CONTINUED**  
**YEAR ENDED JUNE 30, 1998**

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Other Financing Sources (Uses)			
Operating Transfers In	19,500	19,997	497
Operating Transfers Out	(106,354)	(106,354)	0
Federal Medicaid Reserves	(18,195)	0	18,195
Federal PIPS Transfer	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(105,049)</u>	<u>(86,357)</u>	<u>18,692</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<u>(119,577)</u>	<u>(192,951)</u>	<u>(73,374)</u>
<u>FUND BALANCES - JULY 1, 1997</u>	<u>622,566</u>	<u>622,566</u>	<u>0</u>
<u>FUND BALANCES - JUNE 30, 1998</u>	<u>502,989</u>	<u>429,615</u>	<u>(73,374)</u>

See Notes to Financial Statements

<u>Special Revenue Funds</u>			<u>Debt Service Funds</u>		
<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
10,231	117,175	106,944	0	0	0
(30,652)	(30,818)	(166)	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(20,421)	<u>86,357</u>	<u>106,778</u>	<u>0</u>	<u>0</u>	<u>0</u>
(18,046)	1,169	19,215	(6,000)	(5,964)	36
<u>146,184</u>	<u>146,184</u>	<u>0</u>	<u>34,455</u>	<u>34,455</u>	<u>0</u>
<u>128,138</u>	<u>147,353</u>	<u>19,215</u>	<u>28,455</u>	<u>28,491</u>	<u>36</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tensas Parish School Board was created under Louisiana Revised Statute 17:51 for the purpose of providing public education for children within Tensas Parish. The School Board is authorized by La 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 seven members who are elected from seven districts for terms of four years.

The School Board operates six schools within the parish with a total enrollment of 1,272 pupils for the year ended June 30, 1997. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for these students.

In April of 1984, the Financial Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the School Board includes all funds, account groups, activities, etcetera, that are within the oversight responsibilities of the School Board. Certain units of Local government over which the School Board exercise no oversight responsibility, such as the parish police jury, other independently elected parish officials, and municipalities, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the parish school board.

A. FUND ACCOUNTING

The accounts of the School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

**General Fund**

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

**Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**Debt Service Funds**

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

**Agency-Payroll Fund**

The Payroll Fund is used to disperse payroll from one central fund. It is used to collect payroll from each fund and disperse it centrally.

**Agency-School Activities Funds**

The School Activity Funds are used to account for the operation of the individual school activities. Agency Funds are custodial in nature and do not involve measurement of results of operations.

**Trust and Agency**

This fund accounts for assets held by the School Board in a trustee or agency capacity. This fund is custodial in nature and does not involve measurement of results of operation.

**B. FIXED ASSETS AND LONG-TERM OBLIGATION**

The fixed assets used in governmental fund type operations of the School Board are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. Less than fifteen percent of the School Board's total fixed assets were estimated by comparing the cost of similar items and making cost adjustments necessary to properly estimate the cost of the item the year it was acquired.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group, not in the governmental funds.

The account group is not a "fund". It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

**C. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government funds and agency funds are maintained on a cash basis of accounting. However, the governmental funds as reported in the accompanying financial statements have been converted to a modified accrual basis of accounting utilizing the following practices:

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homestead in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed, a calendar year basis, becoming due on November 15, of each year, and become delinquent on December 31.

The taxes are generally collected in December, January, February, of the fiscal year. State revenue sharing is included in unrestricted state grants.

Federal and state entitlements are recorded when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred.

Sales tax revenues are recorded when collected by the School Board and the State of Louisiana.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except principal and interest on general long-term debt which is not recognized until due.

Other Financing Sources

Transfers between funds are not expected to be repaid, and are accounted for as other financing sources (uses).

D. INVENTORIES

Inventory acquisition in the General Fund is recorded in the expense account liability and charged as a current asset when not used at the end of the fiscal year. Minimum amounts of inventory are not maintained, therefore, equity reserves for inventory have not been established for the General Fund. The cost value of such inventories at June 30, 1998, were of an immaterial amount and, accordingly, were not recorded in these financial statements.

Inventories of the School Lunch Fund consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as an expense when consumed. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned value based on information provided by the United State Department of Agriculture.

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. COMPENSATED ABSENCES

The School Board has the following policy related to sick leave:

All employees shall be entitled to a minimum of 10 days absence per year because of personal illness or other emergencies, without loss of pay. Such sick leave when not used in any year shall be accumulated to the credit of the employee without limitation. Upon retirement of any employee, or upon his/her death prior to retirement, the Board shall pay to such employee, or to his/her heirs, sick leave which has accrued to such employee, not to exceed 25 days of such unused sick leave.

The cost of leave privilege, computed in accordance with the above policy, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees or their heirs are paid for accrued leave upon retirement or death. The cost of leave privilege not requiring current resources is recorded in the general long-term obligations account group.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvements. Any employee with a teacher certificate is entitled, subject to approval by the School Board, to a semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period in which paid.

All twelve month employees earn vacation time according to the number of years of service. Vacation time not taken during one fiscal year can be carried over to the next year but is limited to a maximum of five days.

At June 30, 1998, employees of the School Board have accumulated and vested \$224,519 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$19,772 is attributed to Federal program employees. The Federal government is responsible for this portion of the liability.

F. TOTAL COLUMN ON COMBINED STATEMENTS - OVERVIEW

Total column 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 changes in financial position in conformity 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.

G. BUDGETARY ACCOUNTING

Annually, the School Board adopts budgets on all governmental funds. The budgetary practice includes public notice of the proposed budget, public inspection of the proposed budget, and public hearing on the budgets. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. Budgetary basis is the same as accounting basis. All appropriations lapse at year end.

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. ENCUMBRANCES

Encumbrance accounting, under which purchases 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.

NOTE 2 - CASH

For the purpose of these financial statements, the School Board considers cash and cash equivalent to be amounts held in demand deposits, interest bearing demand deposits, and time deposits.

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United State bonds, treasury notes, or certificate and time deposits of state banks organized under Louisiana law and National Banks having principal offices in Louisiana. At June 30, 1998, the School Board had cash and cash equivalents (book balance) totaling \$1,252,152 as follows:

Demand Deposits                      \$1,252,152

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the Town or its agent in the School Board's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the Town's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or agent, not in the School Board's name, but pledged to the School Board.

The carrying amount of the School Board's deposits with the financial institutions was \$1,514,147 and the book balance was \$1,258,438. The bank balance is categorized as follows:

	Category		
	1	2	3
Cash	200,000	1,288,932	0

At June 30, 1998, the School Board is in noncompliance due to uncolateralized funds totaling \$25,215.

NOTE 3 - RECEIVABLES

The receivables of \$372,872 at June 30, 1998 are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total</u>
State of Louisiana	253,097	32,040	0	285,137
Other	<u>18,874</u>	<u>63,548</u>	<u>5,263</u>	<u>87,685</u>
Total	<u>271,971</u>	<u>95,588</u>	<u>5,263</u>	<u>372,822</u>

**TENSAS PARISH SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE 4 - PAYABLES**

The payables of \$953,007 at June 30, 1998, are as follows:

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Payroll</u> <u>Trust</u> <u>Fund</u>	<u>School</u> <u>Activity</u> <u>Fund</u>	<u>Total</u>
Accounts Payable	14,259	23,652	0	5,625	43,536
Due State of La.	0	7,905	0	0	7,905
Accrued Payroll and Taxes	<u>0</u>	<u>0</u>	901,566	<u>0</u>	901,566
Total	<u>14,259</u>	<u>31,557</u>	<u>901,566</u>	<u>5,625</u>	<u>953,007</u>

**NOTE 5 - FIXED ASSETS**

The changes in general fixed assets for the year ending June 30, 1998 are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Furniture</u> <u>and</u> <u>Fixtures</u>	<u>Total</u>
Balance at June 30, 1997	309,540	4,024,765	3,460,279	7,794,584
Additions	0	148,800	180,599	329,399
Deletions (Adjustments)	<u>0</u>	<u>0</u>	<u>138,908</u>	<u>138,908</u>
Balance at June 30, 1998	<u>309,540</u>	<u>4,173,565</u>	<u>3,501,970</u>	<u>7,985,075</u>

**NOTE 6 - LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes for the 1997 tax rolls:

	<u>Authorized</u>	<u>Levied</u>
Parish wide Taxes		
Constitutional	3.94	3.94
Maintenance Tax	6.36	6.36
District 3, Special Maintenance	10.00	10.00
District A Special Millage	<u>0.00</u>	<u>0.00</u>
Total	<u>20.30</u>	<u>20.30</u>

**NOTE 7 - PENSION PLANS**

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees, such as teachers, lunchroom workers and principals, 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, with employee benefits vesting after 10 years of service.

Benefits of the System are funded by employee and employer contributions. The contribution rates are established by state law as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers Retirement System-Regular	8.00%	16.4%
Louisiana Teachers Retirement System-Plan A	9.10%	16.4%
Louisiana School Employees Retirement System	6.35%	6.00%

**TENSAS PARISH SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE 7 - PENSION PLANS - CONTINUED**

The School Board accrues pension expenditures in the period in which salaries are earned, based on gross salary and contribution rates established for each system. The pension costs for the year ended June 30, 1998 are:

	<u>Employee</u>	<u>Employer</u>	<u>Total</u>
Louisiana Teachers Retirement System-Regular	290,962	564,776	885,738
Louisiana Teachers Retirement System-Plan A	7,637	13,763	21,400
Louisiana School Employees Retirement System	<u>22,377</u>	<u>21,142</u>	<u>43,519</u>
	<u>320,976</u>	<u>599,681</u>	<u>920,657</u>

The School Board's payroll covered by the systems for the year ended June 30, 1998 was:

Louisiana Teachers Retirement System-Regular	3,637,023
Louisiana Teachers Retirement System-Plan A	83,922
Louisiana School Employees Retirement System	352,384

Trend Information:	<u>1998</u>	<u>1997</u>	<u>1996</u>
Louisiana Teachers Retirement System-Regular			
Employee	290,962	274,995	278,529
Employer	<u>564,776</u>	<u>549,360</u>	<u>560,460</u>
Total Statutorily Required Contributions	<u>855,738</u>	<u>824,355</u>	<u>838,989</u>

Louisiana Teachers Retirement System-Plan A			
Employee	7,637	8,735	5,918
Employer	<u>13,763</u>	<u>15,646</u>	<u>10,729</u>
Total Statutorily Required Contributions	<u>21,400</u>	<u>24,381</u>	<u>16,647</u>

Louisiana School Employees Retirement System			
Employee	22,377	23,134	24,546
Employer	<u>21,142</u>	<u>21,859</u>	<u>23,194</u>
Total Statutorily Required Contributions	<u>43,519</u>	<u>44,993</u>	<u>47,740</u>

100% of required contributions were made for each year.

Additional information and ten year historical trend information can be obtained from the separately issued comprehensive annual financial reports on each of the above list plans.

**NOTE 8 - CHANGES IN LONG - TERM DEBT**

The following is a summary of bond and compensated absences payable transactions for the School Board for the year ended June 30, 1998:

	<u>Bonded</u>	<u>Compensated</u>	<u>Total</u>
	<u>Debt</u>	<u>Absences</u>	
Balance at June 30, 1997	15,000	229,318	244,318
Additions	0	24,011	24,011
Reductions	<u>5,000</u>	<u>28,810</u>	<u>33,810</u>
Balance at June 30, 1998	<u>10,000</u>	<u>224,519</u>	<u>234,519</u>

TENSAS PARISH SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

NOTE 8 - CHANGES IN LONG-TERM DEBT - CONTINUED

Bonds payable at June 30, 1998 are comprised of the following individual issues:

General obligation Bonds:

\$750,000 1975 School bonds of Consolidated School District A  
 due in annual installments Of \$5,000 through March 1, 2000;  
 interest from 6.4% to 7% 10,000

The annual requirements to amortize all debt outstanding as of June 30, 1998, including interest payments of \$1,050 are as follows:

Annual Requirement To Amortize Long-Term Debt at June 30, 1998:

	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
Year-ended June 30, 1999	5,000	700	5,700
2000	<u>5,000</u>	<u>350</u>	<u>5,350</u>
Total	<u>10,000</u>	<u>1,050</u>	<u>11,050</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, 1998, the School Board had accumulated \$28,491 in the debt service fund for future debt requirements.

NOTE 9 - FEDERAL GRANTS

The School Board participates in a number of federally assisted grant programs. These programs are subjected to program compliance audits by the grantors. Audits of prior years have been conducted and no exceptions or disallowances were made. Based on prior experience, the School Board management feels that disallowances, if any, for the fiscal year ending June 30, 1998, would be immaterial.

NOTE 10 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

	June 30, 1998 <u>Interfund Receivables</u>	June 30, 1998 <u>Interfund Payables</u>
Title I	101	20,805
General Fund	55,205	0
Payroll Fund	642,440	0
Family Resources	0	41,945
General Fund	0	544,547
Sales Tax Fund	0	87,174
Lunch Fund	<u>0</u>	<u>3,275</u>
	<u>697,746</u>	<u>697,746</u>

**SUPPLEMENTAL INFORMATION SCHEDULES**

**MARCUS, ROBINSON and HASSELL**

CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2896  
TELEPHONE 322-8106  
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MEMBER  
AMERICAN INSTITUTE OF  
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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board Members  
Tensas Parish School Board  
St. Joseph, Louisiana

We have audited the financial statements of the Tensas Parish School Board, as of and for the year ended June 30, 1998, and have issued our report thereon dated October 28, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Tensas Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Tensas Parish School Board in a separate letter dated October 28, 1998.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Tensas Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the School Board and the Legislative Auditor of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Marcus, Robinson and Hassell*

Marcus, Robinson and Hassell  
October 28, 1998

**MARCUS, ROBINSON and HASSELL**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board Members  
Tensas Parish School Board  
St. Joseph, Louisiana

**Compliance**

We have audited the compliance of the Tensas Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1998. The Tensas Parish School Board's major federal programs are identified in the Schedule of Expenditures of Federal Awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Tensas Parish School Board's management. Our responsibility is to express an opinion on the Tensas Parish School Board's compliance based on our audit.

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

In our opinion, the Tensas Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

**Internal Control Over Compliance**

The management of the Tensas Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Tensas Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with

applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the School Board, the Legislative Auditor of Louisiana and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Marcus, Robinson & Hassell*

Marcus, Robinson and Hassell  
October 28, 1998

TENSAS PARISH SCHOOL BOARD  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 1998

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>AWARD PERIOD</u>	<u>EXPEN- DITURES</u>
<u>United States Department of Agriculture:</u>			
Food and Nutrition Services:			
Passed Through State Department of Education:			
**National School Lunch Program	10.555	7/1/97-6/30/98	340,150
School Breakfast Program	10.553	7/1/97-6/30/98	129,434
Passed Through State Department of Agriculture:			
Food Distribution Program	10.550	7/1/97-6/30/98	<u>40,151</u>
<u>TOTAL UNITED STATES DEPARTMENT OF AGRICULTURE</u>			509,735
<u>United States Department of Education:</u>			
Passed Through State Department of Education:			
Educationally Deprived Children:			
**Title I	84.010	7/1/97-6/30/98	570,330
Title I Carryover	84.010	7/1/97-6/30/98	72,498
Program Improvement	84.010	7/1/97-6/30/98	25,000
Support Services	84.218	7/1/97-6/30/98	800
Migrant Education	84.011	7/1/97-6/30/98	22,500
Title II	84.164	7/1/97-6/30/98	51
Title VI	84.151	7/1/97-6/30/98	8,644
Vocational Education	84.048	7/1/97-6/30/98	28,807
Special Education:			
Idea - Part B/ C/O	84.027	7/1/97-9/30/98	126,139
Idea - Preschool	84.173	7/1/97-9/30/98	8,702
Adult Education	84.002	7/1/97-6/30/98	60,000
Family Resources	93.656	7/1/97-6/30/98	<u>248,215</u>
<u>TOTAL UNITED STATES DEPARTMENT OF EDUCATION</u>			1,681,421
<u>United States Department of Health and Human Resources:</u>			
**Head Start Program	93.600	7/1/97-6/30/98	<u>533,536</u>
<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>			<u>2,214,957</u>

\*\*Denotes Major Programs

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD  
ST. JOSEPH, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

**PART I - Summary of the Auditor's Results**

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

**Audit of Federal Awards**

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:  
  
CFDA #84.010 Title I Grants to Local Educational Agencies  
CFDA #93.600 Head Start Program  
  
Clusters (as defined by OMB Circular No. A-133 Provisional Compliance Supplement)  
  
CFDA #10.553 School Breakfast Program  
CFDA #10.555 National School Lunch Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular No. A-133, Section .530.

**PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:**

NONE

TENSAS PARISH SCHOOL BOARD  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 1998

	Sales Tax <u>Fund</u>	Child Nutrition <u>Fund</u>	Education Consolidation and Improvement Act	
			<u>Title I</u>	<u>Title VI</u>
<b><u>ASSETS</u></b>				
Cash	93,792	136,438	32,987	0
Receivables	0	3,803	72	0
Inventories	0	7,668	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>101</u>	<u>0</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>93,792</u></b>	<b><u>147,909</u></b>	<b><u>33,160</u></b>	<b><u>0</u></b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>				
Liabilities:				
Accounts Payable	3,779	121	4,450	0
Due to Other Funds	87,173	3,275	20,805	0
Amounts Due State of La	0	0	7,905	0
Due to Federal Government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL LIABILITIES</u></b>	<b>90,952</b>	<b>3,396</b>	<b>33,160</b>	<b>0</b>
<b><u>FUND EQUITY</u></b>				
Fund Balance				
Unreserved - Undesignated	2,840	94,513	0	0
Restricted	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL FUND EQUITY</u></b>	<b><u>2,840</u></b>	<b><u>144,513</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b><u>TOTAL LIABILITIES AND FUND EQUITY</u></b>	<b><u>93,792</u></b>	<b><u>147,909</u></b>	<b><u>33,160</u></b>	<b><u>0</u></b>

See Notes to Financial Statements

<u>EESA Title II</u>	<u>Family Resource</u>	<u>Head start</u>	<u>Total</u>
0	11,907	16,128	291,252
0	31,968	59,745	95,588
0	0	0	7,668
<u>0</u>	<u>0</u>	<u>0</u>	<u>101</u>
<u>0</u>	<u>43,875</u>	<u>75,873</u>	<u>394,609</u>
0	1,929	13,373	23,652
0	41,946	0	153,199
0	0	0	7,905
<u>0</u>	<u>0</u>	<u>62,500</u>	<u>62,500</u>
0	43,875	75,873	247,256
0	0	0	97,353
<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>147,353</u>
<u>0</u>	<u>0</u>	<u>75,873</u>	<u>394,609</u>

See Notes to Financial Statements

**TENSAS PARISH SCHOOL BOARD**  
**SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 1998**

	Sales Tax <u>Fund</u>	Child Nutrition <u>Fund</u>	Education Consolidation and Improvement Act	
Revenues			<u>Title I</u>	<u>Title VI</u>
<b>Local Sources:</b>				
Taxes-Sales and Use	420,584	0	0	0
Earnings on investments	3,060	4,477	0	0
Other Local Revenues	0	46,343	0	0
<b>Federal Sources:</b>				
Restricted grants-in-aid-subgrants	0	509,735	691,129	8,644
In-Kind Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL REVENUES</u></b>	<b>423,644</b>	<b>560,555</b>	<b>691,129</b>	<b>8,644</b>
 <b>EXPENDITURES</b>				
<b>Instruction:</b>				
Regular programs	176,299	0	0	0
Special programs	110,578	0	381,621	8,413
<b>Support Services:</b>				
Student Services	15,097	0	0	0
Instructional Staff Support	6,219	0	223,120	0
General Admin.	71,163	0	15,575	231
Business Services	7,367	0	0	0
Plant Services	8,203	0	70,813	0
Food Service Program	2,966	661,860	0	0
Student Transportation Services	9,635	0	0	0
In-Kind Expense	0	0	0	0
Facility Acquisition & Consultation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL EXPENDITURES</u></b>	<b>407,527</b>	<b>661,860</b>	<b>691,129</b>	<b>8,644</b>
 <b>EXCESS (DEFICIENCY) OF</b>				
<b><u>REVENUES OVER EXPENDITURES</u></b>	<b>16,117</b>	<b>(101,305)</b>	<b>0</b>	<b>0</b>
 <b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	0	117,175	0	0
Operating transfers out	<u>(30,818)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>TOTAL OTHER FINANCING</u></b>				
<b><u>SOURCES (USES)</u></b>	<b>(30,818)</b>	<b>117,175</b>	<b>0</b>	<b>0</b>
 <b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b><u>OVER EXPENDITURES AND</u></b>				
<b><u>OTHER SOURCES</u></b>	<b>(14,701)</b>	<b>15,870</b>	<b>0</b>	<b>0</b>
 <b>FUND BALANCE-BEG.</b>				
	<u>17,541</u>	<u>128,643</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE-END</b>				
	<u>2,840</u>	<u>144,513</u>	<u>0</u>	<u>0</u>

See Notes to Financial Statements

<u>EESA</u> <u>Title II</u>	<u>Family</u> <u>Resources</u>	<u>Head start</u>	<u>Total</u>
0	0	0	420,584
0	0	1,497	9,034
0	0	0	46,343
51	248,215	532,039	1,989,813
<u>0</u>	<u>0</u>	<u>102,602</u>	<u>102,602</u>
51	248,215	636,138	2,568,376
0	0	0	176,299
50	94,569	413,448	1,008,679
0	0	0	15,097
0	52,253	98,411	380,003
1	101,393	0	188,363
0	0	0	7,367
0	0	10,183	89,199
0	0	0	664,826
0	0	11,494	21,129
0	0	102,602	102,602
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
51	248,215	636,138	2,653,564
<u>0</u>	<u>0</u>	<u>0</u>	<u>(85,188)</u>
0	0	0	117,175
<u>0</u>	<u>0</u>	<u>0</u>	<u>(30,818)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>86,357</u>
0	0	0	1,169
<u>0</u>	<u>0</u>	<u>0</u>	<u>146,184</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>147,353</u>

See Notes to Financial Statements

TENSAS PARISH SCHOOL BOARD  
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS  
YEAR ENDED JUNE 30, 1998

<u>NAME</u>	<u>AMOUNT</u>
MAC HAZLIP, PRESIDENT	2,400
HELEN B. KIFER, VICE PRESIDENT	2,400
MARY LOUISE CARTER	2,400
CONNIE MCKEEL	2,400
ROBERT NEWMAN, JR.	2,400
ELVADUS FIELDS	2,400
CURTIS A. LEAKE	<u>2,400</u>
<u>TOTAL</u>	<u>16,800</u>

**MARCUS, ROBINSON and HASSELL**

CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2896  
TELEPHONE 322-8106  
MONROE, LOUISIANA 71207-2896

10/28/98  
\$25,215

Harvey Marcus, CPA  
John Robinson, CPA  
Doyle Hassell, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

To the Members  
Tensas Parish School Board  
St. Joseph, Louisiana

In planning and performing our audit of the general purpose financial statements of the Tensas Parish School Board, for the year ended June 30, 1998, we considered its' internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the internal control structure. However, 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. Reportable conditions involve matters coming to our attention relating to deficiencies in the design or operation of the internal control structure that, in our judgment could adversely affect the Tensas Parish School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

**Finding**

The cash in Cross Keys Bank at June 30, 1998 exceeded the FDIC limit and collateralized amount by \$25,215.

**Management Corrective Action Plan**

The cash balances and collateral pledged will be monitored to assure that all cash deposits in excess of FDIC insured limits are fully collateralized.

This report is intended solely for the information and use of the Tensas Parish School Board's management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

*Marcus, Robinson & Hassell*

Marcus, Robinson and Hassell  
October 28, 1998