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NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Basic Financial Statements
and Independent Auditor's Reports
As of and 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 1-26-05

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Basic Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 2004

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Independent Auditor's Report

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the school board's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the school board's management. My responsibility is to express an opinion on these financial statements based on my audit. I did not audit the Statement of Fiduciary Net Assets (Statement G) - School Activity Agency Fund, which represents 100 percent of the assets agency funds. That statement was audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the School Activity Agency Fund, is based solely on the report of other auditors.

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

In my opinion, based on my audit and the report of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish School Board as of June 30, 2004, and the respective changes in financial position thereof for the year ended, in conformity with accounting principles generally accepted in the United States of America.

NATCHITOCHEs PARISH SCHOOL BOARD
Independent Auditor's Report
(Continued)

Management's discussion and analysis and budgetary comparison information on pages 5 through 12 and 40 through 42, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the school board's basic financial statements. The combining and individual nonmajor fund financial statements are not a required part of the basic financial statements. The combining and individual nonmajor financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated December 16, 2004, on my consideration of internal control over financial reporting and my 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 my audit.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. 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 (OMB) Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

NATCHITOCHEES PARISH SCHOOL BOARD
Independent Auditor's Report
(Continued)

The accompanying supplemental information schedules listed in the table of contents, pages 86 to 103, relating to the school board's performance measures are presented for the purpose of additional analysis and are not a required part of the school board's basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, accordingly, I do not express such an opinion.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 16, 2004

REQUIRED SUPPLEMENTAL INFORMATION

PART I

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Management's Discussion and Analysis
June 30, 2004

FINANCIAL HIGHLIGHTS

The basic financial statements of the Natchitoches Parish School Board, as of and for the year ended June 30, 2004, provides the following insights into the financial position and the results of operations:

Governmental funds (Statement E) reported a surplus of \$16.747 million which includes a \$4.932 million surplus in the general fund. This is a decrease of \$7.726 million from the previous year which includes a \$5.495 million decrease in the general fund. The school board's general fund is primarily driven by salaries and related benefits, both of which increased considerably during the year. Group health insurance and retirement costs rose significantly and are expected to continue with substantial increases in future years. These factors, combined with subsequent capital expenditure of the proceeds from the sale of long-term debt from the prior year and the overall increase in the cost of operations, resulted in the decline of the accumulated surplus.

The following table presents a comparison between current year (2004) and prior year (2003):

Table 1
Governmental Funds
June 30, 2004 and 2003
(in millions)

Governmental Funds	June 30	
	2004	2003
Major Funds:		
General Fund	\$4.932	\$10.426
School Food Service Fund	.505	.534
ESEA Title I	N/A	N/A
Nonmajor Funds	11.309	13.512

Total spending for all programs was \$58.039 million for the year. Most of the school board's taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: instructional programs \$30.312 million, support programs \$16.068 million, non-instructional programs \$3.259 million, and plant programs \$3.747 million.

The following table presents a comparison between current year (2004) and prior year (2003):

NATCHITOCHEES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 Management's Discussion and Analysis (Continued)

Table 2
Governmental Funds
Expenditures by Function
June 30, 2004 and 2003
 (in millions)

Expenditures by Function	June 30	
	2004	2003
Instructional programs	\$30.312	\$29.616
Support programs	16.068	15.485
Non-instructional programs	3.259	3.144
Plant programs	3.747	1.249

The school board's major funds budgeted revenues for the 2003-2004 school year includes a 5% decrease in budgeted revenues and a 6% increase in budgeted expenditures. The increase in the budgeted expenditures is due to planned expenditure for facilities acquisition and the subsequent expenditure of the proceeds received from the issuance of certificates of indebtedness in the prior year.

Table 3
Governmental Funds
Budgeted Expenditures by Function
June 30, 2004 and 2003
 (in millions)

Expenditures by Function	June 30	
	2004	2003
Instructional programs	\$25.507	\$25.548
Support programs	14.213	13.383
Non-instructional programs	3.353	3.169
Plant programs	2.073	.608

USING THIS ANNUAL REPORT

The school board's basic financial statements consists of a series of financial statements that show information for the school board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities (pages 14 and 15) provide information about the activities of the school board as a whole and present a longer-term view of the school board's finances. The fund financial statements of the school board begin on page 16. For the school board's governmental activities, these statements report how the school board finances its services in the short-term as well as what remains for future spending. Fund statements may also provide insights into the school board's overall financial position. Fund financial statements also report the school board's operations in more detail than the government-wide financial statements by providing information about the school board's most significant funds, such as the general fund, the School Food Service Fund, and the Title I (Federal program). The remaining statement, the Statement of Fiduciary Net Assets, presents financial information about activities for which the school board acts solely as an agent for the benefit of others.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
Management's Discussion and Analysis (Continued)

STATEMENT OF NET ASSETS AND THE STATEMENT OF ACTIVITIES

The Statement of Net Assets and the Statement of Activities are reported 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 reported regardless of when cash is received and/or paid. These statements present the governmental activities of the school board which comprises all of the school board's services which include, instruction, plant services, transportation of students, and school food services. Property taxes, sales taxes, State Minimum Foundation Program funds, and federal and state grants finance these activities.

These statements report the school board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as a way to measure the school board's financial position. Increases or decreases in the school board's net assets, as reported in the Statement of Activities, are an indicator of whether the school board's financial position is improving or deteriorating. The difference between revenues and expenses presents the school board's operating results; however, the school board's objective is to provide services to the students, and not to generate profits as a commercial enterprise. Consideration should also be given to other nonfinancial factors, such as the quality of education provided and the safety of the students, to assess the overall financial condition of the school board.

FUND FINANCIAL STATEMENTS

The fund financial statements, beginning on page 16, provide detail information about the most significant funds of the school board, but not the school board as a whole. Some funds are required to be established by State law and bond covenants; however, the school board establishes other funds to enable it to control and manage financial resources for particular purposes or to demonstrate that it is meeting legal requirements for the expenditure of certain taxes, grants, and other restricted revenues.

The school board's services are reported in governmental funds which focus on showing how financial resources flow into and out of funds and the balances remaining at year-end that may be available for future spending, using the modified accrual basis of accounting, which measures cash and other financial assets that may be readily converted to cash. This basis of accounting provides a detailed short-term view of the school board's operations and the services it provides. The governmental fund information enables financial statement users to determine whether there are more or fewer financial resources that can be spent in the near future to finance the school board's programs. The relationship between governmental activities reported in the government-wide financial statements (Statement A and B) and the governmental funds (Statement C and E) in a reconciliation on Statements D and F.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana
Management's Discussion and Analysis (Continued)

FIDUCIARY RESPONSIBILITIES

The school board is the trustee, or fiduciary, for the student activity funds. Fiduciary activities are reported in a separate Statement of Fiduciary Net Assets (page 21). These financial activities are excluded from the school board's other financial statements because they cannot be used to finance its operations. The school board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

As reported on the Statement of Net Assets, page 14, the school board's net assets were \$24.571 million at June 30, 2004 and \$27.805 million at June 30, 2003. Of this amount \$5.334 million was restricted at June 30, 2004 and \$6.797 was restricted at June 30, 2003. Restricted net assets are reported separately to show legal constraints from debt covenants, construction contracts, and enabling legislation that limit the school board's ability to use those net assets for day-to-day operations. The analysis below focuses on the net assets (Table 4) and the changes in net assets (Table 5) of the school board's governmental activities.

Table 4
Net Assets
June 30, 2004 and 2003
(in millions)

	Governmental Activities	
	June 30	
	2004	2003
Current and other assets	\$26.469	\$28.657
Capital assets (net of accumulated depreciation)	47.955	44.779
Total assets	<u>\$74.424</u>	<u>\$73.436</u>
Current and other liabilities	\$13.693	\$7.694
Long-term liabilities	36.160	37.936
Total liabilities	<u>49.853</u>	<u>45.630</u>
Net assets:		
Invested in capital assets, net of debt	7.824	3.334
Restricted	5.340	6.797
Unrestricted	11.407	17.674
Total net assets	<u>\$24.571</u>	<u>\$27.805</u>

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 Management's Discussion and Analysis (Continued)

The \$11.407 million in unrestricted net assets of governmental activities represents the accumulated results of all past year's operations. It means that if the school board had to pay off all of its bills (current liabilities) at June 30, 2004, a balance of \$11.407 million would be remaining. The school board will closely monitor future expenditures with strict adherence to the approved budget to ensure financial stability.

As reported in the Statement of Activities, page 15, the results of this year's operations for the school board reflected a decrease of \$3.234 million. Condensed financial information of that statement is presented in Table 5.

Table 5
Changes in Net Assets
For the Year Ended June 30, 2004 and 2003
(in millions)

	June 30	
	2004	2003
Revenues:		
Program revenues:		
Charges for services	\$.503	\$.534
State and Federal grants	9.633	11.787
General revenues:		
Ad valorem taxes	6.093	5.048
Sales taxes	6.676	6.599
State equalization	25.353	24.438
Other general revenues	2.056	.885
Total revenues	<u>50.314</u>	<u>49.291</u>
Function/Program Expenses:		
Instructional:		
Regular programs	17.402	16.461
Special programs	9.189	9.231
Other instructional programs	4.158	3.980
Support services:		
Student services	2.144	1.856
Instructional staff support	1.928	1.963
General administration	2.474	1.984
School administration	2.565	2.460
Business services	.483	.782
Plant services	3.851	3.995
Student transportation services	4.073	3.696

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana
Management's Discussion and Analysis (Continued)

	June 30	
	2004	2003
Function/Program Expenses:		
Non-Instructional:		
Food services	3.296	3.181
Community services programs	.002	.001
Interest on long-term debt	1.665	1.555
Total expenses	<u>53.548</u>	<u>51.382</u>
Increase (decrease) in net assets	<u><u>\$(3.234)</u></u>	<u><u>\$(2.091)</u></u>

As reported in the Statement of Activities, page 14, the cost of all governmental activities of the school board this year was \$53.548 million; however, the amount that taxpayers ultimately financed for these activities through school board taxes was only \$12.769 million because some of the cost was paid by those who benefitted from the programs (\$.503 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$9.633 million). The remaining "public benefit" portion of governmental activities were financed with \$25.353 million in State Minimum Foundation Program funds, and with other revenues such as interest and general entitlements.

The table below presents the cost of each of the school board's largest functions, as well as each programs net cost (total cost less revenues generated by the activities) of these functions. Providing this information allows users to consider the cost of each function in comparison to the benefits provided by that function.

Program Type	Governmental Activities			
	June 30, 2004		June 30, 2003	
	Total Cost of Services	Net Cost Of Services	Total Cost of Services	Net Cost of Services
Instructional	\$30.748	\$26.310	\$29.672	\$23.094
Support services	17.837	14.827	16.973	14.991
Non-Instructional	3.298	.610	3.183	.597
Interest on long-term debt	1.665	1.665	1.554	1.554
Totals	<u><u>\$53.548</u></u>	<u><u>\$43.412</u></u>	<u><u>\$51.382</u></u>	<u><u>\$40.236</u></u>

As was noted earlier, the school board uses funds to assist in controlling and managing financial resources for particular purposes. This approach not only improves accountability over the resources from taxpayers and others but it provides additional insight into the school board's overall financial position.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 Management's Discussion and Analysis (Continued)

At the completion of the 2003-2004 school year, the governmental funds reported a combined fund balance of \$16.747 million, which is a decrease of \$7.726 million from the 2002-2003 school year. The school board's general fund reported a net decrease of approximately \$5.495 million from June 30, 2003. The school board's general fund is primarily driven by salaries and related benefits, both of which increased considerably during the year. Group health insurance and retirement costs rose significantly and are expected to continue with substantial increases in future years. These factors, combined with the overall costs of operations, resulted in the decline of the accumulated surplus.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the course of the year, the school board revised its budget as additional information becomes available and to deal with changes in revenues and expenditures. Schedules reporting the school board's original and final budget amounts, of its major funds, compared with actual amounts are presented on pages 40-42.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - at June 30, 2004, the school board has invested \$70.685 million in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase of approximately \$3.584 million, or 5 percent, from prior year.

Capital Assets at Year-End

	Governmental Activities	
	2004	2003
Land	\$1.300	\$1.125
Construction in progress	5.641	11.324
Buildings	61.191	52.115
Furniture and equipment	2.553	2.537
Totals	<u>\$70.685</u>	<u>\$67.101</u>

Debt - at June 30, 2004, the school board has \$2.500 million in certificates of indebtedness and \$33.927 million in general obligation bonds outstanding, this compares to \$38.224 million outstanding at June 30, 2003, a decrease of approximately 5%.

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 Management's Discussion and Analysis (Continued)

Outstanding Debt, at Year End

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
Certificates of indebtedness	\$2.500	\$2.545
General obligation bonds	33.927	35.679
Total	<u>\$36.427</u>	<u>\$38.224</u>

The schools board's general obligation bond's, backed by the school board, carry a bond rating (Moody's) of Aaa. The State of Louisiana limits the amount of general obligation debt that parishes may issue to 50 per cent of the assessed valuation of all taxable property within the parish. The school board's outstanding general obligation debt of \$33.927 million is significantly below the \$82.056 million statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave. Detailed information on these long-term obligations is presented in the notes to the basic financial statements.

CONTACTING THE SCHOOL BOARD

The financial report is designed to provide citizens, taxpayers, parents, students, and investors and creditors with a general overview of the school board's finances and to show the school board's accountability for the financial resources it receives. Questions about this report or requests for additional financial information should be directed to Mr. John J. Vandersypen, Director of Business Affairs, at the Natchitoches Parish School Board, 600 Royal Street, Natchitoches, LA 71457, telephone number (318) 352-2358.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS
AS OF JUNE 30, 2004, AND FOR THE YEAR THEN ENDED

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Statement of Net Assets
June 30, 2004

ASSETS

Cash and cash equivalents	\$7,297,935
Investments	16,620,445
Receivables	2,278,356
Bus loans receivable	204,904
Inventory	67,082
Capital assets (net of accumulated depreciation):	
Land	1,300,290
Construction in progress	5,640,980
Buildings and improvements	40,389,359
Furniture and equipment	624,173

TOTAL ASSETS	\$74,423,524
	=====

LIABILITIES

Accounts, salaries, and other payables	\$9,343,771
Deferred revenue	378,424
Interest payable	1,660,633
Long-term liabilities:	
Due within one year	2,310,296
Due in more than one year	36,159,660

Total Liabilities	49,852,783

NET ASSETS

Invested in capital assets, net of related debt	7,824,214
Restricted for:	
Debt service	5,318,745
Other purposes	21,097
Unrestricted	11,406,685

TOTAL NET ASSETS	\$24,570,741
	=====

The accompanying notes are an integral part of the financial statements.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Statement of Activities
For the Year Ended June 30, 2004

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Governmental activities:				
Instruction:				
Regular programs	\$17,401,751		\$158,117	(\$17,243,633)
Special programs	9,189,347	\$5,775	3,878,859	(5,304,713)
Vocational programs	853,862		106,777	(747,085)
Adult and continuing education program	135,802		116,886	(18,916)
Other programs	3,167,780		171,340	(2,996,441)
Support services:				
Student services	2,144,423		1,097,081	(1,047,342)
Instructional staff support	1,928,193		531,887	(1,396,306)
General administration	2,474,423		315,657	(2,158,766)
School administration	2,564,733		37,502	(2,527,231)
Business services	482,817		169,942	(312,875)
Plant services	3,850,587	84,065	743,233	(3,023,289)
Student transportation services	4,073,200		30,241	(4,042,959)
Central services	317,670		168	(317,502)
Food services	3,296,059	413,016	2,275,087	(607,956)
Community service programs	1,952			(1,952)
Interest on long-term debt	1,665,232			(1,665,232)
Total Governmental Activities	53,547,831	502,856	9,632,776	NONE
General revenues:				
Taxes:				
Property taxes, levied for general purposes				2,411,446
Property taxes, levied for debt services				3,681,560
Sales and use taxes, levied for general purposes				6,675,640
State revenue sharing				224,405
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				25,352,650
Federal grant programs				211,095
State grant programs				910,293
Interest and investment earnings				499,461
Miscellaneous				561,349
Special item - loss on sale of assets				(350,096)
Total general revenues and special items				40,177,802
Changes in net assets				(3,234,396)
Net assets - July 1, 2003				27,805,137
Net assets - June 30, 2004				\$24,570,741

The accompanying notes are an integral part of the financial statements.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2004

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	TITLE I FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
ASSETS					
Cash and cash equivalents	\$2,816,863	\$650,300	\$417,641	\$3,413,131	\$7,297,935
Investments, at fair value	7,905,705	159,152		8,555,587	16,620,445
Receivables	594		844,315	1,433,447	2,278,356
Interfund receivables	1,353,390				1,353,390
Bus loans receivable	204,904				204,904
Inventory		67,082			67,082
TOTAL ASSETS	\$12,281,456	\$876,534	\$1,261,956	\$13,402,165	\$27,822,112
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$7,349,695	\$371,003	\$585,720	\$1,037,353	\$9,343,771
Interfund payables			664,151	689,238	1,353,390
Deferred revenues			12,085	366,339	378,424
Total Liabilities	7,349,695	371,003	1,261,956	2,092,930	11,075,584
Fund balances:					
Reserved for:					
Debt service				5,318,745	5,318,745
Worker's compensation	21,097				21,097
Signed but incomplete contracts				5,640,980	5,640,980
Unreserved - reported in:					
General Fund	4,910,664				4,910,664
Special Revenue Funds		505,531		349,510	855,041
Total Fund Balances	4,931,761	505,531	NONE	11,309,235	16,746,527
TOTAL LIABILITIES AND FUND BALANCES	\$12,281,456	\$876,534	\$1,261,956	\$13,402,165	\$27,822,112

The accompanying notes are an integral part of the financial statements.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

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

Total Fund Balances - Governmental Funds		\$16,746,527
Cost of capital assets	\$70,685,418	
Less - accumulated depreciation	(22,730,616)	47,954,802

Elimination of interfund assets and liabilities:		
Interfund receivables	(1,353,390)	
Interfund payables	1,353,390	NONE

Long-term liabilities:		
Compensated absences	(2,042,955)	
Bonds and certificates of indebtedness payable	(36,427,000)	
Accrued interest payable	(1,660,633)	(40,130,588)
	-----	-----
Net Assets		\$24,570,741
		=====

The accompanying notes are an integral part of the financial statements.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2004

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	ESEA TITLE 1	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$1,525,423			\$4,567,582	\$6,093,005
Sales and use	6,675,640				6,675,640
Tuition	5,775				5,775
Rentals, leases, and royalties	73,565			10,500	84,065
Interest earnings	412,303	\$3,504	\$924	82,730	499,461
Food services		413,016			413,016
Contributions and donations	300,944			260,404	561,349
State sources:					
Unrestricted grant-in-aid	24,766,595	496,749		89,306	25,352,650
Restricted grants-in-aid	245,864			888,834	1,134,698
Federal sources:					
Grants-in-aid - direct	100,648			1,705	102,353
Grants-in-aid - subgrants	406,587	2,275,087	2,827,033	4,233,314	9,742,021
Total revenues	34,513,344	3,188,356	2,827,957	10,134,375	50,664,032
EXPENDITURES					
Current					
Instruction:					
Regular programs	17,237,119		18,742	139,375	17,395,236
Special programs	5,307,811		1,922,057	1,956,801	9,186,670
Vocational programs	745,495			106,777	852,272
Adult and continuing education programs	18,916			116,886	135,802
Other programs	900,270		3,551	1,838,418	2,742,238
Support services programs:					
Pupil support services	1,047,342		304,621	792,460	2,144,423
Instructional staff services	1,393,753		259,075	272,812	1,925,640
General administration	781,156		916	15,241	797,313
School administration	2,507,124		7,316	30,185	2,544,626
Business services	312,875		115,273	54,669	482,817
Plant services	3,079,436		38,359	704,874	3,822,669
Student transportation services	4,010,401		17,055	13,187	4,040,643
Central services	309,042		168		309,210
Non-Instructional Services:					
Food service operations	34,565	3,222,508			3,257,073
Community service operations	1,952				1,952
Facilities acquisition and construction services	2,120,400			2,876,403	4,996,803
Debt service:					
Principal retirement	45,000			1,752,000	1,797,000
Interest and bank charges	77,566			1,528,735	1,606,302
Total expenditures	39,930,224	3,222,508	2,687,133	12,198,823	58,038,688

(Continued)

The accompanying notes are an integral part of the financial statements.

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	GENERAL FUND	SCHOOL FOOD SERVICE FUND	ESEA TITLE 1	OTHER GOVERNMENTAL FUNDS	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (Uses)	(\$5,416,880)	(\$34,152)	\$140,824	(2,064,448)	(\$7,374,656)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	285,321	6,002	4,138	319,727	615,188
Operating transfers out	(13,007)		(144,962)	(457,219)	(615,188)
Total other financing sources (uses)	272,314	6,002	(140,824)	(137,492)	NONE
SPECIAL ITEMS					
Loss on sale of investments	(350,096)				(350,096)
Total Special Items	(350,096)	NONE	NONE	NONE	(350,096)
NET CHANGE IN FUND BALANCES	(5,494,662)	(28,150)	NONE	(2,201,939)	(7,724,752)
FUND BALANCE AT BEGINNING OF YEAR	10,426,423	533,682	NONE	13,511,175	24,471,279
FUND BALANCES AT END OF YEAR	\$4,931,761	\$505,531	NONE	\$11,309,235	\$16,746,527

(Concluded)

The accompanying notes are an integral part of the financial statements.

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

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

For the Year Ended June 30, 2004

Total net change in fund balances - governmental funds			(\$7,724,752)
Amounts reported for governmental activities in the Statement of Activities are different because:			
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:</p>			
Capital outlays	\$4,996,803		
Depreciation expense	(1,820,221)		3,176,582

Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets			1,797,000
In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amount used by \$423,794.			(423,794)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.			(59,432)

Change in net assets of governmental activities			(\$3,234,396)

The accompanying notes are an integral part of the financial statements.

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
FIDUCIARY FUNDS

Statement of Fiduciary Net Assets
June 30, 2004

ASSETS

Cash and cash equivalents

\$511,154
=====

LIABILITIES

Deposits due others

\$511,154
=====

The notes to the financial statements are an integral part of this statement.

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
As of and for the Year Ended June 30, 2004

INTRODUCTION

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

The school board operates schools within the parish with a total enrollment of approximately 7029 pupils. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the school board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Natchitoches 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 No. 14, The Reporting Entity, established 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.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

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:

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 general operating fund of the school board and accounts for all financial resources, except those required to be accounted for in other funds.

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

Debt service funds -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

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.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

The following Governmental Funds are considered major funds:

General Fund - accounts for all financial resources, except those required to be accounted for in other funds.

School Food Service Fund - accounts for federal, state, and local funds, including fees, to provide meals for students of the school system.

ESEA Title I - accounts for federal funds received by the school district, the objective of which is to help local educational agencies and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards and provide assistance States to ensure that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet. The Natchitoches Parish School Board serves as the Local Operating Agency (LOA) under the Louisiana State Plan. The fund includes ESEA Title I (CFDA No. 84.010) and ESEA Title I Migrant (CFDA No. 84.011).

Fiduciary Fund Type

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the school board. Agency 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 - include the Statement of Net Assets (Statement A) and the Statement of Activities (Statement B). These financial statements report the financial position and results of operations for the school board as a whole. Fiduciary funds are not included at this level, as they are only reported in the Statement of Fiduciary Net Assets 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues.

Allocation of Indirect Expenses - The school board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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. The statement of revenues, expenditures, and changes in fund balances 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:

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

Revenues

Federal and state entitlements (which includes state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Expenditure driven Federal and state grants are recorded as restricted grants-in-aid when the reimbursable expenditures have been incurred.

Federal commodities are recognized as revenues in the accounting period they are received.

Food service income is recorded when collected. All food services income applicable to an accounting period is collected during the fiscal year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the Natchitoches Parish Sales Tax Commission (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they are available to the school board.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and sales and use tax are treated as susceptible to accrual by the school board.

Expenditures

Salaries are recorded as expenditures when earned. Teacher salaries are earned over a 9-month period, but are paid over a 12-month period.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

Food costs are recognized as expenditures in the period in which the food is consumed.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the underlying events occur.

Deferred Revenues

The school board reports deferred revenues on its fund financial statements balance sheet. Deferred revenues arise when resources are received by the school board before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the school board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

E. BUDGETS

The school board adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the director of finance, the superintendent, and the finance committee of the school board during July and/or August of each year. During August and/or September, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its first meeting in September, the school board holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the school board as a whole. The budgets are then adopted, and notice is published in the official journal.

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized within the accounting system for budgetary control purposes; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

The superintendent of schools is authorized to transfer amounts between line items within a fund; however, when requested by the school board, budgetary comparisons are prepared and presented to the school board during a regular meeting. The school board reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

adoption of the amendments is included in the school board minutes published in the official journal. Budget amounts included in the accompanying financial statements include the final amended budget amounts.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. Under state law, the school board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

H. INVESTMENTS

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the school board, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States government; and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the school board may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at fair value.

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

I. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the fund financial statements but are eliminated for reporting purposes on the government-wide financial statements.

J. INVENTORY

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the school board and commodities granted by the United States Department of Agriculture. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$5,000 or more for capitalizing capital assets for reporting purposes. Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using a composite group rate which is applied to similar assets for the purpose of calculating depreciation expense. Interest costs on debt used to finance the construction of capital assets are not capitalized.

L. COMPENSATED ABSENCES

All 12-month employees earn 10 days of vacation leave each year. Upon separation, all unused vacation leave is forfeited.

All school board employees earn 10 days of sick leave each year. Sick leave for teachers and bus drivers may be accumulated without limitation, while all other employees are limited to 25 days accumulated sick leave. Upon retirement or death, unused sick leave of up to 25 days is paid to the employee (or heirs) at the employee's current rate of pay. Under the Louisiana Teacher's Retirement, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefits computation as earned service.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

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 years of continuous service. Sabbatical leave benefits, being restricted in nature as a condition of the leave, are not subject to accrual and are recorded as expenditures in the period paid.

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, externally imposed by creditors (such as debt covenants, construction contracts, etc.), grantors, contributors, or laws or regulations of other governments and/or imposed by law through constitutional provisions or enabling legislation.

O. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

P. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the school board, which are either unusual in nature or infrequent in occurrence.

Q. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. 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. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

R. SALES TAXES

The Natchitoches Parish Sales Tax Commission is authorized to collect, within Natchitoches Parish, the following sales and use taxes for the benefit of the Natchitoches Parish School Board:

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Notes to the Basic Financial Statements
 (Continued)

A one percent (1%) sales and use tax, the proceeds of the tax are dedicated for the operation, maintenance, and upgrading of the public schools in Natchitoches Parish. The tax expires August 1, 2013.

A one-half of one per cent (1/2%) sales and use tax, the proceeds are dedicated for the payment of salaries and benefits of teachers and other employees of the school system in Natchitoches Parish.

S. 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 disclosure 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.

2. DEFICIT FUND EQUITY

The following individual funds have deficits in unreserved fund balance (net assets) at June 30, 2004:

Fund	Deficit Amount
Special Revenue Funds:	
School District Maintenance Funds:	
Consolidated No. 6	\$45,549
Consolidated No. 8	26,079

Management has initiated plans to eliminate the aforementioned deficits within the next school year.

3. CASH AND CASH EQUIVALENTS

At June 30, 2004, the school board has cash and cash equivalents (book balance) as follows:

Interest-bearing demand deposits	\$5,421,976
Money market funds	2,188,728
Total Cash and Cash Equivalents	<u>\$7,610,704</u>

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

The collected bank balances (cash and cash equivalents), at June 30, 2004, are secured as follows:

Description	Category			Bank	Book
	1	2	3	Balance	Balance
Demand deposits	\$594,939		\$6,049,480	\$6,644,419	\$5,421,976
Money market funds		\$2,188,728		2,188,728	\$2,188,728
Totals	\$594,939	NONE	\$6,049,480	\$8,833,147	\$7,610,704

Category 1 includes cash and cash equivalents that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category 2 includes uninsured and unregistered cash and cash equivalents for which securities are held by the bank's trust department, broker-dealers, or agent in the school board's name. Category 3 includes uninsured and unregistered cash and cash equivalents for which the securities are held by the bank's trust department, broker-dealer, or by its agent but not in the school board's name.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the school board that the fiscal agent has failed to pay deposited funds upon demand.

4. INVESTMENTS

At June 30, 2004, the school board holds the following investments:

Description	Category			Fair
	A	B	C	Value
Government securities	\$8,064,858	\$8,555,587	NONE	\$16,620,445

Category A includes investments that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category B includes uninsured and unregistered investments for which securities are held by the broker's or dealer's trust department or agent in the school board's name. Category C includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the school board's name.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

5. RECEIVABLES

The receivables at June 30, 2004, are as follows:

Class of Receivable	General Fund	School Food Service Fund	ESEA Title I Fund	Other Governmental Funds	Total
Intergovernmental:					
State grants				\$317,313	\$317,313
Federal grants			844,315	1,116,134	1,960,449
Other	\$594				594
Totals	\$594	NONE	\$844,315	\$1,433,447	\$2,278,356

6. CAPITAL ASSETS

Governmental capital assets and depreciation activity as of and for the year ended June 30, 2004, is as follows:

	Land	Construction In Progress	Buildings and Improvements	Furniture and Equipment	Total
Balance, June 30, 2003	\$1,125,290	\$11,323,922	\$52,114,630	\$2,537,400	67,101,243
Additions	175,000	143,130	9,076,247	15,870	9,410,247
Deductions		(5,826,072)			(5,826,072)
Balance, June 30, 2004	\$1,300,290	\$5,640,980	\$61,190,877	\$2,553,270	\$70,685,418
Less - accumulated depreciation	NONE	NONE	(20,801,518)	(1,929,098)	(22,730,616)
Capital assets, net	\$1,300,290	\$5,640,980	\$40,389,359	\$624,173	\$47,954,802

Depreciation was charged to the governmental functions as follows:

Instruction	\$12,529
Support Services	1,768,706
Food service	38,986
Total depreciation charged to governmental activities	\$1,820,221

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

7. RETIREMENT SYSTEMS

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

Teacher's Retirement System of Louisiana (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 by state statute. The TRS issues a publicly available financial report that includes the financial statements and required supplementary information for the TRS. This report may be obtained by writing the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (504) 925-6646. Employer contributions have been submitted in accordance with State law and the requirements of the retirement system.

Louisiana School Employees' Retirement System (LSERS) -- provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The LSERS issues a publicly available financial report that includes the financial statements and required supplementary information for the LSERS. This report may be obtained by writing the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (504) 925-6484. Employer contributions have been submitted in accordance with State law and the requirements of the retirement system.

8. OTHER POSTEMPLOYMENT BENEFITS

The Natchitoches 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 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 (the board's portion of premiums) as an expenditure when the monthly premiums are due. For the year ended June 30, 2004, the cost of retiree benefits totaled \$2,098,737, for approximately 403 retirees.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

9. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables at June 30, 2004, are as follows:

Classification	General Fund	School Food Service Fund	Title I Fund	Other Governmental Funds	Total
Accounts and related benefits payable	\$248,660	\$152	\$43,695	\$211,714	\$504,221
Salaries and withholdings payable	7,101,036	370,851	542,025	825,638	8,839,549
Total	\$7,349,695	\$371,003	\$585,720	\$1,037,353	\$9,343,771

10. LONG-TERM LIABILITIES

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

	Bonds and Certificates of Indebtedness	Compensated Absences	Total
Long-term debt payable at July 1, 2003	\$38,224,000	\$1,619,161	\$39,843,161
Additions		423,794	423,794
Deductions	(1,797,000)		(1,797,000)
Long-term debt payable at June 30, 2004	\$36,427,000	\$2,042,955	\$38,469,955
Long-term Liabilities			
Due within one year	\$2,106,000	\$204,296	\$2,310,296
Due in more than one year	34,321,000	1,838,660	36,159,660
Total	\$36,427,000	\$2,042,955	\$38,469,955

The individual issues, which are serial bonds, payable from their respective school district debt service funds and certificates of indebtedness, payable from the General Fund, are as follows:

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Notes to the Basic Financial Statements
(Continued)

Description	Original Issue	Interest Rates %	Final Payment Date	Interest To Maturity	Principal Outstanding
Consolidated School District No. 7:					
February 25, 2003	\$525,000	2.000 - 3.875	01-Mar-2014	\$872,490	\$4,800,000
August 1, 2003	8,000,000	3.650 - 7.000	01-Mar-2023	4,175,298	7,855,000
Consolidated School District No. 8					
October 29, 2002	1,000,000	.1000 - 5.000	01-Mar-2012	160,091	837,000
School District 9:					
July 1, 1996	10,000,000	5.000 - 10.000	01-Mar-2016	2,567,150	7,125,000
April 1, 1997	10,000,000	4.750 - 10.000	01-Mar-2017	2,975,943	7,960,000
January 1, 1998	6,800,000	4.500 - 7.000	01-Mar-2017	1,801,965	5,350,000
Total Bonded Debt	36,325,000			12,552,937	33,927,000
General Fund - Certificates of Indebtedness - April 30, 2003	2,545,000	3.680 - 3.690	01-Sep-2017	699,857	2,500,000
Total Bonds and Certificates	\$38,870,000			\$13,252,794	\$36,427,000

Principal and interest requirements of the bonded debt are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. Principal and interest requirements of the certificates of indebtedness are funded through the General Fund. The bonds and certificates of indebtedness are due as follows:

Bonds and Certificates of Indebtedness	Principal Payments	Interest Payments	Total
Year Ended June 30:			
2005	\$2,106,000	\$1,660,633	\$3,766,633
2006	2,210,000	1,534,073	3,744,073
2007	2,304,000	1,439,270	3,743,270
2008	2,413,000	1,338,443	3,751,443
2009	2,531,000	1,229,682	3,760,682
2010-2014	13,988,000	4,961,545	18,949,545
2015-2019	8,555,000	1,413,511	9,968,511
2020-2023	2,320,000	284,918	2,604,918
Total	\$36,427,000	\$13,862,075	\$50,289,075

In accordance with R.S. 39:562, the school board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2004, the statutory limit is \$82,055,955, and outstanding bonded debt totals \$33,927,000.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Notes to the Basic Financial Statements
 (Continued)

Bonded Debt - Defeasance

In prior years, the school board defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the school board's financial statements. On June 30, 2004, a total of \$10,305,000 of bonds outstanding are considered defeased.

11. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables/payables, reported on the fund financial statements are as follows:

Fund	Interfund	
	Receivable	Payable
Major Funds:		
General Fund	\$1,353,390	
School Food Service Fund		
Title I		\$664,151
Total Major Funds	1,353,390	664,151
NonMajor Funds:		
Special Revenue Funds:		
Federal funds		519,814
State funds		101,644
Maintenance Funds		67,780
Total Special Revenue Funds	NONE	689,238
Total Interfund Receivables/Payables	\$1,353,390	\$1,353,390

12. RISK MANAGEMENT

The school board is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. With respect to the aforementioned risks, with the exception of property losses below the policy deductibles, and for injuries to employees (worker's compensation), the school board has obtained commercial insurance, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Notes to the Basic Financial Statements
 (Continued)

With respect to injuries to employees (worker's compensation), the school board has initiated a risk management program for workers' compensation insurance. Operation of this program is accounted for within the General Fund and funds are available to pay claims, claim reserves, and administrative costs of the program. An excess coverage insurance policy covers claims in excess of \$200,000 with an aggregate limit of \$1,000,000. Interfund premiums are based primarily on the individual funds' payroll and are reported as expenditures in the individual funds.

13. FUND BALANCE DESIGNATIONS - GENERAL FUND

In accordance with a resolution adopted by the school board, a portion of the fund balance of the General Fund is designated for insurance loss to cover any potential property loss that may occur. At June 30, 2004, the comprehensive insurance policy deductible is \$100,000 per occurrence for buildings and contents. The changes in the fund balance for the year ended June 30, 2004, are as follows:

Designated for insurance deductible, July 1, 2003	\$1,337,487
Additions	12,781
Deductions	<u>NONE</u>
Designated for insurance deductible reserve, June 30, 2004	<u>\$1,350,268</u>

A portion of the fund balance of the General Fund has also been designated by the school board for a contingency reserve to cover any possible contingency that may occur. The changes in the fund balance during the year ended June 30, 2004, is as follows:

Designated for contingency reserve, July 1, 2003	\$7,516,201
Additions	252,198
Deductions	<u>(1,200,045)</u>
Designated for contingency reserve, June 30, 2004	<u>\$6,568,354</u>

REQUIRED SUPPLEMENTAL INFORMATION

PART II

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana
GENERAL FUND

Budgetary Comparison Schedule
For the Year Ended June 30, 2004

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$10,427,099	\$11,119,008	\$10,426,423	(\$692,585)
<hr/>				
Resources (inflows)				
<hr/>				
Local sources	11,351,468	8,490,660	8,993,651	502,990
State sources	25,903,890	25,017,557	25,012,459	(5,098)
Federal sources	507,279	502,380	507,235	4,855
<hr/>				
Amounts available for appropriations	48,189,736	45,129,604	44,939,767	(189,838)
<hr/>				
Charges to appropriations (outflows)				
<hr/>				
Current:				
Instructional programs	25,527,825	23,562,760	24,209,611	(646,851)
Support services programs	13,592,475	13,470,133	13,441,130	29,003
Non-instructional programs	10,840	38,001	36,517	1,484
Facilities acquisition and construction	50	2,072,780	2,120,400	(47,620)
Interest and bank charges		71,153	122,566	(51,413)
<hr/>				
Total charges to appropriations	39,131,190	39,214,827	39,930,224	(715,397)
<hr/>				
Other financing sources (uses)	284,681	368,049	272,314	(95,736)
Special items			(350,096)	(350,096)
<hr/>				
BUDGETARY FUND BALANCES - ENDING	\$9,343,227	\$6,282,827	\$4,931,761	(\$1,351,066)
<hr/>				

See independent auditor's report.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 SCHOOL FOOD SERVICE FUND

Budgetary Comparison Schedule
 For the Year Ended June 30, 2004

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	\$499,675	\$586,502	\$533,682	(\$52,820)
<i>Resources (inflows)</i>				
Local sources	423,987	419,787	416,520	(3,267)
State sources	496,749	496,749	496,749	
Federal sources	2,201,637	2,275,087	2,275,087	
Amounts available for appropriations	3,622,048	3,778,125	3,722,038	(56,087)
<i>Charges to appropriations (outflows)</i>				
Current - non-instructional programs	3,301,051	3,315,351	3,222,508	92,843
Total charges to appropriations	3,301,051	3,315,351	3,222,508	92,843
Other financing sources (uses)			6,002	6,002
BUDGETARY FUND BALANCES - ENDING	\$320,997	\$462,774	\$505,531	\$42,757

See independent auditor's report.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 ESEA TITLE I FUND

Budgetary Comparison Schedule
 For the Year Ended June 30, 2004

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES - BEGINNING	NONE	NONE	NONE	NONE

Resources (inflows)				

Local sources	\$924	\$924	\$924	
Federal sources	2,827,033	2,827,033	2,827,033	

Amounts available for appropriations	2,827,957	2,827,957	2,827,957	NONE

Charges to appropriations (outflows)				

Current:				
Instructional programs	1,944,351	1,944,351	1,944,351	
Support services programs	742,783	742,783	742,783	

Total charges to appropriations	2,687,133	2,687,133	2,687,133	NONE

Other financing uses	140,824	140,824	140,824	NONE

BUDGETARY FUND BALANCES - ENDING	NONE	NONE	NONE	NONE
=====				

See independent auditor's report.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2004

SPECIAL REVENUE FUNDS

FEDERAL GRANT FUNDS

ENGLISH LANGUAGE ACQUISITION GRANTS (CFDA NO. 84.365) - a federally financed program whose objective is to ensure that limited english proficient (LEP) children attain english proficiency and meet the same challenging state academic standards as all children are expected to meet.

INNOVATIVE EDUCATION PROGRAM STRATEGIES (CFDA NO. 84.298) - is a federally financed program whose objective is to assist State and local educational agencies in the reform of elementary and secondary education.

IMPROVING TEACHER QUALITY - STATE GRANTS (CFDA NO. 84.367) - a federally financed program whose objective is to increase student academic achievement through strategies such as improving teacher and principal and increasing the number of highly qualified teachers in the classroom and principals in the schools.

EVEN START - STATE EDUCATIONAL AGENCIES (CFDA No. 84.213) - is a federally financed program whose objective is to help break the cycle of poverty and illiteracy and improve the educational opportunities of low-income families.

VOCATIONAL EDUCATION -- BASIC GRANTS TO STATES (CFDA NO. 84.048) - is a federally financed program whose objective is to develop more fully the academic, vocational, and technical skills of secondary and post secondary students who enroll in vocational and technical programs.

SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES -- STATE GRANTS (CFDA NO. 84.186) - is a federally financed program whose objective is to offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the use of illegal use of alcohol, tobacco, and drugs.

SPECIAL EDUCATION -- PRESCHOOL GRANTS (CFDA NO. 84.173) - are federally financed programs whose objectives include providing assistance to States as a means of providing a free appropriate public education to all children with disabilities.

ADULT EDUCATION -- STATE GRANT PROGRAM (CFDA NO. 84.002) - is a federally financed program whose objective is to fund local programs of adult literacy and literacy services, including workplace literacy services, family literacy services, and english literacy and civics education programs.

IMPACT AID (CFDA NO. 84.041) - is a federally financed program whose objective is to provide assistance to the local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities.

PREVENTIVE HEALTH -- HEALTH SERVICES BLOCK GRANT (CFDA NO. 93.991) - is a federally financed program whose objective is to provide States with the resources to improve the health status of the population of each grantee.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (CFDA NO. 93.558) -- is a federally financed program whose objective is to provide assistance to needy families with children so that children can be cared for in their own homes, to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

NATCHITOCHE PARISH SCHOOL BOARD
SUPPLEMENTAL INFORMATION SCHEDULES
(Continued)

COMPREHENSIVE SCHOOL REFORM DEMONSTRATION (CFDA NO. 84.332) -- is a federally financed program whose objective is to provide financial incentives for schools that need to substantially improve student achievement, particularly Title I schools to implement comprehensive school reform programs.

RURAL EDUCATION (CFDA NO. 84.358) -- is a federally financed program whose objective is provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

STATE GRANT FUNDS

SPECIAL EDUCATION -- is a state financed program whose objective is to provide additional education to children with exceptionalities and other special educational requirements.

ADULT EDUCATION -- is a state financed program whose objective is to provide classes to individuals who are not high school graduates. Instruction is given until the student passes the GED test, which is equivalent to receiving a high school diploma.

QUALITY EDUCATION SUPPORT -- is a state financed program whose objective is to enhance the educational opportunities of all children by eliminating one or more educational problems.

SPECIAL PROGRAM TO UPGRADE READING -- is a state financed program whose objective is to provide programs for facilitating reading improvement throughout the state.

SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS

MAINTENANCE FUNDS -- account for the proceeds of ad valorem taxes levied for maintaining and improving schools within each school district.

OTHER FUNDS

RAPIDES FOUNDATION GRANTS -- account for the proceeds of grant funds, from the Rapides Foundation, a Louisiana nonprofit corporation, whose objective is to improve student achievement by providing high intellectual and challenging work with students and teachers and assist in improving student achievement by providing basic health care benefits to needy students.

READING IS FUNDAMENTAL -- provides assistance to improve the reading ability of children. The program is funded through contributions from interested individuals.

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 2004

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
ASSETS					
Cash and equivalents	\$180,347	\$398,515	\$327,148	\$8,460	\$914,470
Investments, at fair value			94,523		94,523
Receivables	1,116,134	317,313			1,433,447
TOTAL ASSETS	\$1,296,481	\$716,828	\$421,671	\$8,460	\$2,442,440
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$757,667	\$268,764	\$4,380	\$6,542	\$1,037,353
Interfund payable	519,814	101,644	67,780		689,238
Deferred revenues	19,001	345,420		1,918	366,339
Total Liabilities	1,296,481	715,828	72,161	8,460	2,092,930
Fund Balance - Unreserved/undesignated	NONE	NONE	349,510	NONE	349,510
TOTAL LIABILITIES AND FUND BALANCES	\$1,296,481	\$716,197	\$421,671	\$8,460	\$2,442,440

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
REVENUES					

Local sources:					
Ad valorem taxes			\$886,022		\$886,022
Rentals, leases, and royalties			10,500		10,500
Interest earnings	\$568	\$133	1,140	\$1,238	3,079
Miscellaneous	400		31,733	228,271	260,404
State sources:					
Unrestricted grants-in-aid			45,594		45,594
Restricted grants-in-aid		888,834			888,834
Federal sources:					
Grants-in-aid - direct	1,705				1,705
Grants-in-aid - subgrants	4,233,314				4,239,067
Total revenues	4,235,987	888,967	974,990	229,509	6,335,206

EXPENDITURES					

Current:					
Instruction:					
Regular programs	9,000	90,520	39,856		139,375
Special programs	1,837,335	119,466			1,956,801
Vocational programs	106,777				106,777
Adult and continuing education programs	56,964	59,921			116,886
Other programs	1,197,682	522,537	68,156	50,043	1,838,418
Support services:					
Pupil support services	522,566	86,633		183,260	792,460
Instructional staff services	203,749	40,035		29,029	272,812
General administration	2,913	137	11,120	1,069	15,241
School administration	26,087		3,865	234	30,185
Business services	43,278	300	879		44,457
Plant services	2,371	1,567	700,936		704,874
Student transportation services	8,970	3,770	447		13,187
Central services					
Non-Instructional services - food service operations					
Facilities acquisition and construction service		10,756			10,756
Total expenditures	4,017,693	935,644	825,258	263,635	6,042,229

(Continued)

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	FEDERAL FUNDS	STATE FUNDS	SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS	OTHER FUNDS	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$218,294	(\$46,676)	\$149,732	(\$34,126)	\$287,224
OTHER FINANCING SOURCES (Uses)					
Operating transfers in	188,602	56,336		74,789	319,727
Operating transfers out	(406,895)	(9,660)		(40,664)	(457,219)
Total other financing sources (uses)	(218,294)	46,676	NONE	34,126	(137,492)
EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	149,732	NONE	149,732
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	199,778	NONE	199,778
FUND BALANCE AT END OF YEAR	NONE	NONE	\$349,510	NONE	\$349,510

(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR - SPECIAL REVENUE FUNDS - FEDERAL GRANT FUNDS

Combining Balance Sheet, June 30, 2004

	ESEA ENGLISH LANGUAGE ACQUISITION	ESEA GRANTS FOR INNOVATIVE PROGRAMS	ESEA IMPROVING TEACHER QUALITY	ESEA EVEN START	VOCATIONAL EDUCATION	DRUG FREE SCHOOLS AND COMMUNITIES
ASSETS						
Cash and equivalents				\$416		\$22,610
Receivables	\$992	\$9,499	\$326,913	51,350	\$2,594	57,169
TOTAL ASSETS	\$992	\$9,499	\$326,913	\$51,767	\$2,594	\$79,779
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts, salaries, and other payables		\$1,125	\$168,310	\$50,912	\$726	\$22,614
Interfund payable	\$992	8,373	158,603	855	1,868	57,166
Deferred revenues						
Total Liabilities	\$992	9,499	326,913	51,767	2,594	79,779
Fund Balances - Unreserved - undesignated	NONE	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND BALANCES	\$992	\$9,499	\$326,913	\$51,767	\$2,594	\$79,779

SPECIAL EDUCATION PRESCHOOL	ADULT EDUCATION	IMPACT AID	PREVENTIVE HEALTH	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	COMPREHENSIVE SCHOOL REFORM	RURAL EDUCATION	TOTAL FEDERAL GRANT FUNDS
\$380,975	\$75	\$19,001	\$2,456	\$135,788 67,901	\$37,500	\$181,241	\$180,347 1,116,134
\$380,975	\$75	\$19,001	\$2,456	\$203,689	\$37,500	\$181,241	\$1,296,481
\$135,622 245,353	\$75	\$19,001	\$2,456	\$194,585 9,104	\$37,500	\$181,241	\$757,667 519,814 19,001
380,975	75	19,001	2,456	203,689	37,500	181,241	1,296,481
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
\$380,975	\$75	\$19,001	NONE	\$203,689	\$37,500	\$181,241	\$1,296,481

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL GRANT PROGRAMS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2004

	ESEA IMPROVING TEACHER QUALITY	ESEA ENGLISH LANGUAGE ACQUISITION	ESEA GRANTS FOR INNOVATIVE PROGRAMS	EVEN START	VOCATIONAL EDUCATION
REVENUES					

Local sources:					
Interest earnings					
Miscellaneous					
Federal sources:					
Grants-in-aid - direct					
Grants-in-aid - subgrants	\$694,637	\$11,679	\$62,742	\$335,564	\$109,477
	-----	-----	-----	-----	-----
Total revenues	694,637	11,679	62,742	335,564	109,477
	-----	-----	-----	-----	-----
EXPENDITURES					

Current:					
Instruction:					
Regular programs					
Special programs	312,600	15,156	27	279,597	
Vocational education programs					106,777
Adult and continuing education programs				30,219	
Other	339,512	212		105	
Support services:					
Pupil support services				16,210	
Instructional staff services	7,165		86,049		1,465
General administration	166	1	13	93	
School administration				1,115	
Business services		8,707		73	
Plant services				152	
Student transportation services					
Central services					
	-----	-----	-----	-----	-----
Total expenditures	659,442	24,077	86,089	327,564	108,242
	-----	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER					

EXPENDITURES	35,195	(12,398)	(23,347)	8,000	1,235
	-----	-----	-----	-----	-----

(Continued)

DRUG-FREE SCHOOLS AND COMMUNITIES	SPECIAL EDUCATION PRESCHOOL	ADULT EDUCATION	IMPACT AID	PREVENTIVE HEALTH	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	COMPREHENSIVE SCHOOL REFORM	RURAL EDUCATION	TOTAL FEDERAL GRANT FUNDS
	\$266	\$400		\$261	\$41			\$568 400
\$133,690	1,158,010	11,139	\$1,705	61,565	1,255,679	\$216,008	\$183,123	1,705 4,233,314
133,690	1,158,276	11,539	1,705	61,826	1,255,721	216,008	183,123	4,235,987
18	3,250 642,541			82,512	5,750 504,884			9,000 1,837,355
	71,547	12,650			14,096 399,783	203,401	183,123	106,777 56,964 1,197,682
140,372	320,354 67,507			3,530	42,100 32,858			522,566 203,749
34	884 6,417	24	1,237 18,555		458	8,705 3		2,913 26,087
59 883	13,461 99 8,970	92	20,464 1,237	35	368	20		43,278 2,371 8,970
141,366	1,135,031	12,766	41,493	86,077	1,000,296	212,128	183,123	4,017,693
(7,676)	23,245	(1,227)	(39,788)	(24,251)	255,424	3,880	NONE.	218,294

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL GRANT PROGRAMS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2004

	ESEA IMPROVING TEACHER QUALITY	ESEA ENGLISH LANGUAGE ACQUISITION	ESEA GRANTS FOR INNOVATIVE PROGRAMS	EVEN START	VOCATIONAL EDUCATION
OTHER FINANCING SOURCES (Uses)					
Operating transfers in		\$12,655	\$26,551		153
Operating transfers out	(\$35,195)	(257)	(3,204)	(\$8,000)	(\$1,388)
Total other financing sources (uses)	(35,195)	12,398	23,347	(8,000)	(1,235)
EXCESS (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE	NONE

(Continued)

DRUG-FREE SCHOOLS AND COMMUNITIES	SPECIAL EDUCATION PRESCHOOL	ADULT EDUCATION	IMPACT AID	PREVENTIVE HEALTH	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	COMPREHENSIVE SCHOOL REFORM	RURAL EDUCATION	TOTAL FEDERAL GRANT FUNDS
\$32,858 (25,182)	\$29,002 (52,247)	\$1,729 (502)	\$39,788	\$24,251	\$21,615 (277,039)	(\$3,880)		\$188,602 (406,895)
7,676	(23,245)	1,227	39,788	24,251	(255,424)	(3,880)	NONE	(218,294)
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR - SPECIAL REVENUE FUNDS - STATE GRANT FUNDS

Combining Balance Sheet
 June 30, 2004

	SPECIAL EDUCATION	ADULT EDUCATION	QUALITY EDUCATION SUPPORT	SPECIAL PROGRAM TO UPGRADE READING	TOTAL
ASSETS					
Cash and equivalents	\$379,906			\$18,609	\$398,515
Receivables	213,351	\$43,581	\$60,381		317,313
TOTAL ASSETS	593,257	43,581	60,381	18,609	\$715,828
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$215,886	\$14,358	\$38,520		\$268,764
Interfund payable	50,560	29,223	21,861		101,644
Deferred revenues	326,811			\$18,609	345,420
Total Liabilities	593,257	43,581	60,749	18,609	715,828
Fund Balance - Unreserved - undesignated	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND BALANCES	\$593,257	\$43,581	\$60,749	\$18,609	\$715,828

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - STATE GRANT FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	SPECIAL EDUCATION	ADULT EDUCATION	QUALITY EDUCATION SUPPORT	SPECIAL PROGRAM TO UPGRADE READING	TOTAL
REVENUES					
Local sources - other				\$133	\$133
State sources - restricted grants-in-aid	\$676,492	\$43,581	\$168,761		888,834
Total revenues	676,492	43,581	168,761	133	888,967
EXPENDITURES					
Current:					
Instruction:					
Regular programs	66,501		24,019		90,520
Special programs	118,936		530		119,466
Adult and continuing education programs	4,058	55,863			59,921
Other programs	387,847		134,651	39	522,537
Support services:					
Pupil support services	86,633				86,633
Instructional staff services	29,694		10,340		40,035
General administration	43			94	137
Business services	300				300
Plant services	1,567				1,567
Student transportation services	3,770				3,770
Facilities acquisition	10,756				10,756
Total expenditures	710,107	55,863	169,541	133	935,644
EXCESS (Deficiency) OF REVENUES OVER					
EXPENDITURES	(33,614)	(12,282)	(780)	NONE	(46,676)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	43,274	12,282	780		56,336
Operating transfers out	(9,660)				(9,660)
Total other financing sources (uses)	33,614	12,282	780	NONE	46,676

(Continued)

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - STATE GRANT FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	SPECIAL EDUCATION	ADULT EDUCATION	QUALITY EDUCATION SUPPORT	SPECIAL PROGRAM TO UPGRADE READING	TOTAL
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE	NONE

(Concluded)

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR - SPECIAL REVENUE FUNDS - SCHOOL DISTRICT BUILDING AND EQUIPMENT FUNDS

Combining Balance Sheet, June 30, 2004

	CONSOLIDATED SCHOOL DISTRICTS					TOTAL SCHOOL DISTRICT MAINTENANCE FUNDS
	SCHOOL DISTRICT NO. 6	SCHOOL DISTRICT NO. 7	SCHOOL DISTRICT NO. 8	SCHOOL DISTRICT NO. 10	SCHOOL DISTRICT NO. 9	
ASSETS						
Cash and equivalents		\$11,700		\$12,755	\$302,693	\$327,148
Investments, at fair value					94,523	94,523
TOTAL ASSETS	NONE	\$11,700	NONE	\$12,755	\$397,216	\$421,671
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts, salaries, and and other payables	\$500	\$1,873	\$347		\$1,661	\$4,380
Interfund payables	42,049		25,731			67,780
Total Liabilities	42,549	1,873	26,079	NONE	1,661	72,161
Fund Balances (deficit) - Unreserved - undesignated	(42,549)	9,827	(26,079)	12,755	395,555	349,510
TOTAL LIABILITIES AND FUND BALANCES	NONE	\$11,700	NONE	\$12,755	\$397,216	\$421,671

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - SCHOOL DISTRICT MAINTENANCE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT				SCHOOL DISTRICT	TOTAL
	NO. 6	NO. 7	NO. 8	NO. 10	NO. 9	
REVENUES						
Local sources:						
Ad valorem taxes	\$37,054	\$190,556	\$20,348	\$84,824	\$553,241	\$886,022
Rentals, leases and royalties				5,500	5,000	10,500
Interest earnings	8			61	1,071	1,140
Miscellaneous		31,733				31,733
State sources - unrestricted grants-in-aid			3,053		42,541	45,594
Total revenues	37,062	222,289	23,401	90,385	601,854	974,990
EXPENDITURES						
Current:						
Instruction:						
Regular programs	127	12,929		7,061	19,739	39,856
Special programs						
Vocational programs						
Other		14,144			54,011	68,156
Support services:						
Instructional						
General administration	5	55	6	17	11,037	11,120
School administration			58	2,776	1,031	3,865
Business services	19	158		52	650	879
Plant services	65,619	132,466	35,478	103,256	364,116	700,936
Student transportation services	42	340			65	447
Total expenditures	65,812	160,092	35,543	113,161	450,649	825,258
EXCESS (Deficiency) OF REVENUES OVER						
EXPENDITURES	(28,750)	62,197	(12,142)	(22,776)	151,204	149,732

(Continued)

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - SCHOOL DISTRICT MAINTENANCE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT				SCHOOL DISTRICT	TOTAL
	NO. 6	NO. 7	NO. 8	NO. 10	NO. 9	
OTHER FINANCING SOURCES (Uses)						
Sale of fixed assets						
Total other financing sources (uses)	NONE	NONE	NONE	NONE	NONE	NONE
EXCESS (Deficiency) OF REVENUE AND OTHER						
SOURCES OVER EXPENDITURES AND OTHER USES	(\$28,750)	\$62,197	(\$12,142)	(\$22,776)	\$151,204	\$149,732
FUND BALANCE AT BEGINNING OF YEAR	(13,799)	(52,370)	(13,937)	35,532	244,351	199,778
FUND BALANCE AT END OF YEAR	(\$42,549)	\$9,827	(\$26,079)	\$12,755	\$395,555	\$349,510

(Concluded)

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR - SPECIAL REVENUE FUNDS - OTHER

Combining Balance Sheet, June 30, 2004

	RAPIDES FOUNDATION - CLOUTIERVILLE	RAPIDES FOUNDATION - LAKEVIEW JR/SR HIGH	RAPIDES FOUNDATION - NSU ELEMENTARY	RAPIDES FOUNDATION - HEALTH CLINIC	RAPIDES FOUNDATION - NATCHITOCHES CENTRAL
ASSETS					
Cash and equivalents		\$1,461	\$873		\$277
TOTAL ASSETS	NONE	\$1,461	\$873	NONE	\$277
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts, salaries, and and other payables		\$1,461	\$873		\$277
Deferred revenues					
Total Liabilities	/ NONE	1,461	873	NONE	277
Fund Balances - Unreserved - undesignated	NONE	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	NONE	\$1,461	\$873	NONE	\$277

THE RAPIDES FOUNDATION	READING IS FUNDAMENTAL	TOTAL
\$2,694	\$3,156	\$8,460
\$2,694	\$3,156	\$8,460
\$2,694	\$1,238 1,918	\$6,542 1,918
2,694	3,156	8,460
NONE	NONE	NONE
\$2,694	\$3,156	\$8,460

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OTHER

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	RAPIDES FOUNDATION - CLOUTIERVILLE	RAPIDES FOUNDATION - LAKEVIEW JR/SR HIGH	RAPIDES FOUNDATION - NSU ELEMENTARY	RAPIDES FOUNDATION - HEALTH CLINIC
REVENUES				

Local sources:				
Interest earnings				
Contributions and donations	\$25,000	\$25,000	\$25,000	\$108,471
	-----	-----	-----	-----
Total revenues	25,000	25,000	25,000	108,471
	-----	-----	-----	-----
EXPENDITURES				

Current:				
Instructional services - other	8,635	11,668	2,774	
Support services:				
Instruction staff support	4,221	6,470	7,090	
Pupil support services				183,260
General administration				
School administration	110			
	-----	-----	-----	-----
Total expenditures	12,965	18,139	9,865	183,260
	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER				

EXPENDITURES	12,035	6,861	15,135	(74,789)
	-----	-----	-----	-----
OTHER FINANCING SOURCES				

Operating transfers in				74,789
Operating transfers out	(12,035)	(6,861)	(15,135)	
	-----	-----	-----	-----
Total other financing sources (uses)	(12,035)	(6,861)	(15,135)	74,789
	-----	-----	-----	-----
EXCESS (Deficiency) OF REVENUES AND OTHER				

SOURCES OVER EXPENDITURES	NONE	NONE	NONE	NONE
	-----	-----	-----	-----
FUND BALANCE AT BEGINNING OF YEAR				
	-----	-----	-----	-----
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE
	-----	-----	-----	-----
FUND BALANCE AT END OF YEAR				
	=====	=====	=====	=====
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE

RAPIDES FOUNDATION - NATCHITOCHES CENTRAL	THE RAPIDES FOUNDATION	READING IS FUNDAMENTAL	TOTAL
\$25,000	\$19,800	\$1,238	\$1,238 228,271
25,000	19,800	1,238	229,509
22,683	3,044	1,238	50,043
1,475	9,772		29,029 183,260
	1,069 124		1,069 234
24,158	14,009	1,238	263,635
842	5,791	NONE	(34,126)
(842)	(5,791)		74,789 (40,664)
(842)	(5,791)	NONE	34,126
NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE
NONE	NONE	NONE	NONE

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2004

GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

The debt service funds of the various school districts are used to accumulate monies for the payment of outstanding bond issues and certificates of indebtedness. The bonds and certificates of indebtedness were issued by the individual school districts to acquire land for building sites, erect and improve school buildings, and acquire the necessary equipment and furnishing thereof. The bond issues and certificates of indebtedness are financed by a special ad valorem property tax levied within the individual school districts.

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - DEBT SERVICE FUNDS

Combining Balance Sheet, June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT			SCHOOL DISTRICT	TOTAL SCHOOL DISTRICT FUNDS
	NO. 6	NO. 7	NO. 8	NO. 9	
ASSETS					
Cash and equivalents		\$1,110,887	\$61,881	\$1,018,259	\$2,191,027
Investments		149,449	143,931	2,834,338	3,127,718
TOTAL ASSETS	NONE	\$1,260,336	\$205,813	\$3,852,597	\$5,318,745
LIABILITIES AND FUND EQUITY					
Liabilities	NONE	NONE	NONE	NONE	NONE
Fund Equity - fund balances - reserved for debt service		\$1,260,336	\$205,813	\$3,852,597	\$5,318,745
Total fund equity	NONE	1,260,336	205,813	3,852,597	5,318,745
TOTAL LIABILITIES AND FUND EQUITY	NONE	\$1,260,336	\$205,813	\$3,852,597	\$5,318,745

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR DEBT SERVICE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT			SCHOOL DISTRICT	TOTAL
	NO. 6	NO. 7	NO. 8	NO. 9	
REVENUES					

Local sources:					
Ad valorem taxes		\$1,445,887	\$101,738	\$2,133,935	\$3,681,560
Interest earnings		4,995	1,369	24,402	30,766
State sources - unrestricted grants-in-aid				43,712	43,712
Total revenues	NONE	1,450,882	103,106	2,202,049	3,756,037

EXPENDITURES					

Current:					
Support services - business services	\$5	1,687	217	8,302	10,212
Debt service:					
Principal retirement		595,000	82,000	1,075,000	1,752,000
Interest and charges		388,153	26,843	1,113,740	1,528,735
Total expenditures	5	984,840	109,060	2,197,042	3,290,947

EXCESS (Deficiency) OF REVENUES					

OVER EXPENDITURES	(5)	466,042	(5,954)	5,007	465,090

FUND BALANCE AT BEGINNING OF YEAR	5	794,294	211,766	3,847,590	4,853,655

FUND BALANCE AT END OF YEAR	NONE	\$1,260,336	\$205,813	\$3,852,597	\$5,318,745
=====					

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2004

GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

These individual school district capital projects funds account for financial resources used for facilities acquisition, construction, and improvements of public school facilities in the individual school districts.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

Combining Balance Sheet, June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT NO. 7	SCHOOL DISTRICT NO. 9	TOTALS
	-----	-----	-----
ASSETS			

Cash and equivalents	\$214,897	\$92,737	\$307,634
Investments, at fair value	5,199,057	134,289	5,333,346
	-----	-----	-----
	\$5,413,953	\$227,027	\$5,640,980
	=====	=====	=====
LIABILITIES AND FUND BALANCES			

Liabilities	NONE	NONE	NONE
	-----	-----	-----
Fund Balances - reserved for signed but incomplete contracts	\$5,413,953	227,027	5,640,980
	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$5,413,953	\$227,027	\$5,640,980
	=====	=====	=====

NATCHITOCHEES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2004

	CONSOLIDATED SCHOOL DISTRICT NO. 7	SCHOOL DISTRICT NO. 9	TOTALS
	-----	-----	-----
REVENUES			

Interest on investments	\$45,839	\$3,046	\$48,885
	-----	-----	-----
EXPENDITURES			

Current - supporting services:			
General administration			
Business services			
Operation and maintenance of plant			
Facilities acquisition and construction	2,726,131	139,515	2,865,647
	-----	-----	-----
Total expenditures	2,726,131	139,515	2,865,647
	-----	-----	-----
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,680,292)	(136,470)	(2,816,762)

FUND BALANCE AT BEGINNING OF YEAR	\$8,094,245	363,496	8,457,742

FUND BALANCE (Deficit) AT END OF YEAR	\$5,413,953	\$227,027	\$5,640,980
-----	=====	=====	=====

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended June 30, 2004

FIDUCIARY FUND TYPE - AGENCY FUNDS

SCHOOL ACTIVITY FUND

The School Activity Agency Fund accounts for monies generated by the schools and organizations within the schools of the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board.

NATCHITOCHE PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS - SCHOOL ACTIVITY FUNDS

Combining Schedule of Changes in Deposit Balances
 For the Year Ended June 30, 2003

SCHOOL	BALANCE JUNE 30, 2003	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2004
Cloutierville	\$8,010	\$58,601	(\$58,438)	\$8,173
East Natchitoches Elementary	23,556	24,413	(29,568)	18,401
Educational Center	4,041	7,002	(5,935)	5,108
Fairview-Alpha Elementary	32,472	72,673	(67,855)	37,290
Goldonna Elementary	9,907	53,791	(50,379)	13,319
Lakeview High	60,878	213,851	(204,732)	69,997
Marthaville Elementary	26,954	90,659	(81,837)	35,776
Natchitoches Central High	128,949	641,382	(598,218)	172,113
Natchitoches Junior High	10,325	94,220	(89,639)	14,906
North Natchitoches Elementary	33,960	39,548	(39,140)	34,368
Northwestern Elementary	26,484	55,175	(54,091)	27,568
Northwestern Middle Laboratory	8,461	64,952	(62,105)	11,308
Parks Elementary	8,445	31,012	(30,064)	9,393
Provencal	22,492	79,551	(73,884)	28,159
Weaver Elementary	11,798	61,787	(48,310)	25,275
Total	\$416,732	\$1,588,617	(\$1,494,195)	\$511,154

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended 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, the members of the school board receive \$650 per month. In addition, the president receives \$50 per month for exercising the duties of the office.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, LouisianaSchedule of Compensation Paid Board Members
For the Year Ended June 30, 2004

BOARD MEMBER	AMOUNT
Billy Benefield	\$7,800
Millard J. Bienvenu	7,800
Carroll Daniels	8,400
Russell E. Danzy	7,800
Julia Hildebrand	7,800
Carl Means	7,800
Emile E. Metoyer	7,800
Gladys Revels	7,800
Cecil H. Walker	7,800
Joella Wilson	7,800
Ralph D. Wilson	7,800
Total	\$86,400

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by Government Auditing Standards, issued by the Comptroller General of the United States. The reports are based solely on the audit of the general purpose financial statements.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

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

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the basic financial statements of the Natchitoches Parish School Board as of and for the year ended June 30, 2004, and have issued my report thereon dated December 16, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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 caused by errors or fraud 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
Compliance and Internal Control Report
(Continued)

Prior Year Audit Findings

The audit for the year ended June 30, 2003, disclosed no instances of noncompliance that were required to be reported under Government Auditing Standards or matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses. The audit report disclosed reportable conditions relating to the reconciliation of certain bank accounts. These reportable conditions, identified in the prior year report as 2003-1 and 2003-2, have been resolved by management; accordingly, they have not been repeated in this audit report.

General

This report is intended for the information of the audit committee, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 16, 2004

OTHER REPORTS REQUIRED BY

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133

The following pages contain reports on the schedule of federal financial assistance, consideration of internal control, and compliance with laws and regulations required by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the Single Audit Act, and the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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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**

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have audited the compliance of Natchitoches 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 the major federal programs for the year ended June 30, 2004. Natchitoches 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 school board's management. My responsibility is to express an opinion on the school board's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial 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 Nonprofit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the school board's compliance with those requirements and performing other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the school board's compliance with those requirements.

In my opinion, the 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 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 my audit, I considered the school board's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance with OMB Circular A-133.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
A-133 Report
(Continued)

My 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 16, 2004

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2004

GRANTOR AGENCY	PROGRAM TITLE

United States Department of Agriculture	

Passed through Louisiana Department of Agriculture and Forestry	Food Distribution
Passed through Louisiana Department of Education	School Breakfast Program
Passed through Louisiana Department of Education	National School Lunch Program
Total United States Department of Agriculture	
United States Department of Education	

Direct Programs	Impact Aid - Direct Program
Passed through Louisiana Department of Education	Adult Education - State Grant Program
Passed through Louisiana Department of Education	Title I Grants to Local Educational Agencies
Passed through Louisiana Department of Education	Migrant Education - State Grant Program
Passed through Louisiana Department of Education	Vocational Education - Basic Grants to States
Passed through Louisiana Department of Education	Special Education - Preschool Grants
Passed through Louisiana Department of Education	Safe and Drug-Free Schools and Communities - State Grant
Passed through Louisiana Department of Education	Even Start - State Educational Agencies
Passed through Louisiana Department of Education	Innovative Education Program Strategies
Passed through Louisiana Department of Education	Comprehensive School Reform Demonstration
Passed through Louisiana Department of Education	Rural Education
Passed through Louisiana Department of Education	English Language Acquisition
Passed through Louisiana Department of Education	Teacher and Principal Training
Total United States Department of Education	
United States Department of Health and Human Services	

Passed through the Louisiana Department of Education	Temporary Assistance for Needy Families
Passed through the Louisiana Department of Education	Preventive Health and Health Services Block Grant
Total United States Department of Health and Human Services	
Other Financial Assistance	

United States Department of Interior	Direct Program - Payments in Lieu of Taxes
United States Department of Interior	Direct Program - Timber Sales
Total United States Department of Interior	
United States Department of Defense	Direct Program - ROTC
Total Federal Financial Assistance	

CFDA NUMBER	GRANT NUMBER	ISSUES/ EXPENDITURES
10.550	COMMODITIES	\$178,290
10.553	BREAKFAST	517,603
10.555	LUNCH	1,579,195

		2,275,087

84.041	IMPACT AID	41,493
84.002	0344-35	13,268
84.010	02T135	2,611,275
84.011	02M135	241,384
84.048	030235	109,630
84.173	02B135	1,187,278
84.186	037035	166,548
84.213	03F135	335,564
84.298		89,294
84.332	02T635	216,008
84.358		183,123
84.365		14,052
84.367	035035	694,637

		5,903,554

93.558	TANF	1,277,336
93.991	MEDICAID	86,077

		1,363,412

15.000		345,990
15.000		60,597

		406,587

12.000		100,648

		\$10,049,288
		=====

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NATCHITOCHEES PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued.	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Reportable condition identified not considered a material weakness?	No
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal Control over major programs:	
Material weakness identified?	No
Reportable condition identified not considered to be a material weakness?	No
Type of auditor's report issued on compliance for major programs.	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section 510(a)?	No
Title I - Grants to Local Educational Agencies (CFDA No. 84.010) and Special Education - Preschool Grants (CFDA No. 84.173) were considered as major programs.	
Dollar threshold used to distinguish between Type A and Type B Programs.	\$500,000
Auditee qualified as low risk auditee?	Yes

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
Schedule of Findings and Questioned Costs
(Continued)

Section II - Financial Statement Findings

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Section III - Federal Award Findings and Questioned Costs

The audit disclosed no findings or questioned costs relating to expenditure of Federal Awards.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
December 16, 2004

NATCHITOCHEs PARISH SCHOOL BOARD

Independent Accountant's Report On Applying Agreed-Upon Procedures

For the Year Ended June 30, 2004

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT ACCOUNTANT'S REPORT

NATCHITOCHEES PARISH SCHOOL BOARD
Natchitoches, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Natchitoches 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 Natchitoches Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. My procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

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

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

Findings - None.

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana
Independent Accountant's Report
(Continued)

Education Levels of Public School Staff (Schedule II)

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

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

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

Findings - None.

Number and Type of Public Schools (Schedule III)

I obtained a list of schools by type as reported on the schedule. I compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application.

Findings - None.

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

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

Findings - None.

Public Staff Data (Schedule V)

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

Findings - None.

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
Independent Accountant's Report
(Continued)

Class Size Characteristics (Schedule VI)

I obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings - None.

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

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

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

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

The Iowa Tests (Schedule IX)

I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Natchitoches Parish School Board.

Findings - None.

General

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

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana
Independent Accountant's Report
(Continued)

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

Herbie W. Way
Herbie W. Way
Alexandria, Louisiana
December 16, 2004

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

SCHEDULES OF PERFORMANCE MEASURES
FOR THE YEAR ENDED JUNE 30, 2004

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue 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	\$15,635,780
Other Instructional Staff Activities	2,349,969
Employee Benefits	4,790,268
Purchased Professional and Technical Services	291,053
Instructional Materials and Supplies	183,515
Instructional Equipment	78,568

Total Teacher and Student Interaction Activities	-----	\$23,324,094
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Other Instructional Activities		5,060
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Pupil Support Activities	703,788
Less: Equipment for Pupil Support Services	(1,080)

Net Pupil Support Activities	-----	702,708
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Instructional Staff Services	1,390,816
Less: Equipment for Instructional Staff Services	(1,057)

Net Instructional Staff Services	-----	1,389,759
----------------------------------	-------	-----------

Total General Fund Instructional Expenditures	-----	\$25,421,620
---	-------	--------------

Total General Fund Equipment Expenditures	-----	\$80,705
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(Continued)

UNAUDITED

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2004

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$554,639
Renewable Ad Valorem Taxes	834,940
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	135,844
Sales and Use Taxes	6,675,640

Total Local Taxation Revenue	\$8,201,063
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Local Earnings on Investment in Real Property:

Earnings from 16th Section Land	\$668,453
Earnings from Other Real Property	6,720

Total Local Earnings on Investment in Real Property	675,173
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State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$66,223
Revenue Sharing - Other Taxes	68,786

Total State Revenue in Lieu of Taxes	\$135,009
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Nonpublic Textbook Revenue	\$0
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=====

Nonpublic Transportation Revenue	\$12,908
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(Concluded))

UNAUDITED

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Education Levels of Public School Staff
 As of October 1, 2003

Full-time Classroom Teachers				
Category	Certificated		Uncertificated	
	Number	Percent	Number	Percent
Less than a Bachelor's Degree	3	0.01	0	0.00
Bachelor's Degree	286	0.62	21	0.88
Master's Degree	109	0.23	3	0.13
Master's Degree + 30	61	0.13	0	0.00
Specialist in Education	3	0.01	0	0.00
Ph. D. or Ed. D.	2	0.00	0	0.00
Total	464	100.00%	24	100.00%

UNAUDITED

Principals & Assistant Principals

Certificated		Uncertificated	
Number	Percent	Number	Percent
0	0.00		
1	0.04		
3	0.12		
19	0.73		
1	0.04		
2	0.08		
26	100.00%	N/A	N/A

NATCHITOCHEs PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Number and Type of Public Schools
 For the Year Ended June 30, 2004

Type	Number
Elementary	10
Middle/Jr. High	2
Secondary	0
Combination	3
Total	15

UNAUDITED

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, Louisiana

Experience of Public Principals and
Full-time Classroom Teachers
As of October 1, 2003

Type	0-1 YEAR	2-3 YEARS	4-10 YEARS	11-14 YEARS	15-19 YEARS	20-24 YEARS	25+ YEARS	Total
Assistant Principals	0	0	1	0	2	1	6	10
Principals	0	0	1	0	3	1	11	16
Classroom Teachers	56	31	116	48	58	55	124	488
Total	56	31	118	48	63	57	141	514

UNAUDITED

NATCHITOCHE PARISH SCHOOL BOARD
Natchitoches, Louisiana

Public School Staff Data
For the Year Ended June 30, 2004

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retiree
Average Classroom Teachers' Salary Including Extra Compensation	\$33,355	\$33,074
Average Classroom Teachers' Salary Excluding Extra Compensation	\$32,756	\$32,674
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	514.0	497.0

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

UNAUDITED

NATCHITOCHEs PARISH SCHOOL BOARD
Natchitoches, 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
Elementary	53.53%	182	40.29%	137	4.41%	15	1.76%	6.0
Elementary Activity Classes	16.10%	19	28.81%	34	10.17%	12	44.92%	53
Middle/Jr. High	37.22%	67	48.89%	88	13.33%	24	0.56%	1
Middle/Jr. High Activity Classes	27.27%	6	4.55%	1	22.73%	5	45.45%	10
High								
High Activity Classes								
Combination	43.25%	234	31.98%	173	24.58%	133	0.18%	1
Combination Activity Classes	41.30%	19	19.57%	9	17.39%	8	21.74%	10

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 the 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.

UNAUDITED

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana

Louisiana Educational Assessment Program
 (LEAP) for the 21st Century
 For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students:						
Grade 4						
Advanced	12	2.02%	3	0.55%	9	1.62%
Mastery	78	13.13%	54	9.96%	81	14.62%
Basic	198	33.33%	197	36.35%	162	29.24%
Approaching Basic	152	25.59%	162	29.89%	214	38.63%
Unsatisfactory	154	25.93%	126	23.25%	88	15.88%
Total	594	100.00%	542	100.00%	554	100.00%

District Achievement Level Results	Science					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students:						
Grade 8:						
Advanced	4	0.82%	2	0.42%	3	0.61%
Mastery	62	12.70%	47	9.83%	69	14.11%
Basic	161	32.99%	170	35.56%	154	31.49%
Approaching Basic	148	30.33%	140	29.29%	142	29.04%
Unsatisfactory	113	23.16%	119	24.90%	121	24.74%
Total	488	100.00%	478	100.00%	489	100.00%

UNAUDITED

Mathematics

2004		2003		2002	
Number	Percent	Number	Percent	Number	Percent
2	0.35%	4	0.74%	6	1.08%
56	9.93%	58	10.68%	40	7.23%
202	35.82%	205	37.75%	203	36.71%
153	27.13%	147	27.07%	131	23.69%
151	26.77%	129	23.76%	173	31.28%
564	100.00%	543	100.00%	553	100.00%

Social Studies

2004		2003		2002	
Number	Percent	Number	Percent	Number	Percent
0	0.00%	2	0.42%	4	0.82%
42	8.62%	33	6.90%	45	9.18%
197	40.45%	184	38.49%	208	42.45%
155	31.83%	132	27.62%	114	23.27%
93	19.10%	127	26.57%	119	24.29%
487	100.00%	478	100.00%	490	100.00%

NATCHITOCHES PARISH SCHOOL BOARD
 Natchitoches, Louisiana

The Graduation Exit Exam for the 21st Century
 For the Year Ended June 30, 2004

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students:						
Grade 10:						
Advanced	10	2.49%	1	0.22%	4	1.13%
Mastery	67	16.71%	37	8.08%	54	15.21%
Basic	154	38.40%	168	36.68%	138	38.87%
Approaching Basic	87	21.70%	121	26.42%	81	22.82%
Unsatisfactory	83	20.70%	131	28.60%	78	21.97%
Total	401	100.00%	458	100.00%	355	100.00%

District Achievement Level Results	Science					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students:						
Grade 11:						
Advanced	2	0.58%	3	0.91%	4	1.12%
Mastery	42	12.17%	26	7.90%	39	10.96%
Basic	135	39.13%	131	39.82%	107	30.06%
Approaching Basic	103	29.86%	74	22.49%	95	26.69%
Unsatisfactory	63	18.26%	95	28.88%	111	31.18%
Total	345	100.00%	329	100.00%	356	100.00%

UNAUDITED

Mathematics

2004		2003		2002	
Number	Percent	Number	Percent	Number	Percent
26	6.39%	16	3.38%	22	5.60%
55	13.51%	38	8.02%	28	7.12%
129	31.70%	167	35.23%	119	30.28%
80	19.66%	111	23.42%	56	14.25%
117	28.75%	142	29.96%	168	42.75%
407	100.00%	474	100.00%	393	100.00%

Social Studies

2004		2003		2002	
Number	Percent	Number	Percent	Number	Percent
3	0.87%	3	0.91%	3	0.85%
35	10.14%	35	10.61%	27	7.65%
186	53.91%	136	41.21%	154	43.63%
82	23.77%	77	23.33%	76	21.53%
39	11.30%	79	23.94%	93	26.35%
345	100.00%	330	100.00%	353	100.00%

NATCHITOCHES PARISH SCHOOL BOARD
Natchitoches, Louisiana

The IOWA Tests
For the Year Ended June 30, 2004

	Composite		
	2004	2003	2002
Test of Basic Skills (ITBS):			
Grade 3	52	51	47
Grade 5	54	54	48
Grade 6	45	41	49
Grade 7	45	43	46
Tests of Educational Development (ITED):			
Grade 9	45	43	48

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 a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.

UNAUDITED