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REPORT

PLAQUEMINES PARISH SCHOOL BOARD

JUNE 30, 2000

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Release Date 01/17/01

PLAQUEMINES PARISH SCHOOL BOARD

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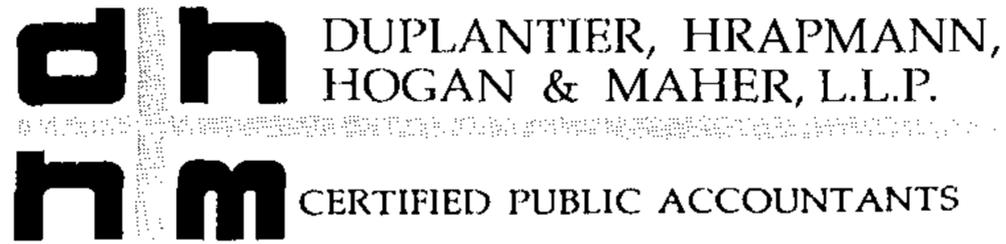
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MICHAEL J. O'ROURKE, C.P.A.
WILLIAM G. STAMM, C.P.A.
CLIFFORD J. GIFFIN, JR., C.P.A.
DAVID A. BURGARD, C.P.A.
LINDSAY J. CALUB, C.P.A., L.L.C.
DAVID J. MUMFREY, C.P.A.
GUY L. DUPLANTIER, C.P.A.
BONNIE J. McAFEE, C.P.A.

MICHELLE H. CUNNINGHAM, C.P.A.
KENNETH J. BROOKS, C.P.A., ASSOCIATE

1340 Poydras St., Suite 2000 • New Orleans, LA 70112
(504) 586-8866
FAX (504) 525-5888
cpa@dhhmcpa.com

A.J. DUPLANTIER, JR., C.P.A.
(1919-1985)
FELIX J. HRAPMANN, JR., C.P.A.
(1919-1990)
WILLIAM R. HOGAN, JR., C.P.A.
(1920-1996)
JAMES MAHER, JR., C.P.A.
(1921-1999)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA C.P.A.'S

INDEPENDENT AUDITOR'S REPORT

October 26, 2000

Plaquemines Parish School Board
P. O. Box 69
Belle Chasse, LA 70037

We have audited the accompanying general purpose financial statements of the Plaquemines Parish School Board as of June 30, 2000 and for the year then ended. These general purpose financial statements are the responsibility of the management of Plaquemines Parish School Board. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Those standards and OMB Circular A-133 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.

The School Board took an inventory of all fixed assets, including land, buildings and improvements, equipment and vehicles as of June 30, 2000. A number of assets on the equipment inventory could not be located. The effect on the financial statements is not reasonably determinable.

In our opinion, except for the effects of including assets in the equipment inventory that could not be located, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Plaquemines Parish School Board as of June 30, 2000, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the index to the report are presented for the purpose of additional analysis and are not a part of the general purpose financial statements of the Plaquemines Parish School Board. The supplemental information schedules listed in the index have been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Our audit was made 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 26, 2000 on our consideration of the Plaquemines Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Duplantier, Hupmann, Hogan & Mader LLP

PLAQUEMINES PARISH SCHOOL BOARD
 ALL FUND TYPES AND ACCOUNT GROUPS
 COMBINED BALANCE SHEET
JUNE 30, 2000

	Government Funds				Fiduciary School Activity	Account Groups			Total (Memorandum Only)
	General Fund	Special Revenue	Debt Service	Capital Projects		General Fixed Assets	Long Term Obligation		
ASSETS AND OTHER DEBITS									
ASSETS:									
Cash (Note 13)	\$1,458,539	\$ 715,086	\$1,233,394	\$ 241	\$480,280	\$ --	\$ --	\$ 3,887,540	
Cash equivalents (Note 13)	1,696,921	--	70,177	3,772	--	--	--	1,770,870	
Investments (Note 13)	--	--	1,190,942	6,555	--	--	--	1,197,497	
Prepaid insurance	197,180	--	--	--	--	--	--	197,180	
Accounts receivable (Note 4)	1,758,073	639,965	187,158	--	--	--	--	2,585,196	
Interfund receivables (Notes 1 and 8)	863,038	--	--	--	--	--	--	863,038	
Accrued interest receivable	--	--	23,524	--	--	--	--	23,524	
Advances to Special Revenue Funds (Notes 1 and 8)	135,700	--	--	--	--	--	--	135,700	
Inventory (Note 1)	--	64,329	--	--	--	--	--	64,329	
Land, buildings and improvements (Notes 1 and 14)	--	--	--	--	--	31,855,158	--	31,855,158	
Construction in progress	--	--	--	--	--	2,677,000	--	2,677,000	
Equipment (Notes 1 and 14)	--	--	--	--	--	8,576,458	--	8,576,458	
Vehicles (Notes 1 and 14)	--	--	--	--	--	4,085,985	--	4,085,985	
OTHER DEBITS:									
Amount available for Debt Service	--	--	--	--	--	--	2,705,195	2,705,195	
Amount to be provided for retirement of General Long-Term Debt	--	--	--	--	--	--	10,944,805	10,944,805	
Amount to be provided for capital leases payable	--	--	--	--	--	--	76,288	76,288	
Amount to be provided for compensated absences payable	--	--	--	--	--	--	1,648,820	1,648,820	
TOTAL ASSETS AND OTHER DEBITS	\$6,109,451	\$1,419,380	\$2,705,195	\$ 10,568	\$480,280	\$47,194,601	\$15,375,108	\$ 73,294,583	

	Government Funds				Fiduciary School Activity	Account Groups			Total (Memorandum Only)
	General Fund		Debt Service			General Fixed Assets	Long Term Obligation		
	Special Revenue			Capital Projects					
LIABILITIES AND FUND EQUITY									
LIABILITIES:									
Accounts payable (Note 7)	\$ 57,705	\$ 14,171	\$ --	\$ 1,140	\$ --	\$ --	\$ --	\$ 73,016	
Cash overdraft	353,263	37,317	--	--	--	--	--	390,580	
Salaries/deductions payable (Note 7)	2,232,598	--	--	--	--	--	--	2,232,598	
Interfund payables (Notes 1 and 8)	--	863,038	--	--	--	--	--	863,038	
Advances from General Fund (Notes 1 and 8)	--	135,700	--	--	--	--	--	135,700	
Due other - School Activity (Notes 7 and 10)	--	--	--	--	480,280	--	--	480,280	
Bonds payable (Notes 7 and 11)	--	--	--	--	--	13,650,000	--	13,650,000	
Capital leases payable (Notes 7, 9 and 11)	--	--	--	--	--	76,288	--	76,288	
Compensated absences payable (Notes 1, 7, 11 and 15)	--	--	--	--	--	1,648,820	--	1,648,820	
Total liabilities	<u>2,643,566</u>	<u>1,050,226</u>	<u>--</u>	<u>1,140</u>	<u>480,280</u>	<u>15,375,108</u>	<u>--</u>	<u>19,550,320</u>	
FUND EQUITY: (Note 1)									
Investments in fixed assets	--	--	--	--	--	47,194,601	--	47,194,601	
Fund balances:									
Reserved for Scholarships (Note 12)	32,502	--	--	--	--	--	--	32,502	
Reserved for Apartment Maintenance (Note 12)	36,670	--	--	--	--	--	--	36,670	
Reserved for Construction (Note 12)	--	--	--	9,428	--	--	--	9,428	
Reserved for Debt Service (Note 12)	--	--	2,705,195	--	--	--	--	2,705,195	
Designated for Capital Improvements (Note 12)	1,124,848	--	--	--	--	--	--	1,124,848	
Designated for Insurance Deductibles (Note 12)	2,271,865	--	--	--	--	--	--	2,271,865	
Unreserved fund balance	--	369,154	--	--	--	--	--	369,154	
Total fund equity	<u>3,465,885</u>	<u>369,154</u>	<u>2,705,195</u>	<u>9,428</u>	<u>--</u>	<u>47,194,601</u>	<u>--</u>	<u>53,744,263</u>	
TOTAL LIABILITIES AND FUND EQUITY	<u>\$6,109,451</u>	<u>\$1,419,380</u>	<u>\$2,705,195</u>	<u>\$ 10,568</u>	<u>\$480,280</u>	<u>\$47,194,601</u>	<u>\$15,375,108</u>	<u>\$ 73,294,583</u>	

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD
 ALL GOVERNMENTAL FUND TYPES
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2000

	General Fund	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
REVENUES: (NOTE 1)					
Local Sources:					
Ad valorem taxes (Note 3)	\$ 5,477,385	\$ --	\$ 1,097,165	\$ --	\$ 6,574,550
1% collection by Sheriff on taxes other than school taxes	247,923	--	--	--	247,923
Sales taxes (Note 16)	9,003,762	--	1,117,949	--	10,121,711
Special appropriation from Parish Government/General Fund	63,890	--	--	--	63,890
Tuition - summer school/driver's education	20,834	--	--	--	20,834
Interest earnings	278,907	19,145	145,746	7,377	451,175
Rent lease - 16th Section and other school lands	76,883	--	--	--	76,883
Food service income	--	439,939	--	--	439,939
Community service income	20,000	--	--	--	20,000
Apartment rents	78,620	--	--	--	78,620
Contributions and donations	13,700	500	--	--	14,200
Other	50,422	20,997	--	--	71,419
Revenue for/on behalf of LEA	18,946	--	--	--	18,946
Restricted Funds:					
State sources	447,700	184,836	--	--	632,536
Federal sources - through State	131,398	3,005,162	--	--	3,136,560
Federal sources - commodities	--	103,888	--	--	103,888
Federal sources - direct	--	513,874	--	--	513,874
Unrestricted Funds:					
State sources	9,600,858	259,152	--	--	9,860,010
Federal sources - through State	4,653	--	--	--	4,653
Federal sources - direct	43,796	16,872	--	--	60,668
Revenue sharing	103,317	--	--	--	103,317
Total revenues	<u>25,682,994</u>	<u>4,564,365</u>	<u>2,360,860</u>	<u>7,377</u>	<u>32,615,596</u>

PLAQUEMINES PARISH SCHOOL BOARD
 ALL GOVERNMENTAL FUND TYPES
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2000

	General Fund	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
EXPENDITURES: (Note 1)					
Instruction:					
Regular programs	\$ 11,865,140	\$ --	\$ --	\$ --	\$ 11,865,140
Special programs	3,040,763	1,747,587	--	--	4,788,350
Vocational education	24,829	69,015	--	--	93,844
Adult education	--	54,986	--	--	54,986
Other instructional programs	327,352	134,978	--	--	462,330
Support Service Programs:					
Pupil support	938,490	57,192	--	--	995,682
Instructional staff support	806,563	438,382	--	--	1,244,945
General administration	1,152,985	1,211	--	--	1,154,196
School administration	1,520,409	--	--	--	1,520,409
Business services	450,774	--	--	--	450,774
Operations and maintenance	3,137,742	4,039	--	--	3,141,781
Student transportation	2,295,330	8,555	--	--	2,303,885
Central services	363,873	--	--	--	363,873
Food Service Program	260,091	1,928,198	--	--	2,188,289
Community Service Program	13,215	--	--	--	13,215
Capital outlay	--	--	--	1,021,909	1,021,909
Debt Service:					
Principal retirement	195,182	--	1,560,000	--	1,755,182
Interest payment	18,600	--	729,637	--	748,237
Miscellaneous:					
Bank, legal fees and other	--	--	4,974	--	4,974
Other - insurance claims, scholarship	33,523	--	--	--	33,523
Total expenditures	<u>26,444,861</u>	<u>4,444,143</u>	<u>2,294,611</u>	<u>1,021,909</u>	<u>34,205,524</u>
Excess (deficiency) of revenues over expenditures	<u>(761,867)</u>	<u>120,222</u>	<u>66,249</u>	<u>(1,014,532)</u>	<u>(1,589,928)</u>

PLAQUEMINES PARISH SCHOOL BOARD
 ALL GOVERNMENTAL FUND TYPES
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2000

	General Fund	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
OTHER FINANCING SOURCES (USES): (Note 1)	\$	\$	\$	\$	\$
Transfers of indirect cost	67,378	(67,378)	--	--	--
Operating transfers in	568,564	3,000	74,900	711,905	1,358,369
Sale of fixed assets	3,310	--	--	--	3,310
Gain (loss) on investments	--	--	(17,333)	47	(17,286)
Operating transfers out	(1,182,318)	(70,000)	(83,146)	(22,905)	(1,358,369)
Total other financing sources (uses)	<u>(543,066)</u>	<u>(134,378)</u>	<u>(25,579)</u>	<u>689,047</u>	<u>(13,976)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(1,304,933)</u>	<u>(14,156)</u>	<u>40,670</u>	<u>(325,485)</u>	<u>(1,603,904)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>4,770,818</u>	<u>383,310</u>	<u>2,664,525</u>	<u>334,913</u>	<u>8,153,566</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,465,885</u>	<u>\$ 369,154</u>	<u>\$ 2,705,195</u>	<u>\$ 9,428</u>	<u>\$ 6,549,662</u>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD
 GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2000

	GENERAL FUND			SPECIAL REVENUE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES: (NOTE 1)						
Local Sources:						
Ad valorem taxes	\$ 5,470,000	\$ 5,477,385	\$ 7,385	\$ --	\$ --	\$ --
1% collection by Sheriff on taxes other than school taxes	225,000	247,923	22,923	--	--	--
Sales taxes	8,663,000	9,003,762	340,762	--	--	--
Special appropriation from Parish Government/General Fund	135,000	63,890	(71,110)	--	--	--
Tuition - summer school/driver's education	65,000	20,834	(44,166)	--	--	--
Interest earnings	120,000	278,907	158,907	14,275	19,145	4,870
Rent lease - 16th Section and other school lands	7,000	76,883	69,883	--	--	--
Food service income	--	--	--	445,000	439,939	(5,061)
Community service income	20,000	20,000	--	--	--	--
Apartment rents	--	78,620	78,620	--	--	--
Contributions and donations	2,000	13,700	11,700	500	500	--
Other	71,292	50,422	(20,870)	--	20,997	20,997
Revenue for/on behalf of LEA	19,121	18,946	(175)	--	--	--
Restricted Funds:						
State sources	481,047	447,700	(33,347)	176,030	184,836	8,806
Federal sources - through State	--	131,398	131,398	3,113,810	3,005,162	(108,648)
Federal sources - commodities	--	--	--	103,888	103,888	--
Federal sources - direct	--	--	--	544,974	513,874	(31,100)
Unrestricted Funds:						
State sources	9,601,324	9,600,858	(466)	259,152	259,152	--
Federal sources - through State	5,000	4,653	(347)	--	16,872	16,872
Federal sources - direct	57,621	43,796	(13,825)	33,340	--	(33,340)
Revenue sharing	103,317	103,317	--	--	--	--
Total revenues	25,045,722	25,682,994	637,272	4,690,969	4,564,365	(126,604)

PLAQUEMINES PARISH SCHOOL BOARD
 GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2000

	GENERAL FUND			SPECIAL REVENUE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES: (Note 1)						
Instruction:						
Regular programs	\$ 12,040,687	\$ 11,865,140	\$ 175,547	\$ --	\$ --	\$ --
Special programs	2,983,991	3,040,763	(56,772)	1,994,497	1,747,587	246,910
Vocational education	22,000	24,829	(2,829)	69,514	69,015	499
Adult education	--	--	--	54,964	54,986	(22)
Other instructional programs	325,512	327,352	(1,840)	200,048	134,978	65,070
Support Service Programs:						
Pupil support	994,373	938,490	55,883	59,293	57,192	2,101
Instructional staff support	899,450	806,563	92,887	412,029	438,382	(26,353)
General administration	1,139,158	1,152,985	(13,827)	1,396	1,211	185
School administration	1,480,538	1,520,409	(39,871)	--	--	--
Business services	441,506	450,774	(9,268)	--	--	--
Operations and maintenance	2,758,222	3,137,742	(379,520)	5,811	4,039	1,772
Student transportation	2,231,114	2,295,330	(64,216)	8,032	8,555	(523)
Central services	372,930	363,873	9,057	--	--	--
Food Service Program	216,000	260,091	(44,091)	1,899,383	1,928,198	(28,815)
Community Service Program	13,725	13,215	510	--	--	--
Debt Service:						
Principal retirement	--	195,182	(195,182)	--	--	--
Interest payment	--	18,600	(18,600)	--	--	--
Miscellaneous:						
Bank, legal fees and other	--	--	--	--	--	--
Other - insurance claims, scholarship	--	33,523	(33,523)	--	--	--
Total expenditures	<u>25,919,206</u>	<u>26,444,861</u>	<u>(525,655)</u>	<u>4,704,967</u>	<u>4,444,143</u>	<u>195,754</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(873,484)</u>	<u>(761,867)</u>	<u>111,617</u>	<u>(13,998)</u>	<u>120,222</u>	<u>134,220</u>

PLAQUEMINES PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS - GENERAL AND SPECIAL REVENUE FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2000

	GENERAL FUND			SPECIAL REVENUE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES): (Note 1)						
Transfers of indirect costs	\$ 72,000	\$ 67,378	\$ (4,622)	\$ (76,243)	\$ (67,378)	\$ 8,865
Operating transfers in	497,630	568,564	70,934	13,173	3,000	(10,173)
Sale of fixed assets	1,673	3,310	1,637	--	--	--
Gain (loss) on investments	(8,650)	--	8,650	--	--	--
Operating transfers out	--	(1,182,318)	(1,182,318)	(70,000)	(70,000)	--
Total other financing sources (uses)	<u>562,653</u>	<u>(543,066)</u>	<u>(1,105,719)</u>	<u>(133,070)</u>	<u>(134,378)</u>	<u>(1,308)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES						
	<u>(310,831)</u>	<u>(1,304,933)</u>	<u>(994,102)</u>	<u>(147,068)</u>	<u>(14,156)</u>	<u>132,912</u>
Fund balances - beginning of year	<u>4,770,818</u>	<u>4,770,818</u>	<u>--</u>	<u>383,310</u>	<u>383,310</u>	<u>--</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,459,987</u>	<u>\$ 3,465,885</u>	<u>\$ (994,102)</u>	<u>\$ 236,242</u>	<u>\$ 369,154</u>	<u>\$ 132,912</u>

See accompanying notes.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

INTRODUCTION

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

The school board operates eight schools within the parish with a total enrollment of 4,775 pupils for 2000. In conjunction with the regular educational programs, some of these schools offer head start, special education and/or adult education programs. In addition, the school board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

REPORTING ENTITY:

As the governing authority of the parish, for reporting purposes, the Plaquemines Parish Government is the financial reporting entity for Plaquemines Parish. The financial reporting entity consists of the (a) primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the financial reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria are:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the parish government to impose its will on that organization and/or
 - b. the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but which are fiscally dependent on the parish government.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

REPORTING ENTITY: (Continued)

For the following reasons, the Plaquemines Parish School Board is not considered to be a component unit of the Plaquemines Parish Government, the reporting entity:

1. The Plaquemines Parish Government does not have the ability to appoint a voting majority of the school board's governing body or impose its will on the school board.
2. The school board is not fiscally dependent on the parish government.
3. The relationship between the school board and the Plaquemines Parish Government is not significant and therefore the parish government's financial statements are not misleading because of the exclusion of the school board's financial information.

The accompanying financial statements present information only on the funds maintained by the school board and do not present information on the parish government, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

BASIS OF PRESENTATION:

The accompanying financial statements of the Plaquemines Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The school board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the school board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

GOVERNMENTAL FUNDS:

Governmental funds account for the majority of the school board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General Fund:

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

Special Revenue Funds:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally designated to finance particular functions or activities of the school board.

Debt Service Funds:

Debt service funds are established to meet requirements of bond ordinances and to account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group.

Capital Project Funds:

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

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 accounts for assets held by the school board as an agent for the individual schools and school organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

ACCOUNT GROUPS:

General Fixed Assets Account Group:

This account group is established to account for the fixed assets of the school board.

General Long-term Debt Account Group:

This account group is established to account for all long-term obligations of the school board.

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 are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues:

Revenues are recognized when they become measurable and available.

Federal and state entitlements are recorded as unrestricted grants-in-aid when available and measurable.

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

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the school board's collecting agent, the Plaquemines Parish Government.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF ACCOUNTING: (Continued)

Revenues: (Continued)

Income on deposits, cash equivalents and investments is recorded when measurable and available.

Revenues from rentals, leases and royalties are recorded when earned.

Substantially all other revenues are recorded when received.

Expenditures:

Salaries are recorded as expenditures when earned. Nine-month employees' salaries are earned over a nine-month period but are paid over a twelve-month period.

Purchases of various operating supplies are recorded as expenditures in the accounting period 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. The cost of leave privilege expenditures not requiring current resources is recorded in the general long-term debt account group.

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

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

Substantially all other expenditures are generally recognized when the related fund liability is incurred.

Other Financing Sources (Uses):

Proceeds from lease-purchases, bond issuances, compensation for loss or damage to fixed assets, gain (loss) on investments, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These financing sources (uses) are recognized at the time the underlying events occur.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BUDGETS:

The following summarizes the budget activities of the school board for the year ended June 30, 2000:

	<u>1999-2000 Budget Year</u>
Completed & Available for Public Inspection	July 12, 1999
Public Notices	July 16, 23 & 30, 1999
Public Hearings	August 2, 1999
Board Adoption	September 13, 1999

The school board adopted annual budgets for the General Fund and all Special Revenue Funds. All funds for which a budget was adopted are included in these financial statements.

The budget is prepared on the modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The Superintendent of Schools is authorized to transfer amounts between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by 5% or more and/or actual expenditures within a fund exceed budgeted expenditures by 5% or more, a budget revision is adopted by the school board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent revisions.

ENCUMBRANCES:

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Project Funds. Encumbrances outstanding at the end of the fiscal year are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

INTERFUND RECEIVABLES/PAYABLES:

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables and short-term interfund loans are classified as interfund receivables/payables.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

ADVANCES TO OTHER FUNDS:

Non-current portions of long-term interfund loan receivables and payables are reported as advances.

INVENTORIES:

Inventory of the School Lunch Fund consists of commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received and as expenses when consumed. Commodities are assigned values based on information provided by the United States Department of Agriculture.

Food purchased by the school board is expensed at the time of purchase.

FIXED ASSETS:

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased, constructed or donated, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, estimated cost, or fair value if donated.

COMPENSATED ABSENCES:

The school board has two types of compensated absences which accumulate or vest as follows:

Vacation and Sick Leave:

Under the terms of state law and school board policy, teachers and other nine-month employees accrue 10 days of sick leave each school year, which can be accumulated without limitation. Upon retirement or death prior to retirement, unused accumulated sick leave of up to 25 days is paid to the employee or the employee's beneficiary at the employee's current rate of pay. Upon retirement, sick leave is used in the retirement benefit computation as earned service. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave, including the 25 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, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service. Under reduction in force, a laid-off employee may choose to be paid for his accumulated sick leave.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

COMPENSATED ABSENCES: (Continued)

Vacation and Sick Leave: (Continued)

All 12-month employees accrue from 5 to 20 days vacation leave each year depending on length of service with the school board. Vacation leave can be accumulated up to 50 days. Upon termination, retirement, or death prior to retirement, unused accumulated vacation is paid at the employee's current rate of pay. In addition, these employees accrue from 10 to 18 days of sick leave each year depending on length of service with the school board. Unused accumulated sick leave for 12-month employees is paid in the manner described above for teachers and nine-month employees.

Sabbatical Leave:

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

The cost of leave privileges are recorded as an expenditure of the period in which paid.

FUND EQUITY:

Reserves:

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances:

Designated fund balances represent tentative plans for future use of financial resources.

INTERFUND TRANSACTIONS:

Quasi-external transactions are accounted for as revenues or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as operating transfers.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

SALES AND USE TAXES:

The school board levies one percent sales and use tax with receipts deposited in the General Fund. The school board levies an additional one percent sales and use tax with receipts deposited to the Sales Tax Sinking Fund. The proceeds of this tax are dedicated and used for any lawful school purpose, including payments of salaries and fringe benefits, building operations and maintenance, and instructional programs, with any excess transferred to the General Fund. The tax is collected by the Sales Tax Department of the Plaquemines Parish Government.

TOTAL COLUMNS ON COMBINED STATEMENTS:

The 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, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

FUND DESCRIPTIONS - SPECIAL REVENUE FUNDS:

Improving America's Schools Act (IASA) Funds:

IASA Title I:

This is a program for economically and educationally deprived school children which is federally financed, state-administered and locally operated by the school board. The services are provided through various projects which are designated to meet the special needs of educationally deprived children. The activities supplement rather than replace state and local mandated activities. Program funds are obtained from Federal grants through the State Department of Education.

IASA Title I Migrant Education:

The IASA Title I Migrant Education Funds are used to provide additional instruction in reading and math to identified students through an individualized instruction program. The IASA Title I Migrant Education Recruiter Program is used to enlist the cooperation of school systems in the multi-parish recruiting area, identify migrant children, establish contacts with migrant families, and assist in planning educational, health and social services for migrant children. Program funds are obtained from Federal grants through the State Department of Education.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUND DESCRIPTIONS - SPECIAL REVENUE FUNDS: (Continued)

Improving America's Schools Act (IASA) Funds: (Continued)

IASA Title II:

The program funds are used to promote professional growth leading to improving certification in math and science.

IASA Title VI:

This is a program by which the Federal government provides funds to the school board for audio-visual materials, equipment, and library resources.

Drug-Free Schools Program:

This program will establish and implement drug abuse education and prevention programs, and will enforce drug-related rules and regulations of student conduct in the schools.

Title XIX:

This program is to improve the health status of eligible children by assuring the provision of preventive services, health assessment, and the necessary diagnosis, treatment and follow-up care in the context of an ongoing relationship between the patient and other health care givers.

Head Start Program:

This is a federally funded educational, social and health program for economically disadvantaged three to four-year old children.

Food Service Fund:

The Food Service Fund (Lunch/Breakfast) is a program that provides nourishing meals for students in all grades. This program is supplemented by both Federal and State funds that are based on reimbursement and participation.

Adult Education:

The Adult Basic Education Fund accounts for Federal and State grants received through the State Department of Education.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUND DESCRIPTIONS - SPECIAL REVENUE FUNDS: (Continued)

Adult Education: (Continued)

The Adult Education Program offers a basic and remedial academic curriculum to individuals at least 16 years of age or emancipated minors who have not obtained a high school diploma. The curriculum offered is intended to prepare the student for the high school equivalency examination. Students successfully completing the examination are awarded the High School Equivalency Examination Diploma.

Vocational Education:

Students in grades 9 through 12 have the opportunity to participate in vocational education through the State and federally funded programs. Courses in home economics, industrial arts, and business education offer training in job entry skills. Several co-op programs offer practical experiences in the job market.

Special Education Fund:

The Special Education Fund is a State and federally financed program of free education in the least restricted environment to children with exceptionalities.

Technology Literacy Challenge:

This grant provides funds to state education agencies on a formula basis to support the development and implementation of systemic technology plans at the state, local, and school levels to improve the teaching and learning of all children.

Classroom-Based Technology:

This is a state-funded program to help local school districts purchase computers and network hardware to connect classrooms to the Internet.

School to Work:

The Regional Council on School to Work (STW), an initiative of the Metrovision Economic Development Partnership, involves a broad coalition of representatives from business, labor, education, and government. It serves as a catalyst to create an effective STW system in Greater New Orleans and the River Region that better prepares students for careers and life-long learning. It connects school-based learning to the workplace through structured internship in local businesses.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUND DESCRIPTIONS - SPECIAL REVENUE FUNDS: (Continued)

Learn Program:

This federally-funded program is to fund local planning and implementation projects, which emphasize student impact/academic results through high local curricular and assessment standards.

Technical Preparation:

This federally-funded program is for the development and administration of Technical Preparation activities.

LEAP Summer School Pilot:

This state-funded grant provides summer school for those students who scored at the "unsatisfactory" achievement level on the new criterion-referenced test, LEAP for the 21st Century, taken in spring 1999.

FUND DESCRIPTIONS - DEBT SERVICE FUNDS:

General Obligation Bond Fund:

The General Obligation Bond Fund accounts for the proceeds of property taxes (3.0 mill ad valorem taxes) that are dedicated for debt service.

Certificate Of Indebtedness Fund:

The Certificate of Indebtedness Fund accounted for the annual debt service requirement on the certificates. The Certificate of Indebtedness was paid in full in November 1999.

Certificate Of Indebtedness Reserve Fund:

The Certificate of Indebtedness Reserve Fund accounted for that portion of the transfers from the General Fund that were set aside as a reserve to pay principal and interest on the certificates payable from the Certificate of Indebtedness Fund for which there would otherwise have been a default.

Sales Tax Bond Fund:

The Sales Tax Bond Fund accounts for the proceeds of a one percent sales and use tax levied and collected by the collecting agency.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

FUND DESCRIPTIONS - DEBT SERVICE FUNDS: (Continued)

Sales Tax Reserve Fund:

The Sales Tax Reserve Fund accounts for the establishment of a reserve in the amount of \$1,100,000, or the highest combined principal and interest requirements for any succeeding bond year, ending March 1, which equaled \$1,121,998 as of June 30, 2000.

FUND DESCRIPTIONS - CAPITAL PROJECTS FUNDS:

1992 Sales Tax Construction Fund:

The Plaquemines Parish School Board issued \$11,000,000 of Sales Tax School Bonds, Series 1992, for the purpose of making capital improvements to the public school system of the Parish (including, but not limited to constructing, acquiring, erecting, improving, and repairing schools and school related facilities), payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special one percent sales and use tax. On March 2, 1998, the school board adopted a resolution to refinance \$7,220,000 of the Series 1992 Bonds and authorized the issuance of \$8,115,000 of its Sales Tax Refunding Bonds, Series, 1998.

1998 Sales Tax Construction Fund:

The school board authorized the issuance of \$1,800,000 of Sales Tax Bonds, Series 1998B pursuant to a resolution adopted on April 20, 1998 for the purpose of making capital improvements to the public school system of Plaquemines Parish. As of June 30, 2000, all funds in the 1998 Sales Tax Construction Fund had been used for capital improvements.

2. FUND DEFICITS:

There are no deficits in any individual funds at June 30, 2000.

3. LEVIED TAXES:

Property taxes are levied each November 1st on assessed value listed as of the prior January 1st for all real property, merchandise and movable property located in the parish. Taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. Assessed values are established by the Plaquemines Parish Assessor's Office and the State Tax Commission of actual value as specified by Louisiana Law. Property taxes are recorded as revenue by the school board in the year the taxes are received. A portion of exempt taxes due to homestead exemptions relating to constitutional special school taxes are reimbursed to the school board through state revenue sharing.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

3. LEVIED TAXES: (Continued)

As required by the State of Louisiana Statute, prescribed deductions are made from the school board's property tax receipts for contributions to cover costs of various pension funds. For the year ended June 30, 2000, \$202,747 had been deducted from property tax receipts for amounts due to various pension funds.

The following is a summary of parish wide authorized and levied ad valorem taxes for the fiscal year ended June 30, 2000:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Constitutional	5.68	5.80
Proposition I	3.50	2.60
Proposition II	2.35	2.40
Proposition III	4.68	4.78

The difference between authorized and levied millages is the result of reassessments of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

4. ACCOUNTS RECEIVABLE:

The accounts receivable of \$2,585,196 at June 30, 2000 are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
TAXES:				
Sales	\$1,709,688	\$ --	\$186,369	\$1,896,057
Ad-Valorem	3,940	--	789	4,729
GRANTS:				
State	44,445	93,679	--	138,124
Federal - received through the State	--	531,951	--	531,951
OTHERS	--	<u>14,335</u>	--	<u>14,335</u>
TOTALS	<u>\$1,758,073</u>	<u>\$639,965</u>	<u>\$187,158</u>	<u>\$2,585,196</u>

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

5. EMPLOYEE RETIREMENT SYSTEMS:

Substantially all employees of the school board are members of two statewide retirement systems, both of which are cost-sharing multiple-employer public employee retirement systems (PERS). In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); and other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service.

Under LSERS, employees are eligible to retire after attaining age 60 and 10 years of accredited service, age 55 and 25 years of accredited service, or any age with 30 years of accredited service. The retirement benefit will be paid monthly based on 2.5% of average final compensation times the years of creditable service (including creditable unused sick and annual leave), plus an additional .5% of average final compensation times the years of creditable service in excess of 20 years, plus two dollars per month for each year of creditable service supplemental benefit, not to exceed average final compensation. The plan also includes disability retirement benefits.

The formula for annual maximum retirement benefits under TRS is 2 or 2.5% (Regular Plan) or 1 or 3% (Plan A) of final average salary for each year of credited service. Final average salary is based upon the member's highest successive thirty-six months of salary. Benefits are paid monthly for life.

Benefits of the system are funded by employee and employer contributions. The contribution rates (as a percentage of covered salaries) are established by state law as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana School Employees' Retirement System	6.35%	0.00%
Louisiana Teachers' Retirement System - Regular	8.00%	15.20%
Louisiana Teachers' Retirement System - Plan A	9.10%	15.20%

The school board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the school board. For the year ended June 30, 2000, \$247,923 was remitted to the TRS by the Plaquemines Parish Sheriff for the school board from ad valorem tax and revenue sharing deductions. For the LSERS, the school board's employer contribution is funded by the State of Louisiana through annual appropriations. Benefits granted by the retirement system are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

5. EMPLOYEE RETIREMENT SYSTEMS: (Continued)

The school board's required contributions to the system and the percentage contributed are as follows:

	<u>Required Contribution</u>	<u>Percent Contributed</u>
<u>Louisiana School Employees' Retirement System:</u>		
<u>Year Ended</u>		
June 30, 2000	\$ --	-- %
June 30, 1999	139,701	100.14
June 30, 1998	134,423	99.94

Louisiana Teachers' Retirement System:

Regular:

	<u>Year Ended</u>	
June 30, 2000	\$2,429,288	99.51%
June 30, 1999	2,718,766	99.96
June 30, 1998	2,530,198	99.96

Louisiana Teachers' Retirement System:

Plan A:

	<u>Year Ended</u>	
June 30, 2000	\$ 35,088	100.00%
June 30, 1999	40,728	100.00
June 30, 1998	42,588	100.00

Both systems issue publicly available financial reports that include financial statements and required supplementary information for each system. The LSERS report may be obtained by writing to the system at P.O. Box 44516, Baton Rouge, Louisiana 70804-4516. The TRS report may be obtained by writing to the system at P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

6. OTHER POST-EMPLOYMENT BENEFITS:

The Plaquemines Parish School Board provides certain continuing health care and life insurance benefits for its retired employees as required by state law. Substantially all of the school board's employees become eligible for these benefits if they reach normal retirement age while working for the school board. These benefits for retirees and similar benefits for active employees are provided through an insurance company, whose monthly premiums are paid jointly by the employee and by 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 paid. For the year ended June 30, 2000, the school board's portion of the premiums was \$184,664 for 143 retirees.

7. ACCOUNTS, SALARIES/DEDUCTIONS AND OTHER PAYABLES:

The payables of \$2,785,894 at June 30, 2000 are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>School Activity Fund</u>	<u>Total</u>
Salaries/ deductions	\$2,232,598	\$ --	\$ --	\$ --	\$2,232,598
Accounts payable	57,705	14,171	1,140	--	73,016
Due to others	<u>--</u>	<u>--</u>	<u>--</u>	480,280	480,280
TOTAL	<u>\$2,290,303</u>	<u>\$14,171</u>	<u>\$1,140</u>	<u>\$480,280</u>	<u>\$2,785,894</u>

8. INTERFUND PAYABLES/RECEIVABLES AND ADVANCES:

Individual balances due from/to other funds at June 30, 2000 are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$863,038	\$ --
Special Revenue Fund:		
Adult Education	--	24,550
Drug-Free	--	3,884
Food Service	--	237,522
LEAP Program	--	379
Learning Program	--	24,688
School to Work	--	2,038
Special Education	--	117,747
Technology Literacy Challenge	--	3,451
Title I	--	407,671
Title II	--	5,533
Title IV	--	35,307
Vocational Education	--	268
TOTAL	<u>\$863,038</u>	<u>\$863,038</u>

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

8. INTERFUND PAYABLES/RECEIVABLES AND ADVANCES: (Continued)

Individual balances of advances to/from other funds at June 30, 2000 are as follows:

	<u>Advances To</u>	<u>Advances From</u>
General Fund	\$ --	\$135,700
Special Revenue Funds:		
Adult Education	10,800	--
Drug-Free	7,000	--
Migrant	5,000	--
School to Work	5,000	--
Special Education	10,000	--
Title I	15,000	--
Title II	5,000	--
Title VI	12,900	--
Vocational Education	<u>65,000</u>	--
TOTAL	<u>\$135,700</u>	<u>\$135,700</u>

9. LEASES:

Capital:

The school board has recorded capital leases for office equipment and related expenses as assets, expenses and obligations in the accompanying financial statements. For the year ended June 30, 2000, principal in the amount of \$195,182 was paid on capital leases. For the year ended June 30, 2000, interest in the amount of \$18,600 was paid on capital leases. The school board's policy is to expense lease payments in the year paid. The following is a schedule of future minimum lease payments under capital lease agreements as of June 30, 2000:

<u>Fiscal Year</u>	<u>Amount</u>
06-30-01	\$ 64,975
06-30-02	<u>14,945</u>
Total minimum lease payment	79,920
Less: Amount representing interest	<u>(3,632)</u>
Present value of net minimum lease payment	<u>\$ 76,288</u>

The gross amount of assets recorded in the general fixed assets account group under capital leases is \$780,691 at June 30, 2000.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

10. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS:

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

	Balance At <u>07/01/99</u>	<u>Additions</u>	<u>Reductions</u>	Balance At <u>06/30/00</u>
School Activity Accounts	\$369,458	\$1,565,340	\$1,454,518	\$480,280

11. GENERAL LONG-TERM OBLIGATIONS:

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

	<u>Bonded Debt</u>	<u>Certificate Of Indebtedness</u>	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance 07/01/99	\$15,140,000	\$70,000	\$272,330	\$1,788,832	\$17,271,162
Additions	--	--	--	--	--
Deductions	<u>(1,490,000)</u>	<u>(70,000)</u>	<u>(196,042)</u>	<u>(140,012)</u>	<u>(1,896,054)</u>
BALANCE 06/30/00	<u>\$13,650,000</u>	<u>\$-----</u>	<u>\$ 76,288</u>	<u>\$1,648,820</u>	<u>\$15,375,108</u>

Capital Leases:

Capital leases represent obligations that are to be financed with future General Fund resources.

Compensated Absences:

Compensated absences payable consist of the portion of accumulated sick and vacation leave of the governmental funds that is not expected to require current resources. The additions for 2000 represent the net changes during the year. The records are maintained in such a manner that the additions and deletions could not readily be determined; therefore, the net change is reflected as deletions in 2000.

Bonds and Certificates:

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2000, the school board had accumulated \$2,705,195 in the debt service funds for future debt requirements.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

11. GENERAL LONG-TERM OBLIGATIONS: (Continued)

Bonds and Certificates: (Continued)

On March 1, 1998, the school board issued Series 1998 Sales Tax Bonds to advance refund Series 1992 Sales Tax Bonds with a par value of \$7,220,000. The net proceeds from the issuance of the Series 1998 Sales Tax Bonds and existing Sinking Fund monies were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the Series 1992 bonds mature. The advance refunding met the requirements of an insubstance debt defeasance and those defeased bonds were removed from the school board's General Long-Term Debt Account Group. At June 30, 2000, \$7,220,000 of the defeased debt was still outstanding.

The following is a schedule of the outstanding bonds and certificates of indebtedness of the school board as of June 30, 2000:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturities</u>
General Obligation School Bonds, Series 1992	05-01-92	\$ 2,300,000	6.00 - 10.00%	03-01-1993/2002
Sales Tax School Bonds, Series 1992	05-01-92	11,000,000	6.10 - 10.00	03-01-1993/2002
General Obligation Bonds, Series 1993	03-01-93	5,700,000	4.70 - 4.80	03-01-1995/2003
Sales Tax School Bonds, Series 1998	03-01-98	8,115,000	3.65 - 4.65	03-01-1999/2012
Sales Tax School Bonds, Series 1998B	04-01-98	1,800,000	4.45 - 7.00	03-01-1999/2018

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

11. GENERAL LONG-TERM OBLIGATIONS: (Continued)

The annual requirements to amortize principal and interest on bonds and certificates outstanding at June 30, 2000 are as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2001	\$ 1,585,000	\$ 646,653	\$ 2,231,653
2002	1,685,000	560,378	2,245,378
2003	1,780,000	468,040	2,248,040
2004	730,000	385,932	1,115,932
2005	765,000	353,643	1,118,643
2006-2018	<u>7,105,000</u>	<u>1,579,968</u>	<u>8,684,968</u>
	<u>\$13,650,000</u>	<u>\$3,994,614</u>	<u>\$17,644,614</u>

12. RESERVED AND DESIGNATED FUND BALANCES:

Designated for Capital Improvements:

The School Board passed a resolution on April 8, 1998 to establish a Capital Improvement Fund for building/facility construction and improvements. Deposits will be made of revenues from 16th section lands, any unexpected excess settlement funds as designated by the board, and ending General Fund Balance in excess of 5% of the following year's proposed budget. The balance of this account at June 30, 2000 is \$1,124,848.

Designated for Insurance Deductibles:

The settlement of back sales and use taxes, certain refunds of insurance premiums, and a portion of the special appropriation from the parish government have been designated to fund the deductible amount on insurance policies. At June 30, 2000, the balance of this account is \$2,271,865.

Reserved for Debt Service:

Monies are reserved in the Debt Service Fund to pay the principal and interest maturing in future years on bonded debts and certificates of indebtedness. At June 30, 2000, the balance of the reserve is \$2,705,195.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

12. RESERVED AND DESIGNATED FUND BALANCES: (Continued)

Reserved for Construction:

Monies are reserved in the Capital Projects Fund for building construction, major repairs and renovations, and construction of additional classrooms throughout the school district. At June 30, 2000, the balance of the reserve is \$9,428.

Reserved for Apartment Maintenance:

Monies received for rent are reserved in the General Fund for repairs and maintenance on apartments owned by the school board. At June 30, 2000, the balance of the reserve is \$36,670.

Reserved for Scholarship:

Monies donated by various organizations are reserved for scholarships to qualified students of the Plaquemines Parish Schools. At June 30, 2000 the balance of the reserve is \$32,502.

13. CASH, CASH EQUIVALENTS AND INVESTMENTS:

Following are the components of the school board's cash, cash equivalents and investments at June 30, 2000:

Cash	\$3,496,960
Cash equivalents	1,770,870
Investments	<u>1,197,497</u>
	<u>\$6,465,327</u>

Cash:

The school board's bank deposits were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board. As of June 30, 2000, the bank balances of the deposits totaled \$4,572,597.

Cash Equivalents:

The school board considers all highly-liquid debt instruments with a maturity of one year or less to be cash equivalents. The school board's cash equivalents include money market demand deposit accounts held with financial institutions, certificates of deposit, treasury bills, and government money market funds. All cash equivalents are stated at cost.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

13. CASH, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Cash Equivalents: (Continued)

	<u>Amount</u>
Money market demand accounts were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board. As of June 30, 2000 bank balances of money market demand accounts were \$1,574,885.	\$1,581,921
Certificates of deposit were entirely covered by federal depository insurance and pledged securities held at the Federal Reserve Bank in the name of the school board.	115,000
Cash equivalents of government money market funds consist of short-term government securities. The funds are held by a sub-custodian, managed and held in the name of the school board's broker-dealer.	<u>73,949</u>
TOTAL CASH EQUIVALENTS	<u>\$1,770,870</u>

Investments:

Statutes authorize the school board to invest in direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies, provided such obligations are backed by the full faith and credit of the United States of America; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U.S. Government instrumentalities, which are federally sponsored; mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States or its agencies; and certain guaranteed investment contracts.

The school board's investments are described below to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the school board or its agent in the school board's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the school board's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the school board's name.

PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

13. CASH, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Investments: (Continued)

The school board's investments are carried at fair value and consist of notes and mortgages of the U.S. Government and federal agencies. The investments are held by the Federal Reserve Bank in the name of the school board's broker-dealer. The investments are managed by the school board's broker-dealer but are restricted by the bond indenture. The following is a schedule of investments by investment type:

	<u>Carrying Amount</u>
U.S. Treasury Notes	\$1,190,942
Federal Home Loan Mortgage Corporation	<u>6,555</u>
	<u>\$1,197,497</u>

Market values are furnished by the school board's investment custodian.

14. FIXED ASSETS:

Following is a schedule of changes in fixed assets during the year ended June 30, 2000:

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Construction In Progress</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Fixed assets as of July 1, 1999	\$ 9,646,804	\$3,912,861		\$7,254,086	\$3,851,087	\$24,664,838
Prior period additions	<u>20,005,033</u>	---	---	---	---	<u>20,005,033</u>
Fixed assets as of July 1, 1999, as adjusted	29,651,837	3,912,861		7,254,086	3,851,087	44,669,871
Current period additions	--	967,460		2,179,680	234,898	3,382,038
Current period deletions	--	--		(857,308)	--	(857,308)
Completed construction	<u>2,203,321</u>	<u>(2,203,321)</u>		--	--	--
Fixed assets at June 30, 2000	<u>\$31,855,158</u>	<u>\$2,677,000</u>		<u>\$8,576,458</u>	<u>\$4,085,985</u>	<u>\$47,194,601</u>

During the year ended June 30, 2000, the school board obtained historical costs and values for the land and buildings transferred to the Parish Government in 1966 that were later returned to the school board after the courts declared the transfer null and void. These are shown above as prior period additions.

15. COMPENSATED ABSENCES:

At June 30, 2000, employees of the school board have accumulated and vested \$1,648,820 of employee leave benefits which is reported in the general long-term debt account group.

PLAQUEMINES PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2000

16. ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

17. SELF INSURANCE:

The school board is self-insured for workman's compensation in the amount of \$225,000 per accident. The excess is insured under an insurance policy. The fund is administered by an independent insurance service company.

The estimated claims liability is computed based on information received from the administrator of the plan. The following represents a reconciliation of total claims liability:

Claims liability at June 30, 1999	\$ 48,184
Less: Claims paid during the year	(148,558)
Plus: Claims incurred	<u>159,897</u>
Claims liability at June 30, 2000	<u>\$ 59,523</u>

The claims liability at June 30, 2000 is presented at current value and has not been discounted.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
JUNE 30, 2000

	Title 1	Migrant Education	Title II	Title VI	Drug- Free	Title XIX	Head Start	Food Service	Adult Education
ASSETS:									
Cash	\$ 82,254	\$ 5,000	\$ --	\$ 11,560	\$ 5,610	\$ 2	\$ --	\$ 477,064	\$ 5,175
Accounts receivable	340,417	--	11,180	36,647	5,274	--	--	14,335	30,175
Inventory	--	--	--	--	--	--	--	64,329	--
TOTAL ASSETS	<u>\$ 422,671</u>	<u>\$ 5,000</u>	<u>\$ 11,180</u>	<u>\$ 48,207</u>	<u>\$ 10,884</u>	<u>\$ 2</u>	<u>\$ --</u>	<u>\$ 555,728</u>	<u>\$ 35,350</u>
LIABILITIES:									
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 14,171	\$ --
Cash overdraft	--	--	647	--	--	--	--	--	--
Interfund payables	407,671	--	5,533	35,307	3,884	--	--	237,522	24,550
Advances from General Fund	15,000	5,000	5,000	12,900	7,000	--	--	--	10,800
Total liabilities	<u>422,671</u>	<u>5,000</u>	<u>11,180</u>	<u>48,207</u>	<u>10,884</u>	<u>--</u>	<u>--</u>	<u>251,693</u>	<u>35,350</u>
FUND EQUITY:									
Unreserved fund balance	--	--	--	--	--	2	--	304,035	--
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 422,671</u>	<u>\$ 5,000</u>	<u>\$ 11,180</u>	<u>\$ 48,207</u>	<u>\$ 10,884</u>	<u>\$ 2</u>	<u>\$ --</u>	<u>\$ 555,728</u>	<u>\$ 35,350</u>

Vocational Education	Special Education	Classroom- Based Technology	Learning Program	Technology Literacy Challenge	Technology Preparation	School To Work	LEAP Program	Total
\$ 52,185	\$ 76,236	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 715,086
13,083	92,845	37,168	39,058	8,022	--	11,375	386	639,965
--	--	--	--	--	--	--	--	64,329
<u>\$ 65,268</u>	<u>\$ 169,081</u>	<u>\$ 37,168</u>	<u>\$ 39,058</u>	<u>\$ 8,022</u>	<u>\$ --</u>	<u>\$ 11,375</u>	<u>\$ 386</u>	<u>\$ 1,419,380</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 14,171
--	--	26,592	3,500	2,234	--	4,337	7	37,317
268	117,747	--	24,688	3,451	--	2,038	379	863,038
65,000	10,000	--	--	--	--	5,000	--	135,700
<u>65,268</u>	<u>127,747</u>	<u>26,592</u>	<u>28,188</u>	<u>5,685</u>	<u>--</u>	<u>11,375</u>	<u>386</u>	<u>1,050,226</u>
--	41,334	10,576	10,870	2,337	--	--	--	369,154
<u>\$ 65,268</u>	<u>\$ 169,081</u>	<u>\$ 37,168</u>	<u>\$ 39,058</u>	<u>\$ 8,022</u>	<u>\$ --</u>	<u>\$ 11,375</u>	<u>\$ 386</u>	<u>\$ 1,419,380</u>

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2000

	Title I	Migrant Education	Title II	Title VI	Drug- Free	Title XIX	Head Start	Food Service	Adult Education
REVENUES:									
Local sources:									
Interest earnings	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2	\$ --	\$ 19,143	\$ --
Food service income	--	--	--	--	--	--	--	439,939	--
Contributions and donations	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	20,997	--
Restricted Funds:									
State sources	--	--	--	--	--	--	--	--	22,934
Federal sources - through State	1,082,693	34,521	29,536	175,885	28,909	--	--	1,102,039	36,699
Federal sources - commodities	--	--	--	--	--	--	--	103,888	--
Federal sources - direct	--	--	--	--	--	--	513,874	--	--
Unrestricted Funds:									
State sources	--	--	--	--	--	--	--	259,152	--
Federal sources-direct	--	--	--	--	--	--	--	--	--
Total revenues	<u>1,082,693</u>	<u>34,521</u>	<u>29,536</u>	<u>175,885</u>	<u>28,909</u>	<u>2</u>	<u>513,874</u>	<u>1,945,158</u>	<u>59,633</u>
EXPENDITURES:									
Instruction:									
Special programs	943,547	29,981	28,373	170,915	3,655	--	288,433	--	--
Vocational education	--	--	--	--	--	--	--	--	--
Adult education	--	--	--	--	--	--	--	--	54,986
Other instructional programs	--	--	--	--	--	--	--	--	--
Support Service Programs:									
Pupil support	--	--	--	--	--	--	29,646	--	--
Instructional staff support	90,852	2,950	--	--	25,254	--	194,801	--	3,512
General administration	711	--	--	--	--	--	233	--	37
Operations and maintenance	2,855	--	--	--	--	--	761	--	--
Student transportation	--	--	--	--	--	--	--	--	--
Food service program	--	--	--	--	--	--	--	1,928,198	--
Total expenditures	<u>1,037,965</u>	<u>32,931</u>	<u>28,373</u>	<u>170,915</u>	<u>28,909</u>	<u>--</u>	<u>513,874</u>	<u>1,928,198</u>	<u>58,535</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>44,728</u>	<u>1,590</u>	<u>1,163</u>	<u>4,970</u>	<u>--</u>	<u>2</u>	<u>--</u>	<u>16,960</u>	<u>1,098</u>
OTHER FINANCING SOURCES (USES):									
Transfer of indirect costs	(44,728)	(1,590)	(1,163)	(4,970)	--	--	--	--	(1,098)
Operating transfers in	--	--	--	--	--	--	--	--	--
Operating transfers out	--	--	--	--	--	--	--	(70,000)	--
Total other financing sources (uses)	<u>(44,728)</u>	<u>(1,590)</u>	<u>(1,163)</u>	<u>(4,970)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(70,000)</u>	<u>(1,098)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2</u>	<u>--</u>	<u>(53,040)</u>	<u>--</u>
Fund balance - beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>357,075</u>	<u>--</u>
FUND BALANCE - END OF YEAR	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2</u>	<u>\$ --</u>	<u>\$ 304,035</u>	<u>\$ --</u>

Vocational Education	Special Education	Classroom- Based Technology	Learning Program	Technology Literacy Challenge	Technology Preparation	School To Work	LEAP Program	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 19,145
--	--	--	--	--	--	--	--	439,939
--	500	--	--	--	--	--	--	500
--	--	--	--	--	--	--	--	20,997
--	22,960	92,358	31,160	--	--	--	15,424	184,836
69,015	310,287	--	56,129	33,668	2,500	43,281	--	3,005,162
--	--	--	--	--	--	--	--	103,888
--	--	--	--	--	--	--	--	513,874
--	--	--	--	--	--	--	--	259,152
--	16,872	--	--	--	--	--	--	16,872
<u>69,015</u>	<u>350,619</u>	<u>92,358</u>	<u>87,289</u>	<u>33,668</u>	<u>2,500</u>	<u>43,281</u>	<u>15,424</u>	<u>4,564,365</u>
--	226,977	--	55,706	--	--	--	--	1,747,587
69,015	--	--	--	--	--	--	--	69,015
--	--	--	--	--	--	--	--	54,986
--	--	81,782	--	--	2,500	35,272	15,424	134,978
--	27,546	--	--	--	--	--	--	57,192
--	61,651	--	20,022	31,331	--	8,009	--	438,382
--	230	--	--	--	--	--	--	1,211
--	--	--	423	--	--	--	--	4,039
--	8,555	--	--	--	--	--	--	8,555
--	--	--	--	--	--	--	--	1,928,198
<u>69,015</u>	<u>324,959</u>	<u>81,782</u>	<u>76,151</u>	<u>31,331</u>	<u>2,500</u>	<u>43,281</u>	<u>15,424</u>	<u>4,444,143</u>
--	25,660	10,576	11,138	2,337	--	--	--	120,222
--	(13,561)	--	(268)	--	--	--	--	(67,378)
--	3,000	--	--	--	--	--	--	3,000
--	--	--	--	--	--	--	--	(70,000)
--	(10,561)	--	(268)	--	--	--	--	(134,378)
--	15,099	10,576	10,870	2,337	--	--	--	(14,156)
--	26,235	--	--	--	--	--	--	383,310
<u>\$ --</u>	<u>\$ 41,334</u>	<u>\$ 10,576</u>	<u>\$ 10,870</u>	<u>\$ 2,337</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 369,154</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the payment of interest and principal on all general obligation debt and sales tax school bonds.

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 DEBT SERVICE FUND
 COMBINING BALANCE SHEET
 JUNE 30, 2000

	General Obligation Bond Fund	Certificate Of Indebtedness Fund	Certificate Of Indebtedness Reserve Fund	Sales Tax Bond Fund	Sales Tax Reserve Fund	Total
ASSETS:						
Cash	\$ 648,698	\$ --	\$ --	\$ 583,193	\$ 1,503	\$ 1,233,394
Cash equivalents	--	--	--	--	70,177	70,177
Investments	--	--	--	--	1,190,942	1,190,942
Accounts receivable	789	--	--	186,369	--	187,158
Accrued interest receivable	--	--	--	--	23,524	23,524
TOTAL ASSETS	<u>\$ 649,487</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 769,562</u>	<u>\$ 1,286,146</u>	<u>\$ 2,705,195</u>
FUND EQUITY:						
Reserved for Debt Service	<u>\$ 649,487</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 769,562</u>	<u>\$ 1,286,146</u>	<u>\$ 2,705,195</u>
TOTAL FUND EQUITY	<u>\$ 649,487</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 769,562</u>	<u>\$ 1,286,146</u>	<u>\$ 2,705,195</u>

PLAQUEMINES PARISH SCHOOL BOARD
SUPPLEMENTARY INFORMATION
DEBT SERVICE FUND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2000

		General Obligation Bond Fund	Certificate Of indebtedness Fund	Certificate Of indebtedness Reserve Fund	Sales Tax Bond Fund	Sales Tax Reserve Fund	Total
REVENUES							
Local Sources:							
Ad valorem taxes	\$	1,097,165	--	--	--	--	\$ 1,097,165
Sales taxes		--	--	--	1,117,949	--	1,117,949
Interest earnings		39,159	400	934	36,002	69,251	145,746
Total revenues		<u>1,136,324</u>	<u>400</u>	<u>934</u>	<u>1,153,951</u>	<u>69,251</u>	<u>2,360,860</u>
EXPENDITURES							
Debt Service:							
Principal retirement		900,000	70,000	--	590,000	--	1,560,000
Interest payment		199,502	2,450	--	527,685	--	729,637
Miscellaneous:							
Bank, legal fees and other charges		2,311	--	--	2,663	--	4,974
Total expenditures		<u>1,101,813</u>	<u>72,450</u>	<u>--</u>	<u>1,120,348</u>	<u>--</u>	<u>2,294,611</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>34,511</u>	<u>(72,050)</u>	<u>934</u>	<u>33,603</u>	<u>69,251</u>	<u>66,249</u>
OTHER FINANCING SOURCES (USES):							
Operating transfers in		--	74,900	--	--	--	74,900
Operating transfers out		--	(7,312)	(75,834)	--	--	(83,146)
Loss on investments		--	--	--	--	(17,333)	(17,333)
Total other financing sources (uses)		<u>--</u>	<u>67,588</u>	<u>(75,834)</u>	<u>--</u>	<u>(17,333)</u>	<u>(25,579)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES		<u>\$ 34,511</u>	<u>\$ (4,462)</u>	<u>\$ (74,900)</u>	<u>\$ 33,603</u>	<u>\$ 51,918</u>	<u>\$ 40,670</u>
FUND BALANCE - BEGINNING OF YEAR		<u>614,976</u>	<u>4,462</u>	<u>74,900</u>	<u>735,959</u>	<u>1,234,228</u>	<u>2,664,525</u>
FUND BALANCE - END OF YEAR		<u>\$ 649,487</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 769,562</u>	<u>\$ 1,286,146</u>	<u>\$ 2,705,195</u>

CAPITAL PROJECTS FUNDS

The Capital Projects Funds accounts for all resources used for the acquisition and/or construction of capital facilities of the School Board.

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET
JUNE 30, 2000

	1992 Sales Tax Construction Fund	1998 Sales Tax Construction Fund	<u>Total</u>
ASSETS:			
Cash	\$ 241	\$ --	\$ 241
Cash equivalents	3,772	--	3,772
Investments	<u>6,555</u>	<u>--</u>	<u>6,555</u>
TOTAL ASSETS	<u>\$ 10,568</u>	<u>\$ --</u>	<u>\$ 10,568</u>
LIABILITIES AND FUND EQUITY:			
Liabilities:			
Accounts payable	\$ <u>1,140</u>	\$ --	\$ <u>1,140</u>
Total liabilities	<u>1,140</u>	<u>--</u>	<u>1,140</u>
Fund Equity:			
Reserved for construction	<u>9,428</u>	<u>--</u>	<u>9,428</u>
Total fund equity	<u>9,428</u>	<u>--</u>	<u>9,428</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 10,568</u>	<u>\$ --</u>	<u>\$ 10,568</u>

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2000

	1992 Sales Tax Construction Fund	1998 Sales Tax Construction Fund	<u>Total</u>
REVENUES:			
Local Sources:			
Interest earnings	\$ 6,959	\$ 418	\$ 7,377
Total revenues	<u>6,959</u>	<u>418</u>	<u>7,377</u>
EXPENDITURES:			
Capital outlay:			
Building repairs/maintenance	55,463	--	55,463
Architect/engineers	46,643	--	46,643
Facility acquisition and construction	919,803	--	919,803
Total expenditures	<u>1,021,909</u>	<u>--</u>	<u>1,021,909</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,014,950)</u>	<u>418</u>	<u>(1,014,532)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	711,905	--	711,905
Operating transfers out	--	(22,905)	(22,905)
Gain on investments	47	--	47
Total other financing sources (uses)	<u>711,952</u>	<u>(22,905)</u>	<u>689,047</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(302,998)	(22,487)	(325,485)
FUND BALANCE - BEGINNING OF YEAR	<u>312,426</u>	<u>22,487</u>	<u>334,913</u>
FUND BALANCE - END OF YEAR	<u>\$ 9,428</u>	<u>\$ --</u>	<u>\$ 9,428</u>

AGENCY FUNDS - SCHOOL ACTIVITY FUNDS

School Activity Funds are used to account for monies held for individual schools or their student bodies. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. Agency Funds are accounted for in essentially the same manner as Governmental Funds.

PLAQUEMINES PARISH SCHOOL BOARD
SUPPLEMENTARY INFORMATION
SCHOOL ACTIVITY AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000

ASSETS

CASH	<u>\$480,280</u>
TOTAL ASSETS	<u>\$480,280</u>

LIABILITIES AND FUND EQUITY

LIABILITIES:	
Due to Others - School Activity	<u>\$480,280</u>
Total liabilities	480,280
FUND EQUITY	-----
TOTAL LIABILITIES AND FUND EQUITY	<u>\$480,280</u>

PLAQUEMINES PARISH SCHOOL BOARD
SUPPLEMENTARY INFORMATION
SCHOOL ACTIVITY AGENCY FUNDS
SCHEDULE OF CHANGES IN FUNDS DUE TO OTHERS
FOR THE YEAR ENDED JUNE 30, 2000

Deposit balance at beginning of year	\$ 369,458
Additions	1,565,340
Deductions	<u>(1,454,518)</u>
DEPOSIT BALANCE AT END OF YEAR	\$ <u>480,280</u>

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 SCHOOL ACTIVITY FUNDS
 SCHEDULE OF CHANGES IN FUNDS DUE TO OTHERS
FOR THE YEAR ENDED JUNE 30, 2000

<u>SCHOOL</u>	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Belle Chasse High School	\$ 123,709	\$ 381,394	\$ 354,804	\$ 150,299
Belle Chasse Middle School	29,626	176,024	142,215	63,435
Belle Chasse Primary School	66,429	277,385	258,343	85,471
Buras High School	67,000	242,608	227,204	82,404
Buras Middle School	13,799	61,591	68,362	7,028
Port Sulphur High School	24,209	199,246	180,187	43,268
Phoenix High School	3,585	57,046	56,454	4,177
Boothville-Venice High School	<u>41,101</u>	<u>170,046</u>	<u>166,949</u>	<u>44,198</u>
TOTALS	<u>\$ 369,458</u>	<u>\$ 1,565,340</u>	<u>\$ 1,454,518</u>	<u>\$ 480,280</u>

PLAQUEMINES PARISH SCHOOL BOARD
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2000

<u>Board Member</u>	<u>Amount</u>
Lawrence Rousselle (President 7/99 - 12/99)	\$10,200
Anthony St. Philip	6,400
Lisa Cross	9,600
Sharon Branan	9,600
Paul Lemaire (President 1/00 -- 6/00)	10,200
Helen Barrois	9,600
Bobby Benefield	9,600
Dallas Picou (7/99 - 10/99)	3,200
Betty Dinette	9,600
Anthony Duplessis	<u>9,600</u>
TOTAL	<u>\$87,600</u>

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to the school board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

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

PLAQUEMINES PARISH SCHOOL BOARD
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 2000

October 26, 2000

Plaquemines Parish School Board
Belle Chasse, Louisiana

We have audited the financial statements of the Plaquemines Parish School Board, as of and for the year ended June 30, 2000, and have issued our report thereon dated October 26, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 00-1.

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 matter involving the 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 the 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 00-1.

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 the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe item 00-1 described above is a material weakness. We also noted one other matter involving the internal control over financial reporting that we have reported to management in a separate letter dated October 26, 2000.

This report is intended for the information and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Diplantie, Hapman, Hagan & Mader LLP

PLAQUEMINES PARISH SCHOOL BOARD
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
FOR THE YEAR ENDED JUNE 30, 2000

October 26, 2000

Plaquemines Parish School Board
Belle Chasse, Louisiana

Compliance

We have audited the compliance of Plaquemines Parish School Board, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2000. The school board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the school board's management. 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 generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the school board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the school board's compliance with those requirements.

In our opinion, the school board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 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 internal control over compliance in accordance with OMB Circular A-133.

We noted a matter involving the internal control over compliance 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 the internal control over compliance that, in our judgment, could adversely affect the school board's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe item 00-1 described above is a material weakness.

This report is intended for the information and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hapman, Hogan & Maher LLP

PLAQUEMINES PARISH SCHOOL BOARD
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

Federal
 CFDA
Number

Expenditures

MAJOR FEDERAL AWARDS

Passed through the State of Louisiana:

Department of Agriculture

Cluster Programs:

10.555	National School Lunch Program	\$ 841,696
10.553	School Breakfast Program	<u>260,343</u>
	Total Department of Agriculture	<u>1,102,039</u>

Department of Education

84.010	Title I Grants to Local Education Agencies	1,082,693
84.027	Special Education-Grants to States (IDEA, Part B)	<u>310,287</u>
	Total Department of Education	<u>1,392,980</u>
	Total Major Federal Awards Passed Through the State of Louisiana	2,495,019

Received directly from the federal government:

Department of Health and Human Services

93.600	Head Start	<u>513,874</u>
	TOTAL MAJOR PROGRAM EXPENDITURES	<u>\$3,008,893</u>

NONMAJOR FEDERAL AWARDS

Received directly from the federal government:

Department of Agriculture

84.041	Impact Aid	\$ <u>60,668</u>
	Total Nonmajor Federal Awards Received Directly from the Federal Government	\$ <u>60,668</u>

PLAQUEMINES PARISH SCHOOL BOARD
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

(Continued)

Federal
 CFDA
Number

ExpendituresNONMAJOR FEDERAL AWARDSPassed through the State of Louisiana:Department of Agriculture

10.550	Food Distribution	\$ <u>103,888</u>
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Department of Health and Human Services

93.667	Social Services Block Grant	<u>131,398</u>
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Department of Education

84.002	Adult Education – State Grant Program	36,699
84.011	Migrant Education – Basic State Grant Program	34,521
84.048	Vocational Education – Basic Grants to State	69,015
84.298A	Innovative Education Program Strategies	175,885
84.281A	Eisenhower Professional Development State Grants	29,536
84.186	Safe and Drug-Free Schools and Communities – State Grants	28,909
84.278E	School to Work	43,281
84.278E	Technology Preparation	2,500
84.318	Technology Literacy Challenge Fund Grants	33,668
84.276A	Goals 2000 – State and Local Education Systematic Improvement Grants	<u>56,129</u>

	Total Department of Education	<u>510,143</u>
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	Total Nonmajor Federal Awards Passed Through the State of Louisiana	<u>745,429</u>
--	--	----------------

	TOTAL NONMAJOR PROGRAM EXPENDITURES	<u>806,097</u>
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	TOTAL PROGRAM EXPENDITURES	<u>\$3,814,990</u>
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PLAQUEMINES PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Schedule of Expenditures of Federal Awards of the Plaquemines Parish School Board has been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Expenditures are recognized when incurred.

2. DETERMINATION OF TYPE A AND B PROGRAMS:

Federal awards programs are classified as either Type A or Type B programs. For the period ending June 30, 2000, Type A programs consist of the federal programs that expended over \$300,000 and Type B programs are the programs that expended under \$300,000.

PLAQUEMINES PARISH SCHOOL BOARD
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2000

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of Plaquemines Parish School Board for the year ended June 30, 2000 was qualified because the school board did not include all assets in the fixed asset inventory.
2. One reportable condition in internal control was disclosed by the audit of the financial statements of Plaquemines Parish School Board and the condition is a material weakness.
3. The audit disclosed an instance of noncompliance which is material to the financial statements of Plaquemines Parish School Board.
4. One reportable condition in internal control over major programs was disclosed by the audit of the financial statements of Plaquemines Parish School Board and the condition is a material weakness.
5. An unqualified opinion was issued on compliance for major programs of Plaquemines Parish School Board for the year ended June 30, 2000.
6. The audit disclosed one finding which is required to be reported by OMB Circular A-133.
7. Plaquemines Parish School Board had five major programs as follows:

	<u>Expenditures</u>
Cluster programs:	
National School Lunch Program	\$ 841,696
School Breakfast Program	260,343
Title I Grants to Local Education Agencies	1,082,693
Headstart	513,874
Special Education – Grants to States (IDEA, Part B)	<u>310,287</u>
	<u>\$3,008,893</u>

8. Type A programs are those programs with Federal awards expended during the year ended June 30, 2000 exceeding \$300,000.
9. Plaquemines Parish School Board did not qualify as a low-risk auditee.

PLAQUEMINES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2000

Findings Required To Be Reported Under Generally Accepted Governmental Auditing Standards:

FIXED ASSETS: (00-1)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of all of its fixed assets as of June 30, 2000, but has included a number of assets on the equipment inventory that could not be located.

During the fiscal year ended June 30, 1999, the school board hired a fixed asset coordinator. The coordinator established policies and procedures for fixed assets, and also coordinated the tagging and the inventory of fixed assets and maintained records of the assets. The system established by the coordinator contains effective controls for the fixed assets system of the school board, however, it appears that all of the controls were not followed when taking the inventory at the various locations.

The above condition is a material weakness in internal control and material noncompliance as required to be reported under generally accepted government auditing standards.

Findings and Questioned Costs For Federal Awards

FIXED ASSETS: (00-1)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of all of its fixed assets as of June 30, 2000, but has included a number of assets on the equipment inventory that could not be located.

During the fiscal year ended June 30, 1999, the school board hired a fixed asset coordinator. The coordinator established policies and procedures for fixed assets, and also coordinated the tagging and the inventory of fixed assets and maintained records of the assets. The system established by the coordinator contains effective controls for the fixed assets system of the school board, however, it appears that all of the controls were not followed when taking the inventory at the various locations.

The above condition is a material weakness in internal control as required to be reported by OMB Circular A-133.

PLAQUEMINES PARISH SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2000

Findings Required To Be Reported Under Generally Accepted Governmental Auditing Standards:

FIXED ASSETS: (99-1)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its fixed assets as of June 30, 1999, but a number of assets were not included in the inventory. The omitted assets were miscellaneous items at various locations and the land and buildings transferred in 1966 to the Parish Government, which were later returned to the school board after the courts declared the transfer null and void.

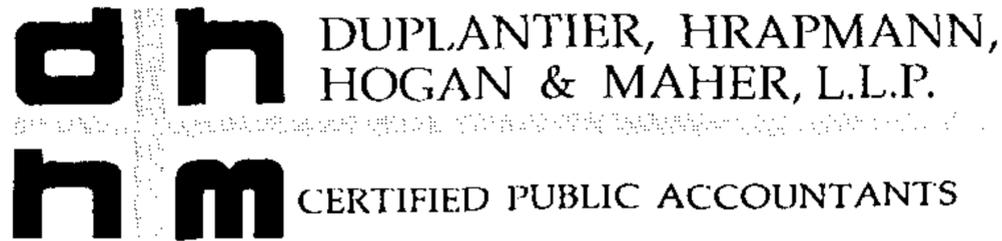
During the year ended June 30, 2000, the school board was able to add the omitted land and buildings to the inventory. However, as reported in the current year findings, a number of assets on the equipment inventory could not be located.

Findings and Questioned Costs For Federal Awards

FIXED ASSETS: (99-1)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its fixed assets as of June 30, 1999, but a number of assets were not included in the inventory. The omitted assets were miscellaneous items at various locations and the land and buildings transferred in 1966 to the Parish Government, which were later returned to the school board after the courts declared the transfer null and void.

During the year ended June 30, 2000, the school board was able to add the omitted land and buildings to the inventory. However, as reported in the current year findings, a number of assets on the equipment inventory could not be located.



MICHAEL J. O'ROURKE, C.P.A.
WILLIAM G. STAMM, C.P.A.
CLIFFORD J. GIFFIN, JR., C.P.A.
DAVID A. BURGARD, C.P.A.
LINDSAY J. CALUB, C.P.A., L.L.C.
DAVID J. MUMFREY, C.P.A.
GUY L. DUPLANTIER, C.P.A.
BONNIE J. McAFEE, C.P.A.

MICHELLE H. CUNNINGHAM, C.P.A.
KENNETH J. BROOKS, C.P.A., ASSOCIATE

1340 Poydras St., Suite 2000 • New Orleans, LA 70112
(504) 586-8866
FAX (504) 525-5888
cpa@dhhmcpa.com

A.J. DUPLANTIER, JR., C.P.A.
(1919-1985)
FELIX J. HRAPMANN, JR., C.P.A.
(1919-1990)
WILLIAM R. HOGAN, JR., C.P.A.
(1920-1996)
JAMES MAHER, JR., C.P.A.
(1921-1999)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA C.P.A.'S

October 26, 2000

Plaquemines Parish School Board
557 F. Edward Hebert Blvd.
Belle Chasse, LA 70037

In planning and performing our audit of the financial statements of the Plaquemines Parish School Board for the year ended June 30, 2000 we considered its internal control 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. However, we noted a certain matter involving the internal control and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect Plaquemines Parish School Board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of internal control 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 as defined above. However, we noted the following reportable condition that we believe to be a material weakness:

GENERAL FIXED ASSETS: (00-01)

- a) Louisiana Revised Statute 24.515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its fixed assets as of June 30, 2000, but a number of assets on the equipment inventory could not be located.

During the fiscal year ended June 30, 1999, the school board hired a fixed asset coordinator. The coordinator established policies and procedures for fixed assets, and also coordinated the tagging and the inventory of fixed assets and maintained records of the assets. The system established by the coordinator contains effective controls for the fixed assets system of the school board, however, it appears that all of the controls were not followed when taking the inventory at the various locations.

We recommend that the fixed asset coordinator continue working with the fixed asset system as established and concentrate efforts on locating all assets in the fixed assets inventory.

- b) It was noted during audit testing that some assets at various locations were not tagged. These assets were able to be traced to the fixed assets inventory using the serial number or other identifying information.

We recommend that tags be attached to all movable fixed assets of the school board

We also noted another matter involving internal control:

SCHOOL ACTIVITY FUNDS: (00-02)

- a) It was noted that there is generally a lack of segregation of duties in the handling of receipts of School Activity Funds. Deposits are prepared, recorded and made by one individual who also reconciles the bank statements. This is considered a weakness in internal control.

We recommend segregating the cash receipts processing by having other office personnel receive all monies from activity sponsors and prepare the deposit slips. The school secretary should make the deposits and record the deposits and reconcile the bank statements. The school principal should review the bank reconciliations monthly.

- b) During audit testing, it was noted that one school transferred funds from one student activity to another without preparing the necessary paperwork and obtaining the authorization of the school's principal.

We recommend that all transfers of funds between school activities within a school be properly documented and authorized. We also recommend that the information be sent to the school activity fund accountant for proper recording of the transfer.

STATUS OF PRIOR YEAR FINDINGS:

Following is the status of items reported in the management comment letter of June 30, 1999.

FIXED ASSETS: (99-01)

Louisiana Revised Statute 24:515 (B) requires every public entity to maintain records of all fixed assets purchased or otherwise acquired for which the entity is accountable, and states that the records shall include information as to the acquisition date, cost, disposition, purpose of disposition, and recipients of disposed assets. The school board took a physical inventory of its fixed assets as of June 30, 1999, but some assets were not included in the inventory. The omitted assets were miscellaneous items at various locations and the land and buildings transferred in 1996 to the Parish Government, which were later returned to the School Board after the courts declared the transfer null and void.

During the year ended June 30, 1999, the school board hired a fixed assets coordinator who established policies and procedures for fixed assets, and also coordinated the tagging and the inventory of fixed assets and maintained records of the assets. However, some of the controls of the system were not followed by those assisting in the inventory, as discussed in the current year comments.

SCHOOL ACTIVITY FUNDS: (99-02)

During audit testing of school activity funds in the prior year, the following were noted:

- a) There was generally a lack of segregation of duties in the handling of receipts of School Activity Funds. Deposits were prepared, recorded and made by one individual who also reconciles the bank statements. This is considered a weakness in internal control.
- b) One school transferred funds from one student activity to another without preparing the necessary paperwork and obtaining the authorization of the school's principal.
- c) As of June 30, 1999, the athletic department's fund balance within the school activity fund of one school was negative. The School Board's policy prohibits negative fund balances within school activity funds, with the exception of temporary timing differences.

The lack of segregation of duties and unauthorized transfers still exists, as noted in the current year comments. There were no negative fund balances in school activity funds at June 30, 2000.

PUBLIC BID LAW: (99-03)

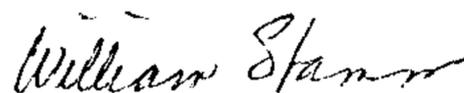
LRS 38:2212 requires that purchases of materials and supplies of \$15,000 or greater be advertised for bids. During audit testing, it was noted in several instances that purchases of materials and supplies of greater than \$15,000 were not advertised for bids.

Based on audit testing of the Public Bid Law for the year ended June 30, 2000, it appears that the school board complied with LRS 38:2212.

This report is intended for the information and use of the school board, its management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

DUPLANTIER, HRAPMANN, HOGAN, & MAHER, L.L.P.



William G. Stamm, CPA
Partner

WGS/ct

Plaquemines Parish School Board

Belle Chasse Office

December 15, 2000

P.O. Box 69
557 E. Edward Hebert Blvd.
Belle Chasse, LA 70037
Phone (504) 392-4970
FAX (504) 392-4975

Mr. Daniel G. Kyle, Secretary
Legislative Audit Advisory Council
State of Louisiana
P.O. Box 94397
Baton Rouge, LA 70804-9397

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JAMES C. HOYLE
Superintendent

Dear Secretary Kyle:

Following is the Corrective Action Plan for Audit Findings 00-1 and 00-2 reported in our audit report and management letter for the year ended June 30, 2000:

MEMBERS:

LISA S. GROSS
District 1

00-1

Fixed Assets – The fixed asset coordinator will continue with improvements made to inventory controls and accounting for fixed assets. Training will be scheduled for those responsible at individual locations on the proper procedures and recording requirements. A complete inventory at all locations will be taken with review and tests made by the fixed asset coordinator. A new software package will be sought to prepare for upcoming requirements of GASB-34.

LAWRENCE J. ROUSSELL
District 2

ANTHONY ST. PHILIP
District 3

00-2

School Activity Funds – Sometimes It is not feasible to segregate duties in particular schools due to lack of personnel. Schools will be monitored more closely to make sure proper documentation is prepared and in compliance with the board's policies for fund balances of school activity funds.

SHARON BRANNAN
District 4

ANTHONY J. DUPLESSIS, JR
District 5

Should you require further information, please do not hesitate to contact me.

PAUL W. LEMARIE, JR
District 6

HILLEN L. BARROIS
District 7

BOBBY J. BENEFIELD
District 8

BETTY A. DINETTI
District 9

Sincerely yours,

James C. Hoyle
James C. Hoyle
Superintendent

Cc: Board Members
Duplantier, Hrapmann, Hogan & Maher