

**RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2004**

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

Release Date 10-27-04

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COUSHATTA, LOUISIANA
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COUSHATTA, LOUISIANA
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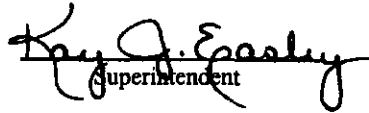
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RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Kay Easley, Superintendent of the Red River Parish School Board, who, duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of the Red River Parish School Board, at June 30, 2004 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.


Superintendent

Sworn to and subscribed before me, this 8th day of October, 2004.


NOTARY PUBLIC



HINES, JACKSON & HINES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

Board Members
Red River Parish School Board
Coushatta, Louisiana

We have audited the accompanying basic financial statements of the Red River Parish School Board, Coushatta, Louisiana, as of and for the year ended June 30, 2004, as listed in the table of contents. These financial statements are the responsibility of management of the Red River Parish Schools Board. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts 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 financial statements referred to above present fairly, in all material respects, the financial position of the Red River Parish School Board, Coushatta, Louisiana, as of June 30, 2004, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 8, 2004 on our consideration of the Red River Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 3 through 7 and 28, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Red River Parish School Board, Coushatta, Louisiana, taken as a whole. The accompanying supplemental information schedules listed in the table of contents, including the schedule of expenditures of federal awards, are 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The financial information for the year ended June 30, 2003, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated October 31, 2003, on the basic financial statements of the Red River Parish School Board.

Hines, Jackson & Hines
Natchitoches, Louisiana
October 8, 2004

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS
JUNE 30, 2004

The Management's Discussion and Analysis of the Red River Parish School Board's financial performance presents a narrative overview and analysis of Red River Parish School Board's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the Red River Parish School Board's financial statements, which begin on page 8.

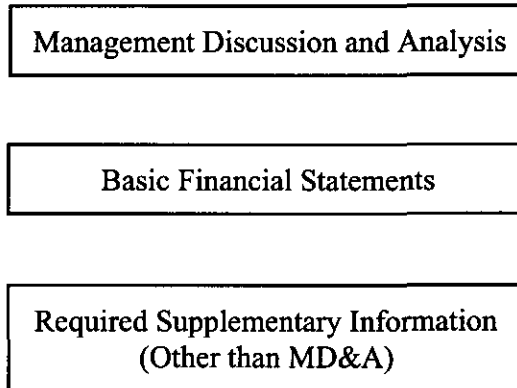
FINANCIAL HIGHLIGHTS

- 1) The Red River Parish School Board had cash and investments of \$6,587,634 at June 30, 2004 which represents an increase of \$698,846 from prior year end.
- 2) The Red River Parish School Board had receivables of \$812,608 at June 30, 2004 which represents an increase of \$241,868 from prior year end.
- 3) The Red River Parish School Board had accounts payable and accruals of \$1,557,604 at June 30, 2004 which represents an increase of \$30,216 from prior year end.
- 4) The Red River Parish School Board had total revenues of \$16,142,563 for the year ended June 30, 2004 which represents an increase of \$1,681,267 from prior year.
- 5) The Red River Parish School Board had taxes of \$3,293,748 for the year ended June 30, 2004 which represents an increase of \$123,379 from prior year.
- 6) The Red River Parish School Board had minimum foundation program revenues of \$8,461,227 for the year ended June 30, 2004 which represents an increase of \$463,583 from prior year.
- 7) The Red River Parish School Board had other state source revenues of \$1,021,446 for the year ended June 30, 2004 which represents an increase of \$223,277 from prior year.
- 8) The Red River Parish School Board had federal source revenues of \$3,021,391 for the year ended June 30, 2004 which represents an increase of \$863,854 from prior year.
- 9) The Red River Parish School Board had instructional services expenses of \$8,514,413 for the year ended June 30, 2004 which represents an increase of \$613,847 from prior year.
- 10) The Red River Parish School Board had support services expenses of \$4,317,609 for the year ended June 30, 2004 which represents an increase of \$352,672 from prior year.
- 11) The Red River Parish School Board had capital asset purchases of \$398,591 for the year ended June 30, 2004 which represents a decrease of \$722,622 from prior year.
- 12) The Red River Parish School Board had debt services payments of \$929,792 for the year ended June 30, 2004 which represents a decrease of \$55,416 from prior year.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Red River Parish School Board as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Red River Parish School Board as a whole and present a longer-term view of the School Board's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the School Board's net assets and changes in them. You can think of the School Board's net assets, the difference between assets and liabilities, as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. All of the School Board's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's activities as well as what remains for future spending.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of Year End

	<u>2004</u>	<u>2003</u>
Current and other assets	\$ 7,419,323	\$ 6,469,580
Capital assets, net	<u>13,280,012</u>	<u>13,493,912</u>
Total Assets	<u>\$ 20,699,335</u>	<u>\$ 19,963,492</u>
Accounts payable and accruals	\$ 1,703,084	\$ 1,683,601
Compensated absences payable	391,285	461,011
General obligation bonds	<u>9,685,000</u>	<u>10,145,000</u>
Total Liabilities	11,779,369	12,289,612
Net assets		
Investment in capital assets, net of related debt	3,595,012	3,348,912
Restricted	1,793,130	1,815,985
Unrestricted	<u>3,531,824</u>	<u>2,508,983</u>
Total Net Assets	<u>8,919,966</u>	<u>7,673,880</u>
Total Liabilities and Net Assets	<u>\$ 20,699,335</u>	<u>\$ 19,963,492</u>

Net assets of the Red River Parish School Board's increased by \$1,246,086 or 16.24% from the previous fiscal year. The increase is the result of operating and nonoperating revenues exceeding expenses during the fiscal year ended 2004 (See table below).

Statement of Activities
For the Year Ended

	<u>2004</u>	<u>2003</u>
General government		
Expenses	\$ (14,896,477)	\$ (13,856,531)
Program revenues		
Charges for services	83,921	81,425
Operating and capital grants and contributions	<u>3,995,914</u>	<u>2,908,829</u>
Subtotal	(10,816,642)	(10,866,277)
Taxes	3,293,748	3,170,369
Minimum foundation revenues	8,461,227	7,997,644
Other	<u>307,753</u>	<u>303,029</u>
Change in net assets	<u>\$ 1,246,086</u>	<u>\$ 604,765</u>

The Red River Parish School Board's total revenues increased by \$1,681,267 or 11.63% from the previous year. The total cost of all programs and services increased by \$1,039,946 or 7.50% from the previous year.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the Red River Parish School Board had \$13,280,012, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net decrease (including additions and deductions) of \$213,900 or 1.59% from the previous year.

Capital Assets at Year End
(Net of Depreciation)

	2004	2003
Land	\$ 150,657	\$ 150,657
Buildings and building improvements	12,220,823	12,487,497
Automobiles and equipment	908,532	855,758
Total	\$ 13,280,012	\$ 13,493,912

This year's major additions included:

Building and building improvements	\$	83,525
Automobiles and equipment	\$	315,066

This year's major retirements included:

Automobiles and equipment	\$	131,992
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Debt

The Red River Parish School Board had \$10,076,285 in outstanding debt at year end compared to \$10,606,011 at the previous year end, a decrease of \$529,726 or 4.99% as shown in the table below.

Outstanding Debt at Year End

	2004	2003
Compensated absences payable	\$ 391,285	\$ 461,011
General obligation bonds	9,685,000	10,145,000
Totals	\$ 10,076,285	\$ 10,606,011

New debt during the year included:

None.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$45,531 less than budgeted amounts due to other local revenues being less than expected.

Actual expenditures were \$2,682 more than budgeted amounts due to support services expenses being more than expected.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Red River Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Minimum foundation program revenues
- 2) Taxes (ad valorem and sales)
- 3) Intergovernmental revenues (federal and state grants)

The Red River Parish School Board does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Red River Parish School Board's finances and to show the Red River Parish School Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kay Easley, Superintendent, Post Office Box 1369, Coushatta, Louisiana 71019.

EXHIBIT A

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 5,513,386	\$ 4,855,609
Investments	1,074,248	1,033,179
Accounts receivable	812,608	570,740
Inventories	<u>19,081</u>	<u>10,052</u>
Total Current Assets	7,419,323	6,469,580
Noncurrent Assets		
Capital assets, net	<u>13,280,012</u>	<u>13,493,912</u>
Total Assets	<u>\$ 20,699,335</u>	<u>\$ 19,963,492</u>
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Current portion of general obligation bonds	\$ 485,000	\$ 460,000
Accounts payable and accruals	1,557,604	1,527,388
Interest payable	<u>145,480</u>	<u>156,213</u>
Total Current Liabilities	2,188,084	2,143,601
Noncurrent Liabilities		
Compensated absences payable	391,285	461,011
General obligation bonds, net of current portion	<u>9,200,000</u>	<u>9,685,000</u>
Total Liabilities	11,779,369	12,289,612
Net Assets		
Investment in capital assets, net of related debt	3,595,012	3,348,912
Restricted		
Salaries	576,682	432,895
Retirement of long-term debt	1,027,470	931,546
Construction and renovations of capital assets	188,978	451,544
Unrestricted	<u>3,531,824</u>	<u>2,508,983</u>
Total Net Assets	<u>8,919,966</u>	<u>7,673,880</u>
Total Liabilities and Net Assets	<u>\$ 20,699,335</u>	<u>\$ 19,963,492</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B

**RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
STATEMENT OF ACTIVITIES**

FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	2004				2003	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets	Revenue and Changes in Net Assets
Governmental Activities						
Instruction						
Regular programs	\$ 5,025,967	\$ 0	\$ 1,040,044	\$ 0	\$ (3,985,923)	\$ (4,510,779)
Special programs	2,979,712	0	1,668,692	0	(1,311,020)	(1,016,715)
Adult and continuing education	508,734	0	109,533	0	(399,201)	(443,338)
Support services						
Student services	485,052	0	6,731	0	(478,321)	(432,740)
Instructional staff support	697,478	0	269,491	0	(427,987)	(288,930)
General administration	413,468	0	0	0	(413,468)	(453,974)
School administration	487,074	0	8,293	0	(478,781)	(551,659)
Business services	184,618	0	6,788	0	(177,830)	(255,379)
Plant services	1,154,357	0	58,318	0	(1,096,039)	(918,926)
Student transportation services	895,562	0	32,339	0	(863,223)	(828,654)
Central services	4,856	0	0	0	(4,856)	(15,240)
Food services	991,837	83,921	645,029	0	(262,887)	(183,926)
Interest on long-term debt	459,059	0	0	0	(459,059)	(492,763)
Depreciation (unallocated)	608,703	0	0	150,656	(458,047)	(473,254)
Total General Activities	\$ 14,896,477	\$ 83,921	\$ 3,845,258	\$ 150,656	\$ (10,816,642)	\$ (10,866,277)
General Revenues						
Property taxes, levied for general purposes					987,810	958,943
Property taxes, levied for debt service					992,536	963,532
Sales taxes, levied for general purposes					1,313,402	1,247,894
State revenue sharing					46,923	46,877
Minimum foundation program (MFP) revenues					8,461,227	7,997,644
Interest income					175,220	161,509
Miscellaneous					85,610	94,643
Total General Revenues					12,062,728	11,471,042
Change in Net Assets					1,246,086	604,765
Net Assets, Beginning of year					7,673,880	7,069,115
Net Assets, End of year					\$ 8,919,966	\$ 7,673,880

The accompanying notes are an integral part of this statement.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004 AND 2003

	<u>2004</u>				<u>2003</u>
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 3,569,868	\$ 339,806	\$ 1,603,712	\$ 5,513,386	\$ 4,855,609
Investments	275,477	662,039	136,732	1,074,248	1,033,179
Receivable	71,149	25,625	715,834	812,608	570,740
Interfund receivable	722,054	0	0	722,054	1,249,658
Inventories	0	0	19,081	19,081	10,052
Total Assets	<u>\$ 4,638,548</u>	<u>\$ 1,027,470</u>	<u>\$ 2,475,359</u>	<u>\$ 8,141,377</u>	<u>\$ 7,719,238</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable and accruals	\$ 1,509,966	\$ 0	\$ 47,638	\$ 1,557,604	\$ 1,527,388
Interfund payables	0	0	722,054	722,054	1,249,658
Total Liabilities	1,509,966	0	769,692	2,279,658	2,777,046
Fund Balances					
Reserved					
Salaries	0	0	576,682	576,682	432,895
Retirement of long-term debt	0	1,027,470	0	1,027,470	931,546
Construction and renovations of capital assets	0	0	188,978	188,978	451,544
Unreserved	<u>3,128,582</u>	<u>0</u>	<u>940,007</u>	<u>4,068,589</u>	<u>3,126,207</u>
Total Net Assets	<u>3,128,582</u>	<u>1,027,470</u>	<u>1,705,667</u>	<u>5,861,719</u>	<u>4,942,192</u>
Total Liabilities and Fund Balances	<u>\$ 4,638,548</u>	<u>\$ 1,027,470</u>	<u>\$ 2,475,359</u>	<u>\$ 8,141,377</u>	<u>\$ 7,719,238</u>

The accompanying notes are an integral part of this statements.

EXHIBIT D

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2004

Total Fund Balances for Governmental Funds (Exhibit C) \$ 5,861,719

Total Net Assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 150,657	
Buildings and building improvements, net of \$1,473,418 in accumulated depreciation	12,220,823	
Automobiles and equipment, net of \$1,087,827 in accumulated depreciation	<u>908,532</u>	
Total Capital Assets		13,280,012

Elimination of interfund assets and liabilities

Interfund receivables	(722,054)	
Interfund payables	<u>722,054</u>	
Net Interfund Assets and Liabilities		0

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities. Interest on long-term debt is not accrued in government funds, but rather is recognized as an expenditure when due. Long-term liabilities and accrued interest on long-term debts are reported in the statement of net assets. Long-term liabilities and accrued interest on long-term debt at year end consist of:

Interest payable	145,480	
Compensated absences payable	391,285	
General obligation bonds	<u>\$ 9,685,000</u>	
Total Long-term Liabilities		<u>(10,221,765)</u>

Total Net Assets of Governmental Activities (Exhibit A) \$ 8,919,966

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	2004			2003	
	General Fund	Debt Service Fund	Other Governmental Funds	Total	Total
Revenues					
Local Sources					
Taxes: Ad valorem	\$ 490,596	\$ 992,536	\$ 497,214	\$ 1,980,346	\$ 1,922,475
Taxes: Sales and use	656,701	0	656,701	1,313,402	1,247,894
Interest earnings	129,050	33,180	12,990	175,220	161,509
Charges for services	0	0	83,921	83,921	81,425
Other	85,610	0	0	85,610	94,643
State Sources					
Minimum foundation program (MFP)	8,305,227	0	156,000	8,461,227	7,997,644
Other	130,564	0	890,882	1,021,446	798,169
Federal Sources	0	0	3,021,391	3,021,391	2,157,537
Total Revenues	9,797,748	1,025,716	5,319,099	16,142,563	14,461,296
Expenditures					
Current					
Instruction					
Regular programs	4,148,680	0	943,225	5,091,905	5,375,875
Special programs	1,205,799	0	1,773,913	2,979,712	2,041,676
Adult and continuing education	364,086	0	144,648	508,734	561,866
Support Services					
Student services	438,280	0	46,772	485,052	439,965
Instructional staff support	400,409	0	297,069	697,478	453,433
General administration	402,163	0	11,305	413,468	453,974
School administration	437,309	0	49,765	487,074	551,659
Business services	159,828	0	24,790	184,618	263,952
Plant services	737,631	0	416,726	1,154,357	961,381
Student transportation services	789,242	0	106,320	895,562	840,573
Central services	4,856	0	0	4,856	15,621
Food services	69,300	0	922,537	991,837	913,037
Capital outlay	143,631	0	254,960	398,591	1,121,213
Debt Service					
Principal retirement	0	460,000	0	460,000	482,295
Interest and bank charges	0	469,792	0	469,792	502,913
Total Expenditures	9,301,214	929,792	4,992,030	15,223,036	14,979,433
Excess/(Deficiency) of Revenues Over Expenditures	496,534	95,924	327,069	919,527	(518,137)
Other Financing Sources/(Uses)					
Operating transfers in	72,076	0	0	72,076	49,334
Operating transfers out	0	0	(72,076)	(72,076)	(49,334)
Total Other Financing Sources/(Uses)	72,076	0	(72,076)	0	0
Net Changes In Fund Balances	568,610	95,924	254,993	919,527	(518,137)
Fund Balances, Beginning of year	2,559,972	931,546	1,450,674	4,942,192	5,460,329
Fund Balances, End of year	\$ 3,128,582	\$ 1,027,470	\$ 1,705,667	\$ 5,861,719	\$ 4,942,192

The accompanying notes are an integral part of this statement.

EXHIBIT F

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Net Change in Fund Balances-Total Governmental Funds (Exhibit E)	\$	919,527
The change in Net Assets reported for governmental activities in the statement of activities is different because:		
<i>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$608,703) exceeds capital outlays (\$398,591) in the current period.</i>		(210,112)
<i>The statement of activities reports losses on disposition of capital assets, whereas in the governmental funds, the proceeds from the disposition increase financial resources. Thus, the change in the net assets differs from the change in fund balance by the net book value of the disposed assets</i>		(3,788)
<i>Some expense reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</i>		80,459
<i>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</i>		<u>460,000</u>
Change in Net Assets of Governmental Activities (Exhibit B)	\$	<u>1,246,086</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2004

Assets	
Cash	\$ <u>56,633</u>
Total Assets	\$ <u>56,633</u>
Liabilities	
Due to other governments	\$ <u>56,633</u>
Total Liabilities	\$ <u>56,633</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004

INTRODUCTION

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

The School Board operates five schools within the parish with a total enrollment of approximately 1,553 pupils. In conjunction with the regular educational programs, some of these schools offer special educations 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

A. Basis of Accounting

The accompanying financial statements of the Red River Parish 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.

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. 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 No. 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 issue bonded debt. The School Board also has no component units, defined by GASB Statement No. 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.

C. Funds

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to *demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities*. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the School Board are classified into two categories: governmental and fiduciary, as follows:

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Funds (Continued)

Governmental Funds

Governmental funds account for all or most of the School Board's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

General Fund - the primary operating fund of the School Board and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to School Board policy.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, or designated by the School Board to be accounted for separately.

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

Capital Projects Funds - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only fund accounted for in this category by the School Board is the agency fund. The agency fund accounts for assets held by the School Board as an agent for schools, and school organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency fund has no measurement focus, but does use the modified accrual basis of accounting.

D. Measurement Focus/Basis of Accounting

Government - Wide Financial Statements

The Statement of Net Assets (exhibit A) and the Statement of Activities (exhibit B) display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets (exhibit G) at the fund financial statement level.

The government - wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus/Basis of Accounting (Continued)

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet (exhibit C). The Statement of Revenues, Expenditures, and Changes in Fund Balances (exhibit E) reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government - wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government - wide statements and the statements for governmental funds.

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments 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. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis. Taxes are levied on October 31 and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property on December 31 of each year, and become delinquent on January 1.

Sales and use tax revenues are recorded in the month collected by the tax collector.

Entitlements (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred.

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 extinguishment, long-term 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.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Red River Parish School Board prepares and adopts a budget prior to July 1 of each year for its general and all special revenue funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The School Board amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. The School Board approves the overall budget at the function level and management has authority to transfer amounts between line items within a function. All budget appropriations lapse at year end.

F. Cash and Cash Equivalents

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

G. Investments

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

H. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

I. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2004, \$0 were considered to be uncollectible.

J. Short-term Interfund Receivables/Payables

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

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Inventory

Paper, pencils and other miscellaneous supplies are expensed when purchased due to the very small amount of inventory maintained. Purchases of food items in the school food service special revenue fund are inventoried.

Inventory of the school food service special revenue fund consists of food purchases by the school board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. All items purchased are valued at the lower of cost, using the first-in, first-out (FIFO) method, or market. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are assigned values based on information provided by the United States Department of Agriculture, also on a FIFO basis.

L. Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Red River Parish School Board are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

M. Compensated Absences

Red River Parish School Board employees earn annual and sick leave at various rates depending on the number of years in service. The amount of annual and sick leave that may be accumulated is 320 hours and unlimited, respectively. Several employees have been allowed accumulated annual leave in excess of the 320 hours for time accumulated under the previous policies, which allowed for unlimited annual leave. Upon termination, an employee is compensated for up to 320 hours of unused annual and 200 hours of sick leave at the employee's hourly rate of pay at the time of termination.

Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the 200 hours paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 200 hours 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. Sabbatical leave benefits are recorded as expenditures in the period paid.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Restricted Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. Externally imposed by creditors (such as debt covenants), grantors, contributions, or laws or regulations of other governments; and
2. Imposed by law through constitutional provisions or enabling legislation.

O. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

P. 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. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

Q. Sales Taxes

The Red River Parish School Board collects a one percent parish-wide sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to supplement salaries of school board employees and/or operations of the public schools within the parish. In accordance with a School Board resolution adopted on June 4, 1974, the proceeds of the tax are designated as follows: 20 percent for salaries, 35 percent for transportation, 20 percent for individual school needs, and 25 percent to the general fund. The tax, authorized under the provisions of LSA-R.S. 33:2737 and approved by the voters on June 24, 1974, has no expiration date. The school board also collects a one percent parish-wide sales and use tax with the net proceeds, after deducting the reasonable and necessary cost of administering and collecting the tax, dedicated to employee salaries and benefits. The tax receipts and expenditures are accounted for in a special revenue fund entitled Employee Salaries and Benefits.

R. Estimates

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

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 2 LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

Parish-wide taxes	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Constitutional	4.65	4.65	Statutory
Maintenance	16.11	16.11	2013
Construction, repair and maintenance	5.07	5.07	2007
Employee salary and benefits	15.97	15.97	2013
Consolidation	42.00	42.00	2017

NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law the Red River Parish School Board may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the School Board may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

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

At June 30, 2004, the Red River Parish School Board had bank deposits per balance sheet of \$6,644,267, as follows:

Demand deposits	\$ 578,928
Interest-bearing demand deposits	4,991,091
Certificates of Deposit, maturities greater than 90 days	<u>1,074,248</u>
Total	<u>\$ 6,644,267</u>

The deposits at June 30, 2004 were secured as follows:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Bank Balances (Category 3 Only, If Any)			
a. Uninsured and uncollateralized	\$ 0	\$ 0	\$ 0
b. Uninsured and uncollateralized with securities held by the pledging institution	0	0	0
c. Uninsured and uncollateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	0	0	0
Total Category 3 Bank Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Bank Balances (All Categories Including Category 3 Reported Above)	<u>\$ 5,757,211</u>	<u>\$ 1,074,248</u>	<u>\$ 6,831,459</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONTINUED)

A. Deposits with Financial Institutions (Continued)

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>Amount</u>
Bank of Coushatta	\$ 6,831,459
Total	<u>\$ 6,831,459</u>

B. Investments

At June 30, 2004, the Red River Parish School Board had investments of \$0.

NOTE 4 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at June 30, 2004:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes	\$ 71,149	\$ 19,484	\$ 71,314	\$ 161,947
Intergovernmental	0	0	644,520	644,520
Interest	0	6,141	0	6,141
Total	<u>\$ 71,149</u>	<u>\$ 25,625</u>	<u>\$ 715,834</u>	<u>\$ 812,608</u>

NOTE 5 INTERFUND ASSETS/LIABILITIES

Due from/to other funds:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 722,054	\$ 0
Debit service	0	0
Other governmental	0	722,054
Total	<u>\$ 722,054</u>	<u>\$ 722,054</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 6 CAPITAL ASSETS

A summary of Red River Parish School Board's capital assets at June 30, 2004 follows:

	Balance July 1, 2003	Additions	Retirements	Balance June 30, 2004
Capital Assets, not being depreciated				
Land	\$ 150,657	\$ 0	\$ 0	\$ 150,657
Total Capital Assets, not being depreciated	150,657	0	0	150,657
Capital Assets, being depreciated				
Buildings and building improvements	13,610,716	83,525	0	13,694,241
Less accumulated depreciation	(1,123,219)	(350,199)	0	(1,473,418)
Total Buildings and building improvements	12,487,497	(266,674)	0	12,220,823
Automobiles and equipment	1,813,285	315,066	(131,992)	1,996,359
Less accumulated depreciation:	(957,527)	(258,504)	128,204	(1,087,827)
Total Automobiles and equipment	855,758	56,562	(3,788)	908,532
Total Capital Assets, being depreciated	13,343,255	(210,112)	(3,788)	13,129,355
Total Capital Assets, net	<u>\$ 13,493,912</u>	<u>\$ (210,112)</u>	<u>\$ (3,788)</u>	<u>\$ 13,280,012</u>

NOTE 7 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at June 30, 2004:

Class of Payable	Other			Total
	General Fund	Debt Service Fund	Governmental Funds	
Vendor	\$ 50,264	\$ 0	\$ 47,638	\$ 97,902
Salaries and benefits	1,459,702	0	0	1,459,702
Total	<u>\$ 1,509,966</u>	<u>\$ 0</u>	<u>\$ 47,638</u>	<u>\$ 1,557,604</u>

NOTE 8 LONG-TERM DEBT

The following is a summary of the long-term obligations of the Red River Parish School Board for the year ended June 30, 2004:

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004	Current Amounts
Compensated absences	\$ 461,011	\$ 141,317	\$ 211,043	\$ 391,285	\$ 0
General obligation bonds-1998	7,560,000	0	340,000	7,220,000	360,000
General obligation bonds-1999	2,585,000	0	120,000	2,465,000	125,000
Total	<u>\$ 10,606,011</u>	<u>\$ 141,317</u>	<u>\$ 671,043</u>	<u>\$ 10,076,285</u>	<u>\$ 485,000</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 8 LONG-TERM DEBT (CONTINUED)

All School Board bonds outstanding at June 30, 2004 are general obligation bonds. The individual issues are as follows:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
General obligation bonds-1998	4.62%	2018	\$ 8,750,000	\$ 7,220,000
General obligation bonds-1999	4.37%	2018	<u>3,000,000</u>	<u>2,465,000</u>
Total			<u>\$ 11,750,000</u>	<u>\$ 9,685,000</u>

The annual requirements to amortize all debt outstanding as of June 30, 2004, including interest payments are as follows:

<u>Year Ended June 30,</u>	<u>Bonds - 1998</u>	<u>Bonds - 1999</u>	<u>Total</u>
2005	\$ 689,050	\$ 232,390	\$ 921,440
2006	690,150	228,640	918,790
2007	693,810	232,595	926,405
2008	696,410	232,135	928,545
2009	698,035	236,335	934,370
thereafter	<u>6,503,020</u>	<u>2,170,657</u>	<u>8,673,677</u>
Total	<u>\$ 9,970,475</u>	<u>\$ 3,332,752</u>	<u>\$ 13,303,227</u>

In accordance with R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. As June 30, 2004, the statutory limit is \$12,456,049, and outstanding bonded debt totals \$9,685,000.

NOTE 9 INTERFUND TRANSFERS

Operating transfers for the year ended June 30, 2004, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 72,076	\$ 0
Debit service	0	0
Other governmental	0	72,076
Total	<u>\$ 72,076</u>	<u>\$ 72,076</u>

NOTE 10 CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
	<u>June 30, 2003</u>			<u>June 30, 2004</u>
Agency Funds				
School activity accounts	\$ 37,471	\$ 175,414	\$ 156,252	\$ 56,633
Total	<u>\$ 37,471</u>	<u>\$ 175,414</u>	<u>\$ 156,252</u>	<u>\$ 56,633</u>

NOTE 11 LEASES

The Red River Parish School Board was not obligated under any capital or operating lease commitments at June 30, 2004.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 12 RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of two statewide retirements systems. In general, professional employees (such as teachers and principals) and lunchroom workers are member of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These Systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6446.

Plan members are required to contribute 8.00 percent, 9.1 percent, and 5.00 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.8 percent, 13.8 percent and 13.8 percent of annual covered payroll for the Regular Plan, Plan A and Plan B, respectively. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement System's Actuarial Committee. The school board's employer contributions 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.

The School Board's contributions to the TRS for the years ending June 30, 2004, 2003 and 2002, were \$978,957, \$867,156 and \$937,060, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LASERS)

The LASERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information for the LASERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484.

Plan members are required to contribute 7.5 percent of their annual covered salary and the school board is required to contribute at an actuarially determined rate. The current rate is 8.5 percent of annual covered payroll. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The school board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations.

The school board's contributions to the LASERS for the years June 30, 2004, 2003 and 2002, were \$67,946, \$0 and \$0, respectively, equal to the required contributions for each year.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

In accordance with state statutes, the Red River 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 are provided through the State Employees' Group Benefits Program, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (which includes the State's reimbursements) as an expenditure when the monthly premiums are due, which totaled \$906,385 for the year ended June 30, 2004. The cost of retiree benefits totaled \$402,165 for 107 retirees.

NOTE 14 RISK MANAGEMENT

The Red River Parish School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School Board maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School Board.

NOTE 15 LITIGATION

The Red River Parish School Board is a defendant in various litigations as of the close of business on June 30, 2004. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel of the School Board, resolution of these matters would not create a liability in excess of insurance coverage, and therefore would not have a material adverse effect on the financial condition of the Red River Parish School Board.

NOTE 16 CLAIMS AND JUDGMENTS

The Red River Parish School Board participates in state and federal assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to request for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

REQUIRED SUPPLEMENTARY INFORMATION

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fav./Unfav.)</u>
Revenues				
Local Sources				
Taxes: Ad valorem	\$ 502,750	\$ 502,750	\$ 490,596	\$ (12,154)
Taxes: Sales and use	640,000	620,000	656,701	36,701
Interest earnings	107,926	121,485	129,050	7,565
Charges for services	0	0	0	0
Other	173,600	166,158	85,610	(80,548)
State Sources				
Minimum foundation program (MFP)	8,013,585	8,321,147	8,305,227	(15,920)
Other	109,124	111,739	130,564	18,825
Federal Sources				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>9,546,985</u>	<u>9,843,279</u>	<u>9,797,748</u>	<u>(45,531)</u>
Expenditures				
Current				
Instruction				
Regular programs	4,450,367	4,157,275	4,148,680	8,595
Special programs	909,030	1,207,133	1,205,799	1,334
Adult and continuing education	368,072	365,975	364,086	1,889
Support Services				
Student services	400,876	435,468	438,280	(2,812)
Instructional staff support	350,027	409,394	400,409	8,985
General administration	430,434	416,121	402,163	13,958
School administration	433,810	437,940	437,309	631
Business services	163,079	163,633	159,828	3,805
Plant services	651,070	707,756	737,631	(29,875)
Student transportation services	886,407	775,659	789,242	(13,583)
Central services	40,000	12,556	4,856	7,700
Food services	65,464	69,622	69,300	322
Capital outlay	0	140,000	143,631	(3,631)
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>9,148,636</u>	<u>9,298,532</u>	<u>9,301,214</u>	<u>(2,682)</u>
Excess/(Deficiency) of Revenues				
Over Expenditures	398,349	544,747	496,534	(48,213)
Other Financing Sources/(Uses)				
Operating transfers in	40,000	40,000	72,076	32,076
Operating transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources/(Uses)	<u>40,000</u>	<u>40,000</u>	<u>72,076</u>	<u>32,076</u>
Net Changes In Fund Balances	438,349	584,747	568,610	(16,137)
Fund Balances, Beginning of year	<u>2,559,972</u>	<u>2,559,972</u>	<u>2,559,972</u>	<u>0</u>
Fund Balances, End of year	<u>\$ 2,998,321</u>	<u>\$ 3,144,719</u>	<u>\$ 3,128,582</u>	<u>\$ (16,137)</u>

OTHER SUPPLEMENTARY INFORMATION

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
GENERAL
JUNE 30, 2004

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The 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 \$800 per month, and the president receives an additional \$100 every month.

EXPENDITURE OF FEDERAL AWARDS AND AUDIT FINDINGS RESOLUTION

In accordance with Office of Management and Budget Circular A-133, schedules of expenditures of federal awards, follow-up and corrective action taken on prior audit findings, and corrective action plans for current year findings are presented.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2004

SCHEDULE 2

Mr. Richard B. Cannon	\$ 9,600
Mr. Roger G. Longino	10,200
Mr. J. B. McElwee, President	10,200
Mr. Cleve L. Miller	9,600
Mr. Jessie Webber	9,600
Ms. Kasandria W. White	9,600
Ms. Karen S. Womack	<u>9,600</u>
Total	<u>\$ 68,400</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

SECTION #1

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

- | | | |
|----|---|-------------|
| 1. | Type of auditors' report issued. | Unqualified |
| 2. | Internal control over financial reporting: | |
| | a) Material weaknesses identified? | None |
| | b) Reportable conditions identified not considered to be material weaknesses? | None |
| | c) Noncompliance material to the financial statements noted? | None |

FEDERAL AWARDS

- | | | |
|----|---|-------------|
| 1. | Internal control over major program: | |
| | a) Material weaknesses identified? | None |
| | b) Reportable conditions identified not considered to be material weaknesses? | None |
| 2. | Type of auditors report issued on compliance for major programs. | Unqualified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133, Section 510 (a)? | None |
| 4. | Identification of major programs: | |

CFDA Number

84.010

Name of Federal Program

Title I Grants to Local Educational Agencies

- | | | |
|----|--|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B programs. | \$300,000 |
| 6. | Auditee qualified as low-risk auditee under OMB Circular A-133, Section 530? | Yes |

SECTION #2

FINANCIAL STATEMENT FINDINGS

None reported.

SECTION #3

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED
JUNE 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>Pass-through #</u>	<u>CFDA No.</u>	<u>Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education			
School Breakfast Program	None	10.553	\$ 161,890
National School Lunch Program	None	10.555	<u>436,322</u>
Total United States Department of Agriculture			598,212
United States Department of Education			
Passed through Louisiana Department of Education			
Adult Education - State Grant Program	02-44-41,03-44-41,04-44-41	84.002	46,737
Title I Grants to Local Educational Agencies *	02-T1-41,03-T1-41,04-T1-41	84.010	1,006,962
Special Education			
State Grants	02-B1-41,03-B1-41,04-B1-41	84.027	438,135
Preschool Grants	02-P1-41,03-P1-41,04-P1-41	84.173	9,218
Vocational Education			
Basic Grants to States	03-02-41,04-02-41	84.048	34,526
Safe and Drug-Free Schools and Communities-State Grants	03-70-41,04-70-41	84.186	26,188
Even Start - State Educations Agencies	02-F1-41,03-F1-41,04-F1-41	84.213	206,825
Eisenhower Professional Development State Grants (Title II)	02-50-41,03-50-41,04-50-41	84.281	259,559
Innovative Education Program Strategies (Title VI)	02-80-41,03-80-41,04-80-41	84.298	14,366
Technology Literacy Challenge Fund Grant	04-48-41,03-49-41,04-49-41	84.318	70,058
Comprehensive School Reform Demonstration	02-T5-41, 03-T5-41	84.332	71,626
Rural Education	03-RE-41, 04-RE-41	84.358	<u>115,001</u>
Total United States Department of Education			2,299,201
United States Department of Health and Human Services			
Passed through Louisiana Department of Education			
Temporary Assistance for Needy Families	04-36-41,04-38-41	93.558	77,161
Noncash Federal Financial Assistance			
Passed through Louisiana Department of Agriculture and Forestry			
Food Distribution Program	None	10.550	<u>46,817</u>
TOTAL FEDERAL AWARDS			<u>\$ 3,021,391</u>

Notes to the Schedule of Federal Awards

- A. Federal awards are recorded when the reimbursable expenditures have been incurred.
B. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Note: The dollar threshold to distinguish between type A and type B programs was \$300,000.

* Denotes a major federal award program.

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

Board Members
Red River Parish School Board
Coushatta, Louisiana

We have audited the basic financial statements of the Red River Parish School Board, Coushatta, Louisiana, as of and for the year ended June 30, 2004, and have issued our report dated October 8, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Red River 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Red River 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 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 solely for the information and use of the Red River Parish School Board, federal awarding agencies, pass-through entities, and the Louisiana State Legislative Auditor and is not intended to be, and should not be, used by anyone other than the specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hines, Jackson & Hines
Natchitoches, Louisiana
October 8, 2004

HINES, JACKSON & HINES, L.L.C.

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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

Board Members
Red River Parish School Board
Coushatta, Louisiana

Compliance

We have audited the compliance of the Red River 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, 2004. The Red River Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Red River Parish School Board's management. Our responsibility is to express an opinion on the Red River Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Those standards and OMB 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 Red River 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 Red River Parish School Board's compliance with those requirements.

In our opinion, the Red River 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, 2004.

Internal Control Over Compliance

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

Hines, Jackson & Hines
Natchitoches, Louisiana
October 8, 2004

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
-----------------	---	-------------------------------	---	--

Nothing came to our attention that would require disclosure under Government Auditing Standards.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Expected Date of Completion</u>
-----------------	-------------------------------	-------------------------------	---	--

Nothing came to our attention that would require disclosure under Government Auditing Standards.

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUES SOURCES
FOR THE YEAR ENDED JUNE 30, 2004

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 4,051,683	
Other Instructional Staff Activities	9,427	
Employee Benefits	1,305,345	
Purchased Professional and Technical Services	117,493	
Instructional Materials and Supplies	186,765	
Instructional Equipment	<u>5,336</u>	
Total Teacher and Student Interaction Activities		\$ 5,676,049

Other Instructional Activities 47,852

Pupil Support Activities 438,280

Less: Equipment for Pupil Support Activities 0

Net Pupil Support Activities 438,280

Instructional Staff Services 400,409

Less: Equipment for Instructional Staff Services \$ 0

Net Instructional Staff Services 400,409

Total General Fund Instructional Expenditures \$ 6,562,590

Total General Fund Equipment Expenditures \$ 143,631

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes \$ 113,815

Renewable Ad Valorem Tax 394,312

Debt Service Ad Valorem tax 0

Up to 1% of collections by the Sheriff on Taxes Other than School Taxes (17,531)

Sales and Use Taxes 656,701

Total Local Taxation Revenue \$ 1,147,297

Local Earnings on investment in Real Property:

Earnings from 16th Section Property \$ 12,787

Earnings from Other Real Property 5,535

Total Local Earnings on Investments in Real Property \$ 18,322

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax \$ 21,284

Revenue Sharing - Other Taxes 0

Revenue Sharing - Excess Portion 2,432

Other Revenue in Lieu of Taxes 0

Total State Revenue in Lieu of Taxes \$ 23,716

Nonpublic Textbook Revenue \$ 0

Nonpublic Transportation Revenue \$ 0

SCHEDULE 9

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
AS OF OCTOBER 1, 2003

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.0%	1	4.8%	0	0.0%	0	0.0%
Bachelor's Degree	80	72.1%	18	85.7%	0	0.0%	0	0.0%
Master's Degree	14	12.6%	2	9.5%	3	75.0%	0	0.0%
Master's Degree + 30	13	11.7%	0	0.0%	1	25.0%	0	0.0%
Specialist in Education	3	2.7%	0	0.0%	0	0.0%	0	0.0%
Ph. D. or Ed. D.	1	0.9%	0	0.0%	0	0.0%	0	0.0%
Total	111	B	21	C	4	F	0	G

SCHEDULE 10

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
NUMBER AND TYPE OF PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2004

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

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

SCHEDULE 11

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS
AS OF OCTOBER 1, 2003

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	1	0	0	0	1
Principals	0	0	1	0	1	0	1	3
Classroom Teachers	16	14	36	21	10	8	27	132
Total	<u>16</u>	<u>14</u>	<u>37</u>	<u>22</u>	<u>11</u>	<u>8</u>	<u>28</u>	<u>136</u>

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
PUBLIC SCHOOL STAFF DATA
FOR THE YEAR ENDED JUNE 30, 2004

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average Classroom Teachers' Salary Including Extra Compensation	\$ 36,938	\$ 35,465
Average Classroom Teachers' Salary' Excluding Extra Compensation	\$ 34,639	\$ 33,087
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	133	120

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

SCHEDULE 13

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
CLASS SIZE CHARACTERISTICS
AS OF OCTOBER 1, 2003

School Type	Class Size Range											
	1 - 20		21 - 26		27 - 33		34+					
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	57.1%	145	36.6%	93	6.3%	16	0.0%	0	0.0%	0	0.0%	0
Elementary Activity Classes	37.1%	13	57.2%	20	5.7%	2	0.0%	0	0.0%	0	0.0%	0
Middle/Jr. High	81.8%	117	17.5%	25	0.7%	1	0.0%	0	0.0%	0	0.0%	0
Middle/Jr. High Activity Classes	60.0%	6	40.0%	4	0.0%	0	0.0%	0	0.0%	0	0.0%	0
High	78.2%	151	15.0%	29	6.8%	13	0.0%	0	0.0%	0	0.0%	0
High Activity Classes	71.4%	10	7.1%	1	7.1%	1	14.4%	2	0.0%	0	0.0%	0
Combination	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0

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

SCHEDULE 14

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP) FOR THE 21ST CENTURY
FOR THE YEAR ENDED JUNE 30, 2004

<u>District Achievement Level</u>	<u>English Language Arts</u>						<u>Mathematics</u>							
	<u>20 X 4</u>		<u>20 X 3</u>		<u>20 X 2</u>		<u>20 X 4</u>		<u>20 X 3</u>		<u>20 X 2</u>			
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>		
Grade 4														
Advanced	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Mastery	7	4.3%	5	2.9%	3	2.1%	5	3.1%	1	0.6%	1	0.7%	1	0.7%
Basic	47	29.2%	55	32.0%	41	28.3%	45	27.9%	57	33.3%	27	18.6%	27	18.6%
Approaching Basic	59	36.7%	68	39.5%	57	39.3%	46	28.6%	48	28.1%	43	29.7%	43	29.7%
Unsatisfactory	48	29.8%	44	25.6%	44	30.3%	65	40.4%	65	38.0%	74	51.0%	74	51.0%
Total	161	100%	172	100%	145	100%	161	100%	171	100%	145	100%	145	100%

<u>District Achievement Level</u>	<u>Science</u>						<u>Social Studies</u>							
	<u>20 X 4</u>		<u>20 X 3</u>		<u>20 X 2</u>		<u>20 X 4</u>		<u>20 X 3</u>		<u>20 X 2</u>			
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>		
Grade 8														
Advanced	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	0.9%
Mastery	11	8.4%	6	4.6%	10	8.3%	1	0.8%	3	2.3%	1	0.9%	1	0.9%
Basic	42	32.1%	24	18.6%	30	25.0%	42	32.0%	36	27.9%	48	41.0%	48	41.0%
Approaching Basic	36	27.5%	50	38.8%	44	36.7%	44	33.6%	41	31.8%	31	26.5%	31	26.5%
Unsatisfactory	42	32.0%	49	38.0%	36	30.0%	44	33.6%	49	38.0%	36	30.7%	36	30.7%
Total	131	100%	129	100%	120	100%	131	100%	129	100%	117	100%	117	100%

SCHEDULE 15

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
THE GRADUATION EXIT EXAM FOR THE 21ST CENTURY
FOR THE YEAR ENDED JUNE 30, 2004

District Achievement Level	English Language Arts						Mathematics						
	20 X 4		20 X 3		20 X 2		20 X 4		20 X 3		20 X 2		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Grade 10													
Advanced	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	
Mastery	4	3.7%	3	2.7%	6	4.5%	8	7.7%	11	7.8%	6	4.1%	
Basic	28	26.2%	30	26.8%	45	33.8%	23	22.1%	42	29.8%	55	37.9%	
Approaching Basic	33	30.8%	30	26.8%	38	28.6%	28	26.9%	35	24.8%	16	11.0%	
Unsatisfactory	42	39.3%	49	43.7%	44	33.1%	45	43.3%	53	37.6%	68	47.0%	
Total	107	100%	112	100%	133	100%	104	100%	141	100%	145	100%	

District Achievement Level	Science						Social Studies					
	20 X 4		20 X 3		20 X 2		20 X 4		20 X 3		20 X 2	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	1	1.1%	0	0.0%	1	1.2%	0	0.0%	1	1.0%	0	0.0%
Mastery	6	6.8%	7	6.9%	2	2.5%	4	4.5%	10	9.6%	6	7.4%
Basic	34	38.6%	30	29.4%	21	25.9%	35	39.8%	43	41.3%	30	37.0%
Approaching Basic	26	29.6%	32	31.4%	21	25.9%	22	25.0%	14	13.5%	22	27.2%
Unsatisfactory	21	23.9%	33	32.3%	36	44.5%	27	30.7%	36	34.6%	23	28.4%
Total	88	100%	102	100%	81	100%	88	100%	104	100%	81	100%

RED RIVER PARISH SCHOOL BOARD
COUSHATTA, LOUISIANA
THE IOWA TESTS
FOR THE YEAR ENDED JUNE 30, 2004

	Composite		
	<u>20 X 4</u>	<u>20 X 3</u>	<u>20 X 2</u>
Test of Basic Skills (ITBS)			
Grade 3	36	29	32
Grade 5	39	39	40
Grade 6	37	34	36
Grade 7	48	34	35
Tests of Educational Development (ITED)			
Grade 9	38	33	38

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.

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Independent Accountants' Report on Applying Agreed-Upon Procedures to the Management of the Red River Parish School Board

Board Members
Red River Parish School Board
Coushatta, Louisiana

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

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

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 8)

1. We selected a random sample of 25 transaction and reviewed supporting documentation to determined if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

No exceptions were noted.

Education Levels of Public School Staff (Schedule 9)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 11) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1.

No exceptions were noted.

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3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 11) to the combined total of principals and assistant principals per this schedule.

No exceptions were noted.

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

No exceptions were noted.

Number and Type of Public Schools (Schedule 10)

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

No exceptions were noted.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 11)

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

No exceptions were noted.

Public Staff Data (Schedule 12)

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

No exceptions were noted.

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

No exceptions were noted.

Class Size Characteristics (Schedule 13)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 10 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

No exceptions were noted.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 14)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Red River Parish School Board.

No exceptions were noted.

The Graduation Exit Exam for the 21st Century (Schedule 15)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Red River Parish School Board.

No exceptions were noted.

The IOWA Test (Schedule 16)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Red River Parish School Board.

No exceptions were noted.

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

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

Hines, Jackson & Hines

Natchitoches, Louisiana

October 8, 2004