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# VERNON PARISH SCHOOL BOARD LEESVILLE, LOUISIANA



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED JUNE 30, 2005**

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.

1051010

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2005**

**M. Gene Haymon**  
**President**

**Cynthia A. Gillespie**  
**Superintendent**

**William L. Endris, Jr.**  
**Director of Finance**

**Prepared by the Department of Finance**

**Vernon Parish School Board  
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# INTRODUCTORY SECTION

President  
M. Gene Haymon

Superintendent  
Dr. Cynthia A. Gillespie

Vice-President  
Robert Pynes, Jr.

## Vernon Parish School Board

201 Belview Road  
LEESVILLE, LOUISIANA 71446  
(337) 239-3401  
Fax (337) 238-5777

### BOARD MEMBERS:

District One  
James K. Arnes  
Mel Harris  
Robert Pynes, Jr.  
Mark H. Smith  
Betty Westerchil

District Two  
Ricky Reese

District Three  
Willis A. Farris

District Four  
W.R. "Randy" Martin

District Five  
B.R. Harvey

District Six  
Phillip L. Gunn

District Seven  
Gaye McKee

District Eight  
M. Gene Haymon

### Transmittal Letter

November 8, 2005

Mr. M. Gene Haymon, President  
and Members of the Board  
Vernon Parish School Board  
Leesville, Louisiana

Dear President and Members of the Board:

The Comprehensive Annual Financial Report of the Vernon Parish School Board (School Board) for the year ended June 30, 2005, is submitted herewith. Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada have prepared this report.

A. **Management Responsibility** Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

B. **CAFR** The Comprehensive Annual Financial Report (CAFR) consists of three parts:

(1) **The Introductory Section.** This section includes a transmittal letter, the financial reporting awards, the School Board's organizational chart, recognition of the elected officials of the School Board and a list of selected administrative officials.

(2) **The Financial Section.** The financial section consists of Management's Discussion and Analysis (MD&A), basic financial statements, budgetary comparison schedules, and combining non-major and individual fund statements and schedules. The basic financial statements present both an overview and a broad long-term perspective of the School Board as a whole in the government-wide financial statements. The user of this report should read the MD&A in conjunction with the basic financial statements.

Combining statements are presented when a School Board has at least one nonmajor fund of a given fund category. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.

(3) **The Statistical Section.** Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Vernon Parish School Board for the past ten years.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels K through 12 for 9,621 students. These include providing instructional personnel, instructional materials, instructional facilities, child nutrition, administrative support, business services, systems operations, and plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

**C. Reporting Entity** The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Vernon Parish School Board (the primary government). Based on the above criteria there are no component units included in the School Board's reporting entity.

**D. Internal Control** Management of the School Board is responsible for establishing and maintaining internal control *designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.* Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2005, provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations.

#### **E. Major Initiatives**

- ★ All schools have developed comprehensive improvement plans to provide direction for future curriculum, staff development, assessment, and technology improvements. To support these comprehensive school plans, our central office staff developed district improvement plans. Our School Board supported all the plans by developing its own strategic goals. Much progress has been made in meeting the objectives addressed in these plans. Staff development in our schools is targeted to help schools meet these goals.
- ★ All new teachers to our system were given one day of intensive induction. The teachers received training in classroom management, parish and state policies, and special programs appropriate for their grade levels and/or their subject area. Most of our new teachers also go through the Louisiana Teacher Assistance and Assessment Program. New teachers are paired with a mentor and given two years of support.

- ★ The State of Louisiana has implemented "Reading for Results," a high-stakes testing policy. Teachers are working to prepare students for tests, which are rigorous, standards-driven, and high stakes for students.
- ★ Vernon Parish cares about education and has a tradition of pride in its schools. That tradition will be continued through a commitment to innovation in learning programs. We must continue to seek out new methods to ensure success for every student.
- ★ Vernon Parish School Board receives federal Impact Aid funding due to the Fort Polk military installation being located in Vernon Parish. The amount of aid received can fluctuate. This uncertainty provides a challenge in addressing the problems shared by many school systems across America - teachers' salaries and school plant improvement. Effective and decisive leadership will be required to address these problems given the fluctuation in Impact Aid funding.

**F. Economic Conditions and Outlook** The economy of Vernon Parish is driven primarily by the Fort Polk military installation, the fifth largest such facility in the nation. More than half the work force of Vernon Parish is comprised of active duty military personnel, and the base also employs civilians. Aside from its \$899 million annual direct economic impact on Vernon Parish, Fort Polk indirectly influences the surrounding parishes' economy as well. One-third of the population of Vernon Parish is comprised of military personnel or their families living on- or off-base. This influx of career- and family-age population gives the area a relatively low median age, a factor, which appeals to companies seeking to build industrial and manufacturing establishments. The large military population has also drawn specialists to both Bayne-Jones Army Community Hospital and civilian medical practice, giving the Vernon Parish area substantially better medical and health care technology.

**G. Budgetary Controls** In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget enacted require School Board approval.

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

**H. Cash Management** Cash temporarily idle during the year was invested in demand deposits, a U. S. government security, and the Louisiana Asset Management Pool (LAMP) administered by the State Treasurer. The School Board earned interest revenue of \$303,404 on all investments for the year ended June 30, 2005.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, instruments issued by the United States Government or federal government agencies created by an act of congress or insured by the Federal Deposit Insurance Corporation collateralized deposits in financial institutions.

**I. Risk Management** The School Board maintains a combination of self-insurance and stop-loss coverage for workers' compensation insurance. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$200,000.

**J. Independent Audits** The report of our independent certified public accountants, Allen, Green & Williamson, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls.



**K. Awards** The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only. The School Board was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, and 2004.



The School Board received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the fiscal years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, and 2004. The awards certified that the Comprehensive Annual Financial Report for these fiscal years substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2005, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

**L. Acknowledgments** The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.

Cynthia A. Gillespie  
Superintendent

Tim Ward  
Assistant Business Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vernon Parish School  
Board, Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zelle*

President

*Jeffrey R. Emer*

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**Vernon Parish School Board**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2004

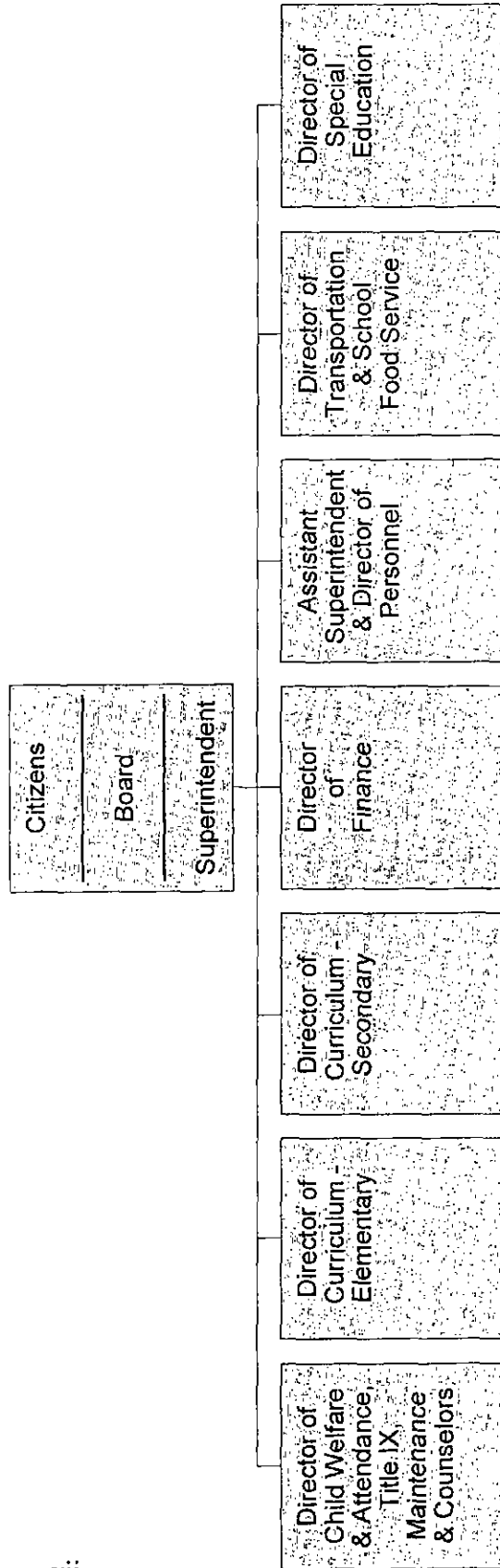
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

# Vernon Parish School Board

Organization Chart  
June 30, 2005



**Vernon Parish School Board**

**Elected Officials  
June 30, 2005**

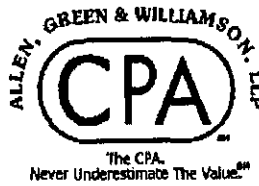
<u>Board Member</u>	<u>District</u>
M. Gene Haymon, President	1
James Armes, III	1
Willis A. Farris	3
Philip L. Gunn	6
Millard "Mel" Harris	1
B. R. Harvey	5
Randy Martin	4
Gaye McKee	7
Robert Pynes, Jr., Vice President	1
Ricky Reese	2
Mark H. Smith	1
Betty Westerchil	1

**Selected Administrative Officials  
June 30, 2005**

Cynthia A. Gillespie	Superintendent
William L. Endris, Jr.	Director of Finance
Dottie Neugebauer	Director of Special Education
Tom Neubert	Director of Child Welfare and Attendance, Title IX, Maintenance and Counselors
Jackie Self	Assistant Superintendent / Director of Personnel
Jimmie Funderburk	Director of Transportation and School Food Service
Anne Smith	Director of Curriculum - Elementary
John Farris	Director of Curriculum - Secondary

---

# FINANCIAL SECTION



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

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Tim Green, CPA

Margie Williamson, CPA

Diane Ferschoff, CPA

Ernest L. Allen, CPA  
(Retired)  
1963 - 2000

## INDEPENDENT AUDITORS' REPORT

Board Members  
Vernon Parish School Board  
Leesville, Louisiana

**Basic Financial Statements** We have audited the accompanying *financial statements* of the governmental activities, each major fund, and the aggregate remaining fund information of Vernon Parish School Board, as of and for the year ended June 30, 2005, 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. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of June 30, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated November 8, 2005, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

**Required Supplemental Information** The Management's Discussion and Analysis and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the *basic financial statements* but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

**Supplemental Information** Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the *basic financial statements*. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, in our opinion, is fairly stated in all material respects in relation to the *basic financial statements* taken as a whole.

**Other Information** The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the *basic financial statements* of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP  
Monroe, Louisiana  
November 8, 2005

**Vernon Parish School Board**

**REQUIRED SUPPLEMENTAL INFORMATION:**

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

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

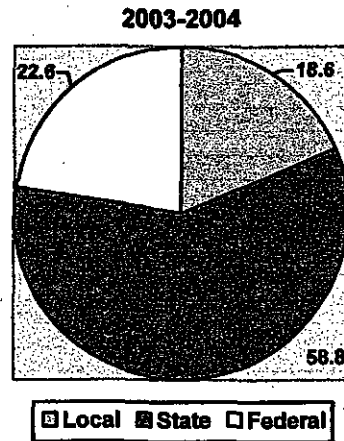
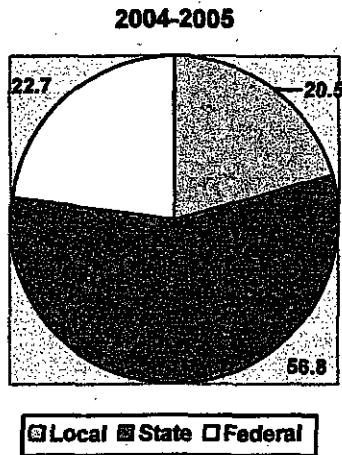
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Our discussion and analysis of Vernon Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2005. Please read it in conjunction with the transmittal letter included in the introductory section of this report and the School Board's financial statements, which follows this Management's Discussion and Analysis. Amounts are reported in millions unless otherwise noted.

**FINANCIAL HIGHLIGHTS** Our financial statements provide these insights into the results of this year's operations:

This year, the primary resources available to the school system are local revenues, primarily tax receipts, which total \$16.1 million or 20.5% of the total; state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling \$44.5 million or 56.8% of the total; and federal funds, primarily impact aid and special grants totaling \$17.8 million or 22.7%. Last year, local revenues were \$14.3 million or 18.6% of the total, while state revenues were \$44.7 million or 58.8%, and federal revenues were \$17.1 million or 22.6%.

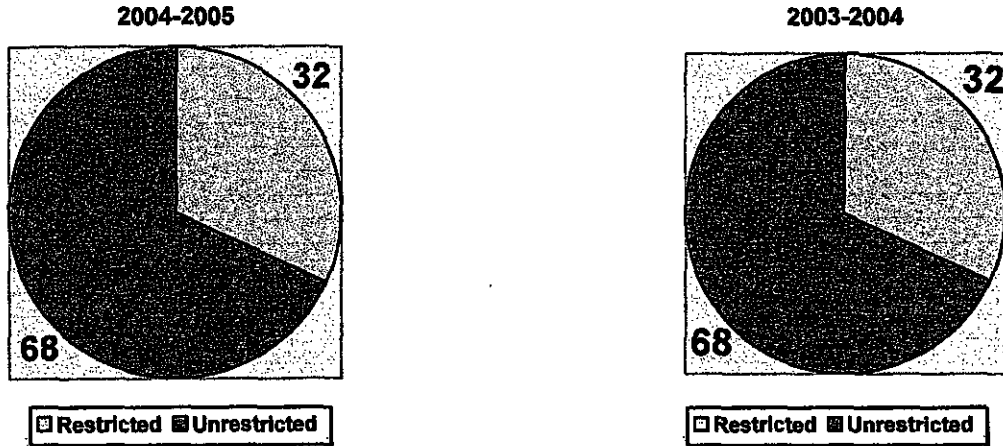
**TOTAL REVENUES BY SOURCE**



Of the total \$78.4 million revenues received by the school system this year, \$25.4 million or 32% is restricted. Unrestricted revenues were \$53.0 million or 68%. Last year total revenue was \$76 million, of which total \$24.6 million or 32% was restricted revenue and \$51.4 million or 68% was unrestricted revenue.

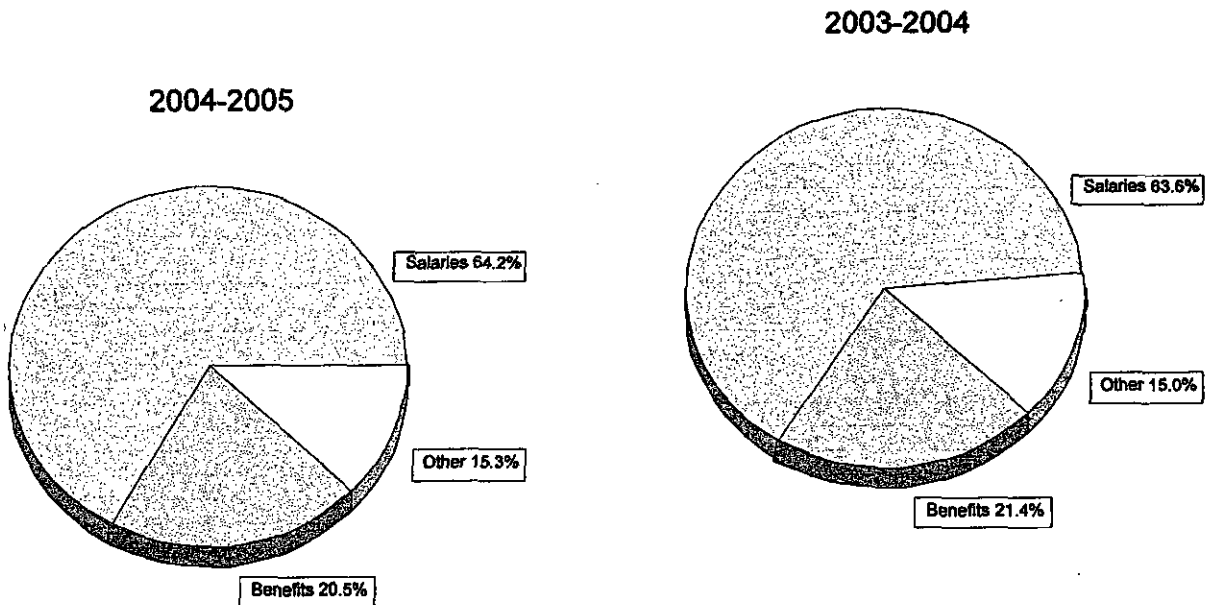
**Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)**

**RESTRICTED VS. UNRESTRICTED REVENUES**



Of the unrestricted amount of \$53.0 million in 2004-2005, \$34.0 million or 64.2% was spent for salaries; \$10.9 million or 20.5% was spent for employee benefits; \$8.1 million or 15.3% for other functions of the school system. Of the unrestricted amount of \$51.4 million in 2003-2004, \$32.7 million or 63.6% was spent for salaries; \$11.0 million or 21.4% was spent for employee benefits; and \$7.7 million or 15.0% was spent for other functions of the school system.

**USES OF UNRESTRICTED REVENUE**



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

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**FUND FINANCIAL STATEMENTS**

The fund balances of all governmental funds showed a decrease of \$3.9 million. The general fund, a major fund of the School Board, showed an increase of \$.8 million due primarily to an increase of \$.8 million in state equalization funding. There was an increase in the fund balance for Pickering Construction, another major fund, of \$2.7 million. This increase was due to the majority of the proceeds of issuance of Pickering Construction Bonds of 3.2 million, occurring early in the fiscal year. The majority of the cost of construction will occur in the next fiscal year. The fund balances for Rosepine Construction and Pitkin Construction, major fund in 2003-2004, decreased 5.6 million due to substantial completion of the construction projects. The debt service fund balances for 2004-2005 decreased by \$174,698, which was a planned decrease to use excess fund balances to pay off current obligations. Fund balances in maintenance funds and other special revenue funds remained fairly constant with last year balances.

Total revenue for all governmental funds for the current year was \$78.6 million, an increase of \$2.4 million from the prior year. Total expenditures of \$85.8 million for the current year were an increase of \$7.9 million over last year.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Most of the School Boards 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: instruction \$40.3 million or 60.2%, plant services \$6.4 million or 9.6%, transportation \$5.4 million or 8% and other functions \$14.8 million or 22.1%. The changes between these areas and the prior year were: 8.9% increase in instruction, 4.9% increase in the plant services, 8% increase in transportation and 13.8% increase in all other functions.

Our budgeted revenues for the 2004-2005 year include a 6% increase in budgeted revenues and a 8% increase in budgeted expenditures. The increase in budgeted revenues and expenditures is primarily due to increased impact aid funding and mandated teacher pay raises. The School Board is mandated by state law to adopt its budget by September 15 of each year. This original budget is based on a "bare bones" approach that reflects only guaranteed revenues and necessary expenditures since the major sources of revenues, i.e., minimum foundation program and impact aid, are based on October 1 student enrollment figures. The original budget figures are amended when revenues or expenditures exceed 5% of estimate.

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

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**USING THIS ANNUAL REPORT** The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant fund, the general fund. 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 students and parents.

<b>Comprehensive Annual Financial Report</b>
<b><u>Introductory Section</u></b> Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers
<b><u>Financial Section</u></b> <i>(Details outlined in the next chart)</i>
<b><u>Statistical Section</u></b> Ten Years of Historical Financial Operating Data Ten Years of Property Tax Rates, Tax Levies and Collections Bonded Debt Information (including Bonded Debt Per Capita and Computation of Legal Debt Margin) Property Values, Construction and Bank Deposits Principal Employers and Ad Valorem Taxpayers Demographics and Attendance Data
(Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above)

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

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**Financial Section**

**Required Supplemental Information**  
**Management's Discussion & Analysis (MD&A)**

**Basic Financial Statements**

**Government-wide  
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**Fund  
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**Notes to the Basic Financial Statements**

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**Budgetary Information for Major Funds**

**Supplemental Information**  
**Nonmajor Funds Combining Statements & Budgetary Information**  
**Agency Funds Statements/Schedules**  
**Capital Assets by Source and Function**  
**Schedule of Compensation Paid Board Members**  
**Bond Covenant Information**

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

**Reporting the School Board as a Whole**

***The Statement of Net Assets and the Statement of Activities***

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

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

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

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

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

### **Reporting the School Board's Most Significant Funds**

#### ***Fund Financial Statements***

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

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

### **The School Board as Trustee**

#### ***Reporting the School Board's Fiduciary Responsibilities***

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

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

**THE SCHOOL BOARD AS A WHOLE** The School Board's net assets were \$25 at June 30, 2005. Of this amount \$6 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1  
 Net Assets  
 (in millions)  
 June 30,

	<u>Governmental Activities</u>	
	<u>2005</u>	<u>2004</u>
Current and other assets	\$ 23.5	\$ 26.0
Capital assets	33.8	28.3
Total assets	<u>57.3</u>	<u>54.3</u>
Current and other liabilities	9.2	7.7
Long-term liabilities	22.8	21.2
Total liabilities	<u>32.0</u>	<u>28.9</u>
Net assets		
Invested in capital assets, net of related debt	14.9	14.7
Restricted	3.9	5.0
Unrestricted	6.5	5.7
Total net assets	<u>\$ 25.3</u>	<u>\$ 25.4</u>

The \$6 in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its noncapital liabilities such as compensated absences, there would be \$6 left.

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

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

**Table 2**  
**Changes in Net Assets**  
(in millions)  
For the Years Ended June 30,

	<u>Governmental Activities</u>	
	<u>2005</u>	<u>2004</u>
Net Assets - beginning	\$ 25.4	\$ 23.0
<b>Revenues:</b>		
Program revenues		
Charges for services	0.8	0.7
Federal grants	9.2	8.9
State grants and entitlements	1.4	2.5
General Revenue		
Ad valorem taxes	4.9	4.2
Sales taxes	9.3	8.3
State minimum foundation program	43.1	42.2
Other general revenues	9.7	8.8
Total revenues	<u>78.4</u>	<u>75.6</u>
<b>Functions/Program Expenses:</b>		
Instruction		
Regular programs	30.9	29.4
Special programs	13.9	12.4
Other instructional programs	3.3	2.8
Support services		
Student services	3.1	2.9
Instructional staff support	2.6	2.5
General administration	1.6	1.5
School administration	3.8	3.6
Business services	0.5	0.6
Plant services	6.5	6.3
Student transportation services	5.5	5.1
Central services	0.5	0.4
Food Services	5.3	4.7
Community service programs	0.1	0
Interest on long-term debt	1.0	1.0
Total expenses	<u>78.5</u>	<u>73.2</u>
<b>Increase (decrease) in net assets</b>	<u>(0.1)</u>	<u>2.4</u>
Net Assets - ending	<u>\$ 25.3</u>	<u>\$ 25.4</u>

**Governmental Activities** As reported in the Statement of Activities, the cost of all governmental activities this year was \$78. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$58 because some of the cost was paid by those who benefited from the programs (\$1) or by other governments and organizations who subsidized certain programs with grants and contributions (\$11). The School Board paid for the remaining public benefit portion of its governmental activities with \$14 in taxes, \$42 in Minimum Foundation Program funds, and with other revenues such as interest and other local sources.

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

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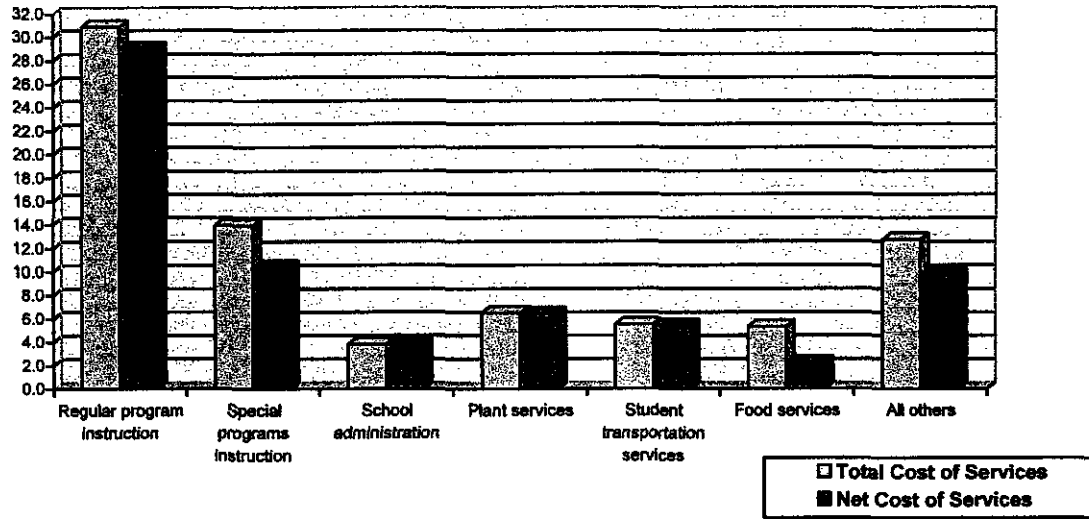
In the table below, we have presented the cost of each of the School Board's six largest functions - regular programs instruction, special instruction programs, school administration, plant services, student transportation services, and school food services, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**For the Years Ended June 30,**  
**(in millions)**

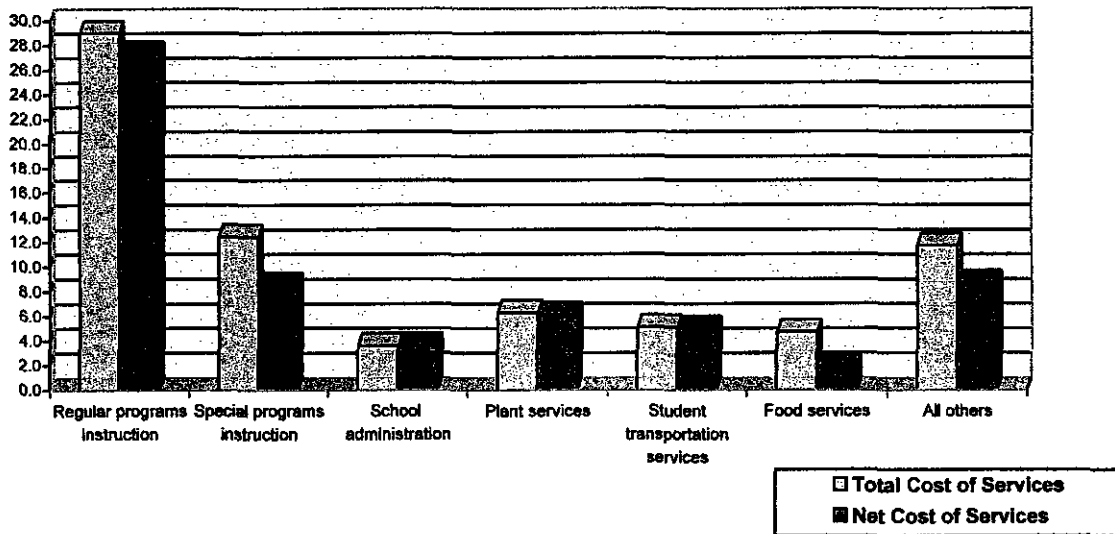
	<b>Governmental Activities</b>			
	<b><u>Total Cost of Services</u></b>		<b><u>Net Cost of Services</u></b>	
	<b><u>2005</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>
Regular programs instruction	30.9	29.4	29.0	27.3
Special programs instruction	13.9	12.4	10.4	8.5
School administration	3.8	3.6	3.8	3.6
Plant services	6.5	6.3	6.4	6.1
Student transportation services	5.5	5.1	5.4	5.0
Food services	5.3	4.7	2.2	1.9
All others	<u>12.7</u>	<u>11.7</u>	<u>9.7</u>	<u>8.7</u>
Totals	<u>78.5</u>	<u>73.2</u>	<u>66.9</u>	<u>61.1</u>

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

**2004-2005  
Total Cost of Services  
Versus  
Net Cost of Services  
(In Millions)**



**2003-2004  
Total Cost of Services  
Versus  
Net Cost of Services  
(In Millions)**



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

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Revenues increased \$2.8 million in the current year as compared to the prior year. This increase was due primarily to an increase in the Minimum Foundation Program (the state's primary support source for school funding) of \$.9 million; and an increase in Impact Aid and Department of Defense revenues (generated to help fund the school system for our large military dependent student population) of \$.5 million. There was also an increase in sales tax collections of \$1.0 million, which was offset by a corresponding increase in sales tax salary expenditures.

Except as noted earlier, expenses remained relatively constant this year as compared to last year.

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

As the School Board completed this year, our governmental funds reported a combined fund balance of \$14.7 million.

Other significant changes in revenues and expenditures, which affected fund balances, were:

The general fund is our principal operating fund. The fund balance in the general fund increased by \$.8 million, with the following events occurring in addition to the \$.9 million, increase in state equalization funding, the \$1 million increase in sales tax collections, and the impact aid increase of \$.5 million:

- an increase in investment income of \$114,000 due to higher interest rates.
- a decrease in funding of \$.8 million offset by an equal expenditure amount due to restricted grants from the state.
- a decrease of \$325,000 in textbook expenses due fewer new curriculums.
- an increase of \$.4 million in employee benefits due primarily to increased health insurance costs and increased retirement costs.
- an increase of \$.4 million in mandated pay raises.

There was one significant change in special revenue funds:

- award of tobacco settlement of \$.2 million was received and recognized as revenue in current year. The balance will be recognized as revenue in future years after meeting routine eligibility requirements.

The capital projects funds had two significant changes:

- new bonds were sold for Ward 4 (Pickering) renovations of \$3.2 million.
- substantial completion of Ward 5 (Pitkin) and Ward 7 (Rosepine) renovations.

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

**General Fund Budgetary Highlights** As mentioned earlier, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplemental Information.)

There were significant revisions made to the 2004-2005 general fund original budgets. Budgeted amount available for appropriations increased \$12 million primarily due to the following:

- Impact Aid Funding appropriations were higher than expected of \$.5 million;
- Sales tax appropriations were also higher than expected of .8 million;
- An increase in state equalization funding of .9 million;
- An increase of \$4.8 million in transfers from other funds to accurately reflect transfers;
- Because of the increases in appropriations the ending fund balance was increased 5.7 million.

Budgeted charges to appropriations increased by \$6.3 million due to the following changes:

- An increase in salaries of \$.4 million due to an unbudgeted state raise for teachers;
- An increase in student transportation of \$.4 million;
- An increase of \$4.3 million in transfers to other funds to accurately reflect transfers;
- An additional increase in instruction expenditures of \$.6 million.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets** At June 30, 2005, the School Board had \$33,849,287 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of just over \$5,561,835 or 19.7 percent, from last year.

**Capital Assets at Year-end**

	<u>Governmental Activities</u>	
	<u>2005</u>	<u>2004</u>
Land	\$ 1,335,047	\$ 1,335,047
Construction in progress	7,901,538	4,746,414
Buildings	22,866,492	20,562,549
Furniture and equipment	1,746,210	1,643,442
Totals	<u>\$33,849,287</u>	<u>\$28,287,452</u>

This year's additions of \$10,359,368 included vehicles of \$303,852, Ward 1 building improvements of \$3,295,875 (transfer from construction in progress), Pickering, Pitkin, and Rosepine schools construction in progress of \$6,450,999, and other equipment of \$308,642.

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

We present more detailed information about our capital assets in Note 6 of the notes to the financial statements.

**DEBT ADMINISTRATION** At June 30, 2005, the School Board had \$21,607,737 in general obligation bonds outstanding with maturities from 2005 to 2031 with interest rates ranging from 1.00 to 7.75 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2005, the School Board's net bonded debt of \$20,723,566 (total bonded debt of \$21,607,737 less assets in debt service funds of \$884,171) was well below the legal limit of \$44,724,829. For more detailed information, please refer to the Notes to the Financial Statement (Note 11).

	<u>Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt per Capita</u>
June 30, 2005 Net direct general obligation bonded debt	\$20,723,566	19.5	418
June 30, 2004 Net direct general obligation bonded debt	\$18,876,572	16.0	373

The School Board maintained a Baa bond rating from Moody's Investors Service.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES** Our elected and appointed officials and citizens consider many factors when setting the School Board's 2005-2006 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2005-2006 budget was adopted in September 2005, based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the state. Approximately 55% of total revenues are from the MFP. Our Impact Aid federal funding is also tied to the number of federally connected students. Impact Aid fluctuates between \$5 to \$8 million per year. The October 1, 2005, student count was about the same as the 2005-2006 budget projection amount but due to a change in the formula for state equalization a general 2% increase was budgeted.

We have projected an increase of \$1,931,479 for the 2005-2006 fiscal year with no major uncertainties anticipated for the future.

**CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Tim Ward, Assistant Business Manager, at Vernon Parish School Board, 201 Belview Road, Leesville, Louisiana 71446, telephone number (337) 239-3401.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

**BASIC FINANCIAL STATEMENTS:**

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

VERNON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS  
June 30, 2005

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,612,815
Investments	12,138,319
Receivables (net)	4,609,271
Inventory	78,605
Capital assets:	
Land and construction in progress	9,236,585
Depreciable capital assets	<u>24,612,702</u>
<b>TOTAL ASSETS</b>	<u>57,288,297</u>
<b>LIABILITIES</b>	
Accounts, salaries and other payables	8,055,827
Retainage payable	345,638
Deferred revenue	305,303
Interest payable	392,220
Workers' compensation payable	103,896
Long-term liabilities	
Due within one year	1,868,245
Due in more than one year	<u>20,918,752</u>
<b>TOTAL LIABILITIES</b>	<u>31,989,881</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	14,927,832
Restricted for:	
Federal and state funds	83,129
School food service	31,245
Maintenance funds	1,373,924
Debt service	884,171
Capital projects	970,281
Workers' Compensation	576,874
Unrestricted	<u>6,450,960</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 25,298,416</u>

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

VERNON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2005

	<u>PROGRAM REVENUES</u>		Statement B
	CHARGES FOR	OPERATING	NET (EXPENSE)
	SERVICES	GRANTS AND	REVENUE AND
<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>CONTRIBUTIONS</u>	<u>CHANGES IN</u>
			<u>NET ASSETS</u>
<i>Governmental activities:</i>			
Instruction:			
Regular programs	\$ 30,944,989	\$ 1,911,035	\$ (29,033,954)
Special programs	13,868,144	3,481,455	(10,386,689)
Other instructional programs	3,252,453	2,416,151	(836,302)
<i>Support services:</i>			
Student services	3,065,160	68,775	(2,996,385)
Instructional staff support	2,649,660	433,623	(2,216,037)
General administration	1,582,637	1,380	(1,581,257)
School administration	3,844,721	10,217	(3,834,504)
Business services	505,065	16,330	(488,735)
Plant services	6,528,526	64,996	(6,463,530)
Student transportation services	5,479,318	67,535	(5,411,783)
Central services	516,118		(516,118)
Food services	5,284,644	\$ 832,657	(2,179,675)
Community service programs	67,114		(67,114)
Interest on long-term debt	950,440		(950,440)
Total Governmental Activities	<u>78,538,989</u>	<u>832,657</u>	<u>10,743,809</u>
			<u>(66,962,523)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes			2,253,405
Property taxes, levied for debt services			2,355,516
Sales taxes			9,283,499
State revenue sharing			278,754
Grants and contributions not restricted to specific programs			
Minimum Foundation Program			43,052,370
Federal Forest Lands			367,625
Interest and investment earnings			303,404
Impact Aid, Department of Defense, ROTC			8,307,222
Miscellaneous			622,646
			<u>66,824,441</u>
			Changes in net assets
			(138,082)
Net assets - beginning			<u>25,436,498</u>
Net assets - ending			<u>\$ 25,298,416</u>

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

**Vernon Parish School Board**

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

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2005

Statement C

	GENERAL	PICKERING CONSTRUCTION	OTHER GOVERNMENTAL	TOTAL
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,418,454	\$ 2,904,744	\$ 2,289,617	\$ 6,612,815
Investments	10,031,228	0	2,107,091	12,138,319
Receivables	1,960,263	0	2,649,008	4,609,271
Interfund receivables	1,829,751	0	60,000	1,889,751
Inventory	0	0	78,605	78,605
<b>TOTAL ASSETS</b>	<b>15,239,696</b>	<b>2,904,744</b>	<b>7,184,321</b>	<b>25,328,761</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	6,205,610	207,617	1,642,600	8,055,827
Interfund payables	60,000	0	1,829,751	1,889,751
Retainage payable	0	10,846	334,792	345,638
Deferred revenues	270,875	0	34,428	305,303
<b>Total Liabilities</b>	<b>6,536,485</b>	<b>218,463</b>	<b>3,841,571</b>	<b>10,596,519</b>
<b>Fund Balances:</b>				
<b>Reserved for:</b>				
Debt Service	0	0	884,171	884,171
Workers' Compensation	576,874	0	0	576,874
Protested taxes	71,215	0	0	71,215
<b>Unreserved, reported in:</b>				
General Fund	8,055,122	0	0	8,055,122
Special Revenue Funds	0	0	1,488,298	1,488,298
Capital Projects Fund	0	2,686,281	970,281	3,656,562
<b>Total Fund Balances</b>	<b>8,703,211</b>	<b>2,686,281</b>	<b>3,342,750</b>	<b>14,732,242</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 15,239,696</b>	<b>\$ 2,904,744</b>	<b>\$ 7,184,321</b>	<b>\$ 25,328,761</b>

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

**VERNON PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2005**

Statement D

Total fund balances - governmental funds \$ 14,732,242

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

Costs of capital assets	\$	62,942,456	
Depreciation expense to date		<u>(29,093,169)</u>	
			33,849,287

*Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.*

Balances at June 30, 2005 are:

Long-term liabilities			
Bonds payable	(21,607,737)		
Compensated absences payable	(1,179,260)		
Interest payable	(392,220)		
Workers' compensation payable	<u>(103,896)</u>		
			<u>(23,283,113)</u>

**Net Assets** **\$ 25,298,416**

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

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2005

Statement E

	GENERAL	PICKERING CONSTRUCTION	OTHER GOVERNMENTAL	TOTAL
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,070,253	\$ 0	\$ 3,538,668	\$ 4,608,921
Sales and use	9,283,499	0	0	9,283,499
Interest earnings	234,896	6,993	61,515	303,404
Food services	0	0	832,657	832,657
Other	680,620	0	348,911	1,029,531
State sources:				
Equalization	42,593,269	0	459,101	43,052,370
Other	461,500	0	1,248,019	1,709,519
Federal sources				
	8,744,355	0	9,049,838	17,794,193
<b>Total Revenues</b>	<b>63,068,392</b>	<b>6,993</b>	<b>15,538,709</b>	<b>78,614,094</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	27,262,831	0	2,860,573	30,123,404
Special programs	9,230,833	0	4,619,516	13,850,349
Other instructional programs	2,595,298	0	461,164	3,056,462
Support services:				
Student services	2,818,347	0	246,813	3,065,160
Instructional staff support	2,025,744	0	622,190	2,647,934
General administration	1,171,547	30,574	551,390	1,753,511
School administration	3,727,370	0	53,387	3,780,757
Business services	470,616	2,215	30,868	503,699
Plant services	5,473,264	0	1,021,880	6,495,144
Student transportation services	5,268,193	0	156,519	5,424,712
Central services	511,046	0	5,072	516,118
Food services	433,956	0	4,569,439	5,003,395
Community service programs	38,689	0	28,425	67,114
Capital outlay	212,027	487,923	6,363,543	7,063,493
Debt service:				
Principal retirement	0	0	1,281,204	1,281,204
Interest and bank charges	0	0	873,060	873,060
Advanced escrow funding	0	0	307,402	307,402
<b>Total Expenditures</b>	<b>61,239,761</b>	<b>520,712</b>	<b>24,052,445</b>	<b>85,812,918</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 1,828,631</b>	<b>\$ (513,719)</b>	<b>\$ (8,513,736)</b>	<b>\$ (7,198,824)</b>

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2005

Statement E

	GENERAL	PICKERING CONSTRUCTION	OTHER GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 1,302,243	\$ 1,302,243
Transfers out	(1,033,728)	0	(268,515)	(1,302,243)
Bond	0	3,200,000	1,758,500	4,958,500
Payments to escrow agent	0	0	(1,715,000)	(1,715,000)
Total Other Financing Sources (Uses)	1,033,728	(3,200,000)	(1,077,228)	(3,243,500)
Net Change in Fund Balances	794,903	2,686,281	(7,436,508)	(3,955,324)
FUND BALANCES - BEGINNING	7,908,308	0	10,779,258	18,687,566
FUND BALANCES - ENDING	\$ 8,703,211	\$ 2,686,281	\$ 3,342,750	\$ 14,732,242

(CONCLUDED)

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

**VERNON PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2005**

**Statement F**

Total net change in fund balances - governmental funds \$ (3,955,324)

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:

Depreciation expense	(\$1,493,851)	
Capital outlays	7,063,493	5,569,642

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. 1,296,638

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$671,969) exceeded the amounts earned (\$613,111) by \$58,858. 58,858

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

Increase of incurred but not reported workers' compensation claims	(68,587)
--	----------

In the Statement of Activities, scrapping of assets are reported as a gain or loss net of the book value.

Cost of assets scrapped	\$ 51,873	
<u>Accumulated depreciation</u>	<u>( 44,066)</u>	
Net loss	7,807	(7,807)

Bond and capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.

Bond proceeds	(4,958,500)	
Advanced refunding to escrow	290,000	
Payments to escrow agent	1,715,000	(2,953,500)

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. (78,002)

**Change in net assets of governmental activities. \$ (138,082)**

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

**VERNON PARISH SCHOOL BOARD**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**June 30, 2005**

	<b>Statement G</b>
	<u><b>AGENCY FUNDS</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 905,907
Investments	<u>119,115</u>
<b>TOTAL ASSETS</b>	<u><b>1,025,022</b></u>
<b>LIABILITIES</b>	
Deposits due others	<u>1,025,022</u>
<b>TOTAL LIABILITIES</b>	<u><b>\$ 1,025,022</b></u>

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

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

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**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Vernon Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** The Vernon Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Vernon 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 thirteen members who are elected from seven districts for terms of four years.

The School Board operates eighteen schools within the parish with a total enrollment of 9,621 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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. 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* as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

**B. FUNDS** The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary.

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

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

**Pickering Construction** – to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

**Fiduciary Funds** Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

*Agency funds* are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

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

**Scholarship fund** – accounts for voluntary employee contributions and is used to provide an annual scholarship for a graduate from the parish schools.

**Sales tax fund** – accounts for monies collected on behalf of other taxing authorities within the parish.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)** The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. *Fiduciary funds are not included in the GWFS.* Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

**Program revenues** Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**Fund Financial Statements (FFS)**

**Governmental Funds** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

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

**Revenues**

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

**Sales Taxes** are recognized when underlying exchange transaction occurs and the resources are available.

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

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

**Expenditures**

**Salaries** are recorded as paid. Salaries for nine-month employees are accrued at June 30.

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

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

**Fiduciary Funds** The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

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

**E. INVESTMENTS** Under state law, the School Board may invest in United States bonds treasury notes or certificates. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in certificates of deposits are stated at amortized cost. Investments in U. S. Treasury securities are stated at amortized cost. Investments in the Louisiana Asset Management Pool (LAMP) are valued at fair value.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

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

*Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.*

The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**Definitions:**

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

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

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

*The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.*

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities and is designed to comply with restriction on investments by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, as amended, which governs money market funds (although the LAMP is not a money market fund and has no obligation to conform to this rule.) In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

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

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

**H. INVENTORY** Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

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

**J. DEFERRED REVENUES** The School Board reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

**K. COMPENSATED ABSENCES** All 12-month employees earn ten days of vacation leave each year. Employees cannot accumulate more than 13 days of vacation leave. Upon retirement, unused vacation leave of up to 13 days is paid to employees.

All School Board employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service.

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

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

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

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

A liability for sick leave should be accrued using one of the following termination approaches:

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

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

**L. LONG-TERM LIABILITIES** For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

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

Imposed by law through constitutional provisions or enabling legislation.

**N. FUND BALANCES OF FUND FINANCIAL STATEMENTS** Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**O. INTERFUND ACTIVITY** Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**P. SALES TAXES** The Vernon Parish School Board has the following two sales tax ordinances:

The School Board collects a one cent parish-wide sales and use tax as authorized in a special election held January 12, 1991. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System" and for benefits of the retirees of the Vernon Parish School System.

The School Board collects a one cent parish-wide sales and use tax authorized in a special election held March 31, 1973. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System."

**Q. BUDGETS**

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

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 2004-2005 general fund original budget. Budgeted revenues were increased \$6.9 million due to an unexpected increase in federal unrestricted funds (Impact Aid), an increase in sales tax revenue and an increase in transfers from other funds. Budgeted expenditures were also increased \$6.2 million to account for the increase in salaries, related benefits, and transfers to other funds.

**Encumbrances** Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

**R. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - STEDWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Excess of Expenditures Over Appropriations in individual Funds** The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2005:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Ward 3 maintenance	\$ 61,029	\$ 61,458	\$ 429
Ward 6 maintenance	24,612	25,667	1,055
Ward 8 maintenance	22,194	22,385	191
Other special funds	549,831	551,928	2,097
Vocational education	294,389	300,037	5,648
Food Processing Centers	31,673	31,750	77
Head Start	1,705,366	1,733,014	27,648

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision. However, all of the above variances are insignificant.

**B. Deficit Fund Balance**

Other special funds	<u><u>\$ 127</u></u>
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These deficits are expected to be eliminated by transfers from the general fund.

This deficit is expected to be eliminated by transfers from the general fund.

**NOTE 3 - LEVIED TAXES** The School Board levies taxes on real and business personal property located within Vernon Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Vernon Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

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

	<u>Property Tax Calendar</u>
Assessment date	January 01, 2004
Levy date	January 01, 2004
Tax bills mailed	October 08, 2004
Due date	December 31, 2004
Collection Date	December 2004-February 2005
Lien date	May 01, 2005
Tax sale – 2004	May 01, 2005

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2004. Total assessed value was \$127,785,310 in calendar year 2004. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$37,745,930 of the assessed value in calendar year 2004.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue funds and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected with the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2004 property taxes to be collected occurs in December and January and February of the next year.

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

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

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

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional and operations	Statutory	3.70	3.70	Statutory
Maintenance and operations	April 29, 1995	7.17	7.17	2005
District taxes:				
Ward				
1	April 29, 1995	13.03	13.03	2005
2 Hornbeck	April 29, 1995	13.32	13.32	2005
2 Orange	April 29, 1995	13.24	13.24	2005
3	January 18, 1997	13.14	13.14	2006
4 Pickering	March 26, 1994	13.98	13.98	2013
5	March 26, 1994	14.53	14.53	2013
6	March 26, 1994	12.59	12.59	2013
7	April 20, 1996	13.00	13.00	2006
8	March 26, 1994	13.48	13.48	2013
District sinking fund taxes:				
1		Variable	14.00	2013
2 Hornbeck		Variable	98.00	2013
2 Orange		Variable	34.00	2008
3		Variable	12.56	2022
4 Pickering		Variable	31.00	2015
5		Variable	25.61	2012
6		Variable	50.00	2024
7		Variable	57.00	2015
8		Variable	34.17	2008

**NOTE 4 - DEPOSITS AND INVESTMENTS** At June 30, 2005, the School Board had the following investments:

<u>Investment type</u>	<u>Maturities</u>	<u>Fair Value</u>
U.S. Treasury obligations	Less than 1 year	\$ 695,989
Louisiana Asset Management Pool (LAMP)	Less than 1 year	<u>5,694,802</u>
Total		<u>\$6,390,791</u>

**Interest Rate Risk:** The School Boards' policy does not address interest rate risk.

**Credit Risk:** The School Board invests in certificates of deposit and U.S. Treasury obligations which do not have credit ratings. The School Board's investment in LAMP was rated AAAM by Standard & Poor's. The School Boards' policy does not address credit rate risk.

**Custodial Credit Risk-Deposits:** In the case of deposits this is the risk that in the event of a bank failure, the School Boards' deposits may not be returned to it. As of June 30, 2005, the School Board's bank balance of \$16,681,589 was exposed to custodial credit risk because it was uninsured and collateralized with security held by the pledging

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

financial institutions trust department or agent but not in the School Board's name. Even though the pledge securities are considered uncollateralized 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 request.

**NOTE 5 – RECEIVABLES** The receivables at June 30, 2005, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
<b>Taxes:</b>			
Ad Valorem	\$ 414	\$ 1,138	\$ 1,552
Sales Tax	937,444	0	937,444
<b>Intergovernmental - grants:</b>			
Federal	588,112	2,298,564	2,886,676
State	32,333	273,046	305,379
Other	401,960	76,260	478,220
Total	<u>\$ 1,960,263</u>	<u>\$ 2,649,008</u>	<u>\$ 4,609,271</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

**NOTE 6 - CAPITAL ASSETS** Capital asset balances and activity for the year ended June 30, 2005 is as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
<b>Governmental activities</b>				
Capital asset not being depreciated				
Land	\$ 1,335,047	\$ 0	\$ 0	\$ 1,335,047
Construction in progress	4,746,414	6,450,999	3,295,875	7,901,538
Total capital assets not being depreciated	<u>6,081,461</u>	<u>6,450,999</u>	<u>3,295,875</u>	<u>9,236,585</u>
Capital assets being depreciated				
Buildings	42,107,472	3,335,487	0	45,442,959
Furniture and equipment	7,741,903	572,882	51,873	8,262,912
Total capital assets being depreciated	<u>49,849,375</u>	<u>3,908,369</u>	<u>51,873</u>	<u>53,705,871</u>
Less accumulated depreciation				
Buildings	21,544,923	1,031,544	0	22,576,467
Furniture and equipment	6,098,461	462,307	44,066	6,516,702
Total accumulated depreciation	<u>27,643,384</u>	<u>1,493,851</u>	<u>44,066</u>	<u>29,093,169</u>
Total capital assets being depreciated, net	<u>22,205,991</u>	<u>2,414,518</u>	<u>7,807</u>	<u>24,612,702</u>
<b>Governmental activities</b>				
Capital assets, net	<u>\$ 28,287,452</u>	<u>\$ 8,865,517</u>	<u>\$ 3,303,682</u>	<u>\$ 33,849,287</u>

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 868,782
Special programs	17,795
Other instructional programs	195,991
Instructional staff support	1,726
General administration	16,483
School administration	63,964
Business services	1,366
Plant services	37,156
Student transportation services	54,606
Food services	235,982
Total depreciation expense	\$ 1,493,851

**NOTE 7 - RETIREMENT SYSTEMS**

**Plan Description** As required by state statute, substantially all School Board employees participate in either the Teachers' Retirement System of Louisiana or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature. Participation in the Teachers' Retirement System of Louisiana is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRSL); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

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

Under the Teachers' Retirement System of Louisiana Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

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

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

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

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

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

**Funding Policy** Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System of Louisiana, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2005, are as follows:

	Employee	Employer
Teachers' Retirement System of Louisiana:		
Regular	8.00%	15.50%
Plan A	9.10%	15.50%
Louisiana School Employees' Retirement System	7.50%	14.80%

Total covered payroll of the School Board for TRSL - Regular Plan, TRSL - Plan A, and LSERS for the year ended June 30, 2005, amounted to \$39,510,662, \$124,392 and \$4,652,822 respectively. Employer contributions for the year ended June 30, 2005. And each of the two preceding years are as follows:

<u>Fiscal Year Ended</u>	TRSL		LSERS	
	Annual Actuarially Required Contribution	Percentage Contributed	Annual Actuarially Required Contribution	Percentage Contributed
June 30, 2003	\$5,527,506	85.84%	\$ 0	100.00%
June 30, 2004	6,234,105	85.62%	502,264	78.77%
June 30, 2005	7,038,551	87.12%	846,059	81.39%

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 2005. The annual actuarially required contribution for the year ended June 30, 2005, is based upon each plan's annual financial report for the year ended June 30, 2004, which is the latest information available. The above required contributions were made.

**NOTE 8 - OTHER POST EMPLOYMENT BENEFITS** In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was \$2,310,722 for 390 retirees.

**NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES** The payables at June 30, 2005, are as follows:

	General	Pickering Construction	Other Governmental	Total
Salaries	\$ 5,789,081	\$ 0	\$ 803,416	\$ 6,592,497
Accounts	416,529	207,617	839,184	1,463,330
Total	<u>\$ 6,205,610</u>	<u>\$ 207,617</u>	<u>\$ 1,642,600</u>	<u>\$ 8,055,827</u>

**NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY)** A summary of changes in agency fund deposit due others follows:

	Balance at Beginning of year	Additions	Deletions	Balance at Ending of year
School activities agency	\$ 882,681	\$ 2,706,869	\$ 2,567,136	\$ 1,022,414
Scholarship	2,414	1,754	1,560	2,608
Sales tax agency	0	22,117,390	22,117,390	0
Total	<u>\$ 885,095</u>	<u>\$24,826,013</u>	<u>\$24,686,086</u>	<u>\$ 1,025,022</u>

**NOTE 11- LONG-TERM LIABILITIES** The following is a summary of the long-term obligation transactions for the year ended June 30, 2005:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
Bonds payable:					
General Obligation debt	\$ 19,935,440	\$ 4,958,500	\$ 3,286,203	21,607,737	\$ 1,196,277
Other liabilities:					
Compensated absences	1,238,118	613,111	671,969	1,179,260	671,968
Capital Leases	15,434	0	15,434	0	0
Governmental activities					
Long-term liabilities	<u>\$ 21,188,992</u>	<u>\$ 5,571,611</u>	<u>\$ 3,973,606</u>	<u>\$ 22,786,997</u>	<u>\$ 1,868,245</u>

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 88 % was paid by the general fund, 2 % by Title I fund, 5 % by the school food service fund and the remaining 5 % by other governmental funds.

	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
<b>WARD I</b>					
October 01, 2002	\$ 5,500,000	4.375 - 5.000	2022	\$ 2,240,287	\$ 4,990,000
<b>WARD II - ORANGE</b>					
July 01, 2004	560,000	1.00-4.00	2008	24,575	425,000
<b>WARD II - HORNBECK</b>					
December 01, 1997	532,000	1.00 - 7.75	2011	82,024	308,000
June 01, 2001	600,000	4.70 - 5.25	2021	266,318	535,000
<b>WARD III</b>					
April 30, 1982	1,438,000	5.00	2022	497,000	975,000
<b>WARD IV</b>					
February 03, 1994	995,000	3.75 - 5.00	2006	6,500	130,000
December 01, 1997	1,230,000	4.10 - 5.00	2010	72,145	525,000
March 1, 2005	3,200,000		2025	1,839,070	3,200,000
<b>WARD V</b>					
December 01, 1997	616,000	1.00 - 7.75	2009	44,717	245,000
August 01, 2003	3,800,000	3.85 - 5.50	2023	1,792,408	3,580,000
<b>WARD VI</b>					
November 16, 1993	1,500,000	5.126	2024	700,787	1,179,543
April 25, 2002	450,000	5.00	2031	367,188	435,194
<b>WARD VII</b>					
July 01, 2004	775,000	3.85	2015	154,385	655,000
September 01, 2003	4,400,000	5.00	2023	1,926,706	4,130,000
<b>WARD VIII</b>					
July 01, 2004	380,000	1.00-4.00	2008	16,795	295,000
Total general obligation bonds				<u>\$ 10,030,905</u>	<u>\$ 21,607,737</u>

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At year end, the School Board has accumulated \$884,171 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30,	Bonds Principal Payments	Interest Payments	Total
2006	\$ 1,196,277	\$ 1,055,476	\$ 2,251,753
2007	1,222,638	931,342	2,153,980
2008	1,290,121	875,102	2,165,223
2009	1,059,730	811,050	1,870,780
2010	987,472	758,532	1,746,004
2011-2015	5,141,646	3,119,979	8,261,625
2016-2020	6,086,520	1,936,232	8,022,752
2021-2025	4,451,438	494,278	4,945,716
2026-2030	116,744	44,746	161,490
2031 and thereafter	55,151	4,167	59,318
Total	<u>\$ 21,607,737</u>	<u>\$ 10,030,904</u>	<u>\$ 31,638,641</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At year end, the statutory limit is \$44,724,859 and outstanding net bonded debt totals \$20,723,566.

**NOTE 12 - INTERFUND ASSETS / LIABILITIES (FFS LEVEL ONLY)**

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 1,829,751	Other governmental	\$ 1,829,751
Other governmental	60,000	General	60,000
Total	<u>\$ 1,889,751</u>		<u>\$ 1,889,751</u>

The purposes of the interfund assets/liabilities were to cover current-year expenditures on cost reimbursement programs until the reimbursement requisitions are deposited.

**NOTE 13 - RESTRICTED NET ASSETS** The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's \$576,874 U.S. Government Security. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit. The following is a summary of transactions relating to the restricted net assets for the year ended June 30, 2005:

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

	<u>Restricted for Workers' Compensation Security Deposit</u>
Balance, beginning	\$ 576,798
Additions	76
Deletions	
Balance, ending	<u>\$ 576,874</u>

**NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)**

<u>Fund</u>	<u>Transfer In</u>	<u>Transfers Out</u>
General	\$ 0	\$ 1,033,728
Other Governmental	1,302,243	268,515
Totals	<u>\$ 1,302,243</u>	<u>\$ 1,302,243</u>

The purpose of interfund transfers was due mainly to the school food service as a result of the food service's expenditures exceeding the current-year revenues.

**NOTE 15 - ENCUMBRANCES (FFS LEVEL ONLY)** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2005, the School Board had entered into purchase orders and commitments as follows:

<u>Fund</u>	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Totals	<u>\$ 391,053</u>	<u>\$ 883,941</u>	<u>\$ 1,274,994</u>

**NOTE 16 - RISK MANAGEMENT** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2005 such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$200,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The liability does not include incremental costs, if any.

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

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

<u>Years Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payment and Claims</u>	<u>Ending of Fiscal Year Liability</u>
2003	\$ 154,139	\$ 648,123	\$ 732,335	\$ 69,927
2004	69,927	652,301	686,919	35,309
2005	35,309	622,915	554,328	103,896

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

**NOTE 17 - LITIGATION AND CLAIMS**

**Litigation** At June 30, 2005, the School Board is involved in various litigation. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

**Self-Insurance** The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$200,000 per occurrence for each employee.

**Construction Projects** There are certain major construction projects in progress at June 30, 2005. The projects include air conditioning, roof repairs, additional classrooms and other building improvements at Pitkin and Rosepine, South Polk and Pickering. These projects are funded by bond proceeds and general fund. The total construction projects will cost approximately \$10,411,740 which the expected completion date is before June 30, 2006. The outstanding construction commitment was approximately \$3,725,000 as of June 30, 2005.

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

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

**Protested Taxes** Throughout the year, the School Board receives sales taxes that are paid in protest. The School Board reserved all protested taxes until the issue is resolved.

**NOTE 18 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$24,206. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**NOTE 19 - ECONOMIC DEPENDENCY** Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. Approximately one-half of the student population consists of students from military families at Fort Polk. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$43,052,370 to the School Board, which represents approximately 55% of the School Board's total revenues for the year. Potentially up to approximately one-half of this Minimum Foundation funding is attributable to the students of military personnel. Additionally, the federal government provided \$8,307,222 in direct funding (Impact Aid) to the School Board.

The financial impact of students from military personnel associated with Fort Polk could be as much as 40% of the total revenues of the School Board.

**NOTE 20 – CHANGES IN PRESENTATION** For the fiscal year end June 30, 2004, the general fund, Rosepine construction fund and Pitkin construction fund were major funds. The general fund and Pickering construction fund are major funds for the year ended June 30, 2005.

**NOTE 21 – ADVANCE REFUNDING** The School Board issued \$425,000 of general obligation refunding bonds to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the 1994 general obligation bonds in Ward II-Orange School District. The School Board issued \$775,000 of general obligation refunding bonds to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the 1994 general obligation bonds in Ward VII school district. The School Board issued \$380,000 of general obligation refunding bonds to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the 1994 general obligation bond in Ward VIII school district. These refundings resulted in a net economic gain of \$239,000.

**Vernon Parish School Board**

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**Vernon Parish School Board**

**Budgetary Comparison Schedule**

**General Fund With a Legally Adopted Annual Budget**

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

VERNON PARISH SCHOOL BOARD

GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2005

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,844,932	\$ 7,908,308	\$ 7,908,308	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	914,305	961,080	1,070,253	109,173
Sales and use	8,353,261	9,184,442	9,283,499	99,057
Interest earnings	118,721	218,581	234,896	16,315
Other	96,026	643,803	680,620	36,817
State sources:				
Equalization	42,593,269	42,593,269	42,593,269	0
Other	367,318	461,500	461,500	0
Federal sources	8,240,240	8,739,097	8,744,355	5,258
Transfers from other funds	100,000	4,888,936	2,997,623	(1,891,313)
Amounts available for appropriations	<u>63,628,072</u>	<u>75,599,016</u>	<u>73,974,323</u>	<u>(1,624,693)</u>
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	26,894,341	27,219,036	27,262,831	(43,795)
Special programs	8,933,616	9,230,156	9,230,833	(677)
Other instructional programs	2,595,702	2,590,604	2,595,298	(4,694)
Support services:				
Student services	2,745,876	2,816,319	2,818,347	(2,028)
Instructional staff support	1,918,245	2,024,501	2,025,744	(1,243)
General administration	1,306,360	1,157,167	1,171,547	(14,380)
School administration	3,687,560	3,727,370	3,727,370	0
Business services	484,648	468,300	470,616	(2,316)
Plant services	5,232,994	5,547,907	5,473,264	74,643
Student transportation services	4,823,746	5,266,333	5,268,193	(1,860)
Central services	446,284	505,971	511,046	(5,075)
Food services	31,503	433,956	433,956	0
Community service programs	53,347	38,461	38,689	(228)
Capital Outlay	0	89,395	212,027	(122,632)
Transfers to other funds	1,643,592	5,952,746	4,031,351	1,921,395
Total charges to appropriations	<u>60,797,814</u>	<u>67,068,222</u>	<u>65,271,112</u>	<u>1,797,110</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>2,830,258</u>	\$ <u>8,530,794</u>	\$ <u>8,703,211</u>	<u>172,417</u>

**Vernon Parish School Board**

**Notes to the Budgetary Comparison Schedule  
For the Year Ended June 30, 2004**

**A. BUDGETS**

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 2004-2005 general fund original budget. Budgeted revenues were increased \$7.9 million due to an unexpected increase in federal unrestricted funds (Impact Aid) an increase in sales tax revenue and an increase in transfers from other funds. Budgeted expenditures were also increased \$6.3 million to account for the increase in salaries, related benefits, and purchased professional services.

The general fund budget is prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

**VERNON PARISH SCHOOL BOARD**

**Notes to the Budgetary Comparison Schedule  
For the Year Ended June 30, 2005**

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

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 73,974,323
Transfer from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(2,997,623)
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	<u>(7,908,308)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 63,068,392</u>
<u>Uses/outflows of resources:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 65,271,112
Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	<u>(4,031,351)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 61,239,761</u>

**Vernon Parish School Board**

**SUPPLEMENTAL INFORMATION  
COMBINING  
NONMAJOR GOVERNMENTAL FUNDS  
AGENCY FUNDS**

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2005**

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECT	TOTAL
<b>ASSETS</b>				
Cash and cash equivalents	\$ 582,048	\$ 218,221	\$ 1,489,348	\$ 2,289,617
Investments	1,441,778	665,313	0	2,107,091
Receivables	2,648,371	637	0	2,649,008
Interfund receivables	60,000	0	0	60,000
Inventory	78,605	0	0	78,605
<b>TOTAL ASSETS</b>	<b>4,810,802</b>	<b>884,171</b>	<b>1,489,348</b>	<b>7,184,321</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	1,458,325	0	184,275	1,642,600
Interfund payables	1,829,751	0	0	1,829,751
Retainage payable	0	0	334,792	334,792
Deferred revenue	34,428	0	0	34,428
<b>Total Liabilities</b>	<b>3,322,504</b>	<b>0</b>	<b>519,067</b>	<b>3,841,571</b>
 <b>Fund Balances:</b>				
Reserved for debt service	0	884,171	0	884,171
Unreserved, reported in				
Special revenue	1,488,298	0	0	1,488,298
Capital projects	0	0	970,281	970,281
<b>Total Fund Balances</b>	<b>1,488,298</b>	<b>884,171</b>	<b>970,281</b>	<b>3,342,750</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,810,802</b>	<b>\$ 884,171</b>	<b>\$ 1,489,348</b>	<b>\$ 7,184,321</b>

VERNON PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - By Fund Type  
 For the Year Ended June 30, 2005

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECT	TOTAL
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,183,152	\$ 2,355,516	\$ 0	\$ 3,538,668
Interest earnings	24,086	14,484	22,945	61,515
Food services	832,657	0	0	832,657
Other	348,911	0	0	348,911
State sources:				
Equalization	459,101	0	0	459,101
Other	1,248,019	0	0	1,248,019
Federal sources				
	9,049,838	0	0	9,049,838
<b>Total Revenues</b>	<b>13,145,764</b>	<b>2,370,000</b>	<b>22,945</b>	<b>15,538,709</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	2,847,795	0	12,778	2,860,573
Special programs	4,619,516	0	0	4,619,516
Other instructional programs	461,164	0	0	461,164
Support services:				
Student services	246,813	0	0	246,813
Instructional staff support	622,190	0	0	622,190
General administration	469,267	82,123	0	551,390
School administration	53,387	0	0	53,387
Business services	30,857	11	0	30,868
Plant services	954,976	898	66,006	1,021,880
Student transportation services	156,519	0	0	156,519
Central services	5,072	0	0	5,072
Food services	4,569,439	0	0	4,569,439
Community service programs	28,425	0	0	28,425
Capital outlay	105,543	0	6,258,000	6,363,543
Debt service:				
Principal retirement	0	1,281,204	0	1,281,204
Interest and bank charges	0	873,060	0	873,060
Advanced refunding escrow	0	307,402	0	307,402
<b>Total Expenditures</b>	<b>15,170,963</b>	<b>2,544,698</b>	<b>6,336,784</b>	<b>24,052,445</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<b>\$ (2,025,199)</b>	<b>\$ (174,698)</b>	<b>\$ (6,313,839)</b>	<b>\$ (8,513,736)</b>

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances- By Fund Type**  
**For the Year Ended June 30, 2005**

Exhibit 3

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECT</u>	<u>TOTAL</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 1,302,243	\$ 0	\$ 0	\$ 1,302,243
Transfers out	(268,515)	0	0	(268,515)
Bond proceeds	0	1,715,000	43,500	1,758,500
Payments to escrow agent	0	(1,715,000)	0	(1,715,000)
<b>Total Other Financing Sources (Uses)</b>	<u>1,033,728</u>	<u>0</u>	<u>43,500</u>	<u>1,077,228</u>
<b>Net Change in Fund Balances</b>	(991,471)	(174,698)	(6,270,339)	(7,436,508)
<b>FUND BALANCES - BEGINNING</b>	<u>2,479,769</u>	<u>1,058,869</u>	<u>7,240,620</u>	<u>10,779,258</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,488,298</u>	<u>\$ 884,171</u>	<u>\$ 970,281</u>	<u>\$ 3,342,750</u>

(CONCLUDED)

**Vernon Parish School Board**

**Nonmajor Special Revenue Funds**

**MAINTENANCE FUNDS**

- Ward 1
- Ward 2 - Orange
- Ward 2 - Hornbeck
- Ward 3
- Ward 4
- Ward 5
- Ward 6
- Ward 7
- Ward 8

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district.

**OTHER SPECIAL FUNDS** This fund represents various small state and federally funded programs for advancement of education in Vernon Parish.

**8G STATE FUNDS** The 8G State Fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

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

**INDIAN EDUCATION GRANT** To address the unique education and culturally related academic needs of Indian students.

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

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

**VOCATIONAL EDUCATION**

**BASIC GRANTS TO STATES** To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

**TECH-PREP EDUCATION** To distribute funds to states to enable them to provide planning and demonstration grants to consortia of local educational agencies and post-secondary educational agencies, for the development and operation of four-year programs designed to provide a tech-prep education program leading to a two-year associate  
(continued)

**Vernon Parish School Board**

**Nonmajor Special Revenue Funds**

degree or a two-year certificate and to provide, in a systematic manner, strong, comprehensive links between secondary schools and post-secondary educational institutions.

**SPECIAL EDUCATION** To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

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

**FOOD PROCESSING CENTERS** The food processing centers receive revenues from sales and services for the purpose of operating the food processing centers.

**TITLE I** To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

**TITLE VI** To assist state and local educational agencies to improve elementary and secondary education. Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promising education reform projects; promoting higher order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

**TITLE II** To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.

**TITLE III** To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

**SALES TAX** Vernon Parish School Board is the centralized sales tax collection agency for all taxing authorities in Vernon Parish. As a result, Vernon Parish School Board receives a fee of 1.5 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department.

**HEAD START** To provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children, including Indian children on federally-recognized reservations, and children of migratory workers and their families; and to involve parents in activities with their children so that the children will attain overall social competence.

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

**EDUCATION EXCELLENCE** To enhance instructional programs approved by the legislature for students of pre-kindergarten through twelfth grade with proceeds received from tobacco settlement monies.

(Concluded)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2005**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,628	\$ 9,377	\$ 9,367	\$ 4,756
Investments	341,690	41,103	39	224,111
Receivables	415	0	0	0
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>349,733</u>	<u>50,480</u>	<u>9,406</u>	<u>228,867</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	66,244	20,910	5,085	427
Interfund payables	0	0	0	0
Deferred revenue	0	0	0	0
<b>Total Liabilities</b>	<u>66,244</u>	<u>20,910</u>	<u>5,085</u>	<u>427</u>
<b>Fund Balances:</b>				
Unreserved - undesignated	283,489	29,570	4,321	228,440
<b>Total Fund Balances</b>	<u>283,489</u>	<u>29,570</u>	<u>4,321</u>	<u>228,440</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 349,733</u>	<u>\$ 50,480</u>	<u>\$ 9,406</u>	<u>\$ 228,867</u>

Exhibit 4

	<u>WARD 4</u>	<u>WARD 5</u>	<u>WARD 6</u>	<u>WARD 7</u>	<u>WARD 8</u>
\$	39,276 \$	13,193 \$	9,500 \$	2,572 \$	4,306
	152,605	543,765	7	117,553	20,334
	86	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	<u>191,967</u>	<u>556,958</u>	<u>9,507</u>	<u>120,125</u>	<u>24,640</u>
	36,809	22,448	1,056	14,589	191
	0	0	0	0	0
	0	0	0	0	0
	<u>36,809</u>	<u>22,448</u>	<u>1,056</u>	<u>14,589</u>	<u>191</u>
	<u>155,158</u>	<u>534,510</u>	<u>8,451</u>	<u>105,536</u>	<u>24,449</u>
	<u>155,158</u>	<u>534,510</u>	<u>8,451</u>	<u>105,536</u>	<u>24,449</u>
\$	<u>191,967 \$</u>	<u>556,958 \$</u>	<u>9,507 \$</u>	<u>120,125 \$</u>	<u>24,640</u>

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2005**

	<u>OTHER SPECIAL FUNDS</u>	<u>8G STATE FUNDS</u>	<u>DRUG FREE SCHOOLS</u>	<u>INDIAN EDUCATION GRANT</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 95,351	\$ 0	\$ 0	0
Investments	0	0	0	0
Receivables	211,791	66,164	24,687	15,987
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>307,142</u>	<u>66,164</u>	<u>24,687</u>	<u>15,987</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	42,522	27,533	6,968	14,443
Interfund payables	264,747	38,631	17,719	1,544
Deferred revenue	0	0	0	0
<b>Total Liabilities</b>	<u>307,269</u>	<u>66,164</u>	<u>24,687</u>	<u>15,987</u>
<b>Fund Balances:</b>				
Unreserved - undesignated	(127)	0	0	0
<b>Total Fund Balances</b>	<u>(127)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 307,142</u>	<u>\$ 66,164</u>	<u>\$ 24,687</u>	<u>\$ 15,987</u>

Exhibit 4

<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>SPECIAL</u> <u>EDUCATION</u>	<u>SCHOOL</u> <u>FOOD</u> <u>SERVICE</u>	<u>FOOD</u> <u>PROCESSING</u> <u>CENTERS</u>
\$ 0	\$ 0	\$ 0	196,109	\$ 727
0	0	0	571	0
33,388	126,029	580,396	46,916	1,436
0	0	0	60,000	0
0	0	0	78,605	0
<u>33,388</u>	<u>126,029</u>	<u>580,396</u>	<u>382,201</u>	<u>2,163</u>
15,818	69,702	154,284	316,528	77
17,570	56,327	426,112	0	0
0	0	0	34,428	0
<u>33,388</u>	<u>126,029</u>	<u>580,396</u>	<u>350,956</u>	<u>77</u>
0	0	0	31,245	2,086
0	0	0	31,245	2,086
<u>\$ 33,388</u>	<u>\$ 126,029</u>	<u>\$ 580,396</u>	<u>\$ 382,201</u>	<u>\$ 2,163</u>

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2005**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>TITLE II</u>	<u>TITLE III</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	0
Investments	0	0	0	0
Receivables	588,649	90	236,551	15,033
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>588,649</u>	<u>90</u>	<u>236,551</u>	<u>15,033</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	227,103	0	87,895	12,868
Interfund payables	361,546	90	148,656	2,165
Deferred revenue	0	0	0	0
<b>Total Liabilities</b>	<u>588,649</u>	<u>90</u>	<u>236,551</u>	<u>15,033</u>
<b>Fund Balances:</b>				
Unreserved - undesignated	0	0	0	0
<b>Total Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 588,649</u>	<u>\$ 90</u>	<u>\$ 236,551</u>	<u>\$ 15,033</u>

Exhibit 4

	<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>EDUCATION EXCELLENCE</u>	<u>TOTAL</u>
\$	51,735	\$ 0	\$ 0	138,151	\$ 582,048
	0	0	0	0	1,441,778
	27,908	611,328	61,517	0	2,648,371
	0	0	0	0	60,000
	0	0	0	0	78,605
	<u>79,643</u>	<u>611,328</u>	<u>61,517</u>	<u>138,151</u>	<u>4,810,802</u>
	107	212,702	25,499	76,517	1,458,325
	60,000	398,626	36,018	0	1,829,751
	0	0	0	0	34,428
	<u>60,107</u>	<u>611,328</u>	<u>61,517</u>	<u>76,517</u>	<u>3,322,504</u>
	<u>19,536</u>	<u>0</u>	<u>0</u>	<u>61,634</u>	<u>1,488,298</u>
	<u>19,536</u>	<u>0</u>	<u>0</u>	<u>61,634</u>	<u>1,488,298</u>
\$	<u>79,643</u>	<u>\$ 611,328</u>	<u>\$ 61,517</u>	<u>\$ 138,151</u>	<u>\$ 4,810,802</u>

(CONCLUDED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 470,148	\$ 56,571	\$ 27,635	\$ 99,540
Interest earnings	5,208	569	60	4,254
Food services	0	0	0	0
Other	0	0	0	50
State sources:				
Equalization	0	0	0	0
Other	55,365	21,259	11,374	9,883
Federal sources	0	0	0	0
<b>Total Revenues</b>	<u>530,721</u>	<u>78,399</u>	<u>39,069</u>	<u>113,727</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	0	0	0	172
Special programs	79	0	0	0
Other instructional programs	54,612	353	2,648	4,127
Support services:				
Student services	285	75	105	45
Instructional staff support	0	0	0	575
General administration	15,929	2,046	1,043	3,321
School administration	9,748	0	174	0
Business services	0	0	0	0
Plant services	501,395	70,844	24,438	46,302
Student transportation services	9,851	8,288	16,022	2,549
Central services	0	0	0	0
Food services	0	0	0	133
Community service programs	0	0	0	0
Capital Outlay	10,695	0	0	4,234
<b>Total Expenditures</b>	<u>602,594</u>	<u>81,606</u>	<u>44,430</u>	<u>61,458</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (71,873)</u>	<u>\$ (3,207)</u>	<u>\$ (5,361)</u>	<u>\$ 52,269</u>

Exhibit 5

	<u>WARD 4</u>	<u>WARD 5</u>	<u>WARD 6</u>	<u>WARD 7</u>	<u>WARD 8</u>
\$	131,390	\$ 212,793	\$ 35,050	\$ 119,325	\$ 30,700
	2,359	8,738	46	1,619	267
	0	0	0	0	0
	0	0	0	960	0
	0	0	0	0	0
	11,281	9,782	5,958	20,844	7,332
	0	0	0	0	0
	<u>145,030</u>	<u>231,313</u>	<u>41,054</u>	<u>142,748</u>	<u>38,299</u>
	1,662	904	1,625	718	0
	0	1,587	0	0	0
	8,571	6,725	2,445	11,622	3,465
	150	90	0	135	90
	0	0	0	0	0
	4,368	7,176	1,219	4,306	1,081
	0	2,229	0	0	0
	0	0	0	0	0
	60,521	83,039	17,807	59,173	15,883
	14,476	1,290	2,571	49,358	1,866
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	30,400	2,750	0	0	0
	<u>120,148</u>	<u>105,790</u>	<u>25,667</u>	<u>125,312</u>	<u>22,385</u>
\$	<u>24,882</u>	<u>125,523</u>	<u>15,387</u>	<u>17,436</u>	<u>15,914</u>

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 0	\$ 0	\$ 2,221	\$ 0
Transfers out	0	0	(2,220)	(18,000)
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>1</u>	<u>(18,000)</u>
<b>Net Change in Fund Balances</b>	(71,873)	(3,207)	(5,360)	34,269
<b>FUND BALANCES - BEGINNING</b>	<u>355,362</u>	<u>32,777</u>	<u>9,681</u>	<u>194,171</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 283,489</u>	<u>\$ 29,570</u>	<u>\$ 4,321</u>	<u>\$ 228,440</u>

Exhibit 5

	<u>WARD 4</u>	<u>WARD 5</u>	<u>WARD 6</u>	<u>WARD 7</u>	<u>WARD 8</u>
\$	0	0	5,000	29,212	0
	0	0	(17,295)	0	0
	0	0	(12,295)	29,212	0
	24,882	125,523	3,092	46,648	15,914
	130,276	408,987	5,359	58,888	8,535
<u>\$</u>	<u>155,158</u>	<u>534,510</u>	<u>8,451</u>	<u>105,536</u>	<u>24,449</u>

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
*Combining Statement of Revenues, Expenditures,*  
*and Changes in Fund Balances*  
**For the Year Ended June 30, 2005**

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS	INDIAN EDUCATION GRANT
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 0	\$ 0	\$ 0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	411,071	216,460	0	0
Federal sources	140,730	0	57,033	19,086
 Total Revenues	551,801	216,460	57,033	19,086
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	484,279	19,354	6,226	19,086
Special programs	36,745	197,106	2,621	0
Other instructional programs	17,655	0	0	0
Support services:				
Student services	5,000	0	45,713	0
Instructional staff support	5,528	0	0	0
General administration	0	0	1,221	0
School administration	0	0	351	0
Business services	0	0	0	0
Plant services	2,721	0	379	0
Student transportation services	0	0	522	0
Central services	0	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	0	0	0	0
 Total Expenditures	551,928	216,460	57,033	19,086
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	\$ (127)	\$ 0	\$ 0	0

Exhibit 5

	ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$	0	\$ 0	\$ 0	\$ 0	0
	0	0	0	966	0
	0	0	0	832,657	0
	0	0	0	0	14,881
	0	0	0	459,101	0
	51,623	0	39,147	0	0
	72,891	300,037	1,869,261	2,078,614	0
	<u>124,514</u>	<u>300,037</u>	<u>1,908,408</u>	<u>3,371,338</u>	<u>14,881</u>
	0	68,715	82,176	0	0
	0	0	1,252,459	0	0
	115,874	190,814	694	0	0
	0	0	182,565	0	0
	8,640	38,846	211,827	0	0
	0	0	100,417	0	833
	0	179	39,540	0	0
	0	4	21,091	0	0
	0	1,479	9,335	0	2,492
	0	0	554	0	0
	0	0	0	0	0
	0	0	0	4,569,306	0
	0	0	0	0	28,425
	0	0	7,750	34,210	0
	<u>124,514</u>	<u>300,037</u>	<u>1,908,408</u>	<u>4,603,516</u>	<u>31,750</u>
\$	0	\$ 0	\$ 0	(1,232,178)	\$ (16,869)

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS	INDIAN EDUCATION GRANT
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(127)	0	0	0
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ (127)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Exhibit 5

<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>SPECIAL</u> <u>EDUCATION</u>	<u>SCHOOL</u> <u>FOOD</u> <u>SERVICE</u>	<u>FOOD</u> <u>PROCESSING</u> <u>CENTERS</u>
\$ 0	\$ 0	\$ 0	\$ 1,247,810	\$ 18,000
0	0	0	0	0
0	0	0	1,247,810	18,000
0	0	0	15,632	1,131
0	0	0	15,613	955
\$ 0	\$ 0	\$ 0	\$ 31,245	\$ 2,086

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>TITLE II</u>	<u>TITLE III</u>
<b>REVENUES</b>				
<b>Local sources:</b>				
Ad valorem taxes	\$ 0	\$ 0	\$ 0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
<b>State sources:</b>				
Equalization	0	0	0	0
Other	0	0	0	0
Federal sources	<u>1,980,752</u>	<u>51,106</u>	<u>632,716</u>	<u>29,331</u>
<b>Total Revenues</b>	<u>1,980,752</u>	<u>51,106</u>	<u>632,716</u>	<u>29,331</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular programs	56,543	22,300	590,307	16,561
Special programs	1,636,847	0	4,014	10,174
Other instructional programs	0	26,839	0	0
<b>Support services:</b>				
Student services	162	0	0	0
Instructional staff support	120,945	0	0	0
General administration	112,034	1,967	38,395	690
School administration	231	0	0	0
Business services	1,890	0	0	0
Plant services	52,100	0	0	0
Student transportation services	0	0	0	407
Central services	0	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Expenditures</b>	<u>1,980,752</u>	<u>51,106</u>	<u>632,716</u>	<u>27,832</u>
<b>EXCESS (Deficiency) OF REVENUES</b>				
<b>OVER EXPENDITURES</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,499</u>

Exhibit 5

	SALES TAX	HEAD START	PRESCHOOL	EDUCATIONAL EXCELLENCE	TOTAL
\$	0	\$ 0	\$ 0	\$ 0	\$ 1,183,152
	0	0	0	0	24,086
	0	0	0	0	832,657
	333,020	0	0	0	348,911
	0	0	0	0	459,101
	0	0	169,097	207,543	1,248,019
	0	1,733,014	85,267	0	9,049,838
	<u>333,020</u>	<u>1,733,014</u>	<u>254,364</u>	<u>207,543</u>	<u>13,145,764</u>
	0	6,464	168,013	1,302,690	2,847,795
	0	1,353,668	55,300	68,916	4,619,516
	0	2,783	0	11,937	461,164
	0	30	0	12,368	246,813
	0	210,314	20,932	4,583	622,190
	74,780	92,742	5,699	0	469,267
	0	0	0	935	53,387
	5,926	146	1,800	0	30,857
	1,876	5,015	177	0	954,976
	0	46,322	2,443	0	156,519
	0	26	0	5,046	5,072
	0	0	0	0	4,569,439
	0	0	0	0	28,425
	0	15,504	0	0	105,543
	<u>82,582</u>	<u>1,733,014</u>	<u>254,364</u>	<u>1,406,475</u>	<u>15,170,963</u>
\$	250,438	\$ 0	\$ 0	(1,198,932)	\$ (2,025,199)

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>TITLE II</u>	<u>TITLE III</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	1,499
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,499)</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 5

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>EDUCATIONAL EXCELLENCE</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,302,243
<u>(231,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(268,515)</u>
<u>(231,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,033,728</u>
19,438	0	0	(1,198,932)	(991,471)
<u>98</u>	<u>0</u>	<u>0</u>	<u>1,260,566</u>	<u>2,479,769</u>
<u>\$ 19,536</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 61,634</u>	<u>\$ 1,488,298</u>

(CONCLUDED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-1

	*****WARD 1 MAINTENANCE*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 470,148	\$ 470,148	\$ 0
Interest earnings	5,208	5,208	0
Other	0	0	0
State sources: Other	55,366	55,365	(1)
Total Revenues	530,722	530,721	(1)
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Special programs	79	79	0
Other instructional programs	54,612	54,612	0
Support services:			
Student services	285	285	0
General administration	15,929	15,929	0
School administration	9,748	9,748	0
Plant services	512,090	512,090	0
Student transportation services	9,852	9,851	1
Total Expenditures	602,595	602,594	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(71,873)	(71,873)	0
FUND BALANCE AT BEGINNING OF YEAR	355,362	355,362	0
FUND BALANCE AT END OF YEAR	\$ 283,489	\$ 283,489	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-2

\*\*\*\*\*WARD 2 - ORANGE MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 56,571	\$ 56,571	\$ 0
Interest earnings	569	569	0
State sources: Other	21,259	21,259	0
 Total Revenues	 78,399	 78,399	 0
 <b>EXPENDITURES</b>			
Current:			
Instruction:			
Other instructional programs	353	353	0
Support services:			
Student services	75	75	0
General administration	2,046	2,046	0
Plant services	70,844	70,844	0
Student transportation services	8,288	8,288	0
 Total Expenditures	 81,606	 81,606	 0
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 (3,207)	 (3,207)	 0
 FUND BALANCE AT BEGINNING OF YEAR	 32,777	 32,777	 0
 FUND BALANCE AT END OF YEAR	 \$ 29,570	 \$ 29,570	 \$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-3

\*\*\*\*\*WARD 2 - HORNBECK MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 27,635	\$ 27,635	\$ 0
Interest earnings	60	60	0
State sources: Other	11,374	11,374	0
Total Revenues	39,069	39,069	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Other instructional programs	2,648	2,648	0
Support services:			
Student services	105	105	0
General administration	1,043	1,043	0
School administration	174	174	0
Plant services	24,438	24,438	0
Student transportation services	16,022	16,022	0
Total Expenditures	44,430	44,430	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(5,361)	(5,361)	0
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	2,221	2,221	0
Transfers out	(2,220)	(2,220)	0
Total Other Financing Sources (Uses)	1	1	0
Net Change in Fund Balances	(5,360)	(5,360)	0
FUND BALANCE AT BEGINNING OF YEAR	9,681	9,681	0
FUND BALANCE AT END OF YEAR	\$ 4,321	\$ 4,321	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-4

\*\*\*\*\*WARD 3 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 99,540	\$ 99,540	\$ 0
Interest earnings	3,704	4,254	550
Other	50	50	0
State sources: Other	9,883	9,883	0
Total Revenues	113,177	113,727	550
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	172	172	0
Other instructional programs	4,127	4,127	0
Support services:			
Student services	45	45	0
Instructional staff support	575	575	0
General administration	3,320	3,321	(1)
Plant services	50,108	50,536	(428)
Student transportation services	2,549	2,549	0
Food services	133	133	0
Total Expenditures	61,029	61,458	(429)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	52,148	52,269	121
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(18,000)	(18,000)	0
Total Other Financing Sources (Uses)	(18,000)	(18,000)	0
Net Change in Fund Balances	34,148	34,269	121
FUND BALANCE AT BEGINNING OF YEAR	194,171	194,171	0
FUND BALANCE AT END OF YEAR	\$ 228,319	\$ 228,440	\$ 121

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-5

\*\*\*\*\*WARD 4 MAINTENANCE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 131,390	\$ 131,390	0
Interest earnings	2,360	2,359	(1)
State sources: Other	11,281	11,281	0
 Total Revenues	145,031	145,030	(1)
 <b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	1,662	1,662	0
Other instructional programs	8,571	8,571	0
Support services:			
Student services	150	150	0
General administration	4,368	4,368	0
Plant services	60,521	60,521	0
Student transportation services	14,476	14,476	0
Capital outlay	30,400	30,400	0
 Total Expenditures	120,148	120,148	0
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	24,883	24,882	(1)
 FUND BALANCE AT BEGINNING OF YEAR	130,276	130,276	0
 FUND BALANCE AT END OF YEAR	\$ 155,159	\$ 155,158	\$ (1)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-6

\*\*\*\*\*WARD 5 MAINTENANCE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 212,793	\$ 212,793	0
Interest earnings	8,738	8,738	0
State sources: Other	<u>9,782</u>	<u>9,782</u>	<u>0</u>
 Total Revenues	 <u>231,313</u>	 <u>231,313</u>	 <u>0</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	904	904	0
Special programs	1,587	1,587	0
Other instructional programs	6,725	6,725	0
Support services:			
Student services	90	90	0
General administration	7,176	7,176	0
School administration	2,229	2,229	0
Plant services	85,789	85,789	0
Student transportation services	<u>1,290</u>	<u>1,290</u>	<u>0</u>
 Total Expenditures	 <u>105,790</u>	 <u>105,790</u>	 <u>0</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 125,523	 125,523	 0
 FUND BALANCE AT BEGINNING OF YEAR	 <u>408,987</u>	 <u>408,987</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 534,510</u>	 <u>\$ 534,510</u>	 <u>0</u>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-7

\*\*\*\*\*WARD 6 MAINTENANCE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 35,050	\$ 35,050	\$ 0
Interest earnings	41	46	5
State sources: Other	<u>5,958</u>	<u>5,958</u>	<u>0</u>
Total Revenues	<u>41,049</u>	<u>41,054</u>	<u>5</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	1,625	1,625	0
Other instructional programs	2,377	2,445	(68)
Support services:			
General administration	1,219	1,219	0
Plant services	16,820	17,807	(987)
Student transportation services	<u>2,571</u>	<u>2,571</u>	<u>0</u>
Total Expenditures	<u>24,612</u>	<u>25,667</u>	<u>(1,055)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>16,437</u>	<u>15,387</u>	<u>(1,050)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	5,000	5,000	0
Transfers out	<u>(17,295)</u>	<u>(17,295)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(12,295)</u>	<u>(12,295)</u>	<u>0</u>
Net Change in Fund Balances	4,142	3,092	(1,050)
FUND BALANCE AT BEGINNING OF YEAR	<u>5,359</u>	<u>5,359</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 9,501</u>	<u>\$ 8,451</u>	<u>\$ (1,050)</u>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-8

\*\*\*\*\*WARD 7 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 119,325	\$ 119,325	0
Interest earnings	1,619	1,619	0
Other	960	960	0
State sources: Other	20,844	20,844	0
Total Revenues	142,748	142,748	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	718	718	0
Other instructional programs	11,621	11,622	(1)
Support services:			
Student services	135	135	0
General administration	4,306	4,306	0
Plant services	59,173	59,173	0
Student transportation services	49,358	49,358	0
Total Expenditures	125,311	125,312	(1)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	17,437	17,436	(1)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	29,212	29,212	0
Transfers out	0	0	0
Total Other Financing Sources (Uses)	29,212	29,212	0
Net Change in Fund Balances	46,649	46,648	(1)
FUND BALANCE AT BEGINNING OF YEAR	58,888	58,888	0
FUND BALANCE AT END OF YEAR	\$ 105,537	\$ 105,536	(1)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-9

\*\*\*\*\*WARD 8 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Taxes:			
<i>Ad valorem</i>	\$ 30,700	\$ 30,700	0
Interest earnings	216	267	51
State sources: Other	7,333	7,332	(1)
Total Revenues	38,249	38,299	50
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Other instructional programs	3,465	3,465	0
Support services:			
Student services	90	90	0
General administration	1,081	1,081	0
Plant services	15,692	15,883	(191)
Student transportation services	1,866	1,866	0
Total Expenditures	22,194	22,385	(191)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	16,055	15,914	(141)
FUND BALANCE AT BEGINNING OF YEAR	8,535	8,535	0
FUND BALANCE AT END OF YEAR	\$ 24,590	\$ 24,449	\$ (141)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-10

*****OTHER SPECIAL FUNDS*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
State sources:			
Other	\$ 411,071	\$ 411,071	\$ 0
Federal sources	139,437	140,730	1,293
Total Revenues	550,508	551,801	1,293
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	499,024	484,279	14,745
Special programs	20,110	36,745	(16,635)
Other instructional programs	17,448	17,655	(207)
Support services:			
Student services	5,000	5,000	0
Instructional staff support	5,528	5,528	0
Plant services	2,721	2,721	0
Total Expenditures	549,831	551,928	(2,097)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	677	(127)	(804)
FUND BALANCE AT BEGINNING OF YEAR			
	0	0	0
	\$ 677	\$ (127)	\$ (804)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-11

\*\*\*\*\*8G STATE FUNDS\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
State sources:			
Other	\$ 216,461	\$ 216,460	\$ (1)
Total Revenues	216,461	216,460	(1)
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	19,355	19,354	1
Special programs	197,106	197,106	0
Total Expenditures	216,461	216,460	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-12

\*\*\*\*\*DRUG FREE SCHOOLS\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 57,033	\$ 57,033	\$ 0
Total Revenues	57,033	57,033	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	6,197	6,226	(29)
Special programs	2,621	2,621	0
Support services:			
Student services	45,742	45,713	29
General administration	1,221	1,221	0
School administration	351	351	0
Plant services	379	379	0
Student transportation services	522	522	0
Total Expenditures	57,033	57,033	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-13

\*\*\*\*\*INDIAN EDUCATION GRANT\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 19,086	\$ 19,086	\$ 0
Total Revenues	19,086	19,086	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	19,086	19,086	0
Total Expenditures	19,086	19,086	0
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	0	0	0
<b>FUND BALANCE AT END OF YEAR</b>	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-14

\*\*\*\*\*ADULT EDUCATION\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
State sources:			
Other	\$ 51,623	\$ 51,623	0
Federal sources	72,891	72,891	0
Total Revenues	124,514	124,514	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	2,091	0	2,091
Other instructional programs	113,761	115,874	(2,113)
Support services:			
Instructional staff support	8,640	8,640	0
Plant services	22	0	22
Total Expenditures	124,514	124,514	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-15

\*\*\*\*\*VOCATIONAL EDUCATION\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 294,389	\$ 300,037	\$ 5,648
Total Revenues	294,389	300,037	5,648
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	68,715	68,715	0
Other instructional programs	185,166	190,814	(5,648)
Support services:			
Instructional staff support	38,846	38,846	0
School administration	179	179	0
Business services	4	4	0
Plant services	1,479	1,479	0
Total Expenditures	294,389	300,037	(5,648)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-16

*****SPECIAL EDUCATION*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
State sources			
Other	\$ 39,148	\$ 39,147	(1)
Federal sources	1,869,260	1,869,261	1
Total Revenues	1,908,408	1,908,408	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	82,176	82,176	0
Special programs	1,252,684	1,252,459	225
Other instructional programs	694	694	0
Support services:			
Student services	182,702	182,565	137
Instructional staff support	211,466	211,827	(361)
General administration	100,417	100,417	0
School administration	39,540	39,540	0
Business services	21,091	21,091	0
Plant services	17,084	17,085	(1)
Student transportation services	554	554	0
Total Expenditures	1,908,408	1,908,408	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-17

\*\*\*\*\*SCHOOL FOOD SERVICE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Interest earnings	\$ 866	\$ 966	\$ 100
Food services	832,657	832,657	0
State sources:			
Equalization	459,101	459,101	0
Federal sources	2,078,614	2,078,614	0
Total Revenues	3,371,238	3,371,338	100
<b>EXPENDITURES</b>			
Current:			
Support services:			
Food services	4,604,549	4,599,078	5,471
Total Expenditures	4,604,549	4,599,078	5,471
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>(1,233,311)</b>	<b>(1,227,740)</b>	<b>5,571</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in/out	1,247,810	1,247,810	0
Total Other Financing Sources (Uses)	1,247,810	1,247,810	0
Net Change in Fund Balances	14,499	20,070	5,571
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>12,835</b>	<b>12,835</b>	<b>0</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 27,334</b>	<b>\$ 32,905</b>	<b>\$ 5,571</b>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-18

	*****FOOD PROCESSING CENTERS*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Other	\$ 14,881	\$ 14,881	\$ 0
Total Revenues	14,881	14,881	0
<b>EXPENDITURES</b>			
Current:			
Support services:			
General administration	833	833	0
Plant services	2,492	2,492	0
Community service programs	28,348	28,425	(77)
Total Expenditures	31,673	31,750	(77)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(16,792)	(16,869)	(77)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	18,000	18,000	0
Total Other Financing Sources (Uses)	18,000	18,000	0
Net Change in Fund Balances	1,208	1,131	(77)
FUND BALANCE AT BEGINNING OF YEAR	955	955	0
FUND BALANCE AT END OF YEAR	\$ 2,163	\$ 2,086	\$ (77)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-19

	*****TITLE I*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 1,980,753	\$ 1,980,752	\$ (1)
Total Revenues	1,980,753	1,980,752	(1)
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	56,543	56,543	0
Special programs	1,636,848	1,636,847	1
Other instructional programs	0	0	0
Support services:			
Student services	162	162	0
Instructional staff support	120,945	120,945	0
General administration	112,034	112,034	0
School administration	231	231	0
Business services	1,890	1,890	0
Plant services	52,100	52,100	0
Total Expenditures	1,980,753	1,980,752	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-20

*****TITLE VI*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 51,106	\$ 51,106	\$ 0
Total Revenues	51,106	51,106	0
<b>EXPENDITURES</b>			
Current			
Instruction:			
Regular programs	22,300	22,300	0
Other instructional programs	26,839	26,839	0
Support services:			
General administration	1,967	1,967	0
Total Expenditures	51,106	51,106	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-21

*****TITLE II*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 632,716	\$ 632,716	\$ 0
Total Revenues	632,716	632,716	0
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	590,307	590,307	0
Special programs	4,014	4,014	0
Support services:			
General administration	38,395	38,395	0
Total Expenditures	632,716	632,716	0
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	0	0	0
<b>FUND BALANCE AT END OF YEAR</b>	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-22

\*\*\*\*\*TITLE III\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 27,832	\$ 29,331	\$ 1,499
Total Revenues	27,832	29,331	1,499
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	16,530	16,561	(31)
Special programs	10,174	10,174	0
Support services:			
General administration	721	690	31
Student transportation services	407	407	0
Total Expenditures	27,832	27,832	0
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	1,499	1,499
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	0	(1,499)	(1,499)
<b>FUND BALANCE AT END OF YEAR</b>	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-23

	*****SALES TAX*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Local sources:			
Other	\$ 333,019	\$ 333,020	\$ 1
Total Revenues	333,019	333,020	1
<b>EXPENDITURES</b>			
Current:			
Support services:			
General administration	74,780	74,780	0
Business services	5,926	5,926	0
Plant services	1,876	1,876	0
Total Expenditures	82,582	82,582	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	250,437	250,438	1
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(231,000)	(231,000)	0
Total Other Financing Sources (Uses)	(231,000)	(231,000)	0
Net Change in Fund Balances	19,437	19,438	1
FUND BALANCE AT BEGINNING OF YEAR	98	98	0
FUND BALANCE AT END OF YEAR	\$ 19,535	\$ 19,536	\$ 1

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-24

	*****HEAD START*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Federal sources	\$ 1,705,366	\$ 1,733,014	\$ 27,648
Total Revenues	1,705,366	1,733,014	27,648
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	6,464	6,464	0
Special programs	1,326,037	1,353,668	(27,631)
Other instructional programs	2,783	2,783	0
Support services:			
Student services	30	30	0
Instructional staff support	210,314	210,314	0
General administration	92,742	92,742	0
Business services	146	146	0
Plant services	20,502	20,519	(17)
Student transportation services	46,322	46,322	0
Central services	26	26	0
Total Expenditures	1,705,366	1,733,014	(27,648)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-25

*****PRESCHOOL*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
State sources:			
Other	\$ 169,097	\$ 169,097	0
Federal sources	85,266	85,267	1
Total Revenues	254,363	254,364	1
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	168,013	168,013	0
Special programs	55,300	55,300	0
Support services:			
Instructional staff support	20,932	20,932	0
General administration	5,699	5,699	0
Business services	1,800	1,800	0
Plant services	177	177	0
Student transportation services	2,442	2,443	(1)
Total Expenditures	254,363	254,364	(1)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	0

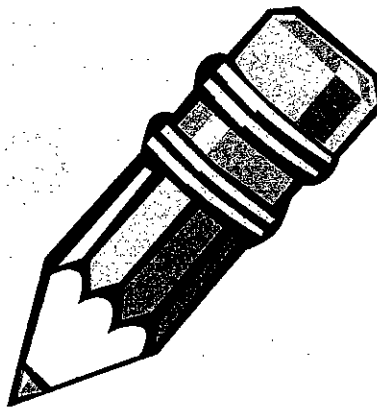
**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2005**

Exhibit 6-26

\*\*\*\*\*EDUCATIONAL EXCELLENCE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
State sources:			
Other	\$ 207,543	\$ 207,543	\$ 0
<b>Total Revenues</b>	<u>207,543</u>	<u>207,543</u>	<u>0</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	1,302,690	1,302,690	0
Special programs	68,916	68,916	0
Other instructional programs	11,937	11,937	0
Support services:			
Student services	12,368	12,368	0
Instructional staff support	4,583	4,583	0
School administration	935	935	0
Central services	5,046	5,046	0
<b>Total Expenditures</b>	<u>1,406,475</u>	<u>1,406,475</u>	<u>0</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(1,198,932)	(1,198,932)	0
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,260,566</u>	<u>1,260,566</u>	<u>0</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 61,634</u>	<u>\$ 61,634</u>	<u>\$ 0</u>

**Vernon Parish School Board**



**Vernon Parish School Board**

**Nonmajor Debt Service Funds**

- Ward No. 1
- Ward No. 2 - Orange
- Ward No. 2 - Hornbeck
- Ward No. 3
- Ward No. 4
- Ward No. 5
- Ward No. 6
- Ward No. 7
- Ward No. 8

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS  
 Combining Balance Sheet  
 June 30, 2005

	WARD 1	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
<b>ASSETS</b>				
Cash and cash equivalents	\$ 89,886	\$ 9,677	\$ 15,387	\$ 9,067
Investments	181,536	19,376	22,001	41,877
Receivables	446	0	0	0
<b>TOTAL ASSETS</b>	<b>271,868</b>	<b>29,053</b>	<b>37,388</b>	<b>50,944</b>
<b>Fund Balances:</b>				
Reserved for debt service	271,868	29,053	37,388	50,944
<b>TOTAL FUND BALANCES</b>	<b>\$ 271,868</b>	<b>\$ 29,053</b>	<b>\$ 37,388</b>	<b>\$ 50,944</b>

Exhibit 7

	<u>WARD 4</u>	<u>WARD 5</u>	<u>WARD 6</u>	<u>WARD 7</u>	<u>WARD 8</u>	<u>TOTAL</u>
\$	30,115 \$	16,120 \$	20,741 \$	24,729 \$	2,499 \$	218,221
	71,902	88,122	101,926	137,411	1,162	665,313
	191	0	0	0	0	637
	<u>102,208</u>	<u>104,242</u>	<u>122,667</u>	<u>162,140</u>	<u>3,661</u>	<u>884,171</u>
	102,208	104,242	122,667	162,140	3,661	884,171
\$	<u>102,208 \$</u>	<u>104,242 \$</u>	<u>122,667 \$</u>	<u>162,140 \$</u>	<u>3,661 \$</u>	<u>884,171</u>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR DEBT SERVICE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 505,117	\$ 145,277	\$ 203,325	\$ 95,174
Interest earnings	3,041	598	840	1,208
<b>Total Revenues</b>	<u>508,158</u>	<u>145,875</u>	<u>204,165</u>	<u>96,382</u>
<b>EXPENDITURES</b>				
Current:				
Support services:				
General administration	17,114	5,255	7,672	3,174
Business services	0	0	0	0
Plant services	0	261	0	0
Debt service:				
Principal retirement	175,000	135,000	132,000	35,000
Interest and bank charges	233,671	6,528	58,505	50,500
Advanced refunding escrow	0	50,112	0	0
<b>Total Expenditures</b>	<u>425,785</u>	<u>197,156</u>	<u>198,177</u>	<u>88,674</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>82,373</u>	<u>(51,281)</u>	<u>5,988</u>	<u>7,708</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	0	560,000	0	0
Payments to escrow agent	0	(560,000)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	82,373	(51,281)	5,988	7,708
<b>FUND BALANCES - BEGINNING</b>	<u>189,495</u>	<u>80,334</u>	<u>31,400</u>	<u>43,236</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 271,868</u>	<u>\$ 29,053</u>	<u>\$ 37,388</u>	<u>\$ 50,944</u>

Exhibit 8

	WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
\$	291,351	\$ 375,061	139,199	\$ 523,192	\$ 77,820	\$ 2,355,516
	2,636	1,593	1,628	2,699	241	14,484
	293,987	376,654	140,827	525,891	78,061	2,370,000
	9,750	12,649	4,842	18,882	2,785	82,123
	11	0	0	0	0	11
	100	0	0	390	147	898
	230,000	180,000	49,204	260,000	85,000	1,281,204
	43,120	183,562	79,504	213,133	4,537	873,060
	0	0	0	158,275	99,015	307,402
	282,981	376,211	133,550	650,680	191,484	2,544,698
	11,006	443	7,277	(124,789)	(113,423)	(174,698)
	0	0	0	775,000	380,000	1,715,000
	0	0	0	(775,000)	(380,000)	(1,715,000)
	0	0	0	0	0	0
	11,006	443	7,277	(124,789)	(113,423)	(174,698)
	91,202	103,799	115,390	286,929	117,084	1,058,869
\$	102,208	\$ 104,242	\$ 122,667	\$ 162,140	\$ 3,661	\$ 884,171

**Vernon Parish School Board**

**Nonmajor Capital Project Funds**

**Ward 1 Construction School District 16 Fund** was established to make classroom additions, replace air conditioning units, repair roofs, and make other building improvements.

**Ward 6 Wardwide Construction Fund** was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building renovations.

**Rosepine Construction** was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

**Pitkin Construction** was set up to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements.

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**Combining Balance Sheet**  
**June 30, 2005**

Exhibit 9

	WARD 1 CONSTRUCTION SCHOOL DISTRICT 16	WARD 6 WARDWIDE CONSTRUCTION	ROSEPINE CONSTRUCTION	PITKIN CONSTRUCTION	TOTAL
<b>ASSETS</b>					
Cash and cash equivalents	\$ 480,209	\$ 1,352	\$ 657,854	\$ 349,933	\$ 1,489,348
Total Assets	<u>480,209</u>	<u>1,352</u>	<u>657,854</u>	<u>349,933</u>	<u>1,489,348</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Accounts, salaries and other payables	0	0	113,886	70,389	184,275
Retainage payable	<u>0</u>	<u>0</u>	<u>168,293</u>	<u>166,499</u>	<u>334,792</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>282,179</u>	<u>236,888</u>	<u>519,067</u>
Fund Equity					
Fund balances:					
Undesignated	<u>480,209</u>	<u>1,352</u>	<u>375,675</u>	<u>113,045</u>	<u>970,281</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 480,209</u>	<u>\$ 1,352</u>	<u>\$ 657,854</u>	<u>\$ 349,933</u>	<u>\$ 1,489,348</u>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2005**

Exhibit 10

	WARD 1 CONSTRUCTION SCHOOL DISTRICT 16	WARD 6 WARDWIDE CONSTRUCTION	ROSEPINE CONSTRUCTION	PITKIN CONSTRUCTION	TOTAL
<b>REVENUES</b>					
Local sources:					
Interest earnings	\$ 3,605	\$ 31	\$ 12,108	\$ 7,201	\$ 22,945
Total Revenues	<u>3,605</u>	<u>31</u>	<u>12,108</u>	<u>7,201</u>	<u>22,945</u>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	0	0	4,560	8,218	12,778
Support services:					
Plant services	25,063	0	17,060	23,883	66,006
Capital outlay	<u>350,481</u>	<u>42,400</u>	<u>3,442,773</u>	<u>2,422,346</u>	<u>6,258,000</u>
Total Expenditures	<u>375,544</u>	<u>42,400</u>	<u>3,464,393</u>	<u>2,454,447</u>	<u>6,336,784</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>					
	<u>(371,939)</u>	<u>(42,369)</u>	<u>(3,452,285)</u>	<u>(2,447,246)</u>	<u>(6,313,839)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond proceeds	<u>0</u>	<u>43,500</u>	<u>0</u>	<u>0</u>	<u>43,500</u>
Total Other financing sources (Uses)	<u>0</u>	<u>43,500</u>	<u>0</u>	<u>0</u>	<u>43,500</u>
Net Change in Fund Balances	(371,939)	1,131	(3,452,285)	(2,447,246)	(6,270,339)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>					
	<u>852,148</u>	<u>221</u>	<u>3,827,960</u>	<u>2,560,291</u>	<u>7,240,620</u>
<b>FUND BALANCES AT END OF YEAR</b>					
	<u>\$ 480,209</u>	<u>\$ 1,352</u>	<u>\$ 375,675</u>	<u>\$ 113,045</u>	<u>\$ 970,281</u>

**Vernon Parish School Board**

**Agency Funds**

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

**SCHOLARSHIP FUND** This scholarship agency fund is funded by voluntary employee contributions. The proceeds are used to provide an annual scholarship for an outstanding graduate who plans to major in education.

**SALES TAX FUND** The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Vernon Parish. Upon receipt of sales tax returns and monies, a direct deposit is made into the bank account of the other taxing authorities.

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS

Combining Statement of Fiduciary Assets and Liabilities  
June 30, 2005

Exhibit 11

	<u>SCHOOL ACTIVITIES FUND</u>	<u>SCHOLARSHIP FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 903,299	\$ 2,608	\$ 905,907
Investments	<u>119,115</u>	<u>0</u>	<u>119,115</u>
Total assets	<u>1,022,414</u>	<u>2,608</u>	<u>1,025,022</u>
<b>LIABILITIES</b>			
Deposits due others	<u>1,022,414</u>	<u>2,608</u>	<u>1,025,022</u>
Total liabilities	<u>\$ 1,022,414</u>	<u>\$ 2,608</u>	<u>\$ 1,025,022</u>

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS  
 Combining Statement of Changes In Assets and Liabilities  
 For the Year Ended June 30, 2005

Exhibit 12

	Balance, Beginning	Additions	Deductions	Balance, Ending
<b>*****SCHOOL ACTIVITIES FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 767,136	\$ 2,703,299	\$ 2,567,136	\$ 903,299
Investments	<u>115,545</u>	<u>3,570</u>	<u>0</u>	<u>119,115</u>
<b>Total Assets</b>	<u>\$ 882,681</u>	<u>\$ 2,706,869</u>	<u>\$ 2,567,136</u>	<u>\$ 1,022,414</u>
<b>LIABILITIES</b>				
Deposits due others	<u>\$ 882,681</u>	<u>\$ 2,706,869</u>	<u>\$ 2,567,136</u>	<u>\$ 1,022,414</u>
<b>*****SCHOLARSHIP FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 2,414</u>	<u>\$ 1,754</u>	<u>\$ 1,560</u>	<u>\$ 2,608</u>
<b>LIABILITIES</b>				
Deposits due others	<u>\$ 2,414</u>	<u>\$ 1,754</u>	<u>\$ 1,560</u>	<u>\$ 2,608</u>
<b>*****SALES TAX FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 0</u>	<u>\$ 22,117,390</u>	<u>\$ 22,117,390</u>	<u>\$ 0</u>
<b>LIABILITIES</b>				
Deposits due other taxing authorities	<u>\$ 0</u>	<u>\$ 22,117,390</u>	<u>\$ 22,117,390</u>	<u>\$ 0</u>
<b>*****ALL AGENCY FUNDS*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 769,550	\$ 24,822,443	\$ 24,686,086	\$ 905,907
Investments	<u>115,545</u>	<u>3,570</u>	<u>0</u>	<u>119,115</u>
<b>Total Assets</b>	<u>\$ 885,095</u>	<u>\$ 24,826,013</u>	<u>\$ 24,686,086</u>	<u>\$ 1,025,022</u>
<b>LIABILITIES</b>				
Deposits due others	\$ 885,095	\$ 2,708,623	\$ 2,568,696	\$ 1,025,022
Deposits due other taxing authorities	<u>0</u>	<u>22,117,390</u>	<u>22,117,390</u>	<u>0</u>
<b>Total Liabilities</b>	<u>\$ 885,095</u>	<u>\$ 24,826,013</u>	<u>\$ 24,686,086</u>	<u>\$ 1,025,022</u>

**VERNON PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2005**

Exhibit 13

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
ANACOCO HIGH	\$ 37,491	\$ 169,245	\$ 153,321	\$ 53,415
ANACOCO ELEMENTARY	23,895	93,887	79,558	38,224
EAST LEESVILLE ELEMENTARY	13,325	71,061	67,271	17,115
EVANS	27,504	95,034	88,911	33,627
HICKS	40,173	126,751	126,591	40,333
HORNBECK	23,355	145,273	138,749	29,879
LEESVILLE HIGH	181,720	616,340	582,587	215,473
LEESVILLE JUNIOR HIGH	27,245	98,865	94,291	31,819
NORTH POLK ELEMENTARY	48,245	77,539	78,532	47,252
OPTIONAL SCHOOL	514	2,509	2,239	784
PICKERING HIGH	77,335	183,872	200,104	61,103
PICKERING ELEMENTARY	31,585	95,713	79,669	47,629
PITKIN HIGH	125,352	166,145	160,876	130,621
ROSEPINE HIGH	59,281	282,938	271,603	70,616
ROSEPINE ELEMENTARY	19,673	135,931	108,729	46,875
SIMPSON	45,057	101,284	93,134	53,207
SOUTH POLK ELEMENTARY	37,839	63,977	62,077	39,739
VERNON ELEMENTARY	38,951	112,439	117,114	34,276
WEST LEESVILLE ELEMENTARY	20,143	51,492	44,594	27,041
WEST LEESVILLE PRESCHOOL	<u>3,998</u>	<u>16,574</u>	<u>17,186</u>	<u>3,386</u>
TOTAL	<u>\$ 882,681</u>	<u>\$ 2,706,869</u>	<u>\$ 2,567,136</u>	<u>\$ 1,022,414</u>

**Vernon Parish School Board**

**CAPITAL ASSETS  
USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS  
&  
SCHEDULE OF COMPENSATION PAID  
BOARD MEMBERS**

**VERNON PARISH SCHOOL BOARD**  
**SCHEDULE OF CAPITAL ASSETS USED IN THE**  
**OPERATION OF GOVERNMENTAL FUNDS -**  
**BY SOURCE**  
**June 30, 2005**

Exhibit 14

**GOVERNMENTAL FUNDS CAPITAL ASSETS:**

Land	\$ 1,335,047
Construction in progress	7,901,538
Buildings	45,442,959
Furniture and Equipment	<u>8,262,912</u>

TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS \$ 62,942,456

**INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS:**

<i>Balance, June 30, 1987</i>	\$ 32,647,333
<i>Subsequent to June 30, 1987:</i>	
From General Fund	776,233
From Maintenance Funds	11,678,448
From Federal Funds	3,496,671
From School Food Service Fund	532,304
From Capital Project Fund	<u>13,811,467</u>

TOTAL INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS \$ 62,942,456

VERNON PARISH SCHOOL BOARD

SCHEDULE OF CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS -  
BY FUNCTION

Exhibit 15

June 30, 2005

<u>FUNCTION</u>	<u>TOTAL</u>	<u>LAND</u>	<u>CONSTRUCTION</u>		<u>FURNITURE AND EQUIPMENT</u>
			<u>IN PROGRESS</u>	<u>BUILDINGS</u>	
Instruction	\$ 56,099,966	\$ 1,335,047	\$ 7,901,538	\$ 42,083,614	\$ 4,779,767
General Administration	2,161,956	0	0	1,119,782	1,042,174
Plant services	892,237	0	0	0	892,237
Student Transportation	717,313	0	0	0	717,313
School Food Service	<u>3,070,984</u>	<u>0</u>	<u>0</u>	<u>2,239,563</u>	<u>831,421</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 62,942,456</u>	<u>\$ 1,335,047</u>	<u>\$ 7,901,538</u>	<u>\$ 45,442,959</u>	<u>\$ 8,262,912</u>

**VERNON PARISH SCHOOL BOARD**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS**  
**USED IN THE OPERATION OF GOVERNMENTAL FUNDS -**  
**BY FUNCTION**

Exhibit 16

For the Year Ended June 30, 2005

<u>FUNCTION</u>	<u>BALANCE,</u> <u>BEGINNING</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE,</u> <u>ENDING</u>
Instruction	\$ 49,088,346	\$ 10,359,368	\$ 3,347,748	\$ 56,099,966
General Administration	2,161,956	0	0	2,161,956
Plant Services	892,237	0	0	892,237
Student Transportation	717,313	0	0	717,313
School Food Service	<u>3,070,984</u>	<u>0</u>	<u>0</u>	<u>3,070,984</u>
<b>TOTAL GOVERNMENTAL FUNDS</b>				
<b>    CAPITAL ASSETS</b>	<u>\$ 55,930,836</u>	<u>\$ 10,359,368</u>	<u>\$ 3,347,748</u>	<u>\$ 62,942,456</u>

Vernon Parish School Board

General

Exhibit 17

**Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2005**

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. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, and the president receives \$900 per month for performing the duties of his office.

Philip L. Gunn	\$10,200
James Armes, III	9,600
Willis A. Farris	9,600
Millard "Mel" Harris	9,600
B. R. Harvey	9,600
M. Gene Haymon, President	10,200
William R. Martin	9,600
Gaye McKee	9,600
Robert Pynes, Jr., Vice President	9,600
Ricky Reese	9,600
Mark H. Smith	9,600
Betty Westerchil	<u>9,600</u>
TOTAL	<u>\$116,400</u>

**Vernon Parish School Board**

**COMPARATIVE INFORMATION  
&  
OTHER DATA REQUIRED BY  
BOND CONVENANT  
WITH THE  
U. S. DEPARTMENT OF AGRICULTURE**

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR DEBT SERVICE FUND - WARD 6**  
**Comparative Balance Sheets**  
**June 30, 2004 and 2005**

Exhibit 18

	<u>2004</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 115,032	\$ 20,741
Investments	292	101,926
Receivables	<u>93</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<u>115,417</u>	<u>122,667</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Interfund payables	<u>27</u>	<u>0</u>
Fund Balances:		
Reserved for debt service	<u>115,390</u>	<u>122,667</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 115,417</u>	<u>\$ 122,667</u>

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR DEBT SERVICE FUND - WARD 6**  
**Comparative Statements of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Years Ended June 30, 2004 and 2005**

Exhibit 19

	2004	2005
<b>REVENUES</b>		
Local sources:		
Taxes:		
Ad valorem	\$ 168,996	\$ 139,199
Interest earnings	454	1,628
Other	20,985	0
Total Revenues	190,435	140,827
<b>EXPENDITURES</b>		
Current:		
Support services:		
General administration	26,844	4,842
Debt service:		
Principal retirement	41,892	49,204
Interest and bank charges	87,001	79,504
Total Expenditures	155,737	133,550
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	34,698	7,277
<b>FUND BALANCES - BEGINNING</b>	80,692	115,390
<b>FUND BALANCES - ENDING</b>	\$ 115,390	\$ 122,667

**Vernon Parish School Board**

**Schedule of Insurance  
For the Year Ended June 30, 2005**

The School Board has insurance coverage for the following major types of coverage:

<u>Type of Coverage</u>	<u>Policy Effective Date</u>	<u>Policy Expiration Date</u>	<u>Amount of Deductible</u>	<u>Amount of Policy Coverage</u>
Fire & Extended Coverage	7/1/04	7/1/05	100,000	122,728,591
General Liability	7/1/04	7/1/05	25,000	1,000,000 3,000,000
Workers' Compensation	8/1/04	8/1/06	200,000	1,000,000
Employee Fidelity	7/1/04	7/1/05	2,500	250,000
Vehicle Collision & Liability	7/1/04	7/1/05	500	2,000,000
Board Members' Officers Liability	7/1/04	7/1/05	25,000	1,000,000

**Vernon Parish School Board**

**Reserve Account  
For the Year Ended June 30, 2005**

The Vernon Parish School Board maintains a sinking fund bank account for Ward VI Wardwide School District #161. This account is used to fund annual debt service payments for the two bond issuances in Ward VI from the United States Department of Agriculture Rural Development.

The following is the detail of the two bond issuances :

<u>Date of Issuance</u>	<u>Original Amount</u>	<u>Amount Drawn to Date</u>	<u>June 30, 2005 Principal Outstanding</u>
November 16, 1993	\$1,500,000	\$1,500,000	\$1,179,543
April 25, 2002	450,000	450,000	435,194

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# STATISTICAL SECTION

Table 1

## VERNON PARISH SCHOOL BOARD

Government-wide Expenses by Function  
Fiscal Years Ended June 30, 1999-2005  
(amounts expressed in thousands)

	1999	2000	2001	2002	2003	2004	2005
<b>Governmental Activities:</b>							
<b>Instruction</b>							
Regular programs	\$ 24,103	\$ 25,006	\$ 25,342	\$ 27,048	\$ 28,051	\$ 29,434	\$ 30,945
Special programs	8,552	8,814	10,749	11,220	11,859	12,434	13,868
Other instructional programs	4,227	4,003	2,405	2,584	3,072	2,821	3,252
<b>Support services</b>							
Student services	2,288	2,432	2,363	2,609	2,709	2,920	3,065
Instructional staff support	2,378	2,383	2,427	2,439	2,497	2,493	2,650
General administration	1,256	1,400	1,355	1,403	1,529	1,468	1,583
School administration	2,802	3,157	3,683	3,553	3,506	3,597	3,845
Business services	462	529	524	467	558	520	505
Plant services	5,338	5,473	5,582	5,766	6,073	6,277	6,529
Student transportation services	4,208	4,110	4,046	4,304	4,665	5,070	5,479
Central services	228	385	520	631	460	444	516
<b>Food services</b>	4,063	4,072	4,145	4,262	4,315	4,732	5,285
Community service programs	1	5	7	10	34	44	67
<b>Interest on Long-Term Debt</b>	561	416	589	480	622	966	950
<b>Total Expenses</b>	<b>\$ 60,467</b>	<b>\$ 62,185</b>	<b>\$ 63,737</b>	<b>\$ 66,776</b>	<b>\$ 69,950</b>	<b>\$ 73,220</b>	<b>\$ 78,539</b>

Source: Comprehensive Annual Financial Report  
Note: The School Board adopted GASB 34 for the year ended June 30, 1999.

Table 2

VERNON PARISH SCHOOL BOARD

Government-wide Revenues  
 Fiscal Years Ended June 30, 1999-2005  
 (amounts expressed in thousands)

Year Ended June 30,	General Revenues										Total		
	Program Revenues					Grants and Contributions Not Restricted to Specific Programs							
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Property Taxes	Sales Taxes	State Revenue Sharing	Minimum Foundation	Impact Aid	Other	Unrestricted Investment Earnings		Special Items	Miscellaneous
2005	\$ 833	\$ 10,744	\$ 0	\$ 4,609	\$ 9,283	\$ 278	\$ 43,062	\$ 6,307	\$ 368	\$ 303	\$ 0	\$ 623	\$ 78,401
2004	732	11,418	0	4,193	8,354	131	42,172	7,832	320	178	0	306	75,636
2003	725	9,549	0	3,745	7,470	280	40,447	6,904	460	231	0	1,361	71,172
2002	752	8,481	0	3,174	7,260	293	39,662	6,039	348	307	0	1,383	67,699
2001	749	8,444	0	3,310	7,857	306	38,164	5,070	164	473	0	767	65,434
2000	728	8,217	0	3,663	7,081	296	36,194	5,233	301	485	0	743	62,891
1999	740	8,378	227	3,151	6,931	355	35,914	3,471	202	420	3	362	60,154

Source: Comprehensive Annual Financial Statements

Note: The School Board adopted GASB 34 for the year ended June 30, 1999.

Table 3

VERNON PARISH SCHOOL BOARD

General Expenditures By Function - All Governmental Funds  
Fiscal Year Ended June 30, 1996 through June 30, 2005

Current:	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Instruction										
Regular programs	\$ 19,879,963	\$ 20,326,278	\$ 22,591,690	\$ 23,156,460	\$ 23,900,755	\$ 24,289,895	\$ 26,234,663	\$ 27,214,061	\$ 28,547,839	\$ 30,123,404
Special programs	8,281,757	7,118,862	7,010,231	8,530,402	8,735,778	10,707,116	11,177,412	11,809,878	12,418,306	13,850,349
Other instructional programs	2,074,205	3,300,499	4,621,013	3,944,395	3,717,208	2,027,702	2,221,767	2,705,895	2,560,248	3,056,482
Support services	1,759,578	1,765,352	1,990,596	2,287,819	2,432,470	2,362,817	2,606,415	2,709,577	2,919,505	3,065,100
Student services	2,212,921	2,187,308	2,371,153	2,356,566	2,358,776	2,402,753	2,417,277	2,476,982	2,490,086	2,647,984
Instructional staff support	1,547,085	1,145,272	1,470,942	1,225,003	1,377,629	1,390,717	1,499,325	1,550,176	1,778,001	1,753,511
General administration	2,794,075	2,637,416	2,832,716	2,734,292	3,089,327	3,616,658	3,490,961	3,445,814	3,545,408	3,780,767
School administration	399,657	398,683	478,634	434,762	524,833	519,508	481,815	552,250	518,041	503,699
Business services	4,641,655	4,679,651	4,839,685	5,298,717	5,424,293	5,631,014	5,633,989	6,060,940	6,259,112	6,495,144
Plant services	4,025,802	3,958,429	4,326,081	4,186,257	4,082,734	4,027,086	4,265,679	4,612,661	5,066,296	5,424,712
Student transportation services	212,461	151,983	184,251	227,943	385,528	519,489	631,488	460,289	443,887	516,118
Central services										
Food services	3,565,957	3,641,239	3,868,241	3,985,156	3,973,686	4,050,088	4,119,817	4,234,825	4,520,901	5,003,395
Community service programs	3,470	900	900	1,468	5,067	6,839	10,263	33,344	44,510	87,114
Capital Outlay	1,366,447	1,046,406	308,170	803,785	1,442,711	443,281	1,210,221	2,759,105	4,809,624	7,063,493
Debt Services:										
Principal retirement	804,621	705,204	877,331	849,514	870,431	924,239	969,242	1,173,653	1,350,419	1,281,204
Interest and bank charges	804,566	745,554	701,504	574,364	542,500	505,773	487,832	562,466	853,472	873,060
Advance refunding escrow			139,994							307,402
Total Expenditures	\$ 54,374,190	\$ 53,808,777	\$ 58,711,122	\$ 60,577,913	\$ 62,873,724	\$ 63,324,785	\$ 67,440,025	\$ 72,360,624	\$ 77,925,655	\$ 85,612,918

Source: Comprehensive Annual Financial Report

Table 4

## VERNON PARISH SCHOOL BOARD

General Revenues By Source - All Governmental Funds  
Fiscal Years Ended June 30, 1996 through June 30, 2005

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Revenues from local sources:										
Ad valorem taxes	\$ 2,970,502	\$ 3,152,582	\$ 3,253,684	\$ 3,150,679	\$ 3,663,007	\$ 3,308,930	\$ 3,173,988	\$ 3,744,962	\$ 4,192,846	\$ 4,608,921
Sales and use taxes	5,608,037	8,473,895	7,816,490	6,931,159	7,087,312	7,957,256	7,260,028	7,470,030	8,353,516	9,283,489
Interest earnings	257,425	375,229	464,775	419,978	484,683	472,620	307,077	230,877	178,219	303,404
Food services	743,812	713,616	738,408	738,704	727,610	748,871	751,751	725,389	732,474	832,657
Other	239,010	281,635	346,793	361,585	816,404	833,686	752,416	675,372	874,928	1,029,531
Total revenues from local sources	9,818,786	10,996,957	12,620,150	11,603,115	12,773,016	13,322,373	12,245,258	12,848,630	14,331,963	16,058,012
Revenues from state sources	33,248,650	35,067,709	36,133,251	38,143,443	37,957,283	40,051,679	41,672,024	42,981,486	44,774,061	44,761,889
Revenues from federal sources	10,521,861	8,724,547	10,925,677	10,404,814	12,224,285	12,241,123	13,925,089	15,415,164	17,088,844	17,794,193
Total Revenues	\$ 53,589,297	\$ 54,779,213	\$ 59,679,078	\$ 60,151,372	\$ 62,954,584	\$ 65,615,175	\$ 67,842,371	\$ 71,243,280	\$ 76,204,888	\$ 78,614,094

Source: Comprehensive Annual Financial Report

Table 5

VERNON PARISH SCHOOL BOARD  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections		Total Tax, Interest and Penalty Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
				Delinquent Taxes	Interest and Penalty				
1995-96	2,983,562	2,852,180	95.6%	21,347	8,441	2,861,968	96.6%	110,922	3.7%
1996-97	3,069,674	2,937,551	95.7%	23,348	20,039	2,980,938	97.1%	113,628	3.7%
1997-98	3,164,317	3,135,680	99.1%	26,706	11,438	3,173,824	100.3%	146,201	4.6%
1998-99	3,305,362	3,114,761	94.2%	34,165	1,753	3,150,679	95.3%	152,048	4.6%
1999-00	3,464,787	3,600,378	103.9%	59,083	3,546	3,663,007	105.7%	40,729	1.2%
2000-01	3,214,006	3,222,795	100.3%	72,715	14,420	3,309,930	103.0%	N/A	0.0%
2001-02	3,249,127	3,153,340	97.1%	18,398	2,250	3,173,988	97.7%	N/A	0.0%
2002-03	3,717,648	3,721,819	100.1%	16,577	4,566	3,744,962	100.7%	N/A	0.0%
2003-04	4,945,138	4,139,223	83.7%	49,830	3,793	4,192,846	84.8%	N/A	0.0%
2004-05	4,602,691	4,602,810	100.0%	703	5,308	4,608,921	100.1%	N/A	0.0%

Sources: Vernon Parish Tax Assessor  
Note: Does not include Homestead Exemption  
N/A: information not available

Table 6

## VERNON PARISH SCHOOL BOARD

Assessed and Estimated Actual Value of Taxable Property (1), (3)  
Last Ten Calendar Years

Year	Real Property		Personal Property		Exemptions (2)		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Real Property		Assessed Value	Estimated Actual Value	
1995	77,427,310	605,780,982	10,612,040	70,746,933	29,728,590		58,310,760	676,527,915	8.6%
1996	82,239,710	639,360,580	11,536,890	76,912,600	30,568,150		63,208,450	716,273,180	8.8%
1997	86,989,940	681,434,734	15,953,830	106,358,867	30,720,370		72,223,400	787,793,601	9.2%
1998	94,227,860	769,874,896	12,710,950	58,382,267	30,945,470		75,983,340	828,257,163	9.2%
1999	96,832,240	792,693,282	13,655,560	64,411,267	31,304,880		79,182,920	857,104,549	9.2%
2000	99,638,340	832,338,513	13,885,040	65,350,267	32,699,910		80,823,470	897,688,780	9.0%
2001	101,431,600	842,788,265	14,725,430	73,557,400	33,175,350		82,981,680	916,345,665	9.1%
2002	102,935,140	861,057,500	14,970,980	73,089,400	33,946,550		83,959,570	934,146,900	9.0%
2003	103,536,890	862,935,551	14,417,220	71,212,133	34,456,620		83,497,490	934,147,684	8.9%
2004	111,836,820	913,420,872	15,948,490	106,323,267	37,745,930		90,039,380	1,019,744,139	8.8%

## Notes:

- (1) Total assessed value is 10% to 25% of estimated actual value.
- (2) Homestead exemption is \$75,000 estimated actual value (\$7,500 assessed value) per household.
- (3) Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor

Table 7

## VERNON PARISH SCHOOL BOARD

Property Tax Rates and Tax Levies - All Direct and Overlapping Governments  
Last Ten Calendar Years

Year	Tax Rates per \$1,000 of Assessed Value					Tax Levies						
	Parish	Sheriff	School	City of Leesville	Water District	Total	Parish	Sheriff	School	City of Leesville	Water District	Total
1995	102.60	17.94	10.87	26.31	71.00	228.72	2,655,243	1,579,435	4,709,972	640,580	321,528	9,906,758
1996	102.60	17.94	10.87	26.31	68.00	225.72	2,868,513	1,682,356	4,919,435	657,572	329,012	10,356,888
1997	119.26	17.94	10.87	27.97	60.00	236.04	3,266,964	1,781,470	4,823,488	699,051	316,637	10,887,610
1998	119.35	17.94	10.87	28.06	57.25	233.47	3,601,238	1,918,487	4,837,164	695,364	302,378	11,354,631
1999	119.35	17.94	10.87	28.06	57.25	233.47	3,761,003	1,982,155	4,969,345	724,221	312,365	11,749,089
2000	119.35	17.94	10.87	28.06	57.25	233.47	3,818,574	2,036,614	4,695,914	741,860	328,367	11,621,329
2001	119.35	17.94	10.87	28.06	57.25	233.47	3,891,173	2,083,861	4,774,115	768,603	334,157	11,851,909
2002	119.35	17.94	10.87	28.06	54.25	230.47	3,979,768	2,115,305	5,463,116	759,711	320,127	12,638,028
2003	119.35	17.94	10.87	28.06	53.25	229.47	3,952,313	2,116,101	6,227,306	839,139	317,236	13,452,095
2004	147.41	17.94	10.87	27.03	51.00	254.25	4,223,646	2,292,471	6,763,559	705,030	337,440	14,322,146

Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor

Note: Includes Homestead Exemption

Note: The tax rates noted above for the School Board are only the parish-wide rates. District tax rates are not shown.

Table 8

## VERNON PARISH SCHOOL BOARD

Ratio of Net General Obligation Bonded Debt  
to Assessed Value and Net General Obligation Bonded Debt per Capita

Fiscal Year	Population (1)	Assessed Value (2)	Last Ten Fiscal Years			Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
			Gross Bonded Debt (3)	Less Debt Service Funds (3)	Net Bonded Debt		
1995-96	54,303	88,039,350	12,725,795	1,254,110	11,471,685	13.0%	211
1996-97	52,989	93,776,600	12,046,482	1,427,728	10,618,754	11.3%	200
1997-98	47,229	102,943,770	11,195,139	1,289,670	9,905,469	9.6%	210
1998-99	51,894	106,938,810	10,372,752	1,374,349	8,998,403	8.4%	173
1999-00	51,567	110,487,800	9,518,365	1,595,803	7,922,562	7.2%	154
2000-01	52,531	113,523,380	9,280,182	1,499,163	7,781,019	6.9%	148
2001-02	51,273	116,157,030	8,374,811	1,271,903	7,102,908	6.1%	139
2002-03	51,008	117,906,120	13,071,332	1,161,530	11,909,802	10.1%	233
2003-04	50,669	117,954,110	19,935,440	1,058,868	18,876,572	16.0%	373
2004-05	49,545	127,785,310	21,607,737	884,171	20,723,566	16.2%	418

## Notes:

- (1) Source: U.S. Census Bureau  
(2) From Table 6 - total of real property and personal property assessed value.  
(3) Source: Comprehensive Annual Financial Report

Table 9

VERNON PARISH SCHOOL BOARD

Statement of Direct, Overlapping, and Underlying General Obligation Bonded Debt (1), (3)  
June 30, 2005

Name of Governmental Unit	Net Debt Outstanding	Percentage Applicable to This Unit	School Board's Share of Debt (2)
<b>DIRECT:</b>			
Vernon Parish School Board (3)	\$ 20,723,566	100%	\$ 20,723,566
<b>Overlapping:</b>			
Vernon Parish Police Jury (3)	3,471,000	100%	3,471,000
Vernon Parish Sheriff (3)	923,087	100%	923,087
City of Leesville (3)	3,317,212	14%	484,410
Total	<u>\$ 28,434,865</u>		<u>\$ 25,582,063</u>

Notes:

(1) Various taxing districts exist within Vernon Parish that involve a small percentage of Parish taxpayers. These districts' debt is not included.

(2) This represents the debt of all the constituents who reside within Vernon Parish.

(3) Financial information extracted from Annual Financial Report of respective governments.

Table 10

VERNON PARISH SCHOOL BOARD

Computation of Legal Debt Margin  
June 30, 2005

Assessed value (1)	\$ 127,785,310
Debt limitation - 35 percent of assessed value	44,724,859
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 21,607,737
Less: Assets in debt service funds	884,171
Total amount of debt applicable to debt limit	<u>20,723,566</u>
Legal debt margin	<u>\$ 24,001,293</u>

Notes:  
(1) Vernon Parish Tax Assessor

Table 11

## VERNON PARISH SCHOOL BOARD

Ratio of Annual Debt Service Expenditures for  
General Bonded Debt to Total General Governmental Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Bank Charges	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1995-96	804,621	804,566	1,609,187	54,374,190	2.96%
1996-97	679,313	740,856	1,420,169	53,808,777	2.64%
1997-98	851,003	697,243	1,548,246	58,711,122	2.64%
1998-99	849,514	574,364	1,423,878	60,577,913	2.35%
1999-00	854,387	542,500	1,396,887	62,873,724	2.22%
2000-01	907,842	545,445	1,453,287	63,324,795	2.29%
2001-02	955,371	461,088	1,416,459	67,440,025	2.10%
2002-03	1,159,979	559,466	1,719,445	72,360,624	2.38%
2003-04	1,335,892	851,602	2,187,494	77,925,655	2.81%
2004-05	1,281,204	873,060	2,154,264	85,812,918	2.51%

## Notes:

(1) Includes all governmental funds.

(2) Source: Comprehensive Annual Financial Report

Table 12

## VERNON PARISH SCHOOL BOARD

Demographic Statistics  
Last Ten Calendar Years

Calendar Year	Population (1)	Per Capita Income (2)	Median Age	School Enrollment (3)	Unemployment Rate (4)
1985	54,303	14,072	24.7	11,320	9.6%
1986	52,989	14,601	28	10,877	7.4%
1987	47,229	17,213	28	10,291	7.2%
1988	51,894	16,326	N/A	10,637	6.5%
1989	51,567	18,837	N/A	10,029	6.2%
2000	52,531	20,174	N/A	10,247	7.2%
2001	51,273	21,131	26.3	10,215	6.1%
2002	51,008	23,168	N/A	9,980	6.4%
2003	50,669	N/A	N/A	9,677	6.5%
2004	49,545	N/A	N/A	9,544	6.5%
2005	49,545	N/A	N/A	9,621	6.5%

## Notes:

(1) Source: U.S. Census Bureau

(2) Source: Bureau of Economic Analysis

(3) Source: Louisiana Department of Education School Directory

(4) Source: U.S. Department of Labor

N/A: Information not available

Table 13

## VERNON PARISH SCHOOL BOARD

Property Value, Construction and Bank Deposits  
Last Ten Calendar Years

Calendar Year	Property Value			Commercial Construction (1)		Residential Construction (1)		Bank Deposits (2)	
	Commercial	Residential	Exemptions	Total	Number of Units	Value	Number of Units	Value	Deposits (2)
1995	277,655,947	398,871,969	29,728,590	646,799,326	79	570,741	45	1,466,505	150,587,000
1996	287,474,767	428,798,414	30,568,150	685,705,031	2	175,000	2	105,000	149,212,000
1997	273,598,147	514,195,454	30,720,370	757,073,231	39	6,437,700	26	90,000	151,000,000
1998	393,623,133	434,634,029	30,945,470	797,311,692	16	3,952,360	46	1,551,505	150,682,000
1999	417,624,147	439,480,402	31,304,880	825,799,669	10	1,411,340	5	190,000	151,148,000
2000	430,637,873	467,050,906	32,699,910	864,988,669	3	477,500	0	0	153,000,000
2001	443,987,087	472,358,579	33,175,350	883,170,316	4	1,235,767	1	127,200	173,269,000
2002	443,987,087	472,358,579	33,175,350	883,170,316	1	1,390,101	4	598,850	182,415,000
2003	200,262,204	733,885,480	34,456,620	719,691,064	N/A	N/A	N/A	N/A	193,624,000
2004	478,805,887	478,805,887	34,456,620	923,155,154	N/A	N/A	N/A	N/A	221,933,000

## Notes:

(1) Source: City of Leesville

(2) Source: Federal Deposit Insurance Corporation

N/A: Information not available

Table 14

## VERNON PARISH SCHOOL BOARD

Principal Ad Valorem Taxpayers  
December 31, 2005

Name	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Anadarko E & P Company LP		\$ 4,880,950	5.85%
Swift Energy Co.	Public Utility	5,611,990	6.72%
Cleco Corporation	Public Utility	4,576,430	5.48%
Bell South Telecommunications	Public Utility	4,499,020	5.39%
Merchants & Farmers Bank	Bank	2,600,560	3.11%
Beauregard Electric Co-op, Inc	Public Utility	1,834,680	2.20%
Boise Cascade Corporation	Timber	2,037,340	2.44%
Fuels Acquisition Co.	Oil & Gas	1,774,300	2.12%
Valley Electric Merbership Corporation	Public Utility	1,353,830	1.62%
Crosby Land & Resources		1,412,500	1.69%
Totals		\$ 30,581,600	36.63%

Source: Vernon Parish Tax Assessor

Table 15

VERNON PARISH SCHOOL BOARD

Principal Employers  
June 30, 2005

Name of Business	Type of Business	Number of Employees
Fort Polk - JRTC	Military Base	5,331 *
Vernon Parish School Board	Education	1,447
Wal-Mart Supercenter	Discount Retailer	500
Byrd Regional Hospital	Medical	260
Vernon Parish Police Jury	Government	210
Vernon Parish Sheriff's Office	Law Enforcement	179
Community Care Center of Leesville	Nursing Home	150
Leesville State School	Education	125
City of Leesville	Government	110
Merchants & Farmers Bank	Banking	100

\*Civilian employees

Source: City of Leesville,  
Economic Development Office

Table 16

## VERNON PARISH SCHOOL BOARD

## Attendance Data

Fiscal years ended June 30, 1996 through June 30, 2005

Fiscal Year	Number of Graduates	Average Daily Membership	Average Daily Attendance		
			Amount	Percent of Change	Percent of Membership
1996	487	10,815	10,155	-1.46%	93.90%
1997	487	9,478	8,948	-11.89%	94.41%
1998	537	10,583	10,034	12.14%	94.81%
1999	484	10,710	10,094	0.60%	94.25%
2000	547	10,029	9,474	-6.14%	94.47%
2001	460	10,247	9,868	4.16%	96.30%
2002	446	9,966	9,411	-4.63%	94.43%
2003	448	9,661	9,090	-3.41%	94.10%
2004	445	9,714	9,141	0.56%	94.10%
2005	424	9,712	9,212	0.78%	94.85%

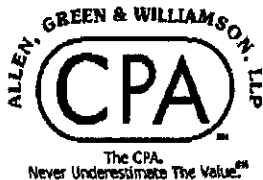
Source: School Board Child Welfare and Attendance Department

**Vernon Parish School Board  
Leesville, Louisiana**

**Compliance with Single Audit Act Amendment of 1996  
And Other Information  
For the Year Ended June 30, 2005**

**Vernon Parish School Board  
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## **Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

### **Board Members**

Vernon Parish School Board  
Leesville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 8, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

### **Internal Control over Financial Reporting**

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable 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 error 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Management Letter Items**

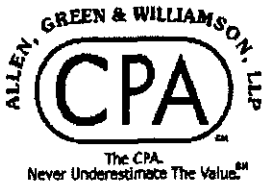
We noted a certain matter that we reported to management of the School Board in a separate letter dated November 8, 2005, included later in this report.

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

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2005



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## Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

### Board Members

Vernon Parish School Board  
Leesville, Louisiana

### Compliance

We have audited the compliance of Vernon Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. The School Board's major federal programs are identified in the summary of auditors' 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. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

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

In our 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, 2005.

### 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 our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2005, and have issued our report thereon dated November 8, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements.. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2005

**Vernon Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2005**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
<b>CASH FEDERAL AWARDS</b>			
<b>United States Department of Agriculture</b>			
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	\$ 423,326
National School Lunch Program	10.555	N/A	1,430,932
Passed Through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	<u>367,625</u>
Total United States Department of Agriculture			<u>2,221,883</u>
<b>United States Department of Education</b>			
Direct Programs:			
Impact Aid - Maintenance and Operation	84.041	N/A	8,307,222
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program	84.002	05-AE-58-F	72,891
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.010	05-IASA-58-I	1,980,752
Special Education:			
State Grants - Part B	84.027	05-FT58	1,953,748
Preschool Grants	84.173	05-PF58	85,267
Vocational Education:			
Basic Grants to States	84.048	28-05-58B/BG2004	103,794
Tech-Prep Education	84.243	TP 28-05-CL-3-PE	156,271
Innovative Education Program			
Strategies – Title VI	84.298	05-IASA-58-VI	37,139
Rural Education Achievement Program	84.358	05-RE-58	1,086
Improving Teacher Quality (Title II)	84.367	05-50-58-I	632,716
English Language Acquisition Grant (Title III)	84.365	N/A	29,331
Technology Literacy Challenge	84.318	05-L1-58	39,972
School Comprehensive Reform	84.332	05-T2-58	14,777
Title IV (Safe and Drug-Free Schools)	84.186	05-IASA-58-IV	57,033
Indian Education	84.060	N/A	19,086
Class Size Reduction	84.340	05-01-58	13,967
High School Reform	84.051		1,394
JAVITS Gifted and Talented	84.206	28-03-6T-58	<u>1,000</u>
Total United States Department of Education			<u>13,507,446</u>
<b>United States Department of Health and Human Services</b>			
Direct program - Head Start	93.600	06CH5622/30	1,733,014
Passed Through the Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	<u>12,674</u>
Total United States Department of Health and Human Services			<u>1,745,688</u>

(Continued)

**Vernon Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2005**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
<b>United States Department of Defense</b>			
Direct Programs:			
Department of The Army			
JROTC	12.609	N/A	69,508
Passed Through the Louisiana Department of Education:			
Unisys	12.UKN	N/A	<u>25,312</u>
TOTAL CASH FEDERAL AWARDS			<u>17,569,837</u>
<b>NONCASH FEDERAL AWARDS</b>			
<b>United States Department of Agriculture</b>			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	<u>224,356</u>
TOTAL NONCASH FEDERAL AWARDS			<u>224,356</u>
TOTAL FEDERAL AWARDS			<u>\$17,794,193</u>

(Concluded)

**Vernon Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2005**

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

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

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

Federal Sources

General	\$ 8,744,355
Non-Major Funds:	
Other Special	140,730
Drug Free Schools	57,033
Indian Education Grant	19,086
Adult Education	72,891
Vocational Education	300,037
Special Education	1,869,261
School Food Service	2,078,614
Title I	1,980,752
Title VI	51,106
Title II	632,716
Title III	29,331
Head Start	1,733,014
Preschool	<u>85,267</u>
Total	<u>\$17,794,193</u>

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

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Vernon Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2005**

**PART I - Summary of the Auditors' Results**

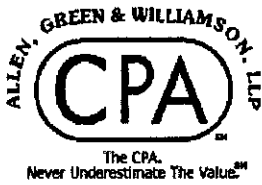
**Financial Statement Audit**

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

**Audit of Federal Awards**

- iv. There were no reportable conditions required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal awards are:  

CFDA #84.041	Impact Aid
--------------	------------
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was \$533,826.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular A-133, Section .530.



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## Management Letter

### Board Members

Vernon Parish School Board  
Leesville, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish School Board, as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted a certain matter involving other operational matters that are presented for your consideration. This letter does not affect our report dated November 8, 2005, on the basic financial statements of the School Board. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, is intended to result in other operating efficiency. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment is summarized as follows:

### 05-M1      Changes in Capital Assets

**Comment:** It was noted during the capital asset inspection at the school level that any changes in capital assets are not being reported to the School Board. Any deletions, transfers, or theft of assets should be reported.

**Recommendation:** The School Board should establish an accountability policy to ensure assets are being reported properly and timely. The School Board should also perform random physical inspections at the school level.

**Management's response:** The School Board will reinforce its policy on capital assets to ensure schools report discarded or stolen items promptly. Two audits of capital assets will be performed yearly and random physical inspections will be conducted at the school level.

\* \* \* \* \*

Also included are management's responses to our current-year management letter items. We have performed no audit work to verify the content of the responses.

Immediately following this letter is the Status of Prior Year Management Items. This information has not been audited by Allen, Green & Williams, LLP, and no opinion is expressed. However, we did follow-up on the prior year management items and performed procedures to access the reasonableness of the Status of Prior Year Management Items prepared by the auditee, and we would report, as a current-year management letter item which Allen, Green & Williamson, LLP, concludes the Status of Prior Year Management Items materially misrepresents the status of any prior year management item.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2005

**Vernon Parish School Board  
Schedule of Prior Year Management Items  
As of and For the Year Ended June 30, 2005**

**04-M1      Investment Transactions**

**Comment:** The School Policy regarding investments states that the Director of Finance will be responsible for investment management. AG&W noted in testing of investment transactions that all transactions were signed by someone in accounts payable and no approval was noted on the transaction by anyone else.

**Recommendation:** Approval of the Director of Finance or the Assistant Business Manager should be documented on all investment transactions.

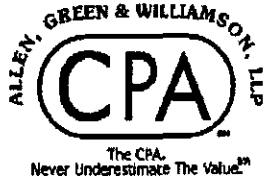
**Management's response:** The Director of Finance or the Assistant Business Manager will sign each investment transaction noting his approval.

**04-M2      Storage of Backup of System**

**Comment:** The School Board backs up the main server where critical information is stored every day. These back up tapes are placed on top of the server.

**Recommendation:** The back up tapes should be stored off-site or in a fire proof vault overnight.

**Management's response:** The School Board will store all backup tapes in a fireproof safe.



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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

### Board Members

Vernon Parish School Board  
Leesville, Louisiana

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

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

### General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We 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.

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

### Education Levels of Public School Staff (Schedule 2)

2. We 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.

**Comment:** The total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) did not reconcile to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1.

**Managements Response:** The schedule has been corrected and the total number of full-time classroom teachers reconciles to schedule 4.

3. We 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.

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We 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.

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

Number and Type of Public Schools (Schedule 3)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

Public Staff Data (Schedule 5)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

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

**Comment:** The average salaries and full-time equivalents that we calculated did not agree to the average salaries and full-time equivalents reported in the schedule.

**Managements Response:** The schedule has been corrected.

Class Size Characteristics Schedule 6)

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

**Comment:** Of the ten classes that were selected, three of the attendance records according to the roll books did not agree to the input sheets used to prepare the Annual School Report.

**Managements Response:** The Vernon Parish School Board will more accurately verify its data with the October 1<sup>st</sup> roll books and ensure the input data is correct.

Louisiana Educational Assessment Program (LEAP) for the 21st century (Schedule 7)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

The Graduation Exit Exam for the 21st Century(Schedule 8)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

The Iowa Tests(Schedule 9)

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

**Comment:** No exceptions were found as a result of applying agreed-upon procedures.

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

This report is intended solely for the use of management of the Vernon 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.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 27, 2005

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2005**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures:**

**Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$25,503,388	
Other Instructional Staff Activities	\$3,335,506	
Employee Benefits	\$9,310,433	
Purchased Professional and Technical Services	\$115,615	
Instructional Materials and Supplies	\$1,985,980	
Instructional Equipment	\$626,440	
Total Teacher and Student Interaction Activities		\$40,877,362

Other Instructional Activities \$490,278

Pupil Support Activities	\$2,842,326	
Less: Equipment for Pupil Support Activities	\$1,950	
Net Pupil Support Activities		\$2,840,376

Instructional Staff Services	\$2,034,575	
Less: Equipment for Instructional Staff Services	\$0	
Net Instructional Staff Services		\$2,034,575

Total General Fund Instructional Expenditures \$46,242,591

Total General Fund Equipment Expenditures \$670,788

**Certain Local Revenue Sources**

**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$327,139	
Renewable Ad Valorem Tax	\$1,817,097	
Debt Service Ad Valorem Tax	\$2,355,518	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	\$109,173	
Sales and Use Taxes	\$9,283,498	
Total Local Taxation Revenue		<u>\$13,892,425</u>

**Local Earnings on Investment in Real Property:**

Earnings from 16th Section Property	\$0	
Earnings from Other Real Property	\$3,660	
Total Local Earnings on Investment in Real Property		<u>\$3,660</u>

**State Revenue in Lieu of Taxes:**

Revenue Sharing - Constitutional Tax	\$42,778	
Revenue Sharing - Other Taxes	\$235,978	
Revenue Sharing - Excess Portion	\$0	
Other Revenue in Lieu of Taxes	\$0	
Total State Revenue in Lieu of Taxes		<u>\$278,756</u>

Nonpublic Textbook Revenue  
Nonpublic Transportation Revenue

                     \$0  
                     \$0

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**Education Levels of Public School Staff**  
As of October 1, 2004

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	7	1.00%			0			
Bachelor's Degree	517	76.56%		0.00%	0	0.00%		0.00%
Master's Degree	110	16.00%		0.00%	15	37.00%		0.00%
Master's Degree + 30	40	6.00%		0.00%	23	56.00%		0.00%
Specialist in Education	3	0.44%		0.00%	3	7.00%		0.00%
Ph. D. or Ed. D.	0	0.00%		0.00%	0	0.00%		0.00%
<b>Total</b>	<b>677</b>	<b>100.00%</b>			<b>41</b>	<b>100.00%</b>		

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana**Number and Type of Public Schools**  
For the Year Ended June 30, 2005

<b>Type</b>	<b>Number</b>
Elementary	9
Middle/Jr. High	1
Secondary	5
Combination	5
<b>Total</b>	<b>20</b>

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

Schedule 4

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**Experience of Public Principals and Full-time Classroom Teachers**  
**As of October 1, 2004**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	2	8	3	5	19
Principals	0	0	0	0	5	7	10	22
Classroom Teachers	65	64	224	92	87	49	96	677
<b>Total</b>	<b>65</b>	<b>64</b>	<b>225</b>	<b>94</b>	<b>100</b>	<b>59</b>	<b>111</b>	<b>718</b>

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**Public School Staff Data**  
**For the Year Ended June 30, 2005**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$37,035.00	\$36,942.00
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$36,860.00	\$36,766.00
<b>Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries</b>	678	675

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

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**Class Size Characteristics**  
As of October 1, 2004

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	49.91	564	44.42	502	5.66	64	0	0
Elementary Activity Classes	67.15	92	28.46	39	4.37	6	0	0
Middle/Jr. High	27.88	87	54.48	170	17.62	55	0	0
Middle/Jr. High Activity Classes	44.92	31	31.88	22	23.18	16	0	0
High	54.57	414	34.73	264	10.78	82	0	0
High Activity Classes	88.96	129	8.27	12	2.75	4	0	0
Combination	77.22	563	21.12	154	1.64	12	0	0
Combination Activity Classes	78.16	111	12.67	18	4.92	7	4.22	6

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

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**Louisiana Educational Assessment Program (LEAP) for the 21st Century**  
For the Year Ended June 30, 2005

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	19	3	20	2.5	9	1	31	4	22	2.8	28	4
Mastery	192	25	188	23.9	149	19	180	24	167	21.2	175	22
Basic	383	51	407	51.7	421	53	362	48	388	49.2	393	50
Approaching Basic	126	17	131	16.6	152	19	127	17	137	17.4	125	16
Unsatisfactory	33	4	42	5.3	59	8	53	7	74	9.4	70	9
<b>Total</b>	<b>753</b>	<b>100</b>	<b>788</b>	<b>100</b>	<b>790</b>	<b>100</b>	<b>753</b>	<b>100</b>	<b>788</b>	<b>100</b>	<b>791</b>	<b>100</b>

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	52	7	16	2	23	2.9	10	1	17	2.2	11	1.4
Mastery	156	21	173	22	166	21	84	11	180	22.8	147	18.6
Basic	419	56	449	57	390	49.4	477	63	434	55	439	55.6
Approaching Basic	111	15	135	17.1	183	23.2	149	20	110	14	142	18.1
Unsatisfactory	14	2	15	1.9	27	3.4	32	4	47	6	50	6.3
<b>Total</b>	<b>752</b>	<b>101</b>	<b>788</b>	<b>100</b>	<b>789</b>	<b>100</b>	<b>752</b>	<b>99</b>	<b>788</b>	<b>100</b>	<b>789</b>	<b>100</b>

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	0	0	8	1.1	7	1.1	13	2	20	2.8	24	3.5
Mastery	122	17	83	11.7	140	20.6	46	7	39	5.4	57	8.5
Basic	343	49	335	47	321	47.3	412	59	439	61	369	54.4
Approaching Basic	187	27	218	30.6	164	24.2	148	21	127	17.7	137	20.2
Unsatisfactory	51	7	68	9.6	46	6.8	83	12	94	13.1	91	13.4
<b>Total</b>	<b>703</b>	<b>100</b>	<b>712</b>	<b>100</b>	<b>678</b>	<b>100</b>	<b>702</b>	<b>100</b>	<b>719</b>	<b>100</b>	<b>678</b>	<b>100</b>

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	5	1	10	1.4	5	0.7	1	0	3	0.4	2	0.3
Mastery	130	19	154	21.7	143	21.2	114	16	78	11	79	11.7
Basic	294	43	289	40.8	301	44.5	393	57	394	55.6	361	53.4
Approaching Basic	200	29	172	24.3	163	24.1	117	17	167	23.6	146	21.6
Unsatisfactory	62	9	84	11.8	64	9.5	66	10	67	9.4	88	13
<b>Total</b>	<b>691</b>	<b>100</b>	<b>709</b>	<b>100</b>	<b>676</b>	<b>100</b>	<b>691</b>	<b>100</b>	<b>709</b>	<b>100</b>	<b>676</b>	<b>100</b>

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**The Graduation Exit Exam for the 21st Century**  
**For the Year Ended June 30, 2005**

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced	8	2	10	1.8	1	0.9	31	6	42	7.3	35	7.8
Mastery	91	17	115	20.1	61	12.1	105	20	117	20.3	83	15.4
Basic	279	52	274	48	259	48.1	247	46	244	42.3	253	46.3
Approaching Basic	104	20	104	18.2	145	25.2	71	13	86	14.9	89	16.2
Unsatisfactory	51	10	68	11.9	88	13.7	80	15	88	15.2	108	14.3
<b>Total</b>	<b>533</b>	<b>100</b>	<b>571</b>	<b>100</b>	<b>554</b>	<b>100</b>	<b>534</b>	<b>100</b>	<b>577</b>	<b>100</b>	<b>568</b>	<b>100</b>

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	17	4	15	3.3	4	2.1	0	0	2	0.4	9	3
Mastery	98	20	87	19.1	69	14.6	47	10	59	13	57	12.4
Basic	205	42	209	45.8	244	52.3	285	59	264	58	273	58.4
Approaching Basic	110	23	102	22.4	94	20	103	21	93	20.4	82	17.3
Unsatisfactory	55	11	43	9.4	52	11	52	11	37	8.2	42	8.9
<b>Total</b>	<b>485</b>	<b>100</b>	<b>456</b>	<b>100</b>	<b>463</b>	<b>100</b>	<b>487</b>	<b>100</b>	<b>455</b>	<b>100</b>	<b>463</b>	<b>100</b>

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**The IOWA Tests**  
**For the Year Ended June 30, 2005**

	<b>Composite</b>		
	2005	2004	2003
<b>Test of Basic Skills (ITBS)</b>			
Grade 3	70	68	66
Grade 5	67	70	66
Grade 6	66	62	59
Grade 7	62	62	57
<b>Tests of Educational Development (ITED)</b>			
Grade 9	57	60	54

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.

FYE	AGY#	Type	Assig	Wo	ProgramName	Name	EstCompDa	AuditBegD	AuditEndD	EngAppDe	CPA#
02/28	5778	NP	SHE	A		Rapides Primary Health Care Center, Inc.	8/31/2005	3/1/2004	2/28/2005	2/28/2005	323
02/28	7295	NP	srr	A		St. Charles Community Health Center, Inc.	8/31/2005	3/1/2004	2/28/2005	5/4/2005	137
03/31	2092	MA	srr	A		Finance Authority of New Orleans	9/30/2005	4/1/2004	3/31/2005	5/18/2005	201
03/31	2174	MU	srr	A		City of Gretna	9/30/2005	4/1/2004	3/31/2005	6/16/2005	268
03/31	4020	HA	srr	A		Housing Authority of Colfax	9/30/2005	4/1/2004	3/31/2005	3/30/2005	25
03/31	4093	HA	srr	A		Housing Authority of Slidell	9/30/2005	4/1/2004	3/31/2005	4/1/2005	25
03/31	4232	HA	SHE	A		Housing Authority of Ferriday	9/30/2005	4/1/2004	3/31/2005	5/16/2005	25
03/31	5303	HA	srr	A		Housing Authority of Covington	9/30/2005	4/1/2004	3/31/2005	7/25/2005	25
03/31	5527	NP	srr	A		Louisiana Horsemen's Bookkeeper Account	9/30/2005	4/1/2004	3/31/2005	7/27/2005	137
03/31	7074	NP	SHE	A		New Orleans Jobs Initiative, Inc.	9/30/2005	4/1/2004	3/31/2005	6/24/2005	25
04/30	4117	AS	srr	E	Review/Attest	Orleans Parish Assessor - 5th Municipal Dis	10/31/2005	5/1/2004	4/30/2005	8/10/2005	242
04/30	5358	NP		A		Acadiana Symphony Association, Inc.	10/31/2005	5/1/2004	4/30/2005	8/18/2005	24
05/31	1577	HD	srr	A		Morehouse Parish General Hospital	11/30/2005	6/1/2004	5/31/2005	5/3/2005	137
05/31	2334	MU	srr	A		Town of Welsh	11/30/2005	6/1/2004	5/31/2005	4/18/2005	149
05/31	2372	MU	SHE	A		Village of Fenton	11/30/2005	6/1/2004	5/31/2005	6/15/2005	64
06/30	2646	SB	SHE	P	Agreed Upon Proce	Madison Parish School Board	12/1/2005	7/1/2004	6/30/2005	0/17/2005	341
06/30	8209	NP	SHE	A		National Council of Negro Women of Greater	12/31/2004	7/1/2003	6/30/2004	6/27/2004	25
08/31	7298	NP	SHE	A		Lusher Alternative Elementary School PTA -	2/28/2005	9/1/2002	8/31/2004	6/30/2004	17
12/31	2235	MU	SHE	A		Town of Cotton Valley	11/15/2005	1/1/2004	12/31/2004	8/15/2005	33
12/31	2264	MU	SHE	A		Town of Homer	6/30/2005	1/1/2004	12/31/2004	3/1/2005	182
12/31	5229	HA	SHE	A		Housing Authority of Pearl River	6/30/2005	1/1/2004	12/31/2004	3/30/2005	25
12/31	5697	NP	SHE	A		Jefferson Housing Foundation - ORL/JEF P	6/30/2005	1/1/2004	12/31/2004	1/31/2005	156
12/31	6002	NP	srr	A		EXCELth, Inc.	6/30/2005	1/1/2004	12/31/2004	2/21/2005	25
12/31	7316	NP	SHE	A		CARECorp, LLC Community Awareness Re	6/30/2005	1/1/2004	12/31/2004	0/29/2004	249
12/31	7357	SP	SHE	A		Louisiana Citizen's Property Insurance Corp.	11/1/2005	1/1/2004	12/31/2004	7/18/2005	242
12/31	7366	SP	SHE	A		Louisiana Citizen's Property Insurance Corp.	11/1/2005	1/1/2004	12/31/2004	7/18/2005	242
12/31	8782	NP	SHE	A		Desire Community Housing Corporation	6/30/2005	1/1/2003	12/31/2004	10/1/2004	313
12/31	9180	CC	SHE	A		Clerk of Criminal District Court - Orleans Par	6/30/2005	1/1/2004	12/31/2004	3/1/2005	25

**Vernon Parish School Board  
Leesville, Louisiana**

**Student Activity Funds  
Agreed-Upon Procedures  
June 30, 2005**

Vernon Parish School Board  
Leesville, Louisiana

Student Activity Funds  
Agreed-Upon Procedures  
June 30, 2005

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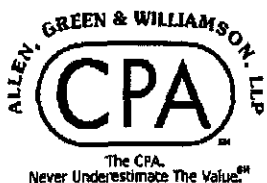
Vernon Parish School Board  
Leesville, Louisiana

Student Activity Funds  
Agreed-Upon Procedures  
June 30, 2005

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## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

Vernon Parish School Board  
Leesville, Louisiana

We have performed the procedures identified as "Procedures" in the following pages, which were agreed to by the management of Vernon Parish School Board, solely to assist users in evaluating the operations of the Student Activity Funds at each school at June 30, 2005. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described either for the purpose for which this report has been requested or for any other purpose.

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

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

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 30, 2005

---

**East Leesville Elementary**

**Vernon Parish School Board  
Leesville, Louisiana**

**East Leesville Elementary**

**Cash and Cash Equivalents**

- |  |  |
|--|--|
| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005. We noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Three checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No checks were noted as being 90 days old.</li></ul> |
|--|--|

**Vernon Parish School Board  
Leesville, Louisiana**

**East Leesville Elementary**

**Receipts**

- |   |   |
|---|---|
| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand and that undeposited monies represented no more than three days receipts.</p> <p>2. Of the 15 receipts tested, we noted the following:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li></ul> |
|---|---|

**Vernon Parish School Board  
Leesville, Louisiana**

**East Leesville Elementary**

**Expenditures**

- |   |   |
|---|---|
| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that two bills were not paid timely. Checks written appeared to have documentation.</p> <p>2. Of the 25 disbursements tested, we noted the following:</p> <ul style="list-style-type: none"><li>a. Five exceptions were noted where documentation was not canceled to prevent duplicate payment.</li><li>b. No exceptions were noted</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This attribute could not be tested because we were unable to view the back of the check.</li><li>g. Seven exceptions were noted where invoice date was not correct when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
|---|---|

**Vernon Parish School Board  
Leesville, Louisiana**

**East Leesville Elementary**

**Financial Reporting**

- |   |  |
|---|--|
| <p>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</p> <p>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</p> <p>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</p> | <p>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>3. All schools submit records to the central office.</p> |
|---|--|

**Hicks High School**

**Vernon Parish School Board  
Leesville, Louisiana**

**Hicks High School**

**Cash and Cash Equivalents**

- |  |   |
|--|---|
| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. No exceptions were noted.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Hicks High School**

**Receipts**

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| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/ receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand and that undeposited monies represented no more than three days receipts.</p> <p>2. Of the fifteen receipts selected for testing, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. One exception was noted where the deposit was not made on a timely basis.</li><li>c. No exceptions were noted.</li><li>d. One exception was noted where the individual receipts could not be traced to proper supporting documentation.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Hicks High School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that bills are paid timely and checks appeared to have documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. Two exceptions were noted where documentation was not canceled to prevent duplicate payment.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. One exception was noted where invoice amount did not agree with check amount.</li><li>e. One exception was noted where the charge was not supported by proper documentation.</li><li>f. This could not be tested because we could not view the backs of the checks.</li><li>g. One exception was noted where invoice date was not current when compared to the date of the check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Hicks High School**

**Financial Reporting**

1. Compare receipts by type to the prior year and obtain explanations for significant variances.
2. Compare disbursements by type to the prior year and obtain explanations for significant variances.
3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.
1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.
2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.
3. All schools submit records to the central office.

**Leesville Junior High School**

**Vernon Parish School Board  
Leesville, Louisiana**

**Leesville Junior High School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Ten exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. One check was still outstanding after 90 days.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Leesville Junior High School**

**Receipts**

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| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand and that undeposited monies represented no more than three days receipts.</p> <p>2. Of the fifteen receipts selected for testing, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Leesville Junior High School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 and determined that all bills were paid timely and had documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This could not be tested because we could not view the backs of checks.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Leesville Junior High School**

**Financial Reporting**

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| <p>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</p> <p>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</p> <p>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</p> | <p>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>3. All schools submit records to the central office.</p> |
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**Pitkin High School**

**Vernon Parish School Board  
Leesville, Louisiana**

**Pitkin High School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Eleven exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. Seven checks were outstanding after 90 days.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Pitkin High School**

**Receipts**

1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.
  2. Select 15 receipts on a random basis and perform the following procedures:
    - a. Trace to validated deposit slip.
    - b. Determine deposit was made on a timely basis.
    - c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.
    - d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.
1. There was no cash to count while on the premises.
  2. Of the fifteen receipts selected for testing, the following exceptions were noted:
    - a. No exceptions were noted.
    - b. Three exceptions were noted where deposits were not made on a timely basis.
    - c. No exceptions were noted.
    - d. No exceptions were noted.

**Vernon Parish School Board  
Leesville, Louisiana**

**Pitkin High School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that three bills were not paid timely and one check did not appear to have documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This could not be tested because we could not view the backs of checks.</li><li>g. Two exceptions were noted where the invoice date was not current when compared to the date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Pitkin High School**

**Financial Reporting**

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| <ol style="list-style-type: none"><li>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</li><br/><li>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</li><br/><li>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</li></ol> | <ol style="list-style-type: none"><li>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</li><br/><li>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</li><br/><li>3. All schools submit records to the central office.</li></ol> |
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**Simpson High School**

**Vernon Parish School Board  
Leesville, Louisiana**

**Simpson High School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Two exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Simpson High School**

**Receipts**

1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.
  2. Select 15 receipts on a random basis and perform the following procedures:
    - a. Trace to validated deposit slip.
    - b. Determine deposit was made on a timely basis.
    - c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.
    - d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.
1. No cash was on hand to count.
  2. Of the fifteen receipts selected for testing, the following exceptions were noted:
    - a. No exceptions were noted.
    - b. No exceptions were noted.
    - c. No exceptions were noted.
    - d. No exceptions were noted.

**Vernon Parish School Board  
Leesville, Louisiana**

**Simpson High School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p>   | <p>1. We reviewed checks written for September 2005 while on the premises. We determined that two invoices were paid late. All checks appeared to have documentation.</p>   |
| <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This could not be tested because we could not view the back of the checks.</li><li>g. One exception was noted where the invoice date was not correct when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |

**Vernon Parish School Board  
Leesville, Louisiana**

**Simpson High School**

**Financial Reporting**

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| <p>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</p> <p>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</p> <p>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</p> | <p>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>3. All schools submit records to the central office.</p> |
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**West Leesville Elementary School**

**Vernon Parish School Board  
Leesville, Louisiana**

**West Leesville Elementary School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Three exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No outstanding checks over 90 days were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**West Leesville Elementary School**

**Receipts**

1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.
  2. Select 15 receipts on a random basis and perform the following procedures:
    - a. Trace to validated deposit slip.
    - b. Determine deposit was made on a timely basis.
    - c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.
    - d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.
1. No cash was on hand to count.
  2. Of the fifteen receipts selected for testing, the following exceptions were noted:
    - a. No exceptions were noted.
    - b. No exceptions were noted.
    - c. No exceptions were noted.
    - d. One exception was noted where the individual receipts could not be traced to proper supporting documentation.

**Vernon Parish School Board  
Leesville, Louisiana**

**West Leesville Elementary School**

**Expenditures**

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|---|---|
| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that all bills were paid timely and all checks had documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This could not be tested because we could not view the backs of the checks.</li><li>g. One exception was noted where the invoice date was not current when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**West Leesville Elementary School**

**Financial Reporting**

1. Compare receipts by type to the prior year and obtain explanations for significant variances.
  2. Compare disbursements by type to the prior year and obtain explanations for significant variances.
  3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.
1. Receipts by type for the current year were compared to the previous year, and no significant variances were noted.
  2. Disbursements by type for the current year were compared to the previous year, and no significant variances were noted.
  3. All schools submit records to the central office.

**South Polk Elementary School**

**Vernon Parish School Board  
Leesville, Louisiana**

**South Polk Elementary School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Four exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. Three checks were still outstanding after 90</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**South Polk Elementary School**

**Receipts**

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| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/ receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand and that undeposited monies represented no more than three days receipts.</p> <p>2. Of the fifteen receipts selected for testing, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. Three exceptions were noted where the individual receipts could not be traced to proper supporting documentation.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**South Polk Elementary School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 and determined that all bills were paid timely and all checks had documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. One exception was noted where a check was not signed by authorized personnel.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This could not be tested because we could not view the backs of the checks.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**South Polk Elementary School**

**Financial Reporting**

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| <p>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</p> <p>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</p> <p>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</p> | <p>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>3. All schools submit records to the central office.</p> |
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**North Polk Elementary School**

**Vernon Parish School Board  
Leesville, Louisiana**

**North Polk Elementary School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Three exceptions were noted where the outstanding checks did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. Three checks was still outstanding after 90 days.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**North Polk Elementary School**

**Receipts**

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| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand and that undeposited monies represented no more than three days receipts.</p> <p>2. Of the fifteen receipts selected for testing, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. One exception was noted where the individual receipts within the deposit could not be traced to proper supporting documentation.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**North Polk Elementary School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that bills are paid timely and checks written appeared to have documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No exceptions were noted.</li><li>e. No exceptions were noted.</li><li>f. This attribute could not be tested because we were unable to view the back of the checks.</li><li>g. One exception was noted where the invoice date was not current when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**North Polk Elementary School**

**Financial Reporting**

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| 1. Compare receipts by type to the prior year and obtain explanations for significant variances.   | 1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.      |
| 2. Compare disbursements by type to the prior year and obtain explanations for significant variances.  | 2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted. |
| 3. <i>For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</i> | 3. <i>All schools submit financial records to the central office.</i>  |

**Vernon Middle School**

**Vernon Parish School Board  
Leesville, Louisiana**

**Vernon Middle School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. Four outstanding checks were noted that did not clear the subsequent month's bank statement.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. One check was still outstanding after 90 days.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Vernon Middle School**

**Receipts**

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| <p>1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.</p> <p>2. Select 15 receipts on a random basis and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Trace to validated deposit slip.</li><li>b. Determine deposit was made on a timely basis.</li><li>c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.</li><li>d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.</li></ul> | <p>1. We performed a cash count when on the premises and determined that receipts had been issued for all monies on hand, but undeposited monies represented more than three days receipts.</p> <p>2. Of the fifteen receipts selected for testing, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. One exception was noted where the individual receipts within the deposit could not be traced to proper supporting documentation.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Vernon Middle School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that bills are paid timely and checks written appear to have documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. Three exceptions were noted where documentation was not canceled to prevent duplicate payment.</li><li>b. One exception was noted where a check was not signed by authorized personnel.</li><li>c. No exceptions were noted.</li><li>d. Two exceptions were noted where invoice amount did not agree in check amount.</li><li>e. No exceptions were noted.</li><li>f. This attribute could not be tested because we were unable to view the backs of the checks.</li><li>g. Three exceptions were noted where the invoice date was not current when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**Vernon Middle School**

**Financial Reporting**

1. Compare receipts by type to the prior year and obtain explanations for significant variances.
  2. Compare disbursements by type to the prior year and obtain explanations for significant variances.
  3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.
1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.
  2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.
  3. All schools submit financial records to the central office.

**West Pre-School**

**Vernon Parish School Board  
Leesville, Louisiana**

**West Pre-School**

**Cash and Cash Equivalents**

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| <p>1. Obtain bank reconciliations for all bank accounts for two months and perform the following procedures:</p> <ul style="list-style-type: none"><li>a. Verify the mathematical accuracy of the reconciliations.</li><li>b. Agree the balance per the bank statement to the amount on the bank reconciliation.</li><li>c. Compare the reconciled book balance to the general ledger for the bank account.</li><li>d. Determine the propriety of deposits in transit.</li><li>e. Examine all interfund transfers.</li><li>f. Support the outstanding checks by comparing to the checks clearing in subsequent month bank statement.</li><li>g. Ensure that all checks on the bank statement are accounted for.</li><li>h. Determine that cash is invested in only one bank account in accordance with LSA-R.S. 39:2955.</li><li>i. Investigate any outstanding checks which are over 90 days old.</li></ul> | <p>1. We obtained bank reconciliations for the bank account for August 2004 and May 2005 and noted the following exceptions:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. No deposits in transit were noted.</li><li>e. No interfund transfers were noted.</li><li>f. No exceptions were noted.</li><li>g. No exceptions were noted.</li><li>h. No exceptions were noted.</li><li>i. No outstanding checks 90 days old were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**West Pre-School**

**Receipts**

1. Perform a cash count when on the premises to determine that receipts have been issued for all monies on hand and that undeposited monies represent no more than three days receipts.
2. Select 15 receipts on a random basis and perform the following procedures:
  - a. Trace to validated deposit slip.
  - b. Determine deposit was made on a timely basis.
  - c. Trace the individual receipts within the deposit to the cash receipts journal to determine that the receipt batch matches the deposit total.
  - d. Trace the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.
1. There was no cash to count while on the premises.
2. Of the fifteen receipts selected for testing, the following exceptions were noted:
  - a. No exceptions were noted.
  - b. No exceptions were noted.
  - c. No exceptions were noted.
  - d. One exception was noted where the individual receipts within the deposit could not be traced to proper supporting documentation.

**Vernon Parish School Board  
Leesville, Louisiana**

**West Pre-School**

**Expenditures**

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| <p>1. Review checks written for the past month while on the premises to determine that bills are paid timely and checks written appear to have documentation.</p> <p>2. Select 25 disbursements on a random basis and test for the following attributes:</p> <ul style="list-style-type: none"><li>a. Documentation is canceled to prevent duplicate payment.</li><li>b. Check is signed by authorized personnel.</li><li>c. Evidence of receipts of goods or services.</li><li>d. Invoice amount agrees with check amount.</li><li>e. Charge is supported by proper documentation.</li><li>f. Endorsement agrees with payee.</li><li>g. Invoice date is current when compared to date of check.</li><li>h. Accounting distribution/classification is consistent and correctly posted.</li><li>i. Charge appears to be necessary and reasonable.</li><li>j. Ascertain that expenditures are in accordance with the School Board's financial policies, particularly the purchasing policy.</li></ul> | <p>1. We reviewed checks written for September 2005 while on the premises and determined that bills are paid timely and checks written appear to have documentation.</p> <p>2. Of the twenty-five disbursements tested, the following exceptions were noted:</p> <ul style="list-style-type: none"><li>a. No exceptions were noted.</li><li>b. No exceptions were noted.</li><li>c. No exceptions were noted.</li><li>d. Two exceptions were noted where invoice amount did not agree with check amount.</li><li>e. No exceptions were noted.</li><li>f. This attribute could not be tested because we were unable to view the backs of the checks.</li><li>g. Three exceptions were noted where invoice date was not current when compared to date of check.</li><li>h. No exceptions were noted.</li><li>i. No exceptions were noted.</li><li>j. No exceptions were noted.</li></ul> |
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**Vernon Parish School Board  
Leesville, Louisiana**

**West Pre-School**

**Financial Reporting**

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| <p>1. Compare receipts by type to the prior year and obtain explanations for significant variances.</p> <p>2. Compare disbursements by type to the prior year and obtain explanations for significant variances.</p> <p>3. For schools which do not submit records to the central office, select financial reports for two months and trace amounts reported to general ledger.</p> | <p>1. Receipts by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>2. Disbursements by type for the current year were compared to the previous year, and variances were explained by the appropriate school official. No exceptions were noted.</p> <p>3. All schools submit records to the central office.</p> |
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