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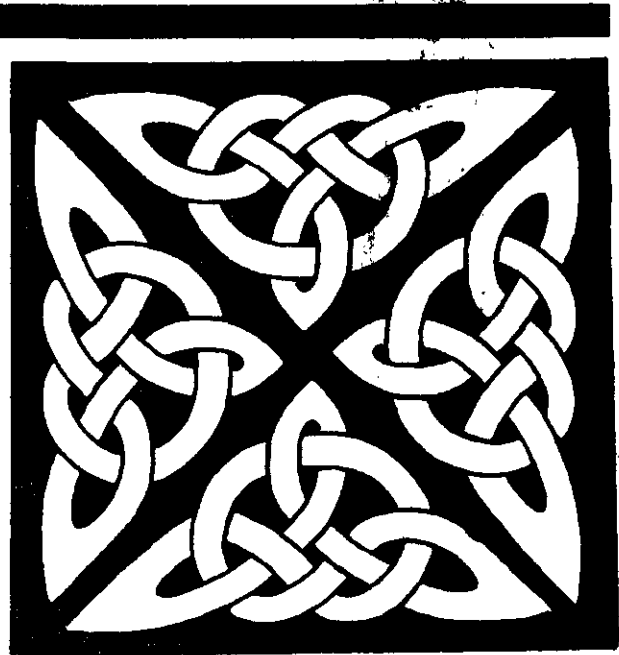
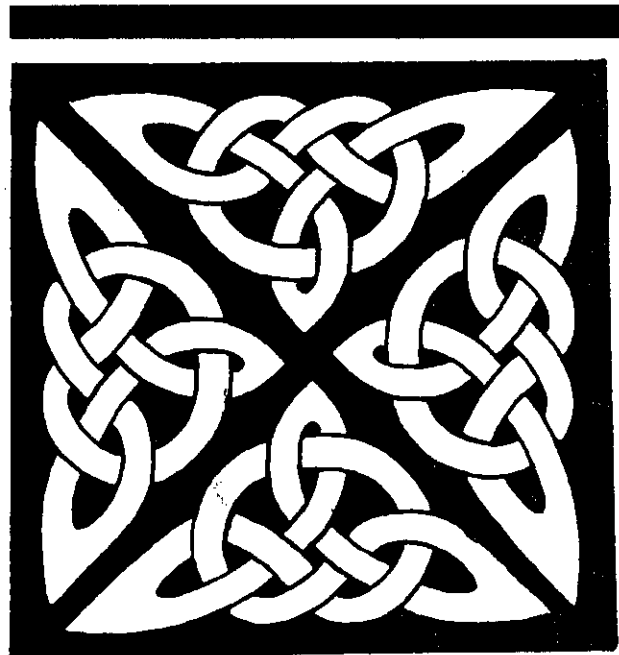
Release Date: 01-03-01

# COMPREHENSIVE ANNUAL FINANCIAL

## REPORT

of the  
Bossier Parish School Board  
Benton, Louisiana

FOR THE YEAR ENDED  
JUNE 30, 2000



COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

of the

BOSSIER PARISH SCHOOL BOARD  
Benton, Louisiana

For the Year Ended June 30, 2000

Julian Darby  
President

Frank Rougeau  
Director of Finance and Business  
Affairs

Kenneth N. Kruithof  
Superintendent

Prepared by the Finance Department

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Comprehensive Annual Financial Report

Year Ended June 30, 2000

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Benton, Louisiana

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Comprehensive Annual Financial Report

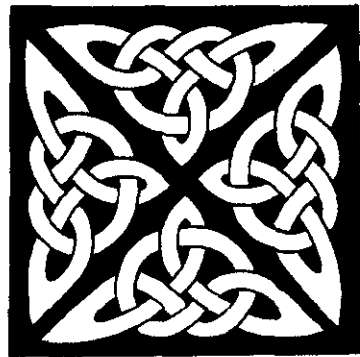
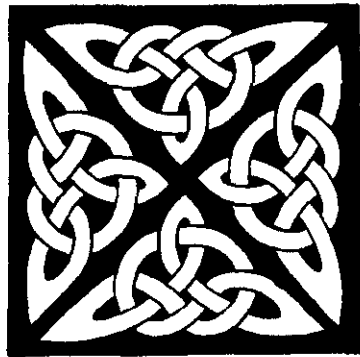
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# INTRODUCTORY SECTION



## BOSSIER PARISH SCHOOL BOARD

P.O. Box 2000  
Benton, Louisiana 71006-2000  
Telephone (318) 549-5000  
FAX (318) 549-5044

**Kenneth N. Kruthof**  
*Superintendent*

**Julian Darby**  
*President*

October 6, 2000

**Michael M. Graham**  
*Vice President*  
3039 Hwy. 154  
Elm Grove, LA 71051  
District 1

**Mike Knotts**  
101 Woodcrest Drive  
Haughton, LA 71037  
District 2

**George C. Finck**  
167 Beaver Lane  
Benton, LA 71006  
District 3

**Vassie M. Richardson**  
P.O. Box 231  
Plain Dealing, LA 71064  
District 4

**Elizabeth S. Cassibry**  
2202 Landau Lane  
Bossier City, LA 71111  
District 5

**William C. Kostelka**  
419 Oakwood St.  
Bossier City, LA 71111  
District 6

**J.W. Slack**  
2424 Douglas Drive  
Bossier City, LA 71111  
District 7

**Kenneth M. Wiggins**  
700 Shaver Street  
Bossier City, LA 71111  
District 8

**Gloria Simison**  
3116 Oliver Street  
Bossier City, LA 71112  
District 9

**Julian Darby**  
*President*  
1130 Beverly Street  
Bossier City, LA 71112  
District 10

**Gary Dowden**  
1912 Mars Drive  
Bossier City, LA 71112  
District 11

**Mack Knotts**  
5007 Kenilworth Drive  
Bossier City, LA 71112  
District 12

Mr. Julian Darby, President,  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

Dear Board Members:

The Comprehensive Annual Financial Report of the Bossier Parish School Board (School Board) for the year ended June 30, 2000 is submitted herewith. This report has been prepared by 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.

### 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 is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups 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. Comprehensive Annual Financial Report (CAFR)

The CAFR consists of three parts:

- (1) The Introductory Section. This section includes a letter of transmittal, information on financial reporting achievements, 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 independent auditors' report and the School Board's financial statements and schedules are presented in accordance with the financial reporting pyramid set forth by the Governmental Accounting Standards Board. The School Board's complete financial operations are depicted in the general purpose financial statements and thus present an overview of the School Board's operations. Individual fund and account group statements and schedules are also presented along with the combining statements.
- (3) The Statistical Section. This section includes a number of tables of unaudited data depicting the financial history, demographics, and other miscellaneous information of the Bossier Parish School Board for the past ten years.

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

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 No. A-133, *Audits of States, 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 kindergarten through grade twelve. These include regular and enriched academic education, special education for handicapped youngsters, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs 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 Bossier Parish School Board (the primary government). Based on the criteria there are no component units included in the School Board's reporting entity.

### **D. Economic Condition and Outlook**

The Bossier Parish School System is located in the northwest part of the state and is a part of the economic "hub" for this region. During 1999-2000, Bossier Parish continued to enjoy a strong economy.

During fiscal 2000, Bossier Parish continued to experience significant growth in new construction. There continues to be significant increases in residential construction in North, East, and South Bossier Parish, primarily in single family dwellings. The expansion of existing businesses and the construction of new businesses, many of which are located on Airline Drive in North Bossier and along the I-220 by-pass, are evidence of continued growth and expansion that can be attributed to the booming local economy and the increase in tourist activity, primarily as a result of the advent of riverboat gaming.

Barksdale Air Force, which currently employs over 7,000 people in the area, remains as viable and active as it has in the past. The recent announcement of new construction and the addition of over 100 new employees are indicators that the Base will remain an integral part of our community.

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

With the Red River connecting Bossier Parish to the City of Shreveport and Caddo Parish, the condition of the Shreveport economy directly and indirectly has an effect on Bossier Parish. The economy of Shreveport once again experienced sustained growth during 1999-2000. The continued growth in retail sales, employment, and residential construction are evidence of this growth. The continued expansion of the Caddo Bossier Port and Interstate 49 continue to have positive effects on the economy and provide major links for Northwest Louisiana with other areas of the state and beyond. In Shreveport, the fall of 2000 will see the addition of a luxury hotel adjacent to an existing riverboat gaming pavilion and another riverboat gaming pavilion and luxury hotel. These additions will bring the total number of riverboat gaming pavilions and luxury hotels in the Bossier/Shreveport area to five. The new facilities will only add to the already significant contribution to the area's economy that the gaming industry continues to make.

Sales tax collection for the School Board continues to grow and exceeded 1998-1999 collections by \$1,442,870 due to increased consumer spending, the riverboats, and building activities.

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

##### *For the Year*

During the 1999-2000 school year we made numerous efforts to develop and strengthen our educational programs. Intensive efforts were made in the area of remediation of low performing students. After school tutoring programs are being more widely used to assist students. Funds for these programs have been provided through grants and local funding. A summer remediation program for grades 4 and 8 was implemented for students who did not pass the standardized state test for these grades. A curriculum coordinator was placed in two of our lower achieving schools to help improve student performance. These programs have seen success in all areas.

Funding for teachers salaries have continued to increase. In February, all teachers received an extra check for \$1,160. Efforts continue to keep teachers salaries competitive in order to attract and retain great teachers.

Technology programs continue to enhance the education process. Our parish-wide network provides many opportunities for the students and teachers. Distance learning through this network continues to increase. Teacher development opportunities have increased to help teachers have the latest teaching tools and methods.

##### *For the Future*

The school system continues to look for new and innovative ways to improve the entire educational system of Bossier Parish. Funding for education continues to be a top concern. The School Board has implemented budgeting and purchasing procedures to best utilize the current funding. The School Board is currently analyzing all funding sources of revenue, including increased revenue from local sources.

Enrollment has changed little over the past years. A study was performed by the School Board to project future enrollment. Little growth is expected. The School Board will continue to maintain current facilities and closely monitor population changes in order to provide adequate classroom space.

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

#### **F. Service Efforts and Accomplishments**

During 2000, the schools of Bossier Parish served an average of 18,722 students daily. The graduating classes of 2000 for Bossier Parish schools was a total of 836 students. The average American College Test (ACT) scores remained consistent with past years, as well as with state scores and national scores. The average ACT score of Bossier Parish students was 19.7.

Standardized test scores improved in a majority of Bossier Parish schools with school performance scores ranging from .1 to 15.1 points of improvement.

#### **G. 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 generally accepted accounting principles. 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 judgements by management.

We believe that the School Board's accounting controls provide reasonable assurance that errors or irregularities to the financial statements are prevented or would be detected within a timely period by employees in the normal course of performing their assigned functions.

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. This internal control is subject to periodic evaluation by management and the internal audit staff.

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, 2000 provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations.

#### **H. Budgetary Controls**

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, Special Revenue Funds, Debt Service Funds and the Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level which expenditures cannot legally exceed the appropriated amount) is established by function for the General Fund, Debt Service Funds, and Capital Project Funds; and by fund for the Special Revenue Funds. School Board policy provides that expenditures may not exceed appropriations on a functional or fund basis, as appropriate. Management is authorized to transfer amounts within the functional categories without School Board approval. Revisions to the budget enacted require School Board approval.

Mr. Julian Darby, President  
 and Bossier Parish School Board Members  
 Bossier Parish Schools  
 Benton, Louisiana

**I. Financial Condition**

*General Educational Functions*

General educational activities which are accounted for in the General Fund are supported principally by local taxes and state entitlements. Direct federal aid is nominal in the General Fund, but substantial sums are made available to the Louisiana Department of Education which are subsequently distributed to local entities. General fund revenues are as follows:

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percentage Change From 1999</u>
Local	\$ 15,843,999	21.30%	\$ 1,048,115	7.08%
State	56,599,695	76.09	2,175,053	4.00
Federal and Other	<u>1,940,193</u>	<u>2.61</u>	<u>319,830</u>	<u>19.74</u>
	<u>\$ 74,383,887</u>	<u>100.00%</u>	<u>\$ 3,542,998</u>	<u>5.00%</u>

The General Fund is also supported by sales tax transferred from the Sales Tax Special Revenue Fund and the One-Half Cent Sales Tax Air Conditioner Capital Project Fund. The sales tax transferred to the General Fund during fiscal 2000 totaled \$20,112,687 or \$1,612,687 over the prior year for an 8.72% increase.

The General Fund revenues increase of \$3,542,998 from the prior year amount of \$70,840,888 was primarily due to the following:

- Local sources increased due to a \$787,831 increase in ad valorem taxes and a \$392,019 increase in other revenues as a result of receiving insurance proceeds.
- State sources increased as a result of an increase in Minimum Foundation Program (MFP) funding. MFP funding is, in part, driven by student population.
- Federal sources increased due to an increase in federal monies received.

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

General educational expenditures by function were as follows:

<u>Item</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percentage Change From 1999</u>
Instruction	\$ 59,781,405	62.16%	\$ 1,259,245	2.15%
Student services	3,693,043	3.84	49,293	1.35
Instructional support staff	5,005,214	5.20	215,186	4.49
General administration	1,011,368	1.05	(440,552)	(30.34)
School administration	6,914,559	7.19	320,968	4.87
Business services	1,318,701	1.37	89,429	7.27
Plant services	8,967,704	9.32	(759,867)	(7.81)
Student transportation services	5,481,944	5.70	379,978	7.45
Central services	905,666	0.94	159,382	21.36
Food services	804,120	0.84	(16,473)	(2.01)
Community service program	236,950	0.25	73,853	45.28
Capital outlay	1,500	-	(8,233)	(84.59)
Debt service:				
Principal retirement	1,579,153	1.65	482,714	44.02
Interest and bank charges	444,043	0.47	205,970	86.52
Bond issuance costs	23,384	0.02	23,384	100.00
	<u>\$ 96,168,754</u>	<u>100.00%</u>	<u>\$ 2,034,277</u>	<u>2.16%</u>

General fund expenditures increased \$2,034,277 from the prior year amount of \$94,134,477. This increase was primarily due to the following:

- Instruction expenditures were primarily impacted by increases in salaries and benefits costs.
- General administration was primarily impacted by a one-time adjustment recorded in 1999 and efforts to limit these type expenditures in 2000.
- Plant services decreased as the result of the completion of several roof and air conditioner replacements in fiscal 1999.
- Debt service principal retirement and interest and bank charges were primarily impacted by the issuance of \$3,000,000 of certificates of indebtedness in July 1999.

The unreserved fund balance deficit increased from a deficit balance of \$5,870,230 to \$6,404,408 or 9.10%. This deficit will be reduced by a reduction of discretionary expenditures for several functional areas and an increase in local and state revenues.



Mr. Julian Darby, President  
 and Bossier Parish School Board Members  
 Bossier Parish Schools  
 Benton, Louisiana

*Special Revenue Activities*

Special revenue fund revenues of \$30,382,498, including \$21,781,132 of local sources, \$887,463 of state sources, and \$7,713,903 of federal sources, were restricted for use in several separate activities. Sales tax revenues of \$20,112,687 were recorded in the Sales Tax Special Revenue Fund. The School Food Service Fund accounts for \$5,471,629 of these revenues. The School Lunch Program is administered by this fund. The remainder was designed primarily to: (1) fund programs for educationally deprived students, (2) provide instructional and related services to handicapped children and (3) provide extended day remedial instruction including books, tapes and audiovisual hardware and software for general student population.

Special revenue fund expenditures by function were:

<u>Item</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percentage Change From 1999</u>
Instruction	\$ 2,765,542	24.89%	\$ 356,778	14.81%
Student services	652,446	5.87	266,799	69.18
Instructional staff support	1,175,130	10.57	625,435	113.78
General administration	353,943	3.18	(171,854)	(32.68)
School administration	-	-	(4,673)	(100.00)
Business services	103,860	0.93	(101,682)	(49.47)
Plant services	44,624	0.40	(2,364,644)	(98.15)
Food services	6,018,077	54.16	181,897	31.17
	<u>\$ 11,113,622</u>	<u>100.00%</u>	<u>\$ (1,211,944)</u>	<u>(9.83)%</u>

Special revenue fund expenditures decreased \$1,211,944 from the prior year amount of \$12,325,566. The decrease is due primarily to a decrease in plant services expenditures resulting from the completion of projects for improvements of athletic facilities at several schools.

*General Long-Term Debt Activities*

The changes in general long-term debt are as follows:

	<u>July 1, 1999</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2000</u>
Bonds and notes payable	\$ 16,980,000	-	550,000	16,430,000
Certificates of indebtedness	3,122,610	3,000,000	1,183,394	4,939,216
Capital leases payable	2,470,321	-	395,759	2,074,562
Compensated absences payable	5,818,854	294,401	225,537	5,887,718
Claims and judgments	10,000	-	-	10,000
	<u>\$ 28,401,785</u>	<u>3,294,401</u>	<u>2,354,690</u>	<u>29,341,496</u>

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

### *Capital Projects*

Most major capital improvements are accounted for in the capital projects funds. During the year ended June 30, 2000, \$6,244,789 was transferred to the general fund and the majority of the remaining funds of \$3,207,545 were expended on the completion of construction projects at two existing schools.

All major construction was complete as of June 30, 2000.

At June 30, 2000, the capital project funds had a deficit of \$262,807. This represents a decrease of \$1,926,848 for the deficit at the end of the prior year. This deficit is the result of cost overruns in the 1998-1999 fiscal year on the construction of two middle schools. The deficit has been and will be eliminated by transfers from the sales tax fund.

### *Proprietary Fund Activities*

The School Board maintains an internal service fund to account for medical and dental coverage. Contributions to the fund increased from \$13,336,613 in 1999 to \$16,046,943 in 2000, an increase of \$2,710,330 or 20.32%. This increase is due primarily to an increase in employer's premiums paid to the health insurance program and a one-time payment of \$800,000 to be made from the General Fund to aid in reducing the deficit in this fund. Medical claims increased from \$13,502,674 in 1999 to \$15,550,504 in 2000, an increase of \$2,047,830 or 15.17%.

The retained deficit for the internal service fund is a result of prior years' claims cost exceeding premiums. The School Board has committed to amortizing this deficit over a 5-year period through increasing premiums and adjusting coverage.

### *Nonexpendable Trust Activities*

The Bossier Educational Excellence fund is a nonexpendable trust fund. The fund is used to account for the trust principal investment earnings and boarding fees from area casinos as provided for in Louisiana Revised Statute LSA-R.S. 27:93 and a license fee from area horse racing facility as provided for in Louisiana Revised Statute LSA-R.S.4.163.1. Revenues consisted of \$861,892 of boarding and license fees and \$252,679 of interest earnings. Expenses totaling \$149,849 were used for educational enhancement.

### *Fiduciary Activities*

The school activity funds comprise approximately one-half of the School Board's agency fund activities. These funds are held by the individual schools of the School Board to support school activities such as athletics and other student organizations. All school activity funds are audited periodically by the internal auditor.

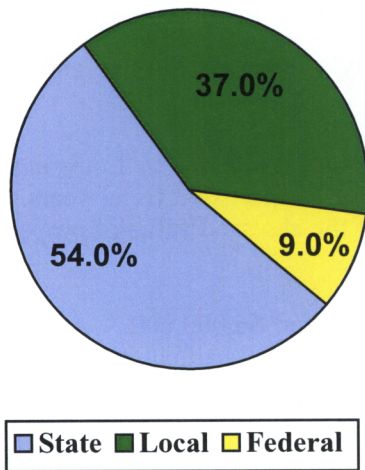
Mr. Julian Darby, President  
 and Bossier Parish School Board Members  
 Bossier Parish Schools  
 Benton, Louisiana

*Sources and Uses of Funds*

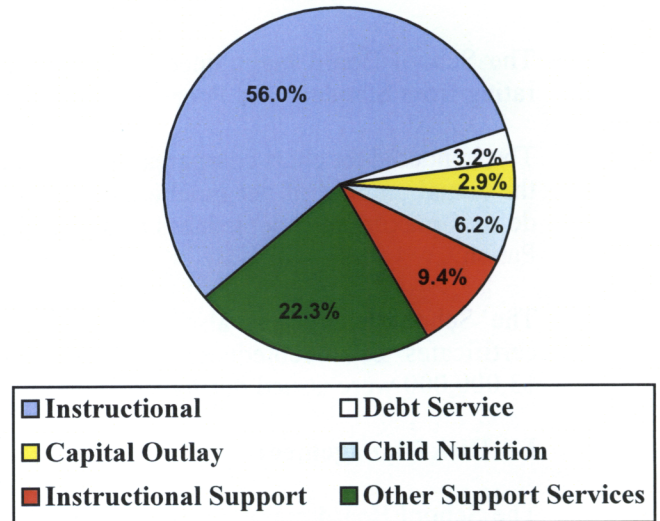
The following charts provide an analysis of the sources of revenues and the expenditures by function for the year ended June 30, 2000:

**ALL GOVERNMENTAL FUNDS**

**Revenue Sources**  
 Percentage of Total Revenues



**Expenditures by Function**  
 Percentage of Total Expenditures



**J. Cash Management**

The School Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by 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. The total amount of interest earned was \$593,070 for the year ended June 30, 2000. This was distributed as follows:

General fund	\$	178,759
Special revenue funds		10,199
Debt service fund		150,197
Capital projects fund		1,236
Nonexpendable trust fund		252,679
	\$	<u>593,070</u>

Mr. Julian Darby, President  
 and Bossier Parish School Board Members  
 Bossier Parish Schools  
 Benton, Louisiana

**K. Debt Administration**

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the School Board's debt position. Net bonded debt represents total bonded debt of \$16,430,000 less fund equity in the debt service fund of \$3,982,504. This data as of June 30, 2000 is as follows:

	<u>Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt per Capita</u>
Net direct general obligation bonded debt	\$ 12,447,496	3.16%	\$ 133

The School Board maintained an Aaa bond rating from Moody's Investors Service and an AAA bond rating from Standard and Poor's Corporation.

The bonded debt chart compares the maximum amount of indebtedness allowed by Louisiana Statutes and the actual amount of net indebtedness outstanding at year end for the past five fiscal years. State statute defines maximum indebtedness allowed as thirty-five percent of the assessed value of property in Bossier Parish.

The School Board has also issued certificates of indebtedness for \$6,000,000. At June 30, 2000, certificates of indebtedness totaling \$4,939,216 are outstanding. Certificates of indebtedness of \$3,000,000 were issued during fiscal 2000.

**L. Risk Management**

The School Board maintains a combination of self-insurance and stop-loss coverage to manage its risk of loss from property damage, theft and claims against employees. In addition, the School Board is self-insured for group hospitalization. A list of insurance in force is included in Table 15.

**M. Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the School Board for its Comprehensive Annual Financial Report, for every fiscal year since the year ended June 30, 1999. The School Board has received both of these certificates each year beginning with the fiscal year ended June 30, 1991. To be awarded these certificates, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. These certificates are valid for a period of one year only. We believe our current report continues to conform to the certificate requirements, and we are submitting it to both GFOA and ASBO.

Mr. Julian Darby, President  
and Bossier Parish School Board Members  
Bossier Parish Schools  
Benton, Louisiana

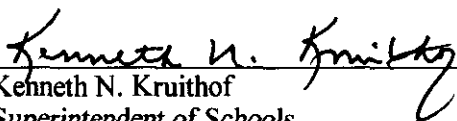
#### **N. Independent and Internal Audits**


The report of our independent certified public accountants, KPMG LLP, follows as an integral component of this report. Their audit of the general purpose financial statements was performed in accordance with generally accepted auditing standards and, accordingly, included a review of the School Board's system of budgetary and accounting controls. Reports in accordance with the Single Audit Act are issued separately.

In addition to the accounting control systems and the use of independent auditors, the School Board has an internal auditor who conducts internal audits as well as special audits of the operations of the School Board.

#### **O. Acknowledgments**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. 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.

  
\_\_\_\_\_  
Kenneth N. Kruithof  
Superintendent of Schools

  
\_\_\_\_\_  
Frank Rougeau  
Director of Finance and Business Affairs

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Certificate of Achievement for Excellence in Financial Reporting

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Bossier Parish School  
Board, Louisiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1999

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.



*Anne Spray Kinney*

President

*Jeffrey L. Esler*

Executive Director

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Certificate of Excellence in Financial Reporting

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**BOSSIER PARISH SCHOOL BOARD**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 1999

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

*Sam Deering*  
President

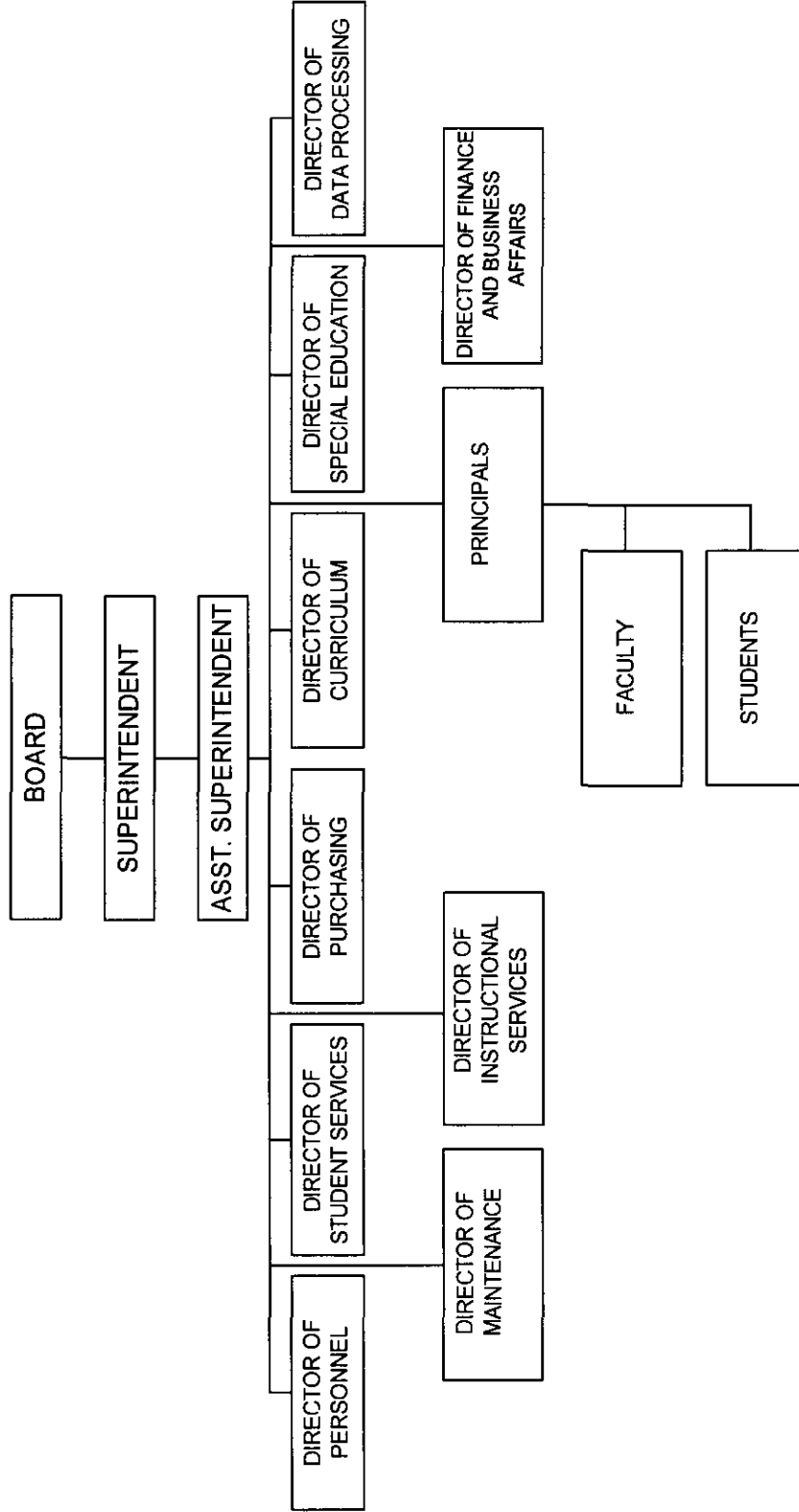
*Don L. Hargis*  
Executive Director



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

**ORGANIZATIONAL STRUCTURE**

June 30, 2000



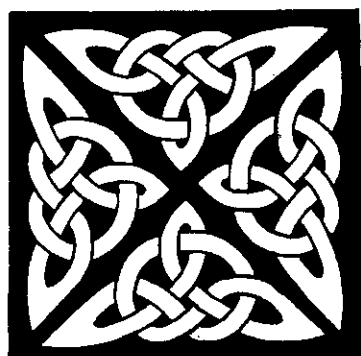
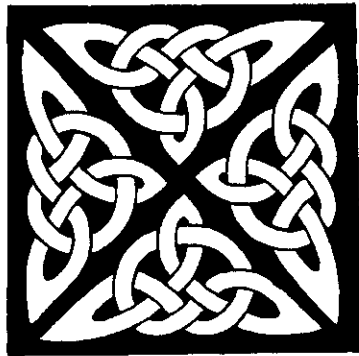
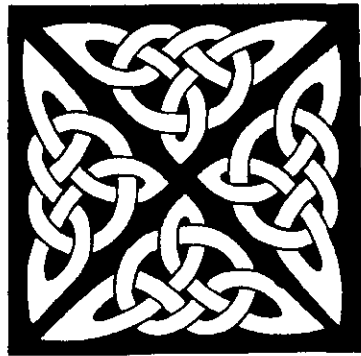
**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

**ELECTED OFFICIALS**  
June 30, 2000

	<u>District</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
Julian Darby, President	10	January 1, 1999	December 31, 2002	May 1, 1996
Michael M. Graham, Vice President	1	January 1, 1999	December 31, 2002	May 1, 1996
Mike Knotts	2	January 1, 1999	December 31, 2002	January 1, 1999
George C. Finck	3	January 1, 1999	December 31, 2002	January 1, 1999
Vassie M. Richardson	4	January 1, 1999	December 31, 2002	May 1, 1996
Elizabeth S. Cassibry	5	January 1, 1999	December 31, 2002	May 1, 1996
John LeGrand, Jr.	6	January 20, 2000	October 19, 2000	January 20, 2000
J.W. Slack	7	January 1, 1999	December 31, 2002	June 15, 1998
Kenneth M. Wiggins	8	January 1, 1999	December 31, 2002	July 15, 1997
Gloria Simison	9	January 1, 1999	December 31, 2002	January 1, 1999
Gary Dowden	11	January 1, 1999	December 31, 2002	January 1, 1999
Mack Knotts	12	January 1, 1999	December 31, 2002	January 1, 1999

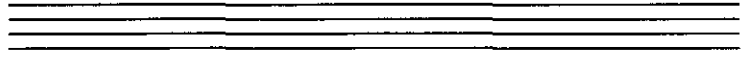
**SELECTED ADMINISTRATIVE OFFICIALS**  
June 30, 2000

Mr. Kenneth N. Kruithof	Superintendent
Vacant	Assistant Superintendent
Ms. Ann Alford	Director of Curriculum
Mr. Thomas C. D'Aquin	Director of Data Processing
Ms. Martha Gormanous	Director of Special Education
Ms. Johanna Loftin	Director of Purchasing
Ms. Bettye McCauley	Director of Student Services
Mr. Dean McCollister	Director of Maintenance
Ms. Sally Namie	Director of Instructional Services
Mr. Frank Rougeau	Director of Finance and Business Affairs
Mr. Bill Tynes	Director of Personnel



# FINANCIAL SECTION

**INDEPENDENT  
AUDITORS' REPORT**



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333 Texas Street, Suite 1900  
Shreveport, LA 71101-3692

## Independent Auditors' Report

Members of the Bossier Parish School Board  
Benton, Louisiana:

We have audited the general purpose financial statements of the Bossier Parish School Board (School Board) as of and for the year ended June 30, 2000, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2000, and the results of its operations 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 our report dated October 6, 2000 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the School Board. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



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The accompanying financial information listed in the statistical section is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and accordingly we express no opinion on this information.

KPMG LLP

October 6, 2000



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# **COMBINED FINANCIAL STATEMENTS — OVERVIEW**

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The Combined Financial Statements - Overview include all funds and account groups in order to provide an overview of the financial position and results of operations for the Bossier Parish school system as a whole. Detailed financial statements for each fund and account group are presented elsewhere in this report.

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 2000  
(with comparative totals for June 30, 1999)

ASSETS AND OTHER DEBITS	Governmental Fund Types					Fiduciary Fund Type		Account Groups			Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Proprietary Fund Type Internal Service Fund	Trust and Agency Funds	General		Long-Term Debt		
							Fixed Assets	Assets			
Assets:											
Cash and cash equivalents	\$ 483,781	2,802,437	3,928,333	50,513	165	2,006,167	-	-	-	9,271,396	14,723,111
Investments	-	230	-	-	-	6,095,352	-	-	-	6,095,382	2,735,271
Receivables	1,971,545	2,699,959	54,161	-	202,916	101,004	-	-	-	5,029,585	4,544,928
Interfund receivable	4,441,896	85,333	10	-	800,000	-	-	-	-	5,327,239	5,517,818
Inventory	-	166,070	-	-	-	-	-	-	-	166,070	111,256
Prepaid items	84,265	-	-	-	-	-	-	-	-	84,265	10,042
Land, buildings and equipment	-	-	-	-	-	-	147,375,780	-	-	147,375,780	141,603,457
Other debts:											
Amount available in Debt Service Fund	-	-	-	-	-	-	-	3,982,504	-	3,982,504	4,843,878
Amount to be provided for payment of general long-term debt	-	-	-	-	-	-	-	-	25,358,992	-	23,557,907
Total assets and other debits	\$ 6,981,487	5,754,029	3,982,504	50,513	1,003,081	8,202,523	147,375,780	29,341,496	202,691,413	197,647,668	

**LIABILITIES, EQUITY AND OTHER CREDITS**

Liabilities:											
Accounts, salaries and other payables	\$ 10,393,766	1,345,809	-	-	3,014,157	48,419	-	-	-	14,802,151	15,603,747
Interfund payable	1,018,675	3,993,246	-	313,320	1,000	998	-	-	-	5,327,239	5,517,818
Deposits due others	-	-	-	-	-	1,615,375	-	-	-	1,615,375	1,445,453
Deferred revenues	-	181,431	-	-	-	-	-	-	-	181,431	122,339
Bonds and notes payable	-	-	-	-	-	-	-	21,369,216	-	21,369,216	20,102,610
Claims and judgments payable	139,253	-	-	-	-	-	-	10,000	-	149,253	110,602
Capital lease payable	-	-	-	-	-	-	-	2,074,562	-	2,074,562	2,470,321
Compensated absences payable	-	-	-	-	-	-	-	5,887,718	-	5,887,718	5,818,854
Total liabilities	11,551,694	5,520,486	-	313,320	3,015,157	1,664,792	-	29,341,496	51,406,945	51,191,744	
Equity and other credits:											
Investments in general fixed assets	-	-	-	-	-	-	147,375,780	-	-	147,375,780	141,603,457
Retained deficit	-	-	-	-	-	-	-	-	(2,012,076)	-	(2,508,515)
Fund balances:											
Reserved for encumbrances	1,749,936	-	-	-	-	-	-	-	-	1,749,936	2,942,095
Reserved for inventory	-	74,724	-	-	-	-	-	-	-	74,724	30,607
Reserved for prepaid items	84,265	-	-	-	-	-	-	-	-	84,265	10,042
Reserved for debt service	-	-	3,982,504	-	-	-	-	-	-	3,982,504	4,843,878
Reserved for instructional enhancement	-	-	-	-	-	6,537,731	-	-	-	6,537,731	5,573,009
Unreserved - undesignated fund balance (deficit)	(6,404,408)	158,819	-	(262,807)	-	-	-	-	-	(6,508,396)	(6,038,649)
Total equity and other credits	(4,570,207)	233,543	3,982,504	(262,807)	(2,012,076)	6,537,731	147,375,780	-	151,284,468	146,455,924	
Total liabilities, equity, and other credits	\$ 6,981,487	5,754,029	3,982,504	50,513	1,003,081	8,202,523	147,375,780	29,341,496	202,691,413	197,647,668	

See accompanying notes to general purpose financial statements.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balances - All Governmental Fund Types  
For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	Governmental Fund Types				Totals	
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	(Memorandum Only) 2000	1999
<b>Revenues:</b>						
Local sources:						
Taxes:						
Ad valorem	\$ 13,453,742	-	1,635,595	-	15,089,337	15,878,819
Sales and use	-	20,112,687	-	-	20,112,687	18,669,817
Investment income	178,759	10,199	150,197	1,236	340,391	689,625
Food services	-	1,647,734	-	-	1,647,734	1,569,373
Tuition	26,997	-	-	-	26,997	35,970
Other	2,184,501	10,512	-	-	2,195,013	1,855,004
State sources:						
Equalization	53,331,873	806,004	-	-	54,137,877	51,432,120
Other	3,267,822	81,459	83,402	-	3,432,683	4,080,468
Federal and other sources	1,940,193	7,713,903	-	-	9,654,096	8,510,002
Total revenues	<u>74,383,887</u>	<u>30,382,498</u>	<u>1,869,194</u>	<u>1,236</u>	<u>106,636,815</u>	<u>102,721,198</u>
<b>Expenditures:</b>						
Current:						
Instruction	59,781,405	2,765,542	-	-	62,546,947	60,930,924
Support services:						
Student services	3,693,043	652,446	-	-	4,345,489	4,029,397
Instructional staff support	5,005,214	1,175,130	-	-	6,180,344	5,339,723
General administration	1,011,368	353,943	4,163	-	1,369,474	2,054,072
School administration	6,914,559	-	-	-	6,914,559	6,598,264
Business services	1,318,701	103,860	-	-	1,422,561	1,434,814
Plant services	8,967,704	44,624	-	2,009	9,014,337	12,690,663
Student transportation services	5,481,944	-	-	-	5,481,944	5,101,966
Central services	905,666	-	-	-	905,666	746,284
Food services	804,120	-	-	-	8,822,197	6,656,773
Community service programs	236,950	-	-	-	236,950	163,097
Capital outlay	1,500	-	-	3,207,545	3,209,045	12,969,402
Debt service:						
Principal retirement	1,579,153	-	550,000	-	2,129,153	2,976,439
Interest and bank charges	444,043	-	995,662	-	1,439,705	1,324,778
Bond issuance costs	23,384	-	-	-	23,384	-
Total expenditures	<u>96,168,754</u>	<u>11,113,622</u>	<u>1,549,825</u>	<u>3,209,554</u>	<u>112,041,755</u>	<u>123,016,596</u>
Excess (deficiency) of revenues over (under) expenditures	(21,784,867)	19,268,876	319,369	(3,208,318)	(5,404,940)	(20,295,398)
Other financing sources (uses):						
Proceeds from sale of fixed assets	-	-	-	-	-	475,124
Proceeds from certificates of indebtedness	-	-	-	3,000,000	3,000,000	-
Operating transfers in	20,740,630	240,000	-	8,379,955	29,360,585	23,324,401
Operating transfers out	(1,783,131)	(21,332,665)	-	(6,244,789)	(29,360,585)	(23,324,401)
Total other financing sources (uses)	<u>18,957,499</u>	<u>(21,092,665)</u>	<u>-</u>	<u>5,135,166</u>	<u>3,000,000</u>	<u>475,124</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,827,368)	(1,823,789)	319,369	1,926,848	(2,404,940)	(19,820,274)
Fund balances (deficits) at beginning of year	(2,918,093)	2,051,843	4,843,878	(2,189,655)	1,787,973	21,608,247
Residual equity transfer	1,175,254	5,489	(1,180,743)	-	-	-
Fund balances (deficits) at end of year	<u>(4,570,207)</u>	<u>233,543</u>	<u>3,982,504</u>	<u>(262,807)</u>	<u>(616,967)</u>	<u>1,787,973</u>

See accompanying notes to general purpose financial statements.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General, Special Revenue, Debt Service and Capital Projects Funds**

For the year ended June 30, 2000

	General Fund			Special Revenue Funds			Debt Service Funds			Capital Projects Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>												
Local sources:												
Taxes:												
Ad valorem	12,626,701	13,453,742	827,041	-	-	-	3,000,000	1,635,595	(1,364,405)	-	-	-
Sales and use	20,740,674	19,811,796	(928,878)	18,500,000	20,112,687	1,612,687	-	-	-	-	-	-
Investment income	194,574	178,759	(15,815)	202,500	10,199	(192,301)	204,000	150,197	(53,803)	25,000	1,236	(23,764)
Food services	-	-	-	1,565,000	1,647,734	82,734	-	-	-	-	-	-
Tuition	26,997	26,997	-	-	-	-	-	-	-	-	-	-
Other	2,455,803	2,184,501	(271,302)	3,000	10,512	7,512	-	-	-	-	-	-
State sources:												
Equalization	53,331,873	53,331,873	-	806,013	806,004	(9)	-	-	-	-	-	-
Other	3,128,742	3,267,822	139,080	142,072	81,459	(60,613)	165,036	83,402	(81,634)	-	-	-
Federal sources	1,904,503	1,940,193	35,690	8,212,383	7,713,903	(498,480)	-	-	-	-	-	-
Total revenues	94,409,867	94,195,683	(214,184)	29,430,968	30,382,498	951,530	3,369,036	1,869,194	(1,499,842)	25,000	1,236	(23,764)
<b>Expenditures (note 12):</b>												
Current:												
Instruction	59,788,074	59,781,405	6,669	3,025,783	2,765,542	260,241	-	-	-	-	-	-
Support services:												
Student services	3,785,826	3,693,043	92,783	660,706	652,446	8,260	-	-	-	-	-	-
Instructional support staff	4,723,225	5,005,214	(281,989)	1,335,741	1,175,130	160,611	-	-	-	-	-	-
General administration	896,035	1,155,746	(259,711)	351,254	353,943	(2,689)	3,500	4,163	(663)	50	50	-
School administration	7,473,717	6,914,559	559,158	191,328	103,860	87,468	-	-	-	-	-	-
Business services	1,035,263	1,318,701	(283,438)	191,328	103,860	87,468	-	-	-	-	-	-
Plant services	9,101,971	9,306,229	(404,258)	28,143	44,624	(16,481)	-	-	-	-	-	-
Student transportation services	5,929,222	5,481,944	447,278	1,500	1,500	-	-	-	-	-	-	-
Central services	1,029,872	905,666	124,206	5,773,000	6,018,077	(245,077)	-	-	-	-	-	-
Food services	236,949	236,950	(1)	-	-	-	-	-	-	3,008,950	4,232,681	(1,223,731)
Community service programs	-	1,500	(1,500)	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:												
Principal retirement	575,000	1,183,394	(608,394)	-	-	-	550,000	550,000	-	6,000	-	6,000
Interest and bank charges	110,472	301,277	(190,805)	-	-	-	995,763	995,662	101	-	-	-
Bond issuance costs	-	23,384	(23,384)	-	-	-	-	-	-	-	-	-
Total expenditures	94,685,626	96,313,132	(1,627,506)	11,367,455	11,113,622	253,833	1,549,263	1,549,825	(562)	3,015,000	4,234,690	(1,219,690)
Excess (deficiency) of revenues over (under) expenditures	(275,759)	(2,117,449)	(1,841,690)	18,063,513	19,268,876	1,205,363	1,819,773	319,369	(1,500,404)	(2,990,000)	(4,233,454)	(1,243,454)
Other financing sources (uses):												
Proceeds from certificate of indebtedness	-	-	-	-	-	-	-	-	-	3,000,000	3,000,000	-
Operating transfers in	2,187,900	929,202	(1,258,698)	240,000	240,000	-	-	-	-	4,400,000	8,379,955	3,979,955
Operating transfers out	(1,788,620)	(1,783,131)	5,489	(19,564,246)	(21,332,665)	(1,368,419)	-	-	-	(4,400,000)	(6,244,789)	(1,844,789)
Total other financing sources (uses)	399,280	(853,929)	(1,253,209)	(19,724,246)	(21,092,665)	(1,368,419)	-	-	-	3,000,000	5,135,166	2,135,166
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	123,521	(2,971,378)	(3,094,899)	(1,660,733)	(1,823,789)	(163,056)	1,819,773	319,369	(1,500,404)	10,000	901,712	891,712
Fund balance (deficit) at beginning of year	(2,918,093)	(2,918,093)	-	2,051,843	2,051,843	-	4,843,878	4,843,878	-	(2,189,655)	(2,189,655)	-
Residual equity transfer	-	1,175,254	1,175,254	-	5,489	(5,489)	-	(1,180,743)	(1,180,743)	-	-	-
Fund balance (deficit) at end of year	(2,794,572)	(4,714,217)	(1,919,645)	391,110	233,543	(157,567)	6,663,651	3,982,504	(2,681,147)	(2,179,655)	(1,287,943)	891,712

See accompanying notes to general purpose financial statements

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings (Deficit) -  
Proprietary Fund Type and Fiduciary Fund Type

For the year ended June 30, 2000  
(with comparative totals for the year ended June 30, 1999)

	Proprietary Fund Type - Internal Service	Fiduciary Fund Type - Nonexpendable Trust	Totals (Memorandum Only)	
			2000	1999
Operating revenue:				
Premiums	\$ 16,046,943	-	16,046,943	13,336,613
Fees	-	861,892	861,892	801,679
Other	-	-	-	35,917
Total operating revenues	<u>16,046,943</u>	<u>861,892</u>	<u>16,908,835</u>	<u>14,174,209</u>
Operating expenses:				
Instruction	-	149,849	149,849	167,955
Claims	15,550,504	-	15,550,504	13,502,674
Total operating expenses	<u>15,550,504</u>	<u>149,849</u>	<u>15,700,353</u>	<u>13,670,629</u>
Operating income	496,439	712,043	1,208,482	503,580
Nonoperating revenue - investment income	-	252,679	252,679	190,192
Net income	496,439	964,722	1,461,161	693,772
Retained earnings (deficit) at beginning of year	(2,508,515)	5,573,009	3,064,494	2,370,722
Retained earnings (deficit) at end of year	<u>\$ (2,012,076)</u>	<u>6,537,731</u>	<u>4,525,655</u>	<u>3,064,494</u>

See accompanying notes to general purpose financial statements.

## BOSSIER PARISH SCHOOL BOARD

Benton, Louisiana

Combined Statement of Cash Flows -  
Proprietary Fund Type and Fiduciary Fund TypeFor the year ended June 30, 2000  
(with comparative totals for the year ended June 30, 1999)

	Proprietary Fund Type - Internal Service	Fiduciary Fund Type - Nonexpendable Trust	Totals (Memorandum Only)	
			2000	1999
Cash flow from operating activities:				
Operating income	\$ 496,439	964,722	1,461,161	692,395
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Decrease in receivable	52,732	75,951	128,683	138,940
Increase in interfund receivable	(800,000)	-	(800,000)	-
Increase in accounts payable	761,778	24,342	786,120	34,811
Decrease in interfund payable	(512,668)	(13,070)	(525,738)	(45,961)
Net cash provided by (used in) operating activities	(1,719)	1,051,945	1,050,226	820,185
Cash flow from investing activities:				
Purchase of investments	-	(5,619,208)	(5,619,208)	(4,962,657)
Proceeds on sale of investments	-	2,006,212	2,006,212	2,038,807
Investment income	-	252,679	252,679	190,192
Net cash provided by (used in) investing activities	-	(3,360,317)	(3,360,317)	(2,733,658)
Net decrease in cash and cash equivalents	(1,719)	(2,308,372)	(2,310,091)	(1,913,473)
Cash and cash equivalents at beginning of year	1,884	2,699,164	2,701,048	4,614,521
Cash and cash equivalents at end of year	\$ 165	390,792	390,957	2,701,048

See accompanying notes to general purpose financial statements.



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(1) Summary of Significant Accounting Policies**

The Bossier Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Bossier Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of twelve members who are elected from twelve districts for concurrent terms of four years.

The School Board operates twenty-eight schools within the parish with a total enrollment of 18,950 pupils. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

**(a) Reporting Entity**

The basic criterion established by the Governmental Accounting Standards Board for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements 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 Bossier Parish School Board (the primary government). Based on the criteria, there are no component units included in the School Board's reporting entity.

**(b) Basis of Presentation**

The accounts of the School Board are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the School Board:

**Governmental Funds**

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use, and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the School Board's governmental fund types:

**BOSSIER PARISH SCHOOL BOARD**  
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Notes to General Purpose Financial Statements

June 30, 2000

*General Fund* - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

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

*Debt Service Funds* - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Funds receive a dedicated portion of ad valorem and sales taxes paid to the School Board.

*Capital Projects Funds* - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Proprietary Funds**

The Proprietary Fund is used to account for the School Board's ongoing organizations and activities which are similar to those often found in the private sector.

The School Board applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins.

*Internal Service Fund* - The Internal Service Fund is the only proprietary fund and is used to account for the accumulation of resources for and the payment of employee health insurance by the School Board's risk management program.

**Fiduciary Funds**

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

*School Activity Agency Fund* - The School Activity Agency Fund is used to account for assets held by the School Board as an agent for other parties. The School Activity Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

*Nonexpendable Trust Fund* - The Nonexpendable Trust Fund is used to account for assets held by the School Board in trust, of which the principal is not to be expended.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**Account Groups**

Account groups are used to establish accounting control and accountability for the School Board's general fixed assets and general long-term obligations. The following are the School Board's account groups:

*General Fixed Assets Account Group* - This account group is established to account for all fixed assets of the School Board. Items that are charged against the capital outlay accounts, materials and supplies, and repairs and maintenance that meet the capitalization policy are recorded in the General Fixed Assets Account Group.

*General Long-Term Debt Account Group* - This account group is established to account for all long-term obligations of the School Board.

**(c) Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatments applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

All purchased or constructed fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

**(d) Basis of Accounting**

**Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For property taxes, available means that revenues have been collected before the current fiscal year end. Ad valorem taxes are considered "measurable" at the time of preparation of the tax roll by the tax assessor, whereas sales taxes are considered "measurable" when in the hands of intermediary collecting agencies and are recognized as revenue at that time. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Revenues which are susceptible to accrual are ad valorem taxes and investment income. Sales taxes in the hands of the intermediary collecting agency are recognized as revenue. Food services and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. For intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In reimbursement-type programs, monies must be expended on the specific purpose or project before any amounts will be paid to the School Board; therefore, revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due. As of June 30, 2000, all instructional related salaries for July and August have been accrued because the salaries have been earned but not paid.

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

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of the leave privileges not requiring current resources is recorded in the General Long-Term Debt Account Group.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

Principal and interest on general long-term debt are recognized when due.

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

**Proprietary Funds**

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

**Fiduciary Funds**

The accrual basis of accounting and economic resources measurement focus are also used for the Nonexpendable Trust Fund.

The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the School Board holds for others in an agency capacity.

**Other Financing Sources (Uses)**

Operating transfers between funds that are not expected to be repaid and long-term debt proceeds are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**(e) Budget Practices**

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to June 30, the Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing the prior July 1. The operating budget includes proposed expenditures and sources of funding.
- (2) A public hearing is then conducted after proper official journal notification to obtain taxpayer comments.
- (3) Prior to September 15, the budget is legally adopted by the School Board during public session.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

- (4) Budget documents for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are structured such that revenues are budgeted by source and appropriations by function. School Board policy prescribes that the level of budgetary control is at the functional level for the General Fund, Debt Service Funds and Capital Projects Funds and at the fund level for the Special Revenue Funds. Legal requirements provide that expenditures may not exceed appropriations in excess of five percent of the budgeted expenditures at the fund level. Revisions to the budget as enacted on a functional level require School Board approval. Budget amounts included in the accompanying financial statements include the original budget and amendment. The School Board issues a budget report at least annually that demonstrates legal compliance at the legal level of budgetary control.
- (5) The School Board utilizes formal budgetary integration as a management control device for the General Fund, all Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.
- (6) Comparison of budgeted and actual amounts is included in Exhibit 3 in the accompanying financial report and includes all funds for which budgets are legally required. The budget and actual comparisons are made by source for revenues and by function for expenditures. Annual budgets are not required and are not presented in the accompanying financial report for the Internal Service Fund and Fiduciary Funds.
- (7) The basis of accounting applied to budgetary data presented is on the modified accrual basis, a basis consistent with generally accepted accounting principles (GAAP), except for the Capital Projects Fund which is on the cash basis. For the General Fund, certain transactions are classified differently for the budgetary basis from the GAAP basis. Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted and legally amended by the School Board during the fiscal year. Appropriations which are not expended lapse at year end.

**(f) *Encumbrances***

Encumbrance accounting is employed in governmental funds. Outstanding encumbrances (e.g., purchase orders, contracts) lapse at year end. To the extent the School Board intends to honor the purchase orders and commitments, they are reported as reservations of fund balances. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**(g) *Cash and Cash Equivalents***

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

**BOSSIER PARISH SCHOOL BOARD**  
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Notes to General Purpose Financial Statements

June 30, 2000

**(h) Investments**

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

The investments are reflected at fair value except for money market investments that have a remaining maturity at time of purchase of one year or less; these are reported at amortized cost.

Under state law, the School Board may invest in direct United States Treasury obligations, indebtedness issued or guaranteed by federal governmental agencies (provided such obligations are backed by the full faith and credit of the U.S. government), indebtedness issued or guaranteed by federally sponsored U.S. government agencies, and may deposit its funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana or mutual or trust fund institutions registered with the Securities and Exchange Commission.

**(i) Inventories**

Inventory of the School Food Service special revenue fund consists of supplies and food purchased by the School Board. All commodities received through both the cash in lieu of commodities program and the food distribution program are received and consumed in the current year.

Food is accounted for on the consumption method. 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. Inventories are equally offset by a fund balance reserve which indicates that these do not constitute "available spendable resources", even though they are a component of total assets.

**(j) Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**(k) Deferred Revenues**

Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**BOSSIER PARISH SCHOOL BOARD**  
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Notes to General Purpose Financial Statements

June 30, 2000

**(l) *Vacation, Sick Leave, and Sabbatical Leave***

All twelve-month School Board employees earn from ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment carried forward to the next calendar year. Upon termination, employees may be paid for all unused vacation earned through June 30, 2000 and up to thirty days of unused vacation leave earned subsequent to June 30, 2000. Nine-month employees earn two work days of personal leave per academic year, which is non-cumulative.

All School Board employees earn from ten to thirteen days of sick leave each year, depending upon the length of service. Sick leave may be accumulated without limitation. Upon retirement or death, a maximum of twenty-five days accumulated sick leave may be paid to the employee or the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement System and for sick leave earned under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for medical reasons 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.

Accruals for compensated absences include both salary and salary-related benefits.

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

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

**(m) *Sales Tax***

The School Board receives sales tax revenue from the following two sales taxes:

- (a) The voters of Bossier Parish approved on April 15, 1969, a one-cent parish-wide sales tax to be used to supplement salaries and benefits of teachers of Bossier Parish and other School Board employees and for the operation of public schools in Bossier Parish.
- (b) The voters of Bossier Parish approved on September 16, 1978, a one-half of one percent (½%) parish-wide sales tax to be used for the retirement of the School Board's sales tax bonds, the maintenance and upkeep of the school system's air conditioners and any other lawful purpose of the school system.



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(n) Pension Plans**

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements (see note 6 for details of these plans).

**(o) Reserves**

Use of the term "reserve" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance is not available to appropriate for expenditure or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

**Encumbrances**

Encumbrances outstanding at year end represent the estimated amount the School Board intends to honor as a commitment regardless of the lapse in the appropriation.

**Inventory**

This amount represents the portion of fund balance relating to purchased inventory on hand which is therefore unavailable to be expended for other purposes. A reserve is not established for donated inventory.

**Prepaid Items**

This amount represents the portion of fund balance relating to expenditures that will benefit future periods.

**Debt Service**

This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt.

**Instructional Enhancement**

This amount represents the portion of fund balance that has been reserved in the Bossier Educational Excellence Fund (nonexpendable trust).

**(p) Designations**

Use of the term "designated" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. Designated fund balances may be changed and are subject to subsequent authorization before expenditures can be made. No amounts have been designated as of June 30, 2000.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(q) *Interfund Transactions***

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements to a fund for expenditures initially made from that fund which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of the expenditure in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations. Reference should be made to note 11 regarding interfund transactions.

**(r) *Grants and Entitlements From Other Governmental Agencies***

Federal and state governmental agencies represent an important source of supplementary funding to finance educational programs and other activities beneficial to parish schools. These funds, primarily in the form of grants, are recorded in the General Fund and Special Revenue Funds. A grant receivable is recorded when the School Board has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually as mandated in OMB Circular A-133.

**(s) *Capital Leases***

Capital leases are recorded as expenditures and other financing sources at inception in governmental funds at an amount equal to the present value of minimum lease payments. The asset is recorded in the General Fixed Assets Account Group.

**(t) *Comparative Total Data***

Comparative total data for the prior year have been presented in the accompanying combined financial statements to provide an understanding of changes in the School Board's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements, since their inclusion would make the statements unduly complex and difficult to read. Certain amounts relating to 1999 have been reclassified in the accompanying financial statements in order to conform with the 2000 presentation.

**(u) *Total Columns on Combined Statements***

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

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(v) *Claims and Judgments***

Claims and judgments are recorded as expenditures in governmental funds for the amount that will be liquidated with expendable available financial resources. The remainder of the liability (if any) is recorded in the General Long-Term Debt Account Group.

**(w) *Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles 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 statements and the reported amounts of revenues, expenditures, expenses, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**(2) *Cash and Investments***

At June 30, 2000, the carrying amount of the School Board's cash deposits was \$7,032,412 and the bank balance was \$7,845,861. This difference is due to the outstanding checks at June 30, 2000. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Of the bank balance, \$639,677 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). \$7,206,184 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3).

At year end, cash equivalents carried at fair value not included in the above deposits totaled \$2,238,984. These cash equivalents were composed of short-term (less than 90 days) investments in government securities. Because the securities were held by the School Board's agent in the name of the School Board, these cash equivalents are considered to be GASB Category 1.

Investments are categorized into these three categories of credit risk:

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

**BOSSIER PARISH SCHOOL BOARD**  
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Notes to General Purpose Financial Statements

June 30, 2000

At year end, the School Board investment balances included the following:

	<u>Category 1</u>	<u>Carrying Amount and Fair Value</u>
U.S. Agency Obligations	\$ 4,136,832	4,136,832
Federal National Mortgage Association Medium Term Note	1,958,750	1,958,750
Total investments	<u>\$ 6,095,582</u>	<u>6,095,582</u>

During fiscal 2000, the School Board invested funds in investment types other than direct obligations of the United States government. The majority of these investments matured prior to June 30, 2000.

**(3) Levied Taxes**

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

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

**Property Tax Calendar**

Assessment date	January 1, 1999
Levy date	Not later than June 1, 1999
Tax bills mailed	On or about November 15, 1999
Total taxes are due	December 31, 1999
Penalties and interest are added	January 1, 2000
Lien date	January 1, 2000
Tax sale - 1999 delinquent property	May 17, 2000

The School Board is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose or, in the aggregate for all purposes, 35% of the assessed valuation for the payment of principal and interest on long-term debt after approval by the voters of the parish.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2000 property taxes to be collected within the next year is not known. As a result, no property tax receivable for 2000 taxes is included on the accompanying combined balance sheet.

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

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

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Notes to General Purpose Financial Statements

June 30, 2000

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$394,161,600 for calendar year 1999. 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 \$118,730,730 of the assessed value in calendar year 1999.

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

<u>Parish-wide taxes</u>	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Constitutional	Statutory	4.22	4.22	Statutory
Special Maintenance and Operations	October 16, 1993	9.61	9.61	2003
Special Salaries & Related Benefits	October 16, 1993	9.61	9.61	2003
Special Salaries & Related Benefits	April 20, 1996	26.5	25.7	2006
Bond and Interest		Variable	6.0	2017

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

**(4) General Fixed Assets**

A summary of changes in general fixed assets is as follows:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2000</u>
General fixed assets:				
Land	\$ 416,428	-	-	416,428
Buildings and improvements	95,734,807	20,704,319	-	116,439,126
Furniture and equipment	20,506,408	1,571,961	81,602	21,996,767
Transportation equipment	8,495,613	27,846	-	8,523,459
Construction in progress	16,450,201	4,254,118	20,704,319	-
	<u>\$ 141,603,457</u>	<u>26,558,244</u>	<u>20,785,921</u>	<u>147,375,780</u>

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(5) Receivables**

The receivables of \$5,029,585 at June 30, 2000 consist of the following:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Internal Service Fund</u>	<u>Non- Expendable Trust Fund</u>	<u>Total</u>
Grants:						
Federal	\$ 293,509	616,574	-	-	-	910,083
State	975,674	19,720	-	-	-	995,394
Sales tax	-	2,060,994	-	-	-	2,060,994
Ad valorem taxes	207,318	-	42,604	-	-	249,922
Other	495,044	2,671	11,557	202,916	101,004	813,192
Total	\$ <u>1,971,545</u>	<u>2,699,959</u>	<u>54,161</u>	<u>202,916</u>	<u>101,004</u>	<u>5,029,585</u>

**(6) Defined Benefit Pension Plans**

The School Board provides retirement, death, and disability benefits to its employees through two pension plans administered by the state of Louisiana. These plans are:

**Teachers' Retirement System of Louisiana (TRS):**

*Plan Description*

Participation in the Teachers' Retirement Systems is divided into two plans – the Teachers' Regular Plan and the Teachers' Plan A (Teachers' Plan). In general, professional employees (such as teachers and principals) and lunchroom workers are members of these cost-sharing multiple-employer statewide plans. Benefit provisions are established in accordance with Louisiana state statute. The Teachers' Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Teachers' Retirement System of Louisiana, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

*Funding Policy*

Covered employees are required to contribute 8% of their salary to the Teachers' Regular Plan and 9.10% percent of their salary to the Teachers' Plan A. The School Board was required to contribute 15.2%, 16.5% and 16.4% of covered employees' salaries for the years ended June 30, 2000, 1999 and 1998, respectively.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

The employer and employee contribution obligations are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 2000, 1999, and 1998 were \$8,366,786, \$8,602,249 and \$7,690,306, respectively, equal to the required contributions for each year. In accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the School Board did not report a pension liability for the Teachers' Plan.

*Deferred Retirement Option Plan*

Effective July 1, 1992, the Teachers' Retirement System adopted a Deferred Retirement Option Plan (DROP). Under the DROP, a member is allowed to retire and accumulate his/her retirement benefits in a special reserve fund and yet continue employment and draw a salary. Upon termination of employment at the end of the specified period, the monthly retirement benefits and the amounts paid into the DROP will begin being paid to the retiree.

**Louisiana School Employees' Retirement System (School Employees' Plan):**

*Plan Description*

All bus drivers, bus aids, maintenance employees, and custodians are members of this cost-sharing multiple-employer statewide plan. Benefit provisions are established in accordance with Louisiana state statute. The School Employees' Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804-4516.

*Funding Policy*

Covered employees were required to contribute 6.35% of their salary to the School Employees' Plan for 2000, 1999, and 1998. The School Board was required to contribute 6% of covered employees' salaries for 2000, 1999 and 1998. However, due to the passage of House Bill 2174, employer contributions for the year ended June 30, 2000 were funded from the Employer Credit Account. The employer and employee contribution requirements are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 1999 and 1998 were \$355,688 and \$337,800, respectively, equal to the required contribution for each year. In accordance with GASB 27, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the School Board did not report a pension liability for the School Employees' Plan.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(7) Post-Retirement Health Care and Life Insurance Benefits**

In accordance with state statutes, the School Board provides continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees were provided through a fully-insured program, whose monthly premiums are paid jointly by the employees and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due.

The School Board is responsible for 95% of the health insurance premium. Total cost to the School Board of health care insurance premiums totaled \$2,280,880 for 2000, while the employees paid \$112,585. At June 30, 2000, 1,060 former employees were qualified to receive such benefits.

For life insurance benefits, the School Board is responsible for 72% of the premiums, while the employee is responsible for the remaining 28%. The School Board paid a total of \$86,496 in life insurance premiums, while the employees paid \$34,344 for 2000. At June 30, 2000, 1,060 former employees were qualified to receive such benefits.

**(8) Deposits Due Others**

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

	<u>School Activity Accounts</u>
Agency deposits due others at July 1, 1999	\$ 1,445,453
Additions	4,888,383
Deductions	<u>4,718,461</u>
Agency deposits due others at June 30, 2000	\$ <u>1,615,375</u>

**(9) Lease Commitments**

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

<u>Type</u>	<u>Total</u>
Energy equipment	\$ <u>4,970,640</u>



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2000:

<u>Fiscal Year</u>	<u>Energy Equipment</u>
2000-2001	\$ 538,525
2001-2002	538,525
2002-2003	538,525
2003-2004	538,525
2004-2005	<u>224,382</u>
Total minimum lease payments	2,378,482
Less amounts representing interest	<u>303,920</u>
Present value of net minimum lease payments	<u>\$ 2,074,562</u>

Capital lease payments are funded by general operating revenues and are paid from the General Fund.

**(10) Long-Term Obligations**

The following is a summary of the long-term obligation activity for the year ended June 30, 2000:

	<u>General Bonded Debt</u>	<u>General Obligation Notes</u>	<u>Certificates of Indebtedness</u>	<u>Claims and Judgments Payable</u>	<u>Capital Leases Payable</u>	<u>Compensated Absences</u>	<u>Total</u>
Balances, at July 1, 1999	\$ 16,980,000	652,610	2,470,000	10,000	2,470,321	5,818,854	28,401,785
Debt additions and increases in compensated absences	-	-	3,000,000	-	-	294,401	3,294,401
Debt retirements and payments of compensated absences	<u>550,000</u>	<u>88,394</u>	<u>1,095,000</u>	<u>-</u>	<u>395,759</u>	<u>225,537</u>	<u>2,354,690</u>
Balances, at June 30, 2000	<u>\$ 16,430,000</u>	<u>564,216</u>	<u>4,375,000</u>	<u>10,000</u>	<u>2,074,562</u>	<u>5,887,718</u>	<u>29,341,496</u>

For the year ended June 30, 2000, the principal payments of \$550,000 plus interest and fiscal charges of \$995,662, on the bonds were paid from Debt Service Funds. Accrued compensated absences of \$225,537 were paid by those funds and departments with salary costs and are included in payroll costs. For the year ended June 30, 2000, the principal payments of \$1,183,394 plus interest and fiscal charges of \$191,473 on the obligations and certificates of indebtedness were paid from the General Fund. Amounts for principal payments and interest and fiscal charges at Exhibit 2 include capital lease payments.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

Long-term debt at June 30, 2000 is comprised of the following issues:

Bond Issue	Issue		Remaining Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
	Date	Amount				
General Obligation Bonds:						
Parish-wide - 1996	1996	\$ 9,000,000	5.00% - 10.00%	3-01-16	\$ 4,514,400	8,685,000
Parish-wide - 1997	1997	8,000,000	4.50% - 10.00%	3-01-17	3,882,063	7,745,000
General Obligation Notes:						
Notes Payable - EPA	1988	579,609	Non-interest	7-01-05	N/A	142,756
Notes Payable - EPA	1988	1,011,499	Non-interest	7-31-08	N/A	421,460
Certificate of Indebtedness	1998	3,000,000	4.30% - 4.55%	2-01-03	174,535	1,905,000
Certificate of Indebtedness	1999	3,000,000	4.45%	3-01-04	281,463	2,470,000
Total					\$ 8,852,461	21,369,216

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 and through general fund operations. At June 30, 2000, the School Board has accumulated \$3,982,504 in the Debt Service Funds for future debt requirements. General obligation bond payments are paid from the Debt Service Funds. General obligation notes and certificates of indebtedness are paid from the General Fund.

The annual requirements to amortize all debt outstanding as of June 30, 2000 are as follows:

Year Ending June 30,	General Obligation Bonds	General Obligation Notes	Certificate of Indebtedness	Interest Payments	Total
2001	\$ 585,000	88,394	1,170,000	1,135,430	2,978,824
2002	620,000	88,394	1,235,000	1,025,460	2,968,854
2003	665,000	88,394	1,305,000	908,503	2,966,897
2004	705,000	88,394	665,000	783,255	2,241,649
2005	750,000	70,150	-	683,163	1,503,313
2006 - 2019	13,105,000	140,490	-	4,316,650	17,562,140
Total	\$ 16,430,000	564,216	4,375,000	8,852,461	30,221,677

In accordance with Louisiana Revised Statute 39:562, 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, 2000, the statutory limit was \$137,956,560, the outstanding bonded debt net of applicable debt service funds totaled \$12,447,496 and the legal debt margin was \$125,509,064.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(11) Other Required Individual Fund Disclosures**

**(a) Interfund Receivables and Payables**

Individual fund interfund receivable and payable balances at June 30, 2000, were as follows:

<b>Fund</b>	<b>Interfund Receivables</b>	<b>Interfund Payables</b>
General Fund	\$ 4,441,896	1,018,675
Special Revenue Funds:		
Title I	992	82,585
Title VI	286	49,892
Math and Science – Title II	972	2,745
Special Education	8,580	220,321
Preschool	60,263	53,296
Title IV	-	5,168
Region VII Service Center	-	19,690
Sales Tax	-	3,493,962
School Food Service	14,240	45,925
Goals 2000	-	19,662
Debt Service Funds – Unified Tax Fund	10	-
Capital Projects Funds:		
One-Half Cent Sales Tax Air Conditioner	-	6,092
Unified Construction Fund	-	307,228
Internal Service Fund	800,000	1,000
Nonexpendable Trust Fund – Bossier Educational Excellence	-	998
	<hr/>	<hr/>
Total	\$ <u>5,327,239</u>	<u>5,327,239</u>

**(b) Operating Transfers**

A reconciliation of operating transfers for the year ended June 30, 2000 follows:

<b>Fund</b>	<b>In</b>	<b>Out</b>
General Fund	\$ 20,740,630	1,783,131
Special Revenue Funds	240,000	21,332,665
Capital Projects Fund	8,379,955	6,244,789
	<hr/>	<hr/>
Total	\$ <u>29,360,585</u>	<u>29,360,585</u>

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

(c) *Residual Equity Transfers*

A residual equity transfer of \$(5,489) and \$1,180,743 was made from the Air Conditioner Repair and Replacement Special Revenue Fund and Public School Bond Debt Service Fund, respectively, to the General Fund to close out the funds, as the purpose for which they were established was completed.

(12) **Compliance, Stewardship, and Accountability**

(a) *Excess of Expenditures Over Appropriations*

For those funds for which a budget to actual comparison was made, 2000 actual expenditures exceeded budgeted expenditures on a fund basis as follows:

Fund	Expenditures		Unfavorable Variance
	Budget	Actual	
General Fund:			
Current:			
Instructional support staff	\$ 4,723,225	5,005,214	281,989
General administration	896,035	1,155,746	259,711
Business services	1,035,263	1,318,701	283,438
Plant services	9,101,971	9,506,229	404,258
Food services	-	804,120	804,120
Community service programs	236,949	236,950	1
Capital outlay	-	1,500	1,500
Debt service:			
Principal retirement	575,000	1,183,394	608,394
Interest and bank charges	110,472	301,277	190,805
Bond issuance costs	-	23,384	23,384
Special Revenue Funds:			
School Food Service	5,773,000	6,018,077	245,077
Sales Tax	175,000	301,259	126,259
Debt Service Funds - Unified Tax			
Fund - current - support services			
- general administration	1,549,163	1,549,825	662
Capital Projects Funds:			
One-Half Cent Sales Tax Air			
Conditioner - current - support			
services - plant services	-	2,009	2,009
Unified Construction Fund -			
capital outlay	3,008,950	4,232,681	1,223,731

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(b) Deficit Fund Balances/Retained Earnings**

The following funds have a deficit in the fund balance/retained earnings at June 30, 2000:

<b>Fund</b>	<b>Deficit Amount</b>
General Fund	\$ 4,570,207
Special Revenue Fund – Sales Tax	99,330
Capital Project Fund – Unified Construction Fund	262,807
Proprietary Fund – Internal Service Group Health Insurance	2,012,076

Management expects to correct the General Fund deficit by a reduction of discretionary expenditures and increases in state and local revenues. Management expects to eliminate the deficit fund balances by June 30, 2001 of the Sales Tax Special Revenue Fund through increased sales tax collections and the Unified Construction Capital Projects Fund through transfers from the Sales Tax Fund. During 2000, a one-time payment of \$800,000 to be made by the General Fund was recorded to eliminate a portion of the deficit in the Group Health Insurance Internal Service Fund. Management expects to eliminate the remainder of the deficit in the Group Health Insurance Fund over a five-year period through increased employees' premiums and adjusting coverages.

**(c) Budgets and Budget Basis of Accounting**

Annual expenditure budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. Revisions made to the original budget for each fund were as follows:

	<b>Original Budget</b>	<b>Total Revision</b>	<b>Revised Budget</b>
General Fund	\$ 89,008,671	5,676,955	94,685,626
Title I	2,756,215	65,610	2,821,825
Title VI	104,988	480,650	585,638
Title II	90,426	47,243	137,669
Special Education	995,808	362,966	1,358,774
Preschool	95,719	14,083	109,802
Title IV (Drug Free)	117,827	(6,004)	111,823
School Food Service	5,623,250	149,750	5,773,000
Goals 2000	192,590	(64,238)	128,352
Unified Tax Fund	1,661,686	(112,523)	1,549,163

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

The following schedule reconciles the actual amounts on a GAAP basis for the General Fund and the Capital Projects Fund Unified Construction Fund to the actual amounts on a budgetary basis.

	<b>General Fund</b>	<b>Capital Projects Fund</b>
Fund deficit on a budgetary basis	\$ (4,714,217)	(1,287,943)
Revenues:		
Local sources:		
Taxes - sales and use	(19,811,796)	-
Expenditures:		
Current:		
General administration	144,378	-
Plant services	(538,525)	-
Debt service:		
Principal retirement	395,759	-
Interest and bank charges	142,766	-
Facilities acquisition and construction	-	1,025,136
Other financing sources:		
Operating transfers in	19,811,428	-
Operating transfers out	-	-
	<u>19,811,428</u>	<u>-</u>
Fund deficit on a GAAP basis	\$ <u>(4,570,207)</u>	<u>(262,807)</u>

Budget/GAAP reporting differences in the General Fund are primarily a result of reclassification. Sales taxes were reported as operating transfers in for GAAP purposes, but were budgeted as revenues for budget purposes. Debt service expenditures for capital leases were reported separately for GAAP reporting purposes, but were reported by functional categories for budget purposes.

Budget/GAAP reporting differences in the Capital Projects Funds are a result of year end accruals. For budget purposes, expenditures are recorded on the cash basis. The adjustment reflects the reversal of GAAP basis accruals from the prior year.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(13) Commitments and Contingencies**

*Litigation*

At June 30, 2000, 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.

*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. Management believes there is no tax arbitrage liability at year end.

*Self-Insurance*

The School Board is partially self-insured for workers' compensation, health insurance and general liability coverage. Claims are funded through employee and employer contributions and operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$250,000 per occurrence for workers' compensation and \$100,000 for health insurance coverage. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements.

*Grant Audits*

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 Act Amendments of 1996. 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 loss, if any, which may arise from future audits will not be material.

*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; and natural disasters. The School Board is a defendant in several lawsuits involving civil actions. The School Board is self-insured for losses up to \$200,000. The School Board currently reports all of its risk management activities except for employees' health insurance in the General Fund and the General Long-Term Debt Account Group. 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.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

The School Board maintains a risk management program for workers' compensation. During the fiscal year, a total of \$659,204 was paid in claims. An excess coverage insurance policy covers individual claims in excess of \$250,000.

The School Board maintains a risk management program for employees health insurance. Premiums are paid into the health insurance internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. An excess coverage insurance policy covers individual claims in excess of \$100,000. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds. The incurred but not reported claims at year end of \$3,014,157 has been accrued based upon the third party administrator's calculation using historical claim experience.

The Internal Service Fund - Health Insurance had a fund deficit of \$2,012,076 at June 30, 2000.

Changes in the reported liability for the current and recent previous fiscal year are as follows:

	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Benefit and Claim Payments</b>	<b>Balance at Fiscal Year End</b>
Group health insurance				
1998-1999	\$ 2,239,588	13,502,674	13,489,883	2,252,379
1999-2000	2,252,379	15,550,504	14,788,726	3,014,157
Workers' compensation				
1998-1999	138,314	261,331	215,080	184,565
1999-2000	184,565	613,892	659,204	139,253
Claims and judgments (general fund)				
1998-1999	103,997	2,433	5,828	100,602
1999-2000	100,602	87,696	188,298	-
Claims and judgments (general long-term debt account group)				
1998-1999	10,000	-	-	10,000
1999-2000	10,000	-	-	10,000

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.



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to General Purpose Financial Statements

June 30, 2000

**(14) Bossier Educational Excellence Fund**

Bossier Educational Excellence Fund (the "BEEF") is a Nonexpendable Trust Fund. The fund is used to account for the trust principal, investment earnings and boarding fees from area casinos as provided for in Louisiana Revised Statute LSA-R.S. 27:93 and license fees from area horse racing facility as provided in Louisiana Revised Statute LSA-R.S. 4.163.1. The BEEF was established in recognition of the need to earmark and set aside a portion of the earnings from gaming in Bossier Parish to be used exclusively for educational enhancements. The School Board used earnings from the fund for enhancements to the education program in Bossier Parish.

Annual fees received from the casinos are the result of an agreement between the School Board and the casinos for specified amounts as opposed to actual boarding fees. During 2000, fees from the area casinos and horse racing facility totaled \$861,892. The BEEF monies are invested in U.S. Agency obligations as allowed by state statute, except for \$1,958,750 invested in Federal National Mortgage Association Medium Term Note. The principal portion of the funds of \$6,300,328 must be retained and may not be expended.

In prior years, BEEF was reported as a Special Revenue Fund. For 2000, management has elected to report BEEF as a Nonexpendable Trust Fund as this treatment better represents the availability and use of the monies. Prior year amounts have been restated to reflect this reclassification.

**(15) On-Behalf Payments for Fringe Benefits and Salaries**

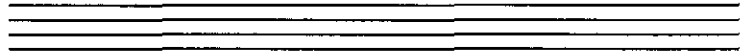
On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures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

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 \$76,408. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**(16) Subsequent Events**

In August 2000, the School Board issued an anticipation certificate, Series 2000, totaling \$6,000,000, in anticipation of fiscal 2001 revenues and to pay fiscal 2001 operational expenditures. The notes mature no later than June 30, 2001 and will be repaid with ad valorem tax revenue.

**SUPPLEMENTAL STATEMENTS  
AND SCHEDULES —  
COMBINING,  
INDIVIDUAL FUND,  
AND ACCOUNT  
GROUP FINANCIAL STATEMENTS  
AND SCHEDULES**



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# GOVERNMENTAL FUNDS

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- SPECIAL REVENUE FUNDS
- DEBT SERVICE FUNDS
- CAPITAL PROJECTS FUNDS

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# SPECIAL REVENUE FUNDS

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## **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.

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

## **Math and Science - Title II**

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

## **Special Education**

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

## **Preschool**

### **Payments to States for Child Care Assistance**

To make grants available to assist low-income families with child care services. The purpose of the program is to increase the availability, affordability, and quality of child care and to increase the availability of early childhood development and before- and after-school programs.

### **Special Education - Preschool Grants**

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

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**Title IV - (Drug-Free)**

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

**Region VII Service Center**

This program was designed to provide workshops for teachers and administrators. The Teacher Evaluation Program is coordinated through this program. Workshops provide points to administrators towards their continuing education.

**Sales Tax**

The sales tax fund accounts for the collection of sales tax in Bossier Parish. The monies are thereafter transferred to the appropriate fund for expenditures.

**School Food Service**

- National School Food Service Program
- School Breakfast Program
- Food Distribution Commodities

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

**Air Conditioner Repair and Replacement**

The air conditioner repair and replacement fund provides for the maintenance and upkeep of the school system's parish-wide air conditioning program. This fund was established by transfers from the one-half percent sales tax air conditioning capital projects fund.

**Goals 2000**

To provide grants to State Education Agencies (SEAs) on a formula basis to support the development and implementation of comprehensive reform plans at the state, local, and school levels to improve the teaching and learning of all children. To support top down and bottom up reform through subgrants by SEAs of 90 percent of these grant funds to local education agencies (LEAs) and through LEAs to individual schools. To support the establishment by states and localities of high standards in their core content areas. All aspects of the educational process are aligned including, but not limited to assessments, curriculum, professional development, and pre-service training.



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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Special Revenue Funds  
Combining Balance Sheet

June 30, 2000  
(with comparative totals for June 30, 1999)

**Assets**

	Title I	Title VI	Title II	Special Education	Preschool	Title IV (Drug-Free)	Region VII Service Center	Sales Tax	School Food Service	Goals 2000	Totals	
										2000	1999	
Assets:												
Cash and cash equivalents	\$ 496,667	36,281	10,294	35,813	89	8,998	1,291	1,432,968	776,483	3,553	2,802,437	4,130,512
Investments	-	-	-	-	-	-	-	-	230	-	230	236
Receivables	132,787	114,715	3,154	274,985	26,823	2,581	26,421	2,060,994	16,141	41,358	2,699,959	2,865,440
Interfund receivable	992	286	972	8,580	60,263	-	-	-	14,240	-	85,333	-
Inventories	-	-	-	-	-	-	-	-	166,070	-	166,070	111,256
Total assets	\$ 630,446	151,282	14,420	319,378	87,175	11,579	27,712	3,493,962	973,164	44,911	5,754,029	7,107,444

**Liabilities and Fund Balances**

	Title I	Title VI	Title II	Special Education	Preschool	Title IV (Drug-Free)	Region VII Service Center	Sales Tax	School Food Service	Goals 2000	Totals	
										2000	1999	
Liabilities:												
Accounts, salaries and other payables	\$ 547,861	101,390	10,675	30,414	33,347	6,411	4,571	99,330	486,561	25,249	1,345,809	1,239,056
Interfund payable	82,585	49,892	2,745	220,321	53,296	5,168	19,690	3,493,962	45,925	19,662	3,993,246	3,694,206
Deferred revenues	-	-	1,000	68,643	532	-	-	-	111,256	-	181,431	122,339
Total liabilities	\$ 630,446	151,282	14,420	319,378	87,175	11,579	24,261	3,593,292	643,742	44,911	5,720,486	5,055,601
Fund balances:												
Reserved:												
Inventory	-	-	-	-	-	-	-	-	74,724	-	74,724	30,607
Unreserved - undesignated	-	-	-	-	-	-	3,451	(99,330)	254,698	-	158,819	2,021,236
Total fund balances (deficit)	-	-	-	-	-	-	3,451	(99,330)	329,422	-	233,543	2,051,843
Total liabilities and fund balances	\$ 630,446	151,282	14,420	319,378	87,175	11,579	27,712	3,493,962	973,164	44,911	5,754,029	7,107,444

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Special Revenue Funds

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

June 30, 2000

(with comparative totals for June 30, 1999)

	Title I	Title VI	Title II	Special Education	Preschool	Title IV (Drug-Free)	Region VII Service Center	Sales Tax	School Food Service	Air Conditioner Repair and Replacement	Goals 2000	2000	Totals 1999
<b>Revenues:</b>													
Local sources:													
Sales and use	-	-	-	-	-	-	-	20,112,687	-	-	-	20,112,687	18,669,817
Investment income	-	-	-	-	-	-	-	369	9,830	-	-	10,199	46,797
Food services	-	-	-	-	-	-	-	-	1,647,734	-	-	1,647,734	1,569,373
Other	-	-	-	-	-	-	-	-	10,512	-	-	10,512	6,540
State sources:													
Equalization	-	-	-	-	-	-	-	-	806,004	-	-	806,004	806,004
Other	-	-	-	-	-	-	81,459	-	-	-	-	81,459	111,899
Federal sources	2,467,853	560,083	76,533	1,263,970	96,661	92,247	33,388	-	2,997,549	-	125,619	7,713,903	6,889,639
Total revenues	2,467,853	560,083	76,533	1,263,970	96,661	92,247	114,847	20,113,056	5,471,629	-	125,619	30,382,498	28,100,069
<b>Expenditures:</b>													
Current:													
Instruction	1,760,707	519,415	10,686	332,785	20,470	-	-	-	-	-	121,479	2,765,542	2,408,764
Support services:													
Student services	327,653	-	-	223,842	15,155	85,796	-	-	-	-	-	652,446	385,647
Instructional staff support	285,458	38,187	63,756	609,037	59,261	3,971	111,320	-	-	-	4,140	1,175,130	549,695
General administration	-	-	-	67,448	-	-	-	286,495	-	-	-	353,943	525,797
School administration	-	-	-	-	-	-	-	-	-	-	-	-	4,673
Business services	65,605	2,481	2,091	29,428	1,775	2,480	-	-	-	-	-	103,860	205,542
Plant services	28,430	-	-	1,430	-	-	-	14,764	-	-	-	44,624	2,409,268
Food services	-	-	-	-	-	-	-	-	6,018,077	-	-	6,018,077	5,836,180
Total expenditures	2,467,853	560,083	76,533	1,263,970	96,661	92,247	111,320	301,259	6,018,077	-	125,619	11,113,622	12,325,566
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	3,527	19,811,797	(546,448)	-	-	19,268,876	15,774,503
<b>Other financing sources (uses):</b>													
Operating transfers in	-	-	-	-	-	-	-	-	240,000	-	-	240,000	240,000
Operating transfers out	-	-	-	-	-	-	-	(21,332,665)	-	-	-	(21,332,665)	(18,697,851)
Total other financing sources (uses)	-	-	-	-	-	-	-	(21,332,665)	240,000	-	-	(21,092,665)	(18,457,851)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	-	-	3,527	(1,520,868)	(306,448)	-	-	(1,823,789)	(2,683,348)
Fund balances at beginning of year	-	-	-	-	-	-	(76)	1,421,538	635,870	(5,489)	-	2,051,843	4,735,191
Residual equity transfer	-	-	-	-	-	-	-	-	-	5,489	-	5,489	-
Fund balances at end of year	-	-	-	-	-	-	3,451	(99,330)	329,422	-	-	233,543	2,051,843

See accompanying independent auditors' report.

## BOSSIER PARISH SCHOOL BOARD

Benton, Louisiana

## Special Revenue Fund

## Title I

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 2,821,825	2,467,853	(353,972)	2,456,006
Expenditures - current:				
Instruction and support services:				
Instruction	2,018,767	1,760,707	258,060	1,629,975
Student services	294,914	327,653	(32,739)	210,951
Instructional staff support	349,816	285,458	64,358	181,905
General administration	-	-	-	387,254
School administration	-	-	-	116
Business services	145,860	65,605	80,255	45,630
Plant services	12,468	28,430	(15,962)	175
Total expenditures	<u>2,821,825</u>	<u>2,467,853</u>	<u>353,972</u>	<u>2,456,006</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

## Special Revenue Fund

## Title VI

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 585,638	560,083	(25,555)	99,764
Expenditures - current:				
Instruction and support services:				
Instruction	501,985	519,415	(17,430)	95,052
Instructional staff support	78,878	38,187	40,691	580
Business services	3,050	2,481	569	2,261
Plant services	225	-	225	225
Student transportation services	1,500	-	1,500	-
General administration	-	-	-	1,646
Total expenditures	585,638	560,083	25,555	99,764
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	-	-	-

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
 Benton, Louisiana

Special Revenue Fund

Title II

Statement of Revenues, Expenditures, and Changes in Fund  
 Balance - Budget and Actual

For the year ended June 30, 2000  
 (with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 137,669	76,533	(61,136)	81,707
Expenditures - current:				
Instruction and support services:				
Instruction	28,114	10,686	17,428	1,890
Instructional staff support	105,639	63,756	41,883	25,973
General administration	-	-	-	4,767
Business services	3,666	2,091	1,575	-
Plant services	250	-	250	49,077
Total expenditures	<u>137,669</u>	<u>76,533</u>	<u>61,136</u>	<u>81,707</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

## Special Revenue Fund

## Special Education

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 1,358,774	1,263,970	(94,804)	936,866
Expenditures - current:				
Instruction and support services:				
Instruction	334,321	332,785	1,536	575,303
Student services	240,196	223,842	16,354	46,803
Instructional staff support	666,198	609,037	57,161	250,957
General administration	70,115	67,448	2,667	20,256
School administration	-	-	-	4,557
Business services	32,944	29,428	3,516	21,137
Plant services	15,000	1,430	13,570	17,853
Total expenditures	<u>1,358,774</u>	<u>1,263,970</u>	<u>94,804</u>	<u>936,866</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Special Revenue Fund

Preschool

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 109,802	96,661	(13,141)	98,255
Expenditures - current:				
Instruction and support services:				
Instruction	22,999	20,470	2,529	28,422
Student services	22,167	15,155	7,012	11,315
Instructional staff support	61,822	59,261	2,561	56,100
General administration	-	-	-	2,418
Business services	2,614	1,775	839	-
Plant services	200	-	200	-
Total expenditures	<u>109,802</u>	<u>96,661</u>	<u>13,141</u>	<u>98,255</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report.



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Special Revenue Fund

Title IV (Drug-Free)

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 111,823	92,247	(19,576)	138,596
Expenditures - current:				
Instruction and support services:				
Instruction	-	-	-	825
Student services	103,129	85,796	17,333	116,578
Instructional staff support	5,000	3,971	1,029	2,605
General administration	500	-	500	18,188
Business services	3,194	2,480	714	400
Total expenditures	111,823	92,247	19,576	138,596
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	-	-	-

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Special Revenue Fund

Region VII Service Center

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
State sources - other	\$ 142,072	81,459	(60,613)	111,899
Federal sources	23,500	33,388	9,888	8,000
Total revenues	<u>165,572</u>	<u>114,847</u>	<u>(50,725)</u>	<u>119,899</u>
Expenditures - current:				
Instruction and support services:				
Instruction	-	-	-	2,185
Instructional staff support	165,572	111,320	54,252	30,855
General administration	-	-	-	10,899
Business services	-	-	-	40,766
Plant services	-	-	-	38,403
Total expenditures	<u>165,572</u>	<u>111,320</u>	<u>54,252</u>	<u>123,108</u>
Excess (deficiency) of revenues over (under) expenditures	-	3,527	3,527	(3,209)
Fund balance at beginning of year	<u>(76)</u>	<u>(76)</u>	-	<u>3,133</u>
Fund balance at end of year	<u>\$ (76)</u>	<u>3,451</u>	<u>3,527</u>	<u>(76)</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

## Special Revenue Fund

## Sales Tax

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
Local sources:				
Sales and use	\$ 18,500,000	20,112,687	1,612,687	18,669,817
Investment income	175,000	369	(174,631)	21,899
Total revenues	<u>18,675,000</u>	<u>20,113,056</u>	<u>1,438,056</u>	<u>18,691,716</u>
Expenditures - current:				
Instruction and support services:				
General administration	175,000	286,495	(111,495)	78,432
Plant services	-	14,764	(14,764)	2,303,375
Total expenditures	<u>175,000</u>	<u>301,259</u>	<u>(126,259)</u>	<u>2,381,807</u>
Excess of revenues over expenditures	18,500,000	19,811,797	1,311,797	16,309,909
Other financing uses - operating transfers out	<u>(19,964,246)</u>	<u>(21,332,665)</u>	<u>(1,368,419)</u>	<u>(18,697,851)</u>
Deficiency of revenues under expenditures and other financing uses	(1,464,246)	(1,520,868)	(56,622)	(2,387,942)
Fund balance at beginning of year	<u>1,421,538</u>	<u>1,421,538</u>	-	<u>3,809,480</u>
Fund balance (deficit) at end of year	<u>\$ (42,708)</u>	<u>(99,330)</u>	<u>(56,622)</u>	<u>1,421,538</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

## Special Revenue Fund

## School Food Service

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and ActualFor the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance	1999
	Budget	Actual	Favorable (Unfavorable)	
Revenues:				
Local sources:				
Investment income	\$ 27,500	9,830	(17,670)	24,898
Food services	1,565,000	1,647,734	82,734	1,569,373
Other	3,000	10,512	7,512	6,540
State sources - equalization	806,013	806,004	(9)	806,004
Federal sources	2,935,000	2,997,549	62,549	2,897,328
Total revenues	<u>5,336,513</u>	<u>5,471,629</u>	<u>135,116</u>	<u>5,304,143</u>
Expenditures - current - instruction and support services - food service	<u>5,773,000</u>	<u>6,018,077</u>	<u>(245,077)</u>	<u>5,836,180</u>
Deficiency of revenues under expenditures	(436,487)	(546,448)	(109,961)	(532,037)
Other financing sources - operating transfers in	<u>240,000</u>	<u>240,000</u>	<u>-</u>	<u>240,000</u>
Deficiency of revenues and other financing sources under expenditures	(196,487)	(306,448)	(109,961)	(292,037)
Fund balance at beginning of year	<u>635,870</u>	<u>635,870</u>	<u>-</u>	<u>927,907</u>
Fund balance at end of year	<u>\$ 439,383</u>	<u>329,422</u>	<u>(109,961)</u>	<u>635,870</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Special Revenue Fund

Air Conditioner Repair and Replacement

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues	\$ -	-	-	-
Expenditures - current - instruction and support services - plant services	-	-	-	160
Deficiency of revenues under expenditures	-	-	-	(160)
Other financing sources - operating transfers in	-	5,489	5,489	-
Deficiency of revenues and other financing sources under expenditures	-	-	-	(160)
Fund balance (deficit) at beginning of year	(5,489)	(5,489)	-	(5,329)
Residual equity transfer	-	5,489	5,489	-
Fund balance (deficit) at end of year	\$ (5,489)	-	5,489	(5,489)

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Special Revenue Fund

Goals 2000

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - federal sources	\$ 128,352	125,619	(2,733)	173,117
Expenditures - current:				
Instruction and support services:				
Instruction	119,597	121,479	(1,882)	75,112
Student services	300	-	300	-
Instructional staff support	8,455	4,140	4,315	720
General administration	-	-	-	1,937
Business services	-	-	-	95,348
Total expenditures	128,352	125,619	2,733	173,117
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	-	-	-

See accompanying independent auditors' report.

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## **DEBT SERVICE FUNDS**

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- Public School Bond Reserve
- Unified Tax Fund

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.



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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Debt Service Funds

Combining Balance Sheet

June 30, 2000  
(with comparative totals for June 30, 1999)

Assets	Public School Bond Reserve	Unified Tax Fund	Totals	
			2000	1999
Cash	\$ -	3,928,333	3,928,333	4,662,142
Receivables	-	54,161	54,161	12,031
Interfund receivables	-	10	10	229,695
<b>Total assets</b>	<b>\$ -</b>	<b>3,982,504</b>	<b>3,982,504</b>	<b>4,903,868</b>
<b>Liabilities and Fund Balances</b>				
Liabilities - interfund payables	\$ -	-	-	59,990
Fund balances - reserved for debt service	-	3,982,504	3,982,504	4,843,878
<b>Total liabilities and fund balance</b>	<b>\$ -</b>	<b>3,982,504</b>	<b>3,982,504</b>	<b>4,903,868</b>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Debt Service Funds

Combining Statements of Revenues, Expenditures,  
and Changes in Fund Balances

Year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	Public School Bond	Unified Tax Fund	Totals	
			2000	1999
<b>Revenues:</b>				
Local sources:				
Taxes - ad valorem	\$ -	1,635,595	1,635,595	3,212,908
Investment income	-	150,197	150,197	187,219
State sources	-	83,402	83,402	170,043
Total revenues	-	1,869,194	1,869,194	3,570,170
<b>Expenditures:</b>				
Current - support services - general administration				
	-	4,163	4,163	65,629
Debt service:				
Principal retirement	-	550,000	550,000	1,880,000
Interest and bank charges	-	995,662	995,662	1,086,705
Total expenditures	-	1,549,825	1,549,825	3,032,334
Excess of revenues over expenditures	-	319,369	319,369	537,836
Other financing sources - operating transfers in	-	-	-	65,187
Excess of revenues and other financing sources over expenditures	-	319,369	319,369	603,023
Fund balances at beginning of year	1,180,743	3,663,135	4,843,878	4,240,855
Residual equity transfer	(1,180,743)	-	(1,180,743)	-
Fund balances at end of year	\$ -	3,982,504	3,982,504	4,843,878

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Debt Service Fund

Public School Bond Reserve

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
Local sources - investment income	\$ 54,000	-	(54,000)	36,828
Expenditures:				
Debt service - interest and bank charges	100	-	100	-
Excess of revenues over expenditures	53,900	-	(53,900)	36,828
Fund balance at beginning of year	1,180,743	1,180,743	-	1,143,915
Residual equity transfer	-	(1,180,743)	(1,180,743)	-
Fund balance at end of year	\$ 1,234,643	-	(1,234,643)	1,180,743

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Debt Service Fund

Unified Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
Local sources:				
Taxes - ad valorem	\$ 3,000,000	1,635,595	(1,364,405)	3,212,908
Investment income	150,000	150,197	197	150,391
State sources	165,036	83,402	(81,634)	170,043
Total revenues	<u>3,315,036</u>	<u>1,869,194</u>	<u>(1,445,842)</u>	<u>3,533,342</u>
Expenditures:				
Current - support services - general administration	3,500	4,163	(663)	65,629
Debt service:				
Principal retirement	550,000	550,000	-	1,880,000
Interest and bank charges	995,663	995,662	1	1,086,705
Total expenditures	<u>1,549,163</u>	<u>1,549,825</u>	<u>(662)</u>	<u>3,032,334</u>
Excess of revenues over expenditures	1,765,873	319,369	(1,446,504)	501,008
Other financing sources - operating transfers in	-	-	-	<u>65,187</u>
Excess of revenues and other financing sources over expenditures	1,765,873	319,369	(1,446,504)	566,195
Fund balance at beginning of year	<u>3,663,135</u>	<u>3,663,135</u>	-	<u>3,096,940</u>
Fund balance at end of year	<u>\$ 5,429,008</u>	<u>3,982,504</u>	<u>(1,446,504)</u>	<u>3,663,135</u>

See accompanying independent auditors' report.

## **CAPITAL PROJECTS FUNDS**

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- One-Half Cent Sales Tax Air Conditioner
- Unified Construction Fund

The Capital Projects Funds are used to account for the acquisition and/or construction of major capital facilities by the School Board. Proceeds from general obligation bond sales are accounted for in these funds until the capital projects are completed.

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Capital Project Funds

Combining Balance Sheet

June 30, 2000  
(with comparative totals for June 30, 1999)

Assets	One-Half Cent Sales Tax Air Conditioner	Unified Construction Fund	Totals	
			2000	1999
Cash and cash equivalents	\$ 6,092	44,421	50,513	169,019
Receivables	-	-	-	181
<b>Total assets</b>	<b>\$ 6,092</b>	<b>44,421</b>	<b>50,513</b>	<b>169,200</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	\$ -	-	-	1,352,664
Interfund payable	6,092	307,228	313,320	1,006,191
<b>Total liabilities</b>	<b>6,092</b>	<b>307,228</b>	<b>313,320</b>	<b>2,358,855</b>
Fund balances - undesignated (deficit)	-	(262,807)	(262,807)	(2,189,655)
<b>Total liabilities and fund balances</b>	<b>\$ 6,092</b>	<b>44,421</b>	<b>50,513</b>	<b>169,200</b>

See accompanying independent auditors' report.



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Capital Project Funds

Combining Statements of Revenues, Expenditures,  
and Changes in Fund Balances (Deficit)

Year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	One-Half Cent Sales Tax Air Conditioner	Unified Construction Fund	Totals	
			2000	1999
Revenues:				
Local sources:				
Investment income	\$ 131	1,105	1,236	208,425
Other	-	-	-	1,646
Total revenues	<u>131</u>	<u>1,105</u>	<u>1,236</u>	<u>210,071</u>
Expenditures:				
Current:				
Support services:				
General administration	-	-	-	10,726
Plant services	2,009	-	2,009	553,824
Capital outlay	-	3,207,545	3,207,545	12,959,669
Total expenditures	<u>2,009</u>	<u>3,207,545</u>	<u>3,209,554</u>	<u>13,524,219</u>
Deficiency of revenues under expenditures	(1,878)	(3,206,440)	(3,208,318)	(13,314,148)
Other financing sources (uses):				
Bond proceeds	-	3,000,000	3,000,000	-
Operating transfers in	6,663,928	1,716,027	8,379,955	4,000,000
Operating transfers out	(6,244,789)	-	(6,244,789)	(4,561,363)
Total other financing sources (uses)	<u>419,139</u>	<u>4,716,027</u>	<u>5,135,166</u>	<u>(561,363)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	417,261	1,509,587	1,926,848	(13,875,511)
Fund balance (deficit) at beginning of year	<u>(417,261)</u>	<u>(1,772,394)</u>	<u>(2,189,655)</u>	<u>11,685,856</u>
Fund balance (deficit) at end of year	\$ <u>-</u>	<u>(262,807)</u>	<u>(262,807)</u>	<u>(2,189,655)</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Capital Project Fund

One-Half Cent Sales Tax Air Conditioner

Statement of Revenues, Expenditures, and Changes in Fund  
Balance (Deficit) - Budget and Actual

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues - local sources - investment income	\$ 10,000	131	(9,869)	6,077
Expenditures - current - support services - plant services	-	2,009	(2,009)	553,824
Excess (deficiency) of revenues over (under) expenditures	10,000	(1,878)	(11,878)	(547,747)
Other financing sources (uses):				
Operating transfers in	4,400,000	6,663,928	2,263,928	4,000,000
Operating transfers out	(4,400,000)	(6,244,789)	(1,844,789)	(4,561,363)
Total other financing sources (uses)	-	419,139	419,139	(561,363)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	10,000	417,261	407,261	(1,109,110)
Fund balance (deficit) at beginning of year	(417,261)	(417,261)	-	691,849
Fund balance (deficit) at end of year	\$ (407,261)	-	407,261	(417,261)

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Capital Project Fund

Unified Construction Fund

Statement of Revenues, Expenditures, and Changes in Fund  
Balances (Deficit) - Budget and Actual (Non-GAAP Basis)

For the year ended June 30, 2000  
(with comparative totals for June 30, 1999)

	2000		Variance Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
Local sources:				
Investment income	\$ 15,000	1,105	(13,895)	202,348
Other	-	-	-	1,613
Total revenues	<u>15,000</u>	<u>1,105</u>	<u>(13,895)</u>	<u>203,961</u>
Expenditures:				
Current - support services - general administration	50	-	50	10,726
Capital outlay	3,008,950	4,232,681	(1,223,731)	12,959,669
Debt service	6,000	-	6,000	-
Total expenditures	<u>3,015,000</u>	<u>4,232,681</u>	<u>(1,217,681)</u>	<u>12,970,395</u>
Deficiency of revenues under expenditures	(3,000,000)	(4,231,576)	(1,231,576)	(12,766,434)
Other financing sources:				
Bond proceeds	3,000,000	3,000,000	-	-
Operating transfers in	-	1,716,027	1,716,027	-
Total other financing sources	<u>3,000,000</u>	<u>4,716,027</u>	<u>1,716,027</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	-	484,451	484,451	(12,766,434)
Fund balance (deficit) at beginning of year	<u>(1,772,394)</u>	<u>(1,772,394)</u>	-	<u>10,994,040</u>
Fund balance (deficit) at end of year	<u>\$ (1,772,394)</u>	<u>(1,287,943)</u>	<u>484,451</u>	<u>(1,772,394)</u>

See accompanying independent auditors' report.

## **FIDUCIARY FUNDS — TRUST AND AGENCY FUNDS**

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The following activities are reported in this section:

- Bossier Educational Excellence  
Nonexpendable Trust Fund
  
- School Activity Agency Funds

The Nonexpendable Trust Fund is used to account for assets of the School Board held in trust, for which the principal may not be spent.

The School Activity Agency Fund accounts for those monies collected by pupils and school personnel for school or school-related purposes. The school activity accounts are classified as an agency fund, and the School Board's responsibility for these accounts is fiduciary in nature. Each school accounts for its individual student body organizations. The revenues of these accounts consist primarily of fees, fund-raising projects, and contributions. Expenditures are made for a wide variety of school activities. These accounts are under the supervision of the school principals.

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**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Fiduciary Funds

Combining Balance Sheet - All Trust and Agency Funds

June 30, 2000 and 1999

	<u>Nonexpendable</u>		<u>Totals</u>	
	<u>Trust Fund</u>	<u>Agency Fund</u>		
	<u>Bossier</u>	<u>School</u>		
	<u>Educational</u>	<u>Activity</u>		
	<u>Excellence</u>	<u>Funds</u>	<u>2000</u>	<u>1999</u>
<b>Assets</b>				
Assets:				
Cash and cash equivalents	\$ 390,792	1,615,375	2,006,167	411,467
Investments	6,095,352	-	6,095,352	2,735,035
Receivables	101,004	-	101,004	176,955
Total assets	<u>\$ 6,587,148</u>	<u>1,615,375</u>	<u>8,202,523</u>	<u>7,026,607</u>
<b>Liabilities and Fund Balance</b>				
Liabilities:				
Accounts, salaries and other payable	\$ 48,419	-	48,419	24,077
Interfund payable	998	-	998	14,068
Deposits due others	-	1,615,375	1,615,375	1,445,453
Total liabilities	<u>49,417</u>	<u>1,615,375</u>	<u>1,664,792</u>	<u>1,483,598</u>
Fund Balance:				
Reserved for instructional enhancement	<u>6,537,731</u>	<u>-</u>	<u>6,537,731</u>	<u>5,573,009</u>
Total liabilities and fund balance	<u>\$ 6,587,148</u>	<u>1,615,375</u>	<u>8,202,523</u>	<u>7,056,607</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Statement of Changes in Assets and Liabilities - School Activity Agency Funds

For the year ended June 30, 2000 and 1999

<b>Asset</b>	<b>Balance July 1, 1999</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2000</b>
Cash and cash equivalents	\$ 1,445,453	4,888,383	4,718,461	1,615,375
<b>Liability</b>				
Deposits due others	\$ 1,445,453	4,888,383	4,718,461	1,615,375

See accompanying independent auditors' report.

## BOSSIER PARISH SCHOOL BOARD

Benton, Louisiana

## School Activity Agency Fund

## Schedule of Changes in Deposits Due Others

For the year ended June 30, 2000

<u>School</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Adult Learning Center	\$ 633	14,509	8,936	6,206
Airline High	132,332	491,298	495,529	128,101
Apollo Elementary	37,429	115,089	109,580	42,938
Bellaire Elementary	71,487	118,388	107,106	82,769
Benton Elementary	47,491	127,830	143,697	31,624
Benton Middle	57,570	240,583	191,682	106,471
Benton High	110,411	429,947	396,705	143,653
Mitchell Education Center	10,297	12,864	5,373	17,788
Bossier Achievement Center	13,535	48,067	45,297	16,305
Bossier Technical Center	1,749	16,120	11,935	5,934
Bossier Elementary	30,708	53,087	46,290	37,505
Bossier High	78,166	309,356	301,752	85,770
Butler Elementary	5,501	15,561	15,524	5,538
Central Park Elementary	15,080	50,469	47,281	18,268
Cope Middle	33,257	134,034	127,473	39,818
Curtis Elementary	24,238	93,897	90,511	27,624
Elm Grove Middle	83,945	217,467	198,135	103,277
Greenacres Middle	52,957	202,504	211,772	43,689
Haughton Middle	100,747	193,739	208,522	85,964
Haughton High	133,288	505,317	507,166	131,439
Kerr Elementary	45,096	83,867	76,433	52,530
Life Skills Center	651	2,691	2,088	1,254
Meadowview Elementary	60,424	57,103	54,784	62,743
Parkway High	62,742	423,536	421,678	64,600
Plain Dealing Elementary	23,864	39,157	39,184	23,837
Plain Dealing Middle	6,953	23,132	23,710	6,375
Plain Dealing High	23,282	84,807	80,983	27,106
Plantation Park Elementary	26,481	69,024	81,352	14,153
Platt Elementary	27,088	125,333	115,172	37,249
Princeton Elementary	-	106,756	91,374	15,382
Rodes Elementary	52,246	90,363	112,094	30,515
Rusheon Middle	36,060	154,159	130,571	59,648
Stockwell Elementary	17,357	77,394	73,693	21,058
Sun City Elementary	9,765	96,002	92,696	13,071
Waller Elementary	12,623	64,933	52,383	25,173
Total	\$ 1,445,453	4,888,383	4,718,461	1,615,375

See accompanying independent auditors' report.



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## **GENERAL FIXED ASSETS ACCOUNT GROUP**

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The General Fixed Assets Account Group represents a summary of fixed assets of the School Board. Capital outlay in all funds is recorded as an expenditure of those funds at the time of purchase and is subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for governmental entities, depreciation is not recorded on general fixed assets.

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**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

General Fixed Assets Account Group

Schedule of General Fixed Assets - By Sources

June 30, 2000  
(with comparative amounts for June 30, 1999)

	<u>2000</u>	<u>1999</u>
General fixed assets:		
Land	\$ 416,428	416,428
Buildings and improvements	116,439,126	95,734,807
Furniture and equipment	21,996,767	20,506,408
Transportation equipment	8,523,459	8,495,613
Construction in progress	-	16,450,201
	<hr/>	<hr/>
Total general fixed assets	\$ 147,375,780	141,603,457
	<hr/>	<hr/>
Investment in general fixed assets:		
Investment prior to June 30, 1980	\$ 66,154,106	66,154,106
Investment subsequent to June 30, 1980:		
Capital projects funds	52,391,994	47,903,406
General fund	22,621,249	21,976,585
School food service fund	482,135	394,219
Federal funds	2,933,756	2,588,459
Donations	512,695	496,104
State funds	2,279,845	2,090,578
	<hr/>	<hr/>
Total investment in general fixed assets	\$ 147,375,780	141,603,457
	<hr/>	<hr/>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

## General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets -  
By Function and Activity

Year ended June 30, 2000

Function and Activity	General Fixed Assets July 1, 1999	Additions	Retirements	General Fixed Assets June 30, 2000
Instruction:				
High schools	\$ 38,723,178	1,397,213	24,542	40,095,849
Middle schools	23,136,213	19,915,160	1,283	43,050,090
Elementary schools	35,293,374	342,603	33,713	35,602,264
Community college	7,128,020	-	-	7,128,020
Construction in progress	16,450,201	4,254,118	20,704,319	-
Total instruction	<u>120,730,986</u>	<u>25,909,094</u>	<u>20,763,857</u>	<u>125,876,223</u>
General and school administration	5,742,714	506,729	-	6,249,443
Plant and maintenance	4,940,431	4,595	-	4,945,026
Food service equipment	1,651,274	109,980	22,064	1,739,190
Transportation equipment	<u>8,538,052</u>	<u>27,846</u>	<u>-</u>	<u>8,565,898</u>
Total general fixed assets	\$ <u>141,603,457</u>	<u>26,558,244</u>	<u>20,785,921</u>	<u>147,375,780</u>

See accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

General Fixed Assets Account Group

Schedule of General Fixed Assets -  
By Function and Activity

June 30, 2000

Function and Activity	Total	Land	Buildings and Improvements	Furniture and Equipment	Transportation Equipment
Instruction:					
High schools	\$ 40,095,849	99,129	34,689,709	5,307,011	-
Middle schools	43,050,090	183,164	40,739,518	2,127,408	-
Elementary schools	35,602,264	100,100	31,344,676	4,157,488	-
Community college	7,128,020	10,000	7,118,020	-	-
Total instruction	<u>125,876,223</u>	<u>392,393</u>	<u>113,891,923</u>	<u>11,591,907</u>	<u>-</u>
General and school administration	6,249,443	17,035	2,280,385	3,952,023	-
Plant and maintenance	4,945,026	7,000	266,818	4,671,208	-
Food service equipment	1,739,190	-	-	1,739,190	-
Transportation equipment	<u>8,565,898</u>	<u>-</u>	<u>-</u>	<u>42,439</u>	<u>8,523,459</u>
Total general fixed assets allocated to functions	\$ <u><u>147,375,780</u></u>	<u><u>416,428</u></u>	<u><u>116,439,126</u></u>	<u><u>21,996,767</u></u>	<u><u>8,523,459</u></u>

See accompanying independent auditors' report.

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**GENERAL LONG-TERM  
DEBT ACCOUNT GROUP**

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



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**BOSSIER PARISH SCHOOL BOARD**  
 Benton, Louisiana

General Long-Term Debt Account Group

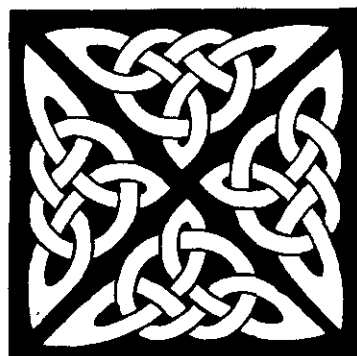
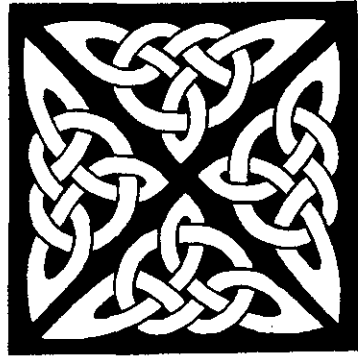
Schedule of Changes in Long-Term Debt

Year ended June 30, 2000

	<u>July 1, 1999</u>	<u>Additions</u>	<u>Payments</u>	<u>Debt Service Fund Operations</u>	<u>June 30, 2000</u>
Amount available in Debt Service Funds	\$ 4,843,878	-	-	(861,374)	3,982,504
Amount to be provided for retirement of long-term debt	15,258,732	3,000,000	1,733,394	861,374	17,386,712
Amount to be provided for capital leases payable	2,470,321	-	395,759	-	2,074,562
Amount to be provided for accrued compensated absences	5,818,854	294,401	225,537	-	5,887,718
Amount to be provided for claims and judgments payable	10,000	-	-	-	10,000
	<u>\$ 28,401,785</u>	<u>3,294,401</u>	<u>2,354,690</u>	<u>-</u>	<u>29,341,496</u>
Long-term obligations payable:					
General obligation bonds payable	\$ 16,980,000	-	550,000	-	16,430,000
General obligation notes payable	652,610	-	88,394	-	564,216
Certificates of indebtedness payable	2,470,000	3,000,000	1,095,000	-	4,375,000
Capital leases payable	2,470,321	-	395,759	-	2,074,562
Accrued compensated absences	5,818,854	294,401	225,537	-	5,887,718
Claims and judgments payable	10,000	-	-	-	10,000
	<u>\$ 28,401,785</u>	<u>3,294,401</u>	<u>2,354,690</u>	<u>-</u>	<u>29,341,496</u>

See accompanying independent auditors' report.

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STATISTICAL SECTION

Table 1

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

General Expenditures by Function - All Governmental Fund Types (1)

Fiscal years ended June 30, 1991 through June 30, 2000

	1991 (2) (4)	1992	1993	1994	1995	1996 (3)	1997	1998	1999	2000
Operations:										
Instruction services	\$ 32,114,144	35,437,817	36,342,431	36,708,012	39,102,668	52,266,762	58,295,705	56,704,293	60,930,924	62,546,947
Instruction related services	3,857,931	2,967,986	2,851,349	3,412,587	4,614,693	6,862,556	7,278,960	7,574,972	9,369,120	10,525,833
General and school administration	17,190,366	18,256,235	18,213,696	21,030,999	24,063,964	10,953,748	12,155,472	11,027,440	10,087,150	9,706,594
Plant services	5,983,738	6,251,042	6,233,982	5,915,566	6,251,452	7,090,875	9,200,459	10,950,770	12,690,663	9,014,337
Transportation services	3,186,429	3,203,627	3,139,084	3,708,169	3,880,234	4,485,624	5,340,059	7,216,812	5,101,966	5,481,944
Central and community services	545,927	480,392	542,542	577,929	586,583	1,810,980	950,241	1,152,439	909,381	1,142,616
Food service	4,377,895	4,363,952	4,397,852	4,925,860	5,242,262	5,173,854	5,415,463	6,389,051	6,656,773	6,822,197
Capital outlay	1,553,075	2,148,994	1,387,533	3,417,211	4,000,189	-	1,900,817	5,674,996	12,969,402	3,209,045
Debt service:										
Principal retired	2,633,395	2,986,678	3,341,150	3,445,981	2,948,395	2,138,534	2,622,685	2,716,905	2,976,439	2,129,153
Interest, fiscal charge, and fees	1,894,954	1,736,829	1,254,622	722,642	427,287	324,713	914,688	1,157,259	1,324,778	1,439,705
Payment to escrow agent	-	-	1,338,900	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	23,384
Total expenditures	\$ 73,337,854	77,839,552	79,043,141	83,864,956	91,117,727	91,107,646	104,074,549	110,764,937	123,016,596	112,041,755

Notes:

- (1) The above table includes the following funds, General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund.
- (2) The Bossier Parish Community College General Fund is included in Special Revenue Funds from 1991-1997.
- (3) Employee benefits for prior years was reflected in general and school administration. The allocation of employee benefits to the functional categories is to conform to reporting requirements for the Louisiana Department of Education.
- (4) The Bossier Educational Excellence Fund is included in Special Revenue Funds from 1991-1998.

Unaudited - see accompanying independent auditors' report.

Table 2

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

General Revenues by Source - All Governmental Fund Types (1)  
Fiscal years ended June 30, 1991 through June 30, 2000

	1991 (3)	1992 (2)	1993	1994	1995	1996	1997	1998	1999	2000
<b>Revenues from local sources:</b>										
Ad valorem taxes	\$ 7,173,131	7,114,707	7,538,496	7,291,317	7,116,987	7,974,327	13,859,714	14,623,339	15,878,819	15,089,337
Sales taxes	10,449,756	10,698,464	11,182,872	12,509,531	14,275,468	16,022,285	16,138,817	17,654,587	18,669,817	20,112,687
Investment income	1,180,779	673,431	585,496	602,128	726,009	975,032	1,589,657	1,513,963	689,625	340,391
Food service	1,048,348	1,342,958	1,318,134	1,313,376	1,363,702	1,375,617	1,350,594	1,353,345	1,569,373	1,647,734
Tuition	2,193,148	2,775,938	2,857,636	2,793,424	2,790,761	2,803,210	2,809,340	71,110	33,970	26,997
Other	227,741	241,177	625,508	193,393	1,436,974	4,104,428	3,263,002	2,784,877	1,855,004	2,195,013
<b>Total revenues from local sources</b>	<b>22,272,903</b>	<b>22,846,675</b>	<b>24,108,142</b>	<b>24,703,169</b>	<b>27,711,901</b>	<b>33,254,899</b>	<b>39,011,124</b>	<b>38,001,221</b>	<b>38,698,608</b>	<b>39,412,159</b>
<b>Revenues from state sources:</b>										
Equalization	\$ 38,679,182	41,998,270	42,962,712	45,554,902	49,077,385	50,316,357	54,389,794	48,596,435	51,432,120	54,137,877
Revenue sharing	694,773	618,586	614,596	578,075	581,709	583,318	536,780	593,799	599,877	539,960
Professional improvement program	1,199,176	1,141,425	1,100,103	1,055,820	970,177	1,042,194	868,482	855,724	684,231	422,475
Other	1,020,895	808,920	950,554	547,742	1,871,859	464,692	976,528	2,466,974	2,796,360	2,470,248
<b>Total revenues from state sources</b>	<b>41,594,026</b>	<b>44,567,201</b>	<b>45,627,965</b>	<b>47,736,539</b>	<b>52,501,130</b>	<b>52,406,561</b>	<b>56,771,584</b>	<b>52,512,932</b>	<b>55,512,588</b>	<b>57,570,560</b>
<b>Revenues from federal sources</b>	<b>6,661,681</b>	<b>7,634,517</b>	<b>7,830,249</b>	<b>8,511,092</b>	<b>9,029,623</b>	<b>9,083,383</b>	<b>8,846,145</b>	<b>8,798,004</b>	<b>8,510,002</b>	<b>9,654,096</b>
<b>Total revenues</b>	<b>\$ 70,528,610</b>	<b>75,048,393</b>	<b>77,566,356</b>	<b>80,950,800</b>	<b>89,242,654</b>	<b>94,744,843</b>	<b>104,628,853</b>	<b>99,312,157</b>	<b>102,721,198</b>	<b>106,636,815</b>

**Notes:**

- (1) The above table includes the following funds: General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.
- (2) The Bossier Parish Community College General Fund was included as a Special Revenue Fund for 1991 - 1997.
- (3) The Bossier Educational Excellence Fund is included in Special Revenue Funds from 1991 - 1998.

Unaudited - see accompanying independent auditors' report.

Table 3

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Property Tax Levies and Collections (1)  
Fiscal years ended June 30, 1991 through June 30, 2000

Fiscal Year	Total School Board Tax Assessment	Current Tax Collections	Percent of Tax Levy Collected	Delinquent Taxes Collected		Total Taxes, Interest, and Penalty Collected	Total Collections As a Percent of Current Tax Levy
				Taxes	Interest and Penalty		
1990-91	\$ 7,238,045	7,158,003	98.89%	\$ 14,449	679	7,173,131	99.10%
1991-92	7,211,272	7,099,738	98.45%	13,653	1,316	7,114,707	98.66%
1992-93	7,445,641	7,509,546	100.86%	26,126	2,824	7,538,496	101.25%
1993-94	7,086,263	7,146,226	100.85%	103,298	41,793	7,291,317	102.89%
1994-95	7,191,037	7,076,594	98.41%	20,857	21,536	7,118,987	99.00%
1995-96	7,880,709	7,928,924	100.61%	34,284	11,119	7,974,327	101.19%
1996-97 (2)	13,747,843	13,822,248	100.54%	21,801	15,665	13,859,714	100.81%
1997-98	15,368,791	14,488,457	94.27%	75,320	59,562	14,623,339	95.15%
1998-99	16,521,978	15,863,420	96.01%	13,795	1,604	15,878,819	96.11%
1999-00	15,190,241	14,835,143	97.66%	203,624	50,570	15,089,337	99.34%

**Notes:**

(1) Bossier Parish Tax Assessor

(2) The 1996-97 tax assessment included an additional levy passed in April 1996 for employee benefits and salaries.

Unaudited - see accompanying independent auditors' report.

Table 4

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Assessed and Estimated Actual Value of Taxable Property (1)

Last Ten Calendar Years

Year	Assessed Value	Estimated Actual Value	Ratio of Assessed Value to Estimated Actual Value
1991	\$ 248,542,450	1,931,826,980	12.9%
1992	250,498,940	1,945,396,187	12.9%
1993	257,313,215	1,999,636,379	12.9%
1994	288,433,781	2,235,920,783	12.9%
1995	298,227,210	2,311,838,837	12.9%
1996	296,211,590	2,296,213,876	12.9%
1997	331,694,500	3,316,945,000	10.0%
1998	361,898,600	2,952,644,507	12.3%
1999	384,390,690	3,330,779,367	11.5%
2000	394,161,600	3,453,219,533	11.4%

**Notes:**

(1) Information provided by Bossier Parish Tax Assessor.

Unaudited - see accompanying independent auditors' report.



Table 5

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Property Tax Rates and Tax Levies - Direct and Overlapping Governments (1)

Fiscal years ended June 30, 1991 through June 30, 2000

Fiscal Year	Tax Rates Per \$1,000 of Assessed Value (1)					Tax Levies (1)				
	Parish (2)	Sheriff	School	City of Bossier (4)	Total	Parish (2)	Sheriff	School	City of Bossier (4)	Total
1991	\$ 36.95	6.95	79.59	23.30	146.79 \$	4,809,514	1,699,030	7,238,045	3,445,405	17,191,994
1992	36.95	6.95	79.59	28.50	151.99	4,807,914	1,698,464	7,211,272	4,299,164	18,016,814
1993	36.95	6.95	80.22	27.37	151.49	4,887,158	1,726,458	7,445,641	4,375,380	18,434,637
1994	13.92	13.23	39.42	27.37	93.94	2,277,059	2,920,594	7,086,263	4,369,789	16,653,705
1995	28.73	13.50	39.42	27.27	108.92	4,215,921	2,465,888	7,191,037	4,451,725	18,324,571
1996	26.23	13.50	39.42	23.85	103.00	4,290,487	2,702,009	7,880,709	4,395,265	19,268,470
1997	27.92	13.51	61.39	26.38	129.20	5,251,676	3,027,373	13,747,843 (3)	5,355,276	27,382,168
1998	26.60	13.51	61.39	26.38	127.88	5,467,947	3,384,295	15,368,791	5,955,560	30,176,593
1999	34.80	13.51	61.39	26.38	136.08	8,101,218	3,638,153	16,521,978	6,411,901	34,673,250
2000	34.80	13.51	55.14	26.38	129.83	8,173,480	3,721,080	15,190,241	6,761,107	33,845,908

Notes:

(1) Per Bossier Parish Tax Assessor

(2) The parish taxes include the following:

Parish Road Tax	Library Bonds Tax	Bossier Levée District Tax	Port Tax
Courthouse Tax	Health Clinic Tax	Cypress-Black Bayou Tax	Penal Farm
Library Maintenance Tax	Assessor's Tax	Red River Water Way	

(3) Increase due to an increase in millages for salaries and benefits.

(4) Per Comprehensive Annual Financial Report of the City of Bossier City as of December 31, 1999.

Unaudited - see accompanying independent auditors' report.

Table 6

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

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

Fiscal years ended June 30, 1991 through June 30, 2000

Fiscal Year	Bossier Parish Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Less Debt Service Funds (3)	Net Bonded Debt (3)	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1990-91	87,266	\$ 248,542,450	\$ 16,970,000	\$ 3,932,221	\$ 13,037,779	5.25%	\$ 149
1991-92	88,044	250,498,940	14,885,000	3,494,604	11,390,396	4.55%	129
1992-93	86,500	257,313,215	12,395,000	1,781,738	10,613,262	4.12%	123
1993-94	87,800	288,433,781	9,805,000	1,255,327	8,549,673	2.96%	97
1994-95	89,400	298,227,210	7,720,000	1,401,160	6,318,840	2.12%	71
1995-96	90,503	296,211,590	5,670,000	1,924,241	3,745,759	1.26%	41
1996-97	92,119	331,694,500	12,750,000	3,654,825	9,095,175	2.74%	99
1997-98	93,752	361,898,600	18,860,000	4,240,853	14,619,147	4.04%	156
1998-99	94,393	384,390,690	16,980,000	4,843,878	12,136,122	3.16%	129
1999-00	93,374	394,161,600	16,430,000	3,982,504	12,447,496	3.16%	133

**Notes:**

(1) Louisiana Electronic Assistance Program (LEAP) operated by Northeast Louisiana University Center for Business and Economic Research (<http://leap.nlu.edu>) for 1991-1999; Census website @ [www.census.gov/population/estimates/county](http://www.census.gov/population/estimates/county) for 2000.

(2) Assessed value is the Total Assessed Valuation of all property located in Bossier Parish. Beginning in 1978, property was assessed at 10% on land and residential property and 15% on commercial property.

(3) Includes general obligation bonds payable only.

Unaudited - see accompanying independent auditors' report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Direct and Overlapping Debt (1)

As of June 30, 2000

<u>Name of Governmental Unit (1)</u>	<u>Gross Debt</u>	<u>Amount Available Debt Service Fund</u>	<u>Net Debt Outstanding (2)</u>	<u>Percentage of Debt Applicable to the School Board</u>	<u>School Board's Share of Debt</u>
<b>Direct Debt</b>					
Bossier Parish School Board	\$ 16,430,000	3,982,504	12,447,496	100%	\$ 12,447,496
<b>Overlapping Debt</b>					
Bossier Parish Police Jury	4,425,000	55,940	4,369,060	100%	4,369,060
Total direct and overlapping debt	\$ 20,855,000	4,038,444	16,816,556		\$ 16,816,556

**Notes:**

- (1) Various taxing districts exist within Bossier Parish that involve a small percentage of taxpayers. These districts' debt is not included.
- (2) This represents the debt of all the constituents who reside in Bossier Parish.

Unaudited - see accompanying independent auditors' report.

Table 8

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Computation of Legal Debt Margin

June 30, 2000

Assessed value	\$ 394,161,600
Debt limit thirty-five percent (35%) of assessed value (1)	137,956,560
Amount of debt applicable to debt limit (2):	
Total general bonded debt	\$ 16,430,000
Less: Assets in debt service funds	<u>3,982,504</u>
Total amount of debt applicable to debt limit	<u>12,447,496</u>
Legal debt margin	<u>\$ 125,509,064</u>

**Notes:**

- (1) This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562(C).
- (2) Includes general obligation bonds only.

Unaudited - see accompanying independent auditors' report.

**Table 9**

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

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

Fiscal years ended June 30, 1991 through June 30, 2000

Year Ended June 30,	Debt Service Expenditures		Total	Total General Expenditures (2)	Ratio of Debt Service to General Expenditures (Percent)
	Principal (1)	Interest and Fiscal Charges (1)			
1991	\$ 1,930,000	1,725,061	3,655,061	73,337,854	4.98%
1992	2,085,000	1,560,985	3,645,985	77,839,552	4.68%
1993	2,400,000	1,098,653	3,498,653	79,043,141	4.43%
1994	2,590,000	636,628	3,226,628	83,864,956	3.85%
1995	2,085,000	427,319	2,512,319	91,117,727	2.76%
1996	2,050,000	324,713	2,374,713	91,107,646	2.61%
1997	1,920,000	600,835	2,520,835	104,074,549	2.42%
1998	1,890,000	943,611	2,833,611	110,764,937	2.56%
1999	1,880,000	1,086,705	2,966,705	123,016,596	2.41%
2000	550,000	995,662	1,545,662	112,041,755	1.38%

**Notes:**

- (1) Includes debt service on general obligation bonds only.
- (2) Includes general expenditures for General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.  
The Bossier Parish Community College is included in Special Revenue Funds for the years 1991 - 1997.

Unaudited - see accompanying independent auditors' report.

Table 10

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Revenue Bond Coverage  
Sales Tax Bonds

Fiscal years ended June 30, 1991 through June 30, 2000

Fiscal Year	Gross Revenues (1)	Expenditures (2)	Net Revenue	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
					Principal	Interest and Fiscal Charges	Total	
1991	\$ 10,486,946	110,802	10,376,144	3,458,715	615,000	174,826	789,826	4.38
1992	10,712,596	125,660	10,586,936	3,528,979	655,000	139,013	794,013	4.44
1993	11,184,464	62,515	11,121,949	3,707,316	690,000	102,165	792,165	4.68
1994	12,509,531	161,487	12,348,044	4,116,014	735,000	62,838	797,838	5.16
1995	14,275,468	112,811	14,162,657	4,720,886	775,000	41,525	816,525	5.78
1996 (4)	-	-	-	-	-	-	-	-
1997	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-

Notes:

- (1) Includes operating revenues and interest income.
- (2) Includes all operating expenses except interest paid on debt service and other nonoperating expenses.
- (3) Represents one-half cent of the total one and one-half cent sales tax received. One-half cent is dedicated to the repayment of the School Board's sales tax bonds.
- (4) Revenue bonds were paid off in the 1995 fiscal year.

Unaudited - see accompanying independent auditors' report.

Table 11

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Demographic Statistics

Fiscal years ended June 30, 1991 through June 30, 2000

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Median Age (2)</b>	<b>School Enrollment (3)</b>	<b>Average Daily Membership (3)</b>	<b>Unemployment Rate (1)</b>	<b>Per Capita Income (4)</b>
1991	87,266	26.6	17,393	17,473	6.70%	13,782
1992	88,044	26.9	17,767	18,043	7.20%	14,735
1993	86,500	27.1	17,978	18,107	7.10%	15,644
1994	87,800	27.3	18,275	18,238	7.10%	16,611
1995	89,400	27.0	18,342	18,397	7.90%	17,777
1996	90,503	N/A	18,443	17,496	7.10%	18,886
1997	92,119	N/A	18,607	18,463	6.60%	21,259
1998	93,752	N/A	18,822	18,847	5.50%	N/A
1999	94,393	N/A	18,787	18,706	4.60%	N/A
2000	93,374	N/A	18,950	18,722	3.80%	N/A

**Notes:**

- (1) 1991-1999 Louisiana Electronic Assistance Program (LEAP) operated by Northeast Louisiana University Center for Business and Economic Research (<http://leap.nlu.edu>); 2000 Census website at [www.census.gov/population/estimates/county](http://www.census.gov/population/estimates/county)
- (2) Estimates derived from City of Bossier and Employment Security Office.
- (3) These figures do not include the Bossier Parish Community College.
- (4) 1988-1992 Research Division, Louisiana Tech; 1993 - 1997 Louisiana Electronic Assistance Program (LEAP).

Unaudited - see accompanying independent auditors' report.

Table 12

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Property Value, Construction, and Bank Deposits  
Last Ten Calendar Years

Calendar Year	Property Value (1)		Bank Deposits (2)	Commercial Construction (2)		Residential Construction (2)	
	Commercial	Residential		Number of Units	Value	Number of Units	Value
1991	\$ 1,112,596,357	832,799,830	\$ 448,694,000	\$ 3,550,633	175	\$ 20,277,941	277
1992	1,119,017,623	880,618,756	417,356,000	8,139,672	274	22,663,646	291
1993	1,468,194,659	767,726,124	412,381,000	6,853,510	258	46,664,978	573
1994	1,511,121,086	800,717,751	447,139,000	29,209,519	297	52,352,402	650
1995	1,555,302,577	740,911,299	443,530,000	50,382,448	490	50,499,698	550
1996	2,084,865,000	1,232,080,000	N/A	67,430,679	599	67,430,679	805
1997	1,184,764,707	1,767,879,800	526,866,000	38,733,955	366	40,023,995	391
1998	837,189,637	2,115,454,870	N/A	N/A	374	45,397,216	374
1999	1,026,257,067	2,304,522,300	N/A	65,634,886	441	56,243,760	457
2000	976,792,933	2,476,426,600	N/A	49,709,868	334	68,797,069	559

**Notes:**

(1) 1991-1998 Bossier Parish Tax Assessor; 1999-2000 City of Bossier City and Bossier Police Jury permit offices.

(2) Louisiana Electronic Assistance Program (LEAP).

Unaudited - see accompanying independent auditors' report.



Table 13

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Principal Taxpayers (1)  
June 30, 2000

<u>Name</u>	<u>Industry</u>	<u>Assessed Value</u>	<u>Percentage of Total Assessed Valuation</u>
Horseshoe Entertainment L.P.	Casino	\$ 27,465,620	6.97%
Southwestern Electric Power Company	Electric Utility	16,705,480	4.24%
Bell South Telecommunications	Telephone	9,036,550	2.29%
Hibernia National Bank	Banking	3,636,800	0.92%
ICH LLC	Hotel	3,605,840	0.91%
Calumet Lubricants Co. L.P.	Oil and Gas	3,183,030	0.81%
Bank One, Louisiana	Banking	3,121,990	0.79%
Isle of Capri Casino	Casino	2,644,670	0.67%
Louisiana Downs, Inc.	Horse Racing	2,588,120	0.66%
Pierre Bossier Mall L.P.	Real Estate	2,368,670	0.60%
Total for ten principal taxpayers		<u>74,356,770</u>	<u>18.86%</u>
Total for remaining taxpayers		<u>319,804,830</u>	<u>81.14%</u>
Total for all taxpayers		<u>\$ 394,161,600</u>	<u>100.00%</u>

**Notes:**  
(1) Bossier City Parish Tax Assessor.

Unaudited - see accompanying independent auditors' report.

Table 14

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Attendance Data

Fiscal years ended June 30, 1991 through June 30, 2000

Fiscal Year	Number of Graduates	Average Daily Membership (1)	Average Daily Attendance		Percent of Attendance
			Amount	Percent Change	
1991	854	17,473	16,566	-0.77%	94.81%
1992	841	18,043	16,836	1.63%	93.31%
1993	833	18,107	17,032	1.16%	94.06%
1994	899	18,238	17,379	2.04%	95.29%
1995	891	18,397	17,456	0.44%	94.89%
1996	906	18,443	17,496	0.23%	94.87%
1997	821	18,463	17,393	-0.59%	94.20%
1998	996	18,847	17,903	2.93%	94.99%
1999	946	18,706	17,812	-0.51%	95.22%
2000	836	18,722	17,778	-0.19%	94.96%

Unaudited - see accompanying independent auditors' report.

Table 15

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Insurance in Force

June 30, 2000

Type of Coverage/ Name of Company	Policy Number	Policy Period		Details of Coverage and Coinsurance	Coverage Limits	Premium
		From	To			
Property/Royal Indemnity	RHD310149	3-1-00	3-1-01	Blanket Limit, All Risk, \$100,000 deductible	\$ 114,188,647	\$ 86,784
Boiler & Machinery/Hartford Steamboiler	FBP7347968	11-21-99	11-21-00	Equipment breakdown	500,000	2,087
General Liability/Coregis	651-006356-9	9-20-99	9-20-00	Each occurrence Employee Benefits Liability SIR: \$25,000	1,000,000 1,000,000	96,287
Educator's Legal Liability	SBD-000801-2	9-20-99	9-20-00	Limit: SIR: \$10,000	1,000,000	15,304
Automobile/Clarendon	DS2000009613	7-1-99	7-1-00	Liability Medical Payments No physical damage coverage on owned vehicles.	1,000,000 2,000	165,321
Excess W.C./Safety National	AGC4842LA	3-7-00	3-7-01	Minimum Limit SIR: \$175,000	Statutory	23,443
Student Accident/Mega Life & Health	99-8131	8-2-99	8-2-00	Minimum Benefit Per Policy Limitations	25,000	26,804

**Notes:**

(1) Insurance files maintained by Insurance Agent of the Bossier Parish School Board.

Unaudited - see accompanying independent auditors' report.

Table 16

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Miscellaneous Statistical Data

June 30, 2000

<u>Instruction Sites</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
<b>High Schools:</b>			
Airline	1965	238,724	98.33
Benton	1978	77,800	25.00
Bossier	1939	142,300	18.14
Haughton	1940	99,610	27.80
Parkway	1962	132,473	28.70
Plain Dealing	1938	91,603	26.20
<b>Middle Schools:</b>			
Cope	1980	82,547	14.23
Elm Grove	1887	84,173	12.90
Greenacres	1958	76,700	17.17
Princeton	1952	60,000	20.40
Rusheon	1955	83,114	24.60
<b>Elementary/Middle Schools:</b>			
Plain Dealing	1952	65,169	12.54
Benton	1999	88,254	14.70
Haughton	1999	105,708	21.62
<b>Elementary Schools:</b>			
Apollo	1968	69,158	3.00
Bellaire	1968	50,518	10.68
Benton	1953	60,093	21.13
Bossier	1922	64,500	4.90
Butler	1952	32,495	4.50
Central Park	1947	50,219	10.00
Curtis	1958	46,518	12.00
Kerr	1953	52,368	11.44
Meadowview	1962	59,300	15.00

(Continued)

Table 16

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Miscellaneous Statistical Data

June 30, 2000

<u>Instruction Sites</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
Elementary Schools, Cont:			
Plantation Park	1952	52,292	10.10
Platt	1961	61,000	20.00
Rocky Mount	1941	29,950	10.20
T.L. Rodes	1980	54,875	(1)
Stockwell Place	1986	52,752	10.33
Sun City	1969	49,890	(2)
Waller	1949	63,790	9.30
Other Instruction Sites:			
Bossier Parish Community College (4)	1986	51,724	(3)
Bossier Life Skills Center	1955	10,500	2.20
BPCC Criminal Justice Institute (4)	1967	26,700	9.60
Bossier Career Center	1949	40,000	6.66

**Notes:**

- (1) Included with Platt Elementary acreage.
- (2) Included with Parkway High School acreage.
- (3) Included with Airline High School acreage - Community College originally housed in Airline High School. In 1986, a new library and classroom building was erected adjacent to the high school.
- (4) These sites are rented from the School Board by the State of Louisiana who operates the Community College and Criminal Justice Institute.

Unaudited - see accompanying independent auditors' report.

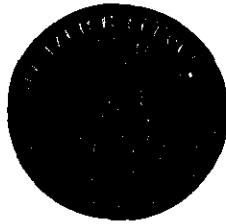
**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Compensation Paid to School Board Members

For the year ended June 30, 2000

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 \$500 per month, and the president receives \$600 per month for performing the duties of his office.

<b>Board Member:</b>	<u>Amount</u>
Julian Darby, President	\$ 6,600
Michael M. Graham, Vice-President	6,000
Elizabeth S. Cassibry	6,600
Gary Dowden	6,000
George C. Finck	6,000
Mack Knotts	6,000
Mike Knotts	6,000
Mary Margaret Ray	3,250
John LeGrand, Jr.	2,750
Vassie M. Richardson	6,000
Gloria Simison	6,000
J. W. Slack	6,000
Kenneth M. Wiggins	<u>6,000</u>
	<u>\$ 73,200</u>



**BOSSIER PARISH SCHOOL BOARD**

P.O. Box 2000  
Benton, Louisiana 71006-2000  
Telephone (318) 549-5000

**Kenneth N. Kruthof**  
*Superintendent*

**Julian Darby**  
*President*

November 30, 2000

**Michael M. Graham**  
*Vice President*  
3039 Hwy. 154  
Elm Grove, LA 71051  
District 1

**Dr. Daniel G. Kyle, CPA, CFE**  
Legislative Auditor  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

**Mike Knotts**  
101 Woodcrest Drive  
Haughton, LA 71037  
District 2

**George C. Finck**  
167 Beaver Lane  
Benton, LA 71006  
District 3

Dear Dr. Kyle:

**Vassie M. Richardson**  
P.O. Box 231  
Plain Dealing, LA 71064  
District 4

Please consider the following responses to the comments and recommendations provided in the audit of our financial statements for the year ended June 30, 2000:

**Elizabeth S. Cassibry**  
2202 Landau Lane  
Bossier City, LA 71111  
District 5

DEFICIT FUND BALANCES

The School Board has developed short and long-range plans to eliminate all deficit fund balances. The Board has dedicated all sales tax and property tax revenue increases to the elimination on the deficits in the General Fund, Sales Tax Fund and Unified Construction Capital Projects Fund. From July 1 through October 31, 2000, Sales Tax Collections have increased \$1,181,140 when compared to the same period in 1999. Property taxes are expected to increase \$1,500,00 due to increased assessed property valuations for 2000.

**John LeGrand, Jr.**  
2518 Benton Road  
Bossier City, LA 71111  
District 6

**J.W. Slack**  
2424 Douglas Drive  
Bossier City, LA 71111  
District 7

The Group Health Insurance Internal Service Fund deficit will be amortized over a seven-year period. Employee premiums have been increased and benefits have been restructured to help eliminate this deficit. A study of several different insurance plans is in progress to insure efficient use of employer and employee insurance premiums

**Kenneth M. Wiggins**  
700 Shaver Street  
Bossier City, LA 71111  
District 8

GROUP HEALTH INSURANCE INTERNAL SERVICE FUND

The School Board has developed a long-range plan to eliminate the deficit in this fund. The deficit will be amortized over a seven-year period. Employee premiums have been increased and benefits have been restructured to help eliminate this deficit. A study of several different insurance plans is in progress to insure efficient use of employer and employee insurance premiums.

**Gloria Simison**  
3116 Oliver Street  
Bossier City, LA 71112  
District 9

**Julian Darby**  
*President*  
1130 Beverly Street  
Bossier City, LA 71112  
District 10

**Gary Dowden**  
4003 Stuart Avenue  
Bossier City, LA 71112  
District 11

DEBT SERVICE FUNDS

The debt service fund will continue to be reviewed to insure a reasonable fund balance.

**Mack Knotts**  
5007 Kenilworth Drive  
Bossier City, LA 71112  
District 12

### CASH

Bank Account Reconciliations - Bank account reconciliations will continued to be reviewed by the Chief Accountant. The Chief Accountant will sign the face of the reconciliation as evidence that the reconciliation process is complete.

Cash Receipts - Personnel outside the cash receipts function will be assigned to review the check log and compare the validated deposit slips to the cash receipts check log.

Cash Disbursements – Duties of preparing and signing checks will be segregated to improve internal controls in this area. The Director of Finance will review and sign the check disbursement reports.

### INVESTMENTS

The Director of Finance will sign all investment transactions as evidence of approval of the transaction.

### FEDERAL GRANT PROGRAMS

A procedure will be implemented requiring all employees who work solely on a single Federal award to sign a certification stating that they worked solely on that grant award. This certification will be signed at least twice a year. Employees working part-time on a grant will be required to keep a time log as evidence to the time worked on the grant.

### TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES

The preparation of the comparability report will exclude only federally funded employees from the base salary column.

### SPECIAL EDUCATION GRANTS TO STATES (PART B) AND PRESCHOOL GRANTS PROGRAMS

OMB Circular A-133 Allowed Cost/Cost Principle Compliance Requirement – All expenditures over \$500 will be approved by the Director of Finance. The purchasing department will not issue a purchase order for over \$500 without proper approval. The accounts payable department will not pay direct payments without proper approval.

OMB Circular A-133 Reporting Compliance Requirements – The Director of Finance or Chief Account will review and initial all reimbursement request before submission to the Superintendent for final approval.

### ADULT EDUCATION

OMB Circular A-133 Allowed Cost/Cost Principle Compliance Requirement – Supporting expenditure documentation for travel will be attached to all receipts or invoices. Approval for each travel or training will be attached to the invoice to ensure reimbursements are requested only for approved travel or training.



Dr. Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
November 30, 2000  
Page 3

OMB Circular A-133 Reporting Compliance Requirements – The Director of Finance or Chief Accountant will review and initial all reimbursement requests before submission to the Superintendent for final approval.

#### FOOD DISTRIBUTION (COMMODITIES)

OMB Circular A-133 Special Test and Provisions Compliance Requirements – All pick tickets will be signed by the commodity clerk, Supervisor of Child Nutrition, or other Child Nutrition staff at central office.

OMB Circular A-133 Special Test and Provisions Compliance Requirements – The Child Nutrition Supervisor will perform periodic reviews of the perpetual inventory and provide additional training. Follow-up on the School's Corrective Action Plan will be performed to ensure the plan is being adhered to.

#### STUDENT ACTIVITY FUNDS

Cash Disbursements – A workshop will be held with student activity fund users training them to stamp all invoices paid. We will continue to stress that a paid stamp is a preventive tool and will not eliminate duplicated payments. All student activity funds users will use pre-numbered receipts.

Accounts Payable – All student activity funds users will submit an accounts payable list at the end of the fiscal year. Training will be provided at the workshop mentioned above.

#### PAYROLL

Payroll Internal Controls – The finance department will work with data processing to develop a report to show all changes made to relevant fields of an employee's records. The personnel department to assure changes are authorized and document such review by initialing the report will review this report.

#### VACATION LEAVE

Accounting for Vacation Leave – The finance department will work with data processing to develop a program to centralize accounting for vacation leave. The payroll department will perform the accounting for vacation leave.

#### BUDGET

Budget Compliance and Controls – A complete listing of budgets and any revisions for all funds will be included in the official minutes of the School Board. Revisions to the budgets will be done only for specific circumstances and on a timely basis.

#### UNIFORM UNCLAIMED PROPERTY ACT OF 1997

The School Board will consult with legal counsel to determine the applicability of the Act to School Board's operations.

Dr. Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
November 30, 2000  
Page 4

#### GENERAL LEDGER

Monthly reviews will be performed to ensure all funds balance and fund balance reported on the Statement of Revenue and Expenditures Trial Balance agrees to the fund balance reported on the fund's Balance Sheet. Differences will be investigated and resolved timely. We will also work with data processing for assistance.

#### MAINFRAME ACCESS CONTROLS

General Access - Data processing will develop a username to be associated with each password. Activities for each user will be tracked to ensure compliance with approved access as well as Network Usage Policies.

Security Awareness – Network Usage Policy will be reviewed and updated to ensure the policy is explicit as to prohibited actions and related consequences for the occurrence of prohibited actions. Legal counsel will make a final review.

#### NETWORK ACCESS CONTROLS

Network segmentation will be examined for sensitive information on the mainframe to end user computers. Cost will be determined.

#### DATA CONTROL AND INTEGRITY

Data processing will develop a process to track changes made to information in the School Board's mainframe computer.

#### BUSINESS CONTINUITY

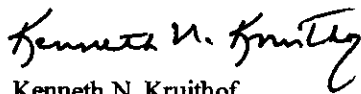
Backup tapes will be stored in the vault at the Central Office. These tapes will be delivered each day by inter-system delivery.

#### NEW REPORTING MODEL – GASB 34

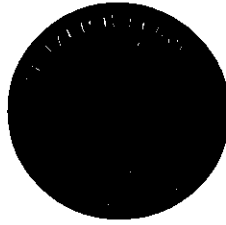
We have started the process looking at our systems and processes to work towards implementation for the year ending June 30, 2002. We will estimate the cost of this implementation and recommend these cost for the upcoming budget years.

If we can provide further information please let us know.

Sincerely,



Kenneth N. Kruithof  
Superintendent



## BOSSIER PARISH SCHOOL BOARD

P.O. Box 2000  
Benton, Louisiana 71006-2000  
Telephone (318) 549-5000

**Kenneth N. Kruthof**  
*Superintendent*

**Julian Darby**  
*President*

November 30, 2000

**Michael M. Graham**  
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3039 Hwy. 154  
Elm Grove, LA 71051  
District 1

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Houghton, LA 71037  
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5007 Kenilworth Drive  
Bossier City, LA 71112  
District 12

**Dr. Daniel G. Kyle, CPA, CFE**  
Legislative Auditor  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

Re: Schedule of Findings and Questioned Cost

Dear Dr. Kyle:

The following are responses to the Schedule of Findings and Questioned Costs for our audit for the year ending June 30, 2000:

Item: 00-1

Finding Title: Bossier Educational Excellence Fund ("BEEF") Principal Expended

Corrective Action Planned: The borrowed funds from the BEEF account were quickly repaid in full with interest within 65 days. At the time of the loan, property tax revenues, which would be used to make repayment, were anticipated for January collection. These revenues were received and repaid to BEEF with interest. A promissory note was drafted and interest was calculated using the Wall Street Journal Treasury bill rate for the date of the note. BEEF funds will not be transferred for any reason in the future.

Person Responsible for Corrective Action: Director of Finance

Anticipated Completion Date: Immediately

Item: 00-2

Finding Title: BEEF Investments do not comply with State Law

Corrective Action Planned: As per advice from the Legislative Auditor's Office, we will only invest BEEF monies in Treasury bills, Treasury Notes and Treasury Bonds and time certificates of deposit of approved state and national banks.

Person Responsible for Corrective Action: Director of Finance

Anticipated Completion Date: Immediately

Dr. Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
November 30, 2000  
Page 2

Item: 00-3

Finding Title: Detailed Information for BEEF not adequately reported

Corrective Action Planned: The information requested will be reported annually in a separate report. This information will include details of revenue collection by source and amount, investment sources and earnings and individual school's specific expenditures.

Person Responsible for Corrective Action: Director of Finance

Anticipated Completion Date: This report will be included in the June 30, 2000 Financial Reports

Item: 00-4

Finding Title: Fixed Asset Listing

Corrective Action Planned: Work with data processing to combine all past and current inventory into a comprehensive report.

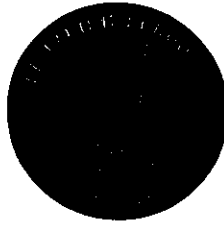
Person Responsible for Corrective Action: Director of Finance and Director of Data Processing

Anticipated Completion Date: 2000-2001 fiscal year

If we can provide further information please let us know.

Sincerely,

  
Kenneth N. Kruithof  
Superintendent



## BOSSIER PARISH SCHOOL BOARD

P.O. Box 2000  
Benton, Louisiana 71006-2000  
Telephone (318) 549-5000

**Kenneth N. Kruihof**  
*Superintendent*

**Julian Darby**  
*President*

November 30, 2000

**Michael M. Graham**  
*Vice President*  
3039 Hwy. 154  
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Dr. Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

Re: Status of Prior Year Audit Findings

Dear Dr. Kyle:

The following are responses to the prior year Schedule of Findings and Questioned Costs for our audit for the year ending June 30, 1999:

Item: 99-F1

Finding Title: Fixed Asset Listing

Initially Occurred: A comprehensive listing of fixed assets has not been updated since 1996. Additions and deletions to the listing have been maintained but not updated to the comprehensive listing.

Condition Found: Although the School Board has maintained records of the additions and deletions each year, the comprehensive listing has not been updated since 1996.

Corrective Action Taken: Records of fixed asset additions and deletions have continued to be maintained.

Item: 99-F2

Finding Title: Cash Management

Initially Occurred: Federal Award year 1999

Condition Found: Three instances where the request for reimbursement preceded payment of the charge were noted in a random test. Each payment was considered an allowable cost.

Corrective Action Taken: Reimbursement requests are not prepared prior to funds being expended. Reimbursement requests are prepared from canceled invoices.

Dr. Daniel G. Kyle, CPA, CFE  
Legislative Auditor  
November 30, 2000  
Page 2

Item: 99-F3

Finding Title: Completion Report Not Filed

Initially Occurred: Federal Award Year 1999

Condition Found: The project completion report for the program year ending June 30, 1999 was not filed as of November 18, 1999.

Corrective Action Taken: All project completion reports have been filed on a timely basis.

Item: 99-F4

Finding Title: Federal Financial Reporting

Initially Occurred: Federal Award Year 1998, 1999

Condition Found: The School Board has made improvement in the number of federal project completion reports, which are being reconciled to the general ledger. However, the reconciliations to the general ledger continue to be performed in an untimely manner.

Corrective Action Taken: All projected completion reports have been reconciled to the general ledger in a timely manner.

If we can provide additional information please let us know.  
Sincerely,

  
Kenneth N. Kruithof  
Superintendent



333 Texas Street, Suite 1900  
Shreveport, LA 71101-3692

October 6, 2000

The Members of the Bossier  
Parish School Board  
Benton, Louisiana:

We have audited the financial statements of the Bossier Parish School Board (School Board) for the year ended June 30, 2000 and have issued our report thereon dated October 6, 2000. In planning and performing our audit of the financial statements of Bossier Parish School Board, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

#### DEFICIT FUND BALANCES

As of June 30, 2000, the General Fund, Group Health Insurance Internal Service Fund, Sales Tax Special Revenue Fund and Unified Construction Capital Projects Fund had deficits in fund balance/retained earnings totaling \$6,944,420. When considered with the Air Conditioner Repair and Replacement Special Revenue Fund and One-half Cent Sales Tax Air Conditioner Capital Projects Fund, which had deficits in prior years, the total (deficit) in the fund balance/retained earnings for these six funds, was \$(6,944,420), \$(6,200,217) and \$14,092,555 as of June 30, 2000, 1999 and 1998, respectively. Following is a breakdown of the total fund deficits at June 30, 2000:

General Fund	\$ 4,570,207
Group Health Insurance Internal Service Fund	2,012,076
Sales Tax Special Revenue Fund	99,330
Unified Construction Capital Projects Fund	<u>262,807</u>
	\$ <u>6,944,420</u>

The School Board should continue to develop short and long-range plans to eliminate these deficits and place the school system on more stable financial footing.



### GROUP HEALTH INSURANCE INTERNAL SERVICE FUND

**Self-Insured Group Hospitalization Plan** – In the prior two years' management letters, the deficit balance in the Group Health Insurance Fund was discussed. Management's response to the comments was that a recommendation would be made to amortize the debt over two to three years and to establish and maintain a reserve fund after the deficit is eliminated. However, the fund continues to carry forward a deficit balance of \$2,012,076. The deficit is composed of the \$2,508,515 deficit at June 30, 1999 less net income of \$496,439 in the current year which included an \$800,000 one-time payment to be made by the General Fund to eliminate a portion of the insurance fund deficit. Also, employer premiums were increased for fiscal year 1999-2000 in an attempt to reduce the fund deficit. It is management's plan to amortize the remaining deficit fund balance over five years.

The deficit should be eliminated as quickly as possible. Considering the results for 2000, reducing this deficit in the next three to five years poses a challenge. When the deficit is eliminated the School Board should establish and maintain a reserve in the group health fund to cover uncertain claims experience.

### MAINFRAME ACCESS CONTROLS

**General Access** – To gain access to the School Board's mainframe, a person only needs to know one of the 200+ passwords that are in use. Because the failed password attempt logs are only reviewed once per day, a person could try numerous passwords before being detected. Also, there is no username associated with each password; therefore, it is impossible to determine where the password guessing is originating and whose account is attempting to be violated. If a person is able to obtain a functional password, access to sensitive information on the mainframe may be possible. This access could lead to unauthorized information disclosure, modification, or deletion. Unauthorized access could be directed toward modification of School Board's financial information, modification of student tracking information (e.g., grades), or disclosure of private student information such as disciplinary activity.

We recommend a username be associated with each password. This is an added level of security for the School Board, and with the addition of a username with each password, the School Board would be allowed to track each user's activity to ensure compliance with approved access as well as Network Usage Policies.

**Security Awareness** – The user security awareness program is limited. It consists of an acceptable network usage policy and a yearly request for users to change their mainframe password. Primary awareness comes at a general meeting in the beginning of the year, when users are told to change their password. Because of the sensitive nature of the meeting, only a limited number of the users are present at this meeting. As a result, the users are not trained to identify or notice suspicious activity, report suspicious activity, nor to whom it should be reported. Most lapses in computer security result from a lack of user awareness. Typically, users are not able to define questionable activity. For example, users may share their password with each other, resulting in a person obtaining the ability to read or modify normally unavailable information. Users may also be willing to give out their passwords when requested by fake "system administrators" over the phone. Users must also be made aware of the reporting process so that the School Board can properly address these types of activities.



The purpose of the policy and awareness programs is to protect the school, employees and students. Therefore, we recommend additional steps be taken to stress the importance of security and related security awareness programs and inform users of the proper reporting process. We also recommend the School Board review and update their Network Usage Policy to ensure the policy is explicit as to prohibited actions and related consequences for the occurrence of prohibited actions. Further, we recommend the updated policy be reviewed by the School Board's attorney and/or someone knowledgeable on such policies.

### NETWORK ACCESS CONTROLS

The network that is used to carry the sensitive information on the mainframe from computer to computer is the same physical and logical network that is used by all levels of School Board employees as well as students. The risk associated with one network for all computers is that it could allow someone with limited or no access to capture sensitive School Board information, including grades, payroll data, and other information that is available on the mainframe. This type of "data capture" is possible from any networked computer in the School Board and therefore provides an intruder the ability to act with limited risk of being discovered. This same process can be used to gain mainframe passwords, leading to unauthorized access of mainframe resources and data. These activities are easily accomplished with the assistance of data capture and terminal emulation tools widely available on the Internet.

We recommend network segmentation to ensure that the separate network used to carry the sensitive information on the mainframe from computer to computer is not the same physical and logical network that is used by all levels of School Board employees as well as students.

### DATA CONTROL AND INTEGRITY

Changes to the information contained in the mainframe are not logged for validation, verification or future review. Changes may go undetected and if detected, the source of the changes will be undeterminable. We noted that there is no tracking of any changes made to the information in the School Board's mainframe. This may make it more difficult to track questionable transactions or other suspicious activity.

We recommend a process be implemented to track changes made to the information in the School Board's mainframe.

### BUSINESS CONTINUITY

The School Board keeps two weeks worth of mainframe backup tapes. Each night, the backup tapes are brought to the home of the Director of Data Processing. The following morning, these tapes are kept in the Director's office. In the evening the tapes are put into a vault and the previous tapes are added to the stack of tapes dating back two weeks. While these tapes are in a semi-secure location, there is a possibility of their being taken without authorization. Additionally, the tapes in the Director's office are not protected and may be taken when the Director is away from his office.

Currently, the backup tapes are stored either at the Director's residence or at the School Board offices. In the event of a disaster (e.g., fire or flood), the mainframe and all of the tapes may be destroyed or otherwise damaged. In the event that the building becomes inhabitable, the single day's backup tapes in the vault may be unavailable, if still functional. We did note there are formal agreements with the Caddo Parish Tax Assessor to provide mainframe access in the event of an emergency. However, there are no documented disaster recovery plans nor has any sort of disaster recover process been tested.

Business continuity controls should be in place to ensure that administrative and operational procedures surrounding the technology are established to reasonably assure continuity of operations. Failure to develop, document, test, and train personnel in the execution of a business contingency plan increases the risk that important School Board's services may not be restored in a timely manner. A detailed business continuity plan will assist the School Board with the capability to recover information systems in a timely and orderly manner.

We also strongly recommend that a complete set of backup data disks be stored at an independent and properly regulated location. Appropriate off-premises storage of backup files will ensure that in the event of damage to your facility, the School Board will be able to easily reconstruct all accounting and financial data. Independent off-premises storage will ensure that storage is in an area protected from natural disasters and that disks are available to authorized personnel at all times.

### VACATION LEAVE

**Accounting for Vacation Leave** – As discussed in prior management letters, accounting for vacation leave is very decentralized. Vacation leave is handled by approximately four different individuals using a manual system. Accounting for vacation leave is not performed on the School Board's computer system and, as a result, the computer system generates no printouts for accrual purposes. Practically all other compensation-related accounting is computerized and performed by the payroll department personnel. The payroll department does account for the number of days taken in the current year but does not account for the accrued balances of vacation days available to be taken or the dollar amounts of these liabilities.

The School Board should centralize this accounting under the payroll department for the following reasons:

1. An insignificant burden would be placed on the payroll department.
2. Accounting for vacation leave is very similar to the accounting for sick leave which is already performed in payroll.
3. Adapting later changes to the sick leave programs would be streamlined.
4. Internal control over the process would be strengthened greatly.

## BUDGET

**Budget Compliance and Controls** – Original budget amounts are not specifically listed in the School Board meeting minutes and/or in a separate resolution as support for the School Board's approved budget. However, the minutes do state the budget was approved. Also, we noted the minutes do not include budget revision amounts at the time the School Board approves revisions to each budget.

We also noted the budget is revised on a periodic basis and at the fiscal year end. These revisions to the budget amend the budgeted amounts to actual. Therefore, little or no variances exist throughout the year or at year end.

All minutes of School Board meetings should include a complete listing of budgets and any revisions for each fund to provide both the Board and management with a complete and accurate record of the budgets and revisions. Also, we recommend budgets be completed for all funds based on anticipated revenues and expenditures with revisions to the budgets being done for only specific circumstances and on a timely basis. Budgets provide management and the Board with an invaluable tool for conveying their goals and for monitoring the School Board's progress. If used effectively, budgets can help the School Board immediately identify potential problem areas and provide a basis to measure and assess the reliability of the monthly and financial reports. As key management and Board decisions are based on the School Board's operating results, reliable information provided in the monthly financial reports becomes an increasingly critical factor to the School Board's success.

## PAYROLL

**Payroll Internal Controls** – Authorization to establish an employee or change a rate of pay is given by the Personnel Department. This authorization is sent to the Payroll Department, where the information is entered. However, there is no means for the Personnel Department, or any other department independent of the keypunch function, to review changes made.

The School Board should consider having a report developed which prints out any changes made to relevant fields of an employee's records. A Personnel Department employee should review the changes to assure these changes are authorized and document such review by initialing the report.

## FEDERAL GRANT PROGRAMS

**OMB Circular A-133 Allowed Costs/Cost Principles Compliance Requirement** – In accordance with OMB Circular A-87, for employees who work solely on a single Federal award or cost objective, charges for their salaries and wages must be supported by periodic certifications that the employee worked solely on that program for the period covered by the certification. These certifications must be prepared at least semi-annually and signed by an employee or supervisory official having first hand knowledge of the work performed by the employee. During our review of payroll records of employees who work solely on a single Federal award or cost objective for Title I Grants to Local Educational Agencies, Class Size Reduction, Adult Education State Grant, Special Education Grants to States (Part B) and Special Education Preschool Grants Programs, we noted that employees did not complete periodic certifications stating that they worked solely on these programs.

To ensure compliance with OMB Circular A-87, we recommend that a policy be implemented requiring all employees who work solely on a single Federal award or cost objective to sign a certification stating that they worked solely on the particular Federal award or cost objective. This certification could possibly be similar to job description, but should be signed by someone knowledgeable of the employee's work, such as the program director. Also, the certifications should be signed by the employee at least twice a year.

#### TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES

**OMB Circular A-133 Reporting Compliance Requirement** – 34CFR part 200, the Improving America's School Act of 1994, and Louisiana Department of Education Guidance contain the regulations covering comparability. These regulations dictate that when computing base salaries for comparability reports, only the federally paid personnel should be excluded.

We recommend personnel responsible for preparing the comparability report exclude only federally funded employees from the base salary column.

#### SPECIAL EDUCATION GRANTS TO STATES (PART B) AND PRESCHOOL GRANTS PROGRAMS

**OMB Circular A-133 Allowed Costs/Cost Principles Compliance Requirement** – As of January 1, 2000, the School Board implemented an additional cash disbursements policy. Prior to the payment of an invoice over \$500, the invoice must be approved by the Director of Finance. During our procedures of twenty-five expenditures for the Special Education Grants to States (Part B) and Preschool Grants Programs, KPMG noted two instances in which invoices over \$500 were not properly approved by the Director of Finance.

KPMG recommends that the School Board take steps to ensure that all invoices over \$500 are properly approved by the Director of Finance. This approval should be documented by signature on the invoice.

**OMB Circular A-133 Reporting Compliance Requirements** – The reimbursement requests for the Special Education Grants to States (Part B) and Special Education Preschool Grants Programs are completed by one of the accountants and approved by the Superintendent.

We recommend the Director of Finance and Business Affairs or Chief Accountant review the reimbursement requests prior to the review and approval by the Superintendent. As documentation of approval, the individual should sign or initial the reimbursement request.

#### ADULT EDUCATION

**OMB Circular A-133 Allowed Costs/Cost Principles Compliance Requirement** – During our review of ten expenditures for the Adult Education State Grant Program, we noted the supporting documentation (i.e., travel itineraries, program itineraries, training pamphlets, etc.) was not attached to the receipt related to the

travel and/or training. Furthermore, no documentation of approval for the travel and/or training was noted on the receipt. The policy was that all travel must be approved by the Assistant Superintendent. These approvals and supporting documentation are kept on file in the Assistant Superintendent's office and are not attached to the receipt.

A copy of all supporting documentation (i.e., travel itineraries, program itineraries, training pamphlets, etc.) for travel and/or training events should be attached to the invoice and/or receipt as supporting documentation to ensure the travel was for an allowable activity. Also, the approvals for each travel and/or training should be attached to the invoice to ensure reimbursements are requested for only approved travel and training.

**OMB Circular A-133 Reporting Compliance Requirements** – During our review of the reimbursement requests for the Adult Education State Grant Program, we noted the reimbursement requests maintained by the Adult Education department did not have documentation of the review or approval by appropriate personnel. It is our understanding that all reimbursement requests for the Adult Education State Grant Program must be reviewed by the Chief Accountant and approved by the Superintendent prior to submission to the state. However, copies of the signed reimbursement requests documenting the review and approval of the requests are not maintained. Also, we noted that a reconciliation to the general ledger was not performed for the 1998-1999 Project Completion Report that was completed and submitted in the current fiscal year.

KPMG recommends that both the Chief Accountant and Superintendent sign and/or initial the reimbursement requests as evidence of their reviews and approval. Also, we recommend a copy of the approved reimbursement request be maintained by the Adult Education and/or Accounting Departments. Further, we recommend all Project Completion Reports be reconciled to the general ledger timely.

#### **FOOD DISTRIBUTION (COMMODITIES)**

**OMB Circular A-133 Special Tests and Provisions Compliance Requirements** – In accordance with the Commodity Handbook, the representative receiving the goods, either by delivery or pick-up, is required to sign the Pick Ticket in order to verify the count and condition of the commodities at the time of receipt. During our review of twenty-five Pick Tickets, we noted seven were not properly signed by the School Board's representative, the Warehouseman, to verify the count or condition of the goods at the time of receipt.

KPMG recommends that the School Board comply with the Commodity Handbook for the receiving of commodities. Also, the Commodities Clerk should review all Pick Tickets to ensure they are properly signed. If a Pick Ticket is not properly signed, the Commodities Clerk should perform follow-up procedures to ensure the count and condition of the goods.

**OMB Circular A-133 Special Tests and Provisions Compliance Requirements** – In accordance with the Commodity Handbook, entities must maintain accurate and complete records of donated USDA commodities. As part of these records, a perpetual inventory of commodities must be kept at each site and central location. Per our review of the State Northwest Field Supervisor's report, two schools were cited for errors in their perpetual inventory records. It was noted by the Field Supervisor that the schools were not recording the amount of commodities used and delivered timely.

We recommend that the School Board implement additional steps to ensure the schools record the amount of commodities used and delivered on a timely basis. For example, the Child Nutrition Supervisor or Internal Auditor could perform periodic reviews of the perpetual inventory and/or perform a follow-up on the School's Corrective Action Plan that was submitted to the Field Supervisor to ensure such plan is being adhered to.

### INVESTMENTS

**Authorization of Investment** – In accordance with the School Board's standard investment policy, the Director of Finance must submit a letter authorizing the purchase of investments prior to an investment purchase. During our test of controls over investments, we noted one instance in which a certificate of deposit was purchased without the proper approval and authorization by the Director of Finance.

In order to prevent unauthorized investment transactions, all investment purchases must be supported by a letter authorizing the purchase, and the letter should be signed by the Director of Finance as evidence of his approval of the transaction.

### DEBT SERVICE FUNDS

**Debt Service Fund Balance** – Tax millages for debt service should be levied at a rate to provide adequate funds for debt service requirements. When millages are levied at a rate higher than necessary, fund balances build up. Since these funds are dedicated for debt service, the fund balances could not be used for other purposes. We noted steps have been taken by management to reduce the Debt Service Fund balance by reducing tax millages.

We recommend the Director of Finance continue his review of the debt service fund balance and the next year's debt service requirements when setting tax millages each year. The millages should be adjusted to avoid increasing the fund balance beyond reasonable amounts.

### CASH

**Bank Account Reconciliations** – Reconciliation of the bank statement for each bank account is prepared by the Secretary of the Accounting Department and reviewed by the Chief Accountant. However, we noted no evidence of the review by the Chief Accountant.

The Chief Accountant should document his review of the reconciliations of the bank statements for all bank accounts by initialing or signing the face of the reconciliation as evidence that the reconciliation process was, in fact, complete. Also, this step provides evidence of proper segregation of duties over the cash process.

**Cash Receipts** – During our test of controls over cash receipts, we noted checks received by the School Board are recorded in a check log. However, the check log is not reviewed or subsequently agreed to the deposits and / or the bank statements to ensure the receipt was properly deposited.

We recommend someone independent of the cash receipts function review the check log and compare the validated deposit slips to the cash receipts check log on a timely basis. Implementation of this procedure will provide assurance that all cash received is properly recorded and deposited, thus minimizing the potential for misappropriation of funds.

**Cash Disbursements** – During our test of internal controls over cash disbursements, we noted the Accounts Payable Clerk is responsible for preparing, printing, signing, and mailing of checks. Also, we noted a check disbursement report is printed; however, this report is maintained by the Accounts Payable Clerk and not reviewed by the Director of Finance and Business Affairs or his designee.

Segregating the duties of preparing and signing checks will improve controls over cash and reduce the risk of the misappropriation of funds. Also, check disbursement reports should be retained in a control file to ascertain that all checks processed have been authorized and accounted for. The report should be reviewed by the Director of Finance and Business Affairs or his designee, and the report should be signed or initialed as evidence of such review.

#### STUDENT ACTIVITY FUNDS

**Cash Disbursements** – The Legislative Auditor's Student Activity Funds Policy Handbook states that invoices should be marked "paid" to prevent duplicate payment and the principal or bookkeeper should issue a prenumbered receipt for all funds received by the office. We did note the schools have procedures in place to prevent duplicate payment and ensure receipts are tracked. The check request and check copy are attached to all paid invoices. Also, some schools do issue pre-numbered receipts while other schools identify receipts with a monthly control numbering system.

The School Board should consider changing their policies to comply with the Legislative Auditor's Policy Handbook for Student Activity Funds as needed. School personnel responsible for bookkeeping should be made aware of the changes.

**Accounts Payable** – During our review of the School Activity Agency Fund, we noted no accounts payable reflected in the year-end amounts.

We recommend each school provide the total outstanding payables in annual financial reports submitted to the accounting department to ensure the financial reports properly reflect the financial position of the individual student activity funds.

#### GENERAL LEDGER

At June 30, 2000, the General Fund did not balance (total assets did not equal total liabilities plus equity) and the School Food Service Fund's fund balance reported on the Statement of Revenue and Expenditures did not agree to the fund balance reported on the fund's Balance Sheet. Per review of the financial report and discussions with accounting personnel, it appears these problems are due to both human error and deficiencies in the general ledger system.

Although the noted differences were insignificant, the School Board should perform monthly reviews of each fund to ensure the funds balance and that the fund balance reported on the Statement of Revenue and Expenditures Trial Balance agrees to the fund balance reported on the fund's Balance Sheet. All differences should be investigated and resolved timely.

#### UNIFORM UNCLAIMED PROPERTY ACT OF 1997

The Uniform Unclaimed Property Act of 1997 (LSA-R.S. 9:151 - 181) appears to apply to both property and for wages or other compensation for personal services which is deemed abandoned one year after the property becomes distributable or the compensation becomes payable. Assuming that the Act applies to these items, the School Board is required to report the property and pay funds equal to the value of the property to the Secretary of the Louisiana Department of Revenue on an annual basis.

One situation which School Boards encounter fairly frequently, and which may fall under the provisions of the Act, involves old outstanding checks. Both vendor and payroll checks, which have been outstanding for more than one year from the date of issuance, appear to meet the definition of abandoned property under the Act. Annually, these checks would be reported and the funds remitted to the Secretary of the Louisiana Department of Revenue in accordance with the Act. They could not be voided and the cash returned to the book balances.

There may be situations other than old outstanding checks to which the School Board should consider whether or not the Act would apply.

The School Board should consult with legal counsel to determine the applicability of the Act to the School Board's operations.

Annually, the School Board should report any abandoned property and remit funds to the Secretary of the Louisiana Department of Revenue in accordance with the Act.

#### NEW REPORTING MODEL – GASB 34

After years of study and consideration of the needs of users of government financial statements, the Governmental Accounting Standards Board (GASB) issued its revolutionary new reporting model in June 1999. The new model dramatically changes the presentation of governments' external financial statements. In the GASB's view, the objective of the new model is to enhance the clarity and usefulness of government financial statements to the citizenry, oversight bodies, investors and creditors. It will substantially affect the School Board's financial data accumulation and financial statement presentation processes. Some of the key aspects of the changes follow:

*Management's Discussion and Analysis (MD&A)* – A comprehensive MD&A will now be included as required supplementary information. The MD&A will introduce the financial statements by presenting an analysis of the government's financial performance for the year and its financial position at year end. The MD&A will be *in addition* to the transmittal letter currently required for Government Finance Officers Association (GFOA) award candidates, such as your School Board, but we expect that the GFOA will make changes in their requirements so as to avoid any duplication between the two documents.



*Government-Wide Reporting* – The School Board will be required to report financial operations and net assets, not only at the fund perspective for governmental activities, but will also have to prepare statements at the government-wide level. This level will distinguish between government and business type activities. *All* information at the government-wide level will be reported using the economic resources measurement focus and accrual basis of accounting, as enterprise funds do under the current model. Fiduciary activities will be excluded from the government-wide level of reporting. General government fixed assets and long-term liabilities of the government will need to be reported with all other governmental assets and liabilities.

*Statement of Activities* – Governments will now be required to use a “net program cost” format for the government-wide statements instead of a traditional operating statement. This new format groups revenues and expenses by functional categories (such as public safety, public works, etc.). The purpose of the new statement is to inform readers about the cost of specific functions and the extent to which they are financed with program revenues or general revenues of the government. Governments will have the option of reporting both direct and indirect program costs. Depreciation expense will now generally be reflected as a cost in the statement of activities.

*Fund Level Reporting* – Fund level financial statements will still be required and will provide information about the School Board’s fund types, including fiduciary funds and blended component units. General capital assets and general long-term liabilities will only be reported at the government-wide level. Fund level reporting will continue to focus on fiscal accountability and reflect the flows and balances of current financial resources. The modified accrual basis of accounting will continue to be used at the fund level, except for proprietary and fiduciary funds which would continue reporting based on economic resources and the accrual method of accounting. A reconciliation between the fund and the government-wide statements will be required on the face of the fund statements. Finally, proprietary fund cash flows statements must be presented using the direct method.

*Presentation of Budgetary Information* – The standard requires budgetary statements for the general fund and certain other governmental funds as required supplementary information. The original adopted budget of the School Board as well as the final revised budget must be presented. Actual results on a budgetary basis will need to be reconciled to the GAAP (generally accepted accounting principles) basis on the face of the statements.

The effective date of the new pronouncement will require implementation by the School Board for its year ending June 30, 2002. The magnitude of these changes and the time required to prepare for implementation should not be underestimated. We recommend that the School Board begin to look at its systems and processes to ensure that the required information will be available to ensure timely implementation. Further, we recommend that the School Board consider the cost of required changes to its systems and processes to ensure availability of necessary funds in its upcoming budget.

\* \* \* \* \*

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the School Board’s organization gained during our work to make comments and suggestions that we hope will be useful to you. We would be pleased to discuss these comments and recommendations with you at any time.

The Members of the Bossier  
Parish School Board  
October 6, 2000  
Page 12

This report is intended solely for the information and use of the Members of the School Board, management, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP



333 Texas Street, Suite 1900  
Shreveport, LA 71101-3692

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

Members of the Bossier Parish School Board  
Benton, Louisiana:

We have performed the procedures enumerated below, which were agreed to by the Bossier Parish School Board solely to assist the Bossier Parish School Board in evaluating the effectiveness of the School Board's compliance with Act 743 of 1995 concerning the Bossier Educational Excellence Fund (BEEF) (a nonexpendable trust fund of the Bossier Parish School Board) for the year ended June 30, 2000. 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 Bossier Parish School Board. 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.

### **Procedures:**

1. Obtained the balances and a detail of the activity of the BEEF funds as of and for the year ended June 30, 2000 (Attachment 1).
2. Randomly selected three months receipts from riverboats and the horse racing facility during the fiscal year ended June 30, 2000 to determine that (LSA-R.S. 27:93 / LSA-R.S. 4:163.1D):
  - a. An admission fee of up to three dollars per passenger was levied by the riverboats in Bossier Parish.
  - b. The Bossier Parish School Board received 15% of the revenues collected by the riverboats in Bossier Parish for such boarding fee.
  - c. A license fee was assessed on the total daily betting pools of not more than one and seventy-four hundredths percent on each person, association or corporation conducting a race meeting within Bossier Parish.
  - d. The Bossier Parish School Board received 9.2% of the revenues collected by the horse racing facility in Bossier Parish for such license fee.
3. Tested the BEEF's records to ascertain that the BEEF was established. (LSA-R.S. 17:408.2A).



4. Tested the BEEF's records to ascertain that (LSA-R.S. 17:408.2B):
  - a. The monies collected pursuant to LSA-R.S. 4:552A and allocated pursuant to LSA-R.S. 27:93(A)(2)(f) were transferred to the depository of the BEEF.
  - b. The monies collected pursuant to LSA-R.S. 4:163.1(D) and allocated pursuant to LSA-R.S. 4:163.1(D)(2)(c) were transferred to the depository of the BEEF.
  - c. The monies in the BEEF were invested in direct obligations of the United States government and in time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in Louisiana.
  - d. The amount of earnings in the BEEF was kept account of separately from the fund principal.
  - e. The amount of earnings shall be available for the School Board to withdraw as provided in LSA-R.S. 17:408.2B.
  - f. All monies attributable to the BEEF as enacted by Act No. 370 of the 1985 Session and unexpended on August 15, 1995 were deposited in the fund created per LSA-R.S. 17:408.2.
5. Tested the BEEF's records to ascertain that (LSA-R.S. 17:408.2C):
  - a. The principal of the BEEF was not appropriated.
  - b. The principal of the BEEF was used only for making income-producing investments.
  - c. The investment income from the BEEF account for a calendar year was withdrawn by the Bossier Parish School Board only during January of the next calendar year.
6. Obtained a detail of the activity of the BEEF funds (Attachment 2). From this detail we randomly selected and tested twenty-five disbursements totaling \$80,324.68 or 53.6% of total BEEF disbursements to determine that BEEF earnings were expended solely for the purposes of enhancements to the education program in Bossier Parish as defined below:

*Enhancement may include:*

- Purchases of equipment for educational purposes only;
- Purchases of supplies for educational purposes only.

*Enhancement may not include:*

- Administrative expenses;
- Custodial expenses;
- Maintenance expenses;
- Capital expenses.

7. Obtained an understanding of the process for distributing and approving BEEF disbursements.

**Findings:**

1. No exceptions.
2. The Bossier Parish School Board agreed to accept a fixed annual amount in lieu of a passenger boarding fee from two of the riverboats in Bossier Parish. Based on an agreement between the parties, the third riverboat pays a percentage of gross revenue to the City of Bossier which the School Board receives six percent. No other findings were noted. However, the School Board should consider implementing procedures to ensure the accuracy of amounts received from the third riverboat and the horse racing facility.
3. No exceptions noted.
4. We noted the School Board invested the BEEF principal in certain securities in violation of state law. LSA-R.S. 17:408.2(B) requires the School Board to invest the fund principal only in direct obligations of the United States government and in time certificates of deposit of certain state and national banks. At June 30, 2000, \$1,958,750 of BEEF principal was invested in Federal National Mortgage Association Medium Term Note (FNMA); and during fiscal 2000, BEEF principal was also invested in Federal Home Loan Mortgage Corporation Discount Notes (FHLMC). These securities are not direct obligations of the United States government. No other exceptions noted.
5. The School Board violated state law in that BEEF principal was loaned to the General Fund to pay general operating expenses. LSA-R.S. 17:208.2(C) prohibits the principal from being appropriated. In addition, the law requires the principal to be only used for investment purposes.

The School Board transferred \$2,050,000 of principal from the BEEF to the School Board's General Fund. These transfers were as follows:

\$1,000,000 on November 19, 1999  
\$1,000,000 on December 17, 1999  
\$ 50,000 on December 20, 1999

The transfers are documented by two unsigned General Fund promissory notes (\$1,000,000 and \$1,050,000) and three "fund transfer" requests issued to the bank and signed by the School Board's Director of Finance. Amounts were repaid with interest on January 14, 2000.

6. During our review of copies of invoices for disbursements, we noted one disbursement for Parkway High that did not appear to be for the purposes of instructional enhancement as defined by the statutes. The expenditure was for a portable sound system.
7. The School Board has a committee in place to oversee the disbursement of BEEF funds. The committee is comprised of a variety of individuals including School Board administrative personnel, principals, teachers, parents, and other individuals within the community. Annually each school submits to the BEEF Committee a list of equipment and/or supplies needed to enhance the education program at that particular school. The BEEF Committee reviews these lists from each school to ensure all items will enhance the education program. If it is not easily determinable, the Chairman of the BEEF Committee obtains a justification of the item from the school principal.

The BEEF Committee then presents its recommendation to the Board for approval. In the past, the BEEF Committee has decided to first spend BEEF funds on a special project (i.e., elementary art education, summer school remediation) and the remaining funds are then allocated to each school on a per pupil basis with a minimum dollar amount. The school may only spend these funds on items approved by the Committee and Board.

Each school sends requests for purchases and/or reimbursements with invoices and supporting documentation to the Chairman of the Beef Committee for his review and approval. The Chairman monitors the spending and makes the final determination of whether the propose expenditures are in compliance with state law. The Chairman provides a copy of the invoice with a memorandum attached instructing the School Board Accounting Department to issue a check and/or reimburse the School. All accounting records and supporting documentation are maintained at the School Board's Central Office.

The summary of activity of BEEF funds by school prepared by Central Office is included as Attachment #2.

\* \* \* \* \*

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the effectiveness of the School Board's compliance with Act 743 of 1995 concerning the Bossier Educational Excellence Fund (a nonexpendable trust fund of the Bossier Parish School Board) for the year ended June 30, 2000. 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 information and use of the specified users referred to in the first paragraph of this report and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 6, 2000

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Balance Sheet - Bossier Educational Excellence  
Nonexpendable Trust Fund

June 30, 2000

**Assets**

Cash:		
Held at Tri-State Bank and Trust	\$	350,000
Held at Citizens National Bank		40,792
Investments:		
Federal National Mortgage Association Medium Term Note		1,958,750
United States Treasury Obligations		4,136,602
Receivables		101,004
		<hr/>
Total assets	\$	<u>6,587,148</u>

**Liabilities  
and Fund Balance**

Liabilities:		
Accounts payable	\$	48,419
Interfund payable		998
		<hr/>
Total liabilities		49,417
		<hr/>
Fund balance - reserved for instructional enhancement		6,537,731
		<hr/>
Total fund balance		6,537,731
		<hr/>
Total liabilities and fund balance	\$	<u>6,587,148</u>

(Continued)

**BOSSIER PARISH SCHOOL BOARD**

Benton, Louisiana

Statement of Revenues, Expenses, and Changes in Retained Earnings -  
Bossier Educational Excellence - Nonexpendable Trust Fund

For the year ended June 30, 2000

Operating revenue:	
Fees:	
Horseshoe Casino	\$ 300,000
Isle of Capri Casino	300,000
Casino Magic	227,587
Louisiana Downs, Inc.	34,305
Total operating revenues	<u>861,892</u>
Operating expenses - instruction	<u>149,849</u>
Operating income	712,043
Nonoperating revenue - investment income	<u>252,679</u>
Net income	964,722
Retained earnings at beginning of year	<u>5,573,009</u>
Retained earnings at end of year	<u>\$ 6,537,731</u>



**BEEF**  
**EXPENSE DETAIL**  
**YEAR ENDED JUNE 30, 2000**

<u>SCHOOL / PROJECT</u>	<u>VENDOR</u>	<u>EXPENSE</u>	<u>DESCRIPTION</u>
Adult Learning Center	Office Depot	740.18	11 surge prot., 8 switch boxes, 23 cables
Airline High	PC Connection	9,650.33	14 printers, 16 hubs, 20 ethernet cards
	Micro Warehouse	1,372.45	2 digital cameras
Bellaire Elementary	Dell Marketing	589.80	4 printers
	Dell Marketing	2,468.10	2 computers
	Dell Marketing	145.90	cables, shipping
Benton Elementary	Sagebrush	1,004.95	CIRC and Inventory Unit
	Comp USA	1,277.82	ink cartridges
	Dell Computer	2,468.10	2 computers
	Dell Computer	145.90	shipping
Benton High	Micro Warehouse	2,721.18	2 digital cameras, 4 printers
	Forest Tech	1,323.20	business ed. Software
	Dell Computers	300.90	printer
	CCV Software	408.85	science software
	Comp USA	178.71	virtual pc
Benton Middle	Advant. Learn.	5,487.95	3 accelscan for library
Bossier Achievement Center	BAC	1,219.25	110 library books
Central Park Elementary	School Special	1,719.50	(7) o/h projectors/(5) screens/(5) carts
	Scholastic	109.72	software
	Nystrom	706.90	cultural relief world/us map combo

**BEEF  
EXPENSE DETAIL  
YEAR ENDED JUNE 30, 2000**

<u>SCHOOL / PROJECT</u>	<u>VENDOR</u>	<u>EXPENSE</u>	<u>DESCRIPTION</u>
Cope Middle	Dell	3,774.98	3 computers
Curtis Elementary	Advan. Learn.	553.00	mac reading program for 50 students
	School Comp	530.90	printer cartridges
	Permabond	325.95	accelerated reader software
	Permabond	1,443.46	science software
	Permabond	30.40	" "
	CCV Software	1,170.00	reading software
Greenacres Middle	Dell	4,486.48	3 computers, 4 printers
	Comp USA	783.15	ink cartridges
	Dell	450.00	3 printers
Haughton High	Jett Business	5,688.72	data class id prtr., id unit, digital camera
	Dell Computers	3,822.00	2 computers
	Dell Computers	218.43	3 office pro 2000 software
	Office Depot	329.70	diskettes
Haughton Middle	D&H Distribut	1,445.00	10 calculators
	Nystrom	1,088.78	maps
	Creative Comp	57.90	2 books
	Long's Electric	2,227.30	22 a/v table carts
	Dell Corp	1,234.05	1 computer
	Dell Corp	72.95	office pro 2000 software
	Brainchild	969.76	(19) reading series
Johnny Gray			

**BEEF**  
**EXPENSE DETAIL**  
**YEAR ENDED JUNE 30, 2000**

<u>SCHOOL / PROJECT</u>	<u>VENDOR</u>	<u>EXPENSE</u>	<u>DESCRIPTION</u>
Kerr Elementary	Nystrom	4,731.90	(12) world/us map sets; (3) raised globes
Life Skills Center	Attainment Co	123.90	life skills materials
	PCI Educational	478.88	9 educational games
	Stanfield Co	438.90	safety materials
Meadowview Elementary	Houghton-Mifflin	223.06	bulletin board kits
	ETA	294.97	math software/activity sets
	Nasco	395.98	multiplication balls
	Nasco	109.30	learning clocks
	Beckley Cardy	2,051.45	geometric solids/pattern blocks
Parkway High	Office Depot	999.99	1 laser printer
		3,254.00	power amps / sound system
Plain Dealing Elementary	Winnebago	1,918.09	conversion/automated system for library
	Dell	1,234.05	(2) computers
	Dell	72.95	ms office software
Plain Dealing Middle	Dell Marketing	1,234.05	1 computer
	Dell Marketing	72.95	office pro 2000 software
Plantation Park Elementary	Winnebago	3,054.04	conversion package/barcode system
	Lakeshore 123	517.98	overhead kits/math blocks/write boards
	Wright Group	177.65	early foundation levels/teacher guides

**BEEF  
EXPENSE DETAIL  
YEAR ENDED JUNE 30, 2000**

<u>SCHOOL/PROJECT</u>	<u>VENDOR</u>	<u>EXPENSE</u>	<u>DESCRIPTION</u>
	Learning Well Lakeshore 123	70.22 357.78	carousel table set number boards/writing boards
Rodes Elementary	Ed Resources Saxon Publish SW Audio Visual Ed Resources Office Depot	528.15 1,779.12 879.68 1,486.00 124.76	imac lab pack cds/site license (14) math manuals cassette player/lamp changers for projector reading, math, science software (4) smart sockets/surge protectors
Rusheon Middle	Dell Computer Dell Computer Dell Computer Comp USA	1,453.10 3,693.03 226.20 250.57	1 computer 3 computers 3 office pro 2000 software ink cartridges
Stockwell Elementary	Dell Computer	4,785.00	(11) computers w/monitors/(1) printer/cable
Waller Elementary	Comp USA School Computer.com School Computer.com School Computer.com Beckley Cardy Beckley Cardy School Specialty	1,118.25 1,055.00 6,016.92 178.00 542.22 1,144.98 216.73	(30) hp printers/(15) cartridges (5) epson printers/cables/mouses " (5) hubs/20 hub cables (7) wall screens (9) projectors kindergarten art supplies

**BEEF**  
**EXPENSE DETAIL**  
**YEAR ENDED JUNE 30, 2000**

<u>SCHOOL / PROJECT</u>	<u>VENDOR</u>	<u>EXPENSE</u>	<u>DESCRIPTION</u>
Artist in Residence	Bossier Arts	7,000.00	elementary art education
Elem. Library Upgrade	Benton Elem	2,985.00	library automation
	Bossier Elem	2,985.00	library automation
	Curtis	2,985.00	library automation
	Meadowview	2,985.00	library automation
	Stockwell	2,985.00	library automation
	Sun City	2,985.00	library automation
Curr. Mat. Summer	CHARISM	6,900.00	summer school remediation
	Phoenix Learn	1,571.70	summer school remediation
	Paula's Educ	1,923.00	summer school remediation
	Modern Learn	436.80	summer school remediation
	ML Bath	696.00	summer school remediation
	Perma Bound	608.45	summer school remediation
	Perma Bound	608.45	summer school remediation
	Wal-Mart	21.12	summer school remediation
(Elm Grove) (Benton Middle)		141.55	unlocated difference
Total Expenses		<u>149,849.47</u>	



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

OMB Circular A-133 Reports

Year Ended June 30, 2000

(With Independent Auditors' Report Thereon)

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Item:** 00-4

**Finding Title:** Fixed Asset Listing

**Entity-wide or program / department specific:** This comment applies entity-wide.

**Criteria or specific requirement:** R.S. 24:515 requires that Louisiana governments "shall maintain records of all lands, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable."

Good internal controls should be developed to assist in meeting this requirement. One such control is to maintain a comprehensive listing of fixed assets.

**Condition Found:** Although the School Board has maintained records of the additions and deletions each year, the comprehensive fixed asset listing has not been updated since 1996.

**Context:** Fixed assets reported in the financial statements of the School Board are \$147,375,780.

**Asserted Effect:** Controls are weakened over accountability and physical security of fixed assets.

**Cause:** The personnel responsible for updating the listing changed computer hardware in 1996. When the hardware was changed, the software used to maintain the comprehensive listing was not installed on the new hardware. As a result, the comprehensive listing has not been updated since 1996.

**Recommendation:** The School Board should develop and maintain a centralized, comprehensive listing of fixed assets.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

OMB Circular A-133 Reports

Year ended June 30, 2000

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333 Texas Street, Suite 1900  
Shreveport, LA 71101-3692

**Report on Compliance and on Internal Control Over  
Financial Reporting Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

Members of the Bossier Parish School Board  
Benton, Louisiana:

We have audited the financial statements of the Bossier Parish School Board (School Board) as of and for the year ended June 30, 2000 and have issued our report thereon dated October 6, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 00-1, 00-2 and 00-3. We also noted certain immaterial instances of noncompliance, which we have reported to management in a separate letter dated October 6, 2000.

**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 opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-04.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting, which we have reported to management of the School Board in a separate letter dated October 6, 2000.



This report is solely for the information and use of management, members of the Bossier Parish School Board, the State of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 6, 2000



333 Texas Street, Suite 1900  
Shreveport, LA 71101-3692

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

Members of the Bossier Parish School Board  
Benton, Louisiana:

**Compliance**

We have audited the compliance of the Bossier Parish School Board (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, 2000. 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; 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 of 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, 2000. However, we did note certain immaterial instances of noncompliance which we have reported to management in a separate letter dated October 6, 2000.

**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 condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses. We also noted other matters involving the internal control over compliance, which we have reported to management of the School Board in a separate letter dated October 6, 2000.

**Schedule of Expenditures of Federal Awards**

We have audited the general purpose financial statements of the School Board as of and for the year ended June 30, 2000 and have issued our report thereon dated October 6, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. 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 general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

This report is intended solely for the information and use of management, members of the Bossier Parish School Board, the State of Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 6, 2000

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

<u>Grant Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>			
Passed through Louisiana Department of Education -			
Child Nutrition Cluster:			
School Breakfast Program	10.553	008-SL-0006	\$ 548,537
National School Lunch Program	10.555	008-SL-0006	2,113,692
Passed through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	30,837
Total U.S. Department of Agriculture			<u>2,693,066</u>
<b>U.S. Department of Education</b>			
Direct Programs:			
Impact Aid (Title VIII)	84.041	N/A	296,731
Passed through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002A	00-ABSP-08-F	149,408
Title I Grants to Local Educational Agencies	84.010	99-1ASA-08 99TI-08-1 c/o 2000 00-TI-08-1	2,483,664
Grants for Infants and Families with Disabilities (Part C)	84.181	00-H3-08-S	12,600
Special Education Cluster:			
Grants to States (Part B)	84.027	99-FT-08, 00-B1-08-S-C, 00-B1-08-S	1,260,154
Preschool Grants	84.173	99-PF-08, 99-1P-08-S c/o 2000, 00-P1-08-S	96,661
Vocational Education:			
Basic Grants to States	84.048A	28-00-08-2B/BG	187,048
Tech-Prep Education	84.243	28-00-08-03 PE	176,503
School-to-Work	84.UKN	N/A	50,934
Innovative Education Program Strategies - Title VI	84.298	99-IASA-08, 00-00-08-6	137,911
Title II (Eisenhower Professional Development)	84.281	99IASA-08, 99IASA-08 c/o 2000, 00-IASA-08	76,533
Title IV (Safe and Drug-Free Schools - State Grant)	84.186	99-IASA-08 28-99-70-08-D-C 00-70-08-D	100,117
Technology Improvement Grant	84.318	00-TLTC-08-F	260,970
Class-Size Reduction - Title VI	84.340	00-01-08-6	432,314
Passed through the Office of the Louisiana Lieutenant Governor:			
Learn for the 21st Century (Goals 2000 State Grant)	84.276	99-LI-08-L, 99-TS-08-L, 2800LI08-L, 2800PD08L, 2800PD08L, 00-TS-08-L	125,618
Total U.S. Department of Education			<u>5,847,166</u>

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

<u>Grant Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Expenditures</u>
<b>U.S. Department of Health and Human Services</b>			
Passed Through the Louisiana Department of Education:			
Child Care and Development Block Grant (Starting Points Preschool)	93.575	280038086	\$ 78,290
Title XIX	93.714	1415103	154,135
Medicaid Program	93.778	1701173	<u>124,079</u>
Total U.S. Department of Health and Human Services			<u>356,504</u>
<b>U.S. Department of Labor</b>			
Passed Through the Coordinating Development Corp.:			
Job Training Partnership Act (JTPA)	17.250	N/A	<u>8,879</u>
<b>U.S. Department of Defense Direct Programs</b>			
Department of the Army:			
ROTC	N/A	N/A	271,709
Flood Control Projects	12.106	N/A	1,158
Star Base	N/A	N/A	<u>227,802</u>
Total U.S. Department of Defense Direct Programs			<u>500,669</u>
<b>Noncash Federal Awards - U.S. Department of Agriculture</b>			
Passed Through Louisiana Department of Agriculture and Forestry - Food Distribution (Commodities)			
	10.550	N/A	<u>336,017</u>
Total federal expenditures			<u>\$ 9,742,301</u>

See accompanying notes to schedule of expenditures of federal awards.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2000

**(1) General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Bossier Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

**(2) Noncash Programs**

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

**(3) Loans Outstanding**

The Bossier Parish School Board had \$564,218 of loan balances outstanding at June 30, 2000. These loans were received in a previous fiscal year under former CFDA #66.702 for asbestos removal.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Section 1 – Summary of Auditors’ Results**

*Financial Statements*

Type of report issued: unqualified opinion

Internal control over financial reporting:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? Yes

Noncompliance material to financial statements noted? Yes

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? No

Type of auditor’s report issued on compliance for major program: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.010	United States Department of Education – Title I Grants to Local Educational Agencies
84.340	United States Department of Education – Class Size Reduction – Title VI
84.027 and 84.173	United States Department of Education – Special Education Cluster – Grants to States (Part B) and Preschool Grants
84.002A	United States Department of Education – Adult Education – State Grant Program
10.550	United States Department of Agriculture and Forestry – Food Distribution (Commodities)

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? Yes



**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Section 2 – Financial Statement Findings**

**Item:** 00-1

**Finding Title:** Bossier Educational Excellence Fund (“BEEF”) Principal Expended

**Entity-wide or program / department specific:** This comment applies to BEEF.

**Criteria or specific requirement:** Louisiana Revised Statute (R.S.) 17:408.2(C) prohibits the principal portion of the BEEF from being appropriated. In addition, the law requires the principal to be only used for investment purposes.

**Condition Found:** The School Board transferred \$2,050,000 of principal from the BEEF to the School Board’s general fund. These transfers were done as follows:

- 1 \$1,000,000 on November 19, 1999
- 2 \$1,000,000 on December 17, 1999
- 3 \$ 50,000 on December 20, 1999

**Proper Perspective for Judging the Prevalence and Consequences:** BEEF investment balance reported in the financial statements of the School Board was \$6,095,352.

**Asserted Effect:** Controls are weakened over accountability of the BEEF monies.

**Cause:** The School Board had a cash shortage in the general fund. In anticipation of the receipt of property tax revenues, transfers were done between the BEEF and General Fund. The transfers were documented by two unsigned general fund promissory notes (\$1,000,000 and \$1,050,000) and three “fund transfer” requests issued to the bank and signed by the School Board’s Director of Finance and Business Affairs.

**Recommendation:** The School Board should strictly comply with the provisions of state law and not appropriate the principal portion of the BEEF.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Item:** 00-2

**Finding Title:** BEEF Investments do not comply with State Law

**Entity-wide or program / department specific:** This comment applies to BEEF.

**Criteria or specific requirement:** R.S. 17:408.2(B)(1) requires the School Board to invest the fund principal only in direct obligation of the United States government and time certificates of deposit of certain state and national banks. Direct obligations included Treasury Bills, Treasury Notes, and Treasury Bonds in which the principal and interest are fully guaranteed by the government of the United States.

**Condition Found:** At December 31, 1999, the School Board's BEEF principal was invested in securities that are not obligations of the United States government as follows:

- 1 \$2,000,000 in Federal National Mortgage Association Medium Term Note (FNMA)
- 2 \$1,471,406 in Federal Home Loan Mortgage Corporation Discount Note (FHLMC)

At June 30, 2000, BEEF principal of \$1,958,750 was invested in FNMA, and is invested in securities that are not obligations of the United States government.

**Proper Perspective for Judging the Prevalence and Consequences:** BEEF investment balance reported in the financial statements of the School Board was \$6,095,352.

**Asserted Effect:** Increased investment risk related to the BEEF monies.

**Cause:** School Board was advised that the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation investments were in compliance with law.

**Recommendation:** The School Board should invest the BEEF principal only in direct obligations of the United States government and time certificates of deposit of certain state and national banks.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Item:** 00-3

**Finding Title:** Detailed Information for BEEF not Adequately Reported

**Entity-wide or program / department specific:** This comment applies to BEEF.

**Criteria or specific requirement:** R.S. 17:408.2 provides for the collection, investment and disbursement of BEEF monies by the School Board. The School Board has a fiduciary responsibility to properly report specifically how the funds are being administered.

**Condition Found:** Detailed information relating to the collection, investment and individual schools' specific expenditures made are not adequately reported. Although the BEEF is reported as a non-expendable trust fund in the School Board's Comprehensive Annual Financial Report (CAFR), there was inadequate disclosure as to the individual schools' specific expenditures made. Also, disclosures did not include specific information relating to the collection of gaming fees. In addition, disclosures did not include specific information relating to the investment of the BEEF principal.

**Context:** BEEF investment balance, total revenues and total expenditures reported in the financial statements of the School Board were \$6,095,352, \$1,114,571 and \$149,849, respectively.

**Asserted Effect:** Controls are weakened over accountability of the BEEF monies.

**Cause:** The School Board was unaware of additional reporting requirements.

**Recommendation:** The School Board should provide detailed information relating to the collection, investment and individual schools' specific expenditures made. This can be accomplished by expanding the note disclosure in the notes to the CAFR, or including the information in a supplemental schedule in the CAFR, or by issuing a separate report.

**BOSSIER PARISH SCHOOL BOARD**  
Benton, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 2000

**Item:** 00-4

**Finding Title:** Fixed Asset Listing

**Entity-wide or program / department specific:** This comment applies entity-wide.

**Criteria or specific requirement:** R.S. 24:515 requires that Louisiana governments "shall maintain records of all lands, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable."

Good internal controls should be developed to assist in meeting this requirement. One such control is to maintain a comprehensive listing of fixed assets.

**Condition Found:** Although the School Board has maintained records of the additions and deletions each year, the comprehensive fixed asset listing has not been updated since 1996.

**Context:** Fixed assets reported in the financial statements of the School Board are \$147,375,780.

**Asserted Effect:** Controls are weakened over accountability and physical security of fixed assets.

**Cause:** The personnel responsible for updating the listing changed computer hardware in 1996. When the hardware was changed, the software used to maintain the comprehensive listing was not installed on the new hardware. As a result, the comprehensive listing has not been updated since 1996.

**Recommendation:** The School Board should develop and maintain a centralized, comprehensive listing of fixed assets.