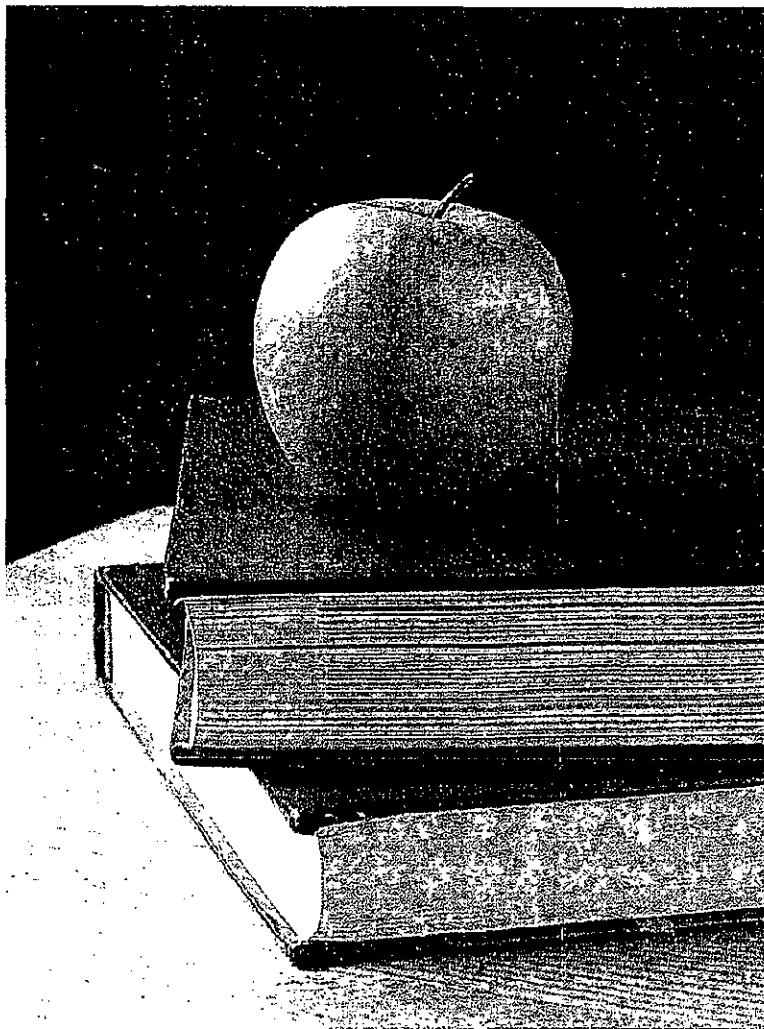


# Morehouse Parish School Board

Bastrop, Louisiana



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

Release Date 1/21/09

## Annual Financial Report

for the year ended June 30, 2008

**Morehouse Parish School Board  
Bastrop, Louisiana**

**Annual Financial Report  
As of and for the Year Ended June 30, 2008**

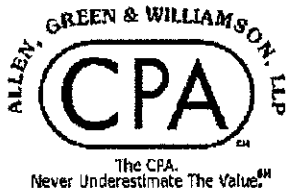
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**Morehouse Parish School Board  
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## Independent Auditors' Report

Board Members  
Morehouse Parish School Board  
Bastrop, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Morehouse Parish School Board as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2008, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The supplemental information and the Schedule of Expenditures of Federal Awards as required by OMB Circular A-133, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 31, 2008

**REQUIRED SUPPLEMENTAL INFORMATION:**

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

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

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Our discussion and analysis of Morehouse Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2008. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

**FINANCIAL HIGHLIGHTS** The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

Total revenues of the governmental funds increased \$5,153,055 for the year ended June 30, 2008 due mainly to an increase of MFP funding of \$3,936,227.

Federal sources increased slightly by \$724,959, other state sources decreased \$99,436, the state minimum foundation funding increased 3,936,227 and other local sources increased \$713,612. The increase in federal sources is due primarily to increase in federal grant awards to the parish. The state and federal programs are cost reimbursement programs and any increase in revenues is offset by an equal increase in expenses. Ad valorem taxes for 2008 increased by \$101,005 and sales tax decreased by \$72,773.

Total expenditures of the governmental funds increased by \$6,157,910 from prior year. The increase was mainly due to salary increases and a corresponding increase in benefits, as well as major expenditures for capital improvements related to bond proceeds received.

**ANNUAL REPORT** The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General Fund, Title I, School Food Service fund, Capital Improvements, and Debt Service Fund. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.



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

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**Required Supplemental Information**

**Management's Discussion & Analysis (MD&A)**

**Basic Financial Statements**

**Government-wide  
Financial Statements**



**Fund  
Financial Statements**

**Notes to the Basic Financial Statements**

**Required Supplemental Information**

**Budgetary Information for Major Funds**

**Supplemental Information**

**Nonmajor Funds Combining Statements  
Agency Funds Statements/Schedules  
Schedule of Compensation Paid Board Members**

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

**Reporting the School Board as a Whole**

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

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

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

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

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

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

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

***Fund Financial Statements***

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

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

**The School Board as Trustee**

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

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

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

**THE SCHOOL BOARD AS A WHOLE** The School Board's net assets were \$9,663,110 at June 30, 2008. Of this amount \$2,791,517 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

**Table 1**  
**Net Assets**  
**June 30, 2008**

	<u>2008</u>	<u>2007</u>	<u>Variance</u>
Current and other assets	\$12,173,281	\$ 6,097,956	\$6,075,325
Capital assets	21,950,660	21,971,011	(20,351)
Total assets	<u>34,123,941</u>	<u>28,068,967</u>	<u>6,054,974</u>
Current and other liabilities	4,589,104	3,982,670	606,434
Long-term liabilities	19,871,727	15,272,907	4,598,820
Total liabilities	<u>24,460,831</u>	<u>19,255,577</u>	<u>5,205,254</u>
Net assets			
Invested in capital assets, net of debt	6,871,593	8,043,689	(1,172,096)
Unrestricted	2,791,517	769,701	2,021,816
Total net assets	<u>\$ 9,663,110</u>	<u>\$ 8,813,390</u>	<u>\$ 849,720</u>

The \$2,791,517 in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. The net assets of the School Board increased by \$849,720.

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

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

**Table 2  
Changes in Net Assets  
For the Year Ended June 30, 2008  
Governmental Activities**

	<u>2008</u>	<u>2007</u>	<u>Variance</u>
Net Assets - beginning	\$8,813,390	\$17,494,821	\$(8,681,431)
Prior Period Adjustment	-	(9,995,216)	9,995,216
Net Assets - beginning (restated)	<u>8,813,390</u>	<u>7,499,605</u>	<u>1,313,785</u>
<b>Revenues:</b>			
Program revenues			
Charges for services	216,796	226,187	(9,391)
Operating grants and contributions	9,630,008	8,851,468	778,540
Capital Grant & Contributions	40,648	-	40,648
General Revenues			
Ad valorem taxes	5,501,878	5,400,873	101,005
Sales taxes	5,955,413	6,028,186	(72,773)
State equalization	27,686,295	23,750,068	3,936,227
Other general revenues	1,828,703	1,480,570	348,133
Total revenues	<u>50,859,741</u>	<u>45,737,352</u>	<u>5,122,389</u>
<b>Functions/Program Expenses:</b>			
Instruction			
Regular programs	20,243,779	16,669,248	3,574,531
Special programs	5,135,690	4,983,021	152,669
Other instructional programs	4,402,846	4,083,972	318,874
Support services			
Student services	2,574,581	2,240,235	334,346
Instructional staff support	2,998,499	2,635,178	363,321
General administration	1,088,787	869,414	219,373
School administration	2,386,430	2,385,782	648
Business services	756,696	716,313	40,383
Plant services	3,402,094	3,258,187	143,907
Student transportation services	2,435,815	2,422,942	12,873
Central services	847,775	670,610	177,165
Food Services	2,903,613	2,803,615	99,998
Community Service Programs	965	1,154	(189)
Interest on long-term debt	832,451	683,896	148,555
Total expenses	<u>50,010,021</u>	<u>44,423,567</u>	<u>5,586,454</u>
<b>Increase (decrease) in net assets</b>	<u>849,720</u>	<u>1,313,785</u>	<u>(464,065)</u>
Net Assets - ending	<u>\$9,663,110</u>	<u>\$ 8,813,390</u>	<u>\$ 849,720</u>

**Governmental Activities** As reported in the Statement of Activities, the cost of all governmental activities this year was \$50,010,021. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$11,457,291 because some of the cost was paid by those who benefited from the programs \$216,796 or by other governments and organizations who subsidized certain programs with grants and contributions \$9,670,656. The School Board paid for the remaining amount of \$28,665,277 with \$27,686,295 in Minimum Foundation Program funds, \$978,982 in other revenues such as interest and other local sources.

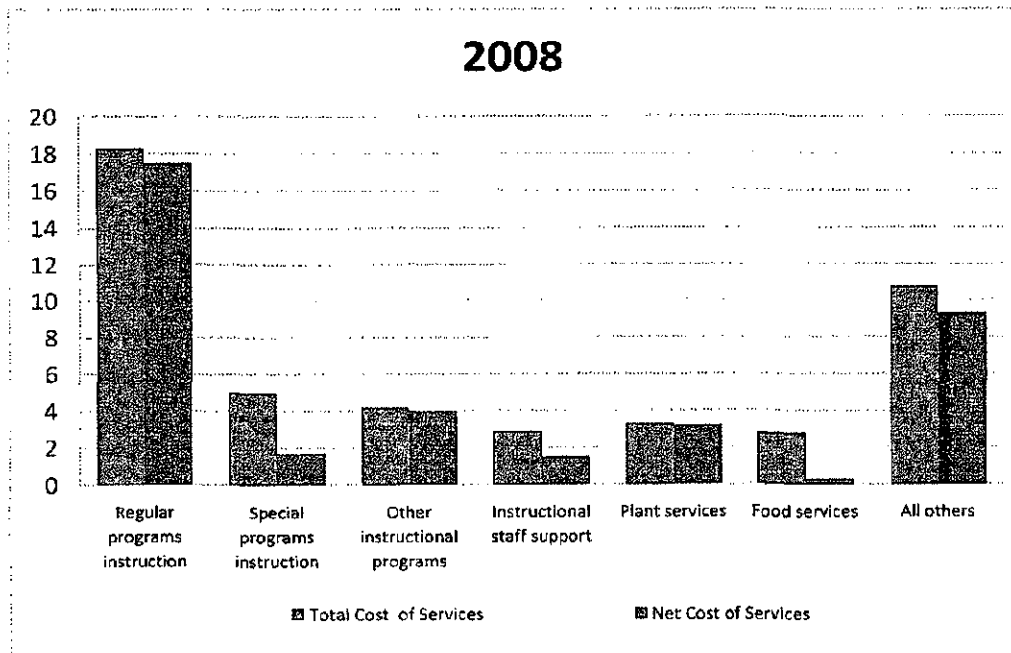
**Morehouse Parish School Board  
Management's Discussion and Analysis (MD&A)**

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

**For the Years Ended June 30,  
Governmental Activities**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Regular programs instruction	\$20,243,779	\$16,669,248	\$19,459,409	\$16,017,802
Special programs instruction	5,135,690	4,983,021	1,766,515	1,782,167
Other instructional programs	4,402,846	4,083,972	4,264,723	3,792,028
Instructional staff support	2,998,499	2,635,178	1,527,268	1,251,200
Plant services	3,402,094	3,258,187	3,306,424	3,188,154
Food services	2,903,613	2,803,615	423,907	538,018
All others	10,923,500	9,990,346	9,374,323	8,776,543
<b>Totals</b>	<b>\$50,010,021</b>	<b>\$44,423,567</b>	<b>\$40,122,569</b>	<b>\$35,345,912</b>

**Total Cost of Services versus Net Cost of Services  
(in millions)**



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

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

The fund balance of the general fund increased \$1,861,384 due mainly to increase in the MFP and budgeting prudently with staffing and other expenditures.

The fund balance of the school food service fund increased \$137,569 due mainly to summer feeding program and increased participation in the school breakfast and school lunch program by students.

The fund balance of the capital improvements fund increased \$3,331,044 due mainly to new bond proceeds of \$5,070,000 which were not spent completely at fiscal year ended June 30, 2008.

The debt service fund balance increased \$178,997 which was due to the ad valorem collections exceeding required bond interest and principal payments. Title I fund is a cost reimbursement fund.

**Budgetary Highlights** As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.)

The General Fund's actual revenues were \$232,513 more than projected budgeted revenue amounts. This was mainly due to increase in MFP and local revenues from 16<sup>th</sup> section properties (rent and timber sales) coming in higher than anticipated. Total expenditures for the General Fund were \$455,204 more than projected budgeted amounts.

The School Food Service had actual revenues which were more than projected budgeted revenues by \$39,910, while actual expenditures were \$176,402 more than budgeted expenditures.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets** At June 30, 2008, the School Board had \$21,950,660 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$20,351 or approximately .09%, from last year. For further detailed information, please refer to Notes to the Financials (Note 6).

**Capital Assets at June 30,**

	<u>2008</u>	<u>2007</u>
Land	\$ 319,013	\$ 240,013
Construction and Progress	787,526	-
Buildings	18,763,287	19,420,721
Furniture and Equipment	2,080,834	2,310,277
Totals	<u>\$21,950,660</u>	<u>\$21,971,011</u>

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

---

**DEBT ADMINISTRATION** At June 30, 2008, the School Board had \$115,000 in Certificates of Indebtedness maturing on March 1, 2014 with an interest rate of 3.55 percent. General obligations bonds, Series 2003 have a balance of \$8,685,000 and mature on March 1, 2028 with an interest rate of 4.58%. The School Board also has general obligation bonds, Series 2004, totaling \$4,470,000 which matures March 1, 2029 with an interest rate of 4.30% and Series 2007, totaling \$4,945,000 which matures March 1, 2032 with an interest rate of 4.75%. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2008, the School Board's net bonded debt of \$16,251,085 (total bonded debt of \$18,215,000 less assets in debt service funds of \$1,963,915) was well below the legal limit of \$62,329,747. For more detailed information, please refer to the Notes to the Financial Statement (Note 12).

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES** There are no major changes anticipated in revenues for 2008-2009. Strict adherence will be maintained to budgeted amounts so as to maintain the gains made during the 2007-2008 year.

**CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Ms. Renee Hinton, Business Manager, at the Morehouse Parish School Board, P. O. Box 872, Bastrop, Louisiana 71221-0872, telephone number (318) 281-5784.

**Morehouse Parish School Board**

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



**MOREHOUSE PARISH SCHOOL BOARD**

**STATEMENT OF NET ASSETS**  
June 30, 2008

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 8,503,613
Investments	74,829
Receivables (net)	3,427,019
Inventory	122,014
Investment in land and buildings	45,806
Capital assets:	
Land and construction in progress	1,106,539
Capital assets, net of depreciation	<u>20,844,121</u>
<b>TOTAL ASSETS</b>	<u>34,123,941</u>
<b>LIABILITIES</b>	
Accounts, salaries and other payables	4,291,967
Deferred revenue	21,092
Interest payable	276,045
Long-term liabilities	
Due within one year	1,163,941
Due in more than one year	<u>18,707,786</u>
<b>TOTAL LIABILITIES</b>	<u>24,460,831</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	6,871,593
Unrestricted	<u>2,791,517</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 9,663,110</u>

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

**MOREHOUSE PARISH SCHOOL BOARD**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2008**

**Statement B**

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		CAPITAL GRANTS AND CONTRIBUTIONS
<b>FUNCTIONS/PROGRAMS</b>					
<i>Governmental activities:</i>					
Instruction:					
Regular programs	\$ 20,243,779	\$ 0	\$ 743,722	\$ 40,648	\$(19,459,409)
Special education programs	5,135,690		3,369,175		(1,786,515)
Other instructional programs	4,402,846	0	138,123		(4,264,723)
Support services:					
Student services	2,574,581		646,383		(1,928,198)
Instructional staff support	2,998,499		1,471,231		(1,527,268)
General administration	1,088,787		28,262		(1,060,525)
School administration	2,386,430		471,083		(1,915,347)
Business services	756,696		43,489		(713,207)
Plant services	3,402,094		95,670		(3,306,424)
Student transportation services	2,435,815	0	52,334		(2,383,481)
Central services	847,775		307,628		(540,149)
Food services	2,903,613	216,796	2,262,910		(423,907)
Community service programs	965				(965)
Interest on long-term debt	832,451	0	0		(832,451)
<b>Total Governmental Activities</b>	<b>50,010,021</b>	<b>216,796</b>	<b>9,630,008</b>	<b>40,648</b>	<b>\$(40,122,569)</b>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					5,501,878
Sales taxes, levied for general purposes					5,955,413
Grants and contributions not restricted to specific programs					
Minimum Foundation Program					27,686,295
Other unrestricted state					10,213
Interest and investment earnings					484,653
Miscellaneous					1,333,837
<b>Total general revenues</b>					<b>40,972,289</b>
<b>Changes in net assets</b>					<b>849,720</b>
<b>Net assets - beginning</b>					<b>8,813,390</b>
<b>Net assets - ending</b>					<b>\$ 9,663,110</b>

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

**Morehouse Parish School Board**

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

**MOREHOUSE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2008**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,466,397	\$ 2,539	\$ 0
Investments	74,829	0	0
Receivables	1,151,520	933,734	475,072
Interfund receivables	2,576,823	0	4,003
Inventory	54,326	0	67,688
	<u>6,323,895</u>	<u>936,273</u>	<u>546,763</u>
<b>TOTAL ASSETS</b>			
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	3,235,835	179,328	133,247
Interfund payables	23,667	756,945	1,252,960
Deferred revenue	0	0	21,092
	<u>3,259,502</u>	<u>936,273</u>	<u>1,407,299</u>
<b>Total Liabilities</b>			
<b>Fund Balances:</b>			
<b>Reserved for:</b>			
Inventory	0	0	46,596
Debt Service	0	0	0
<b>Unreserved, reported in:</b>			
General Fund - Undesignated	3,064,393	0	0
Special Revenue	0	0	(907,132)
Capital Projects	0	0	0
	<u>3,064,393</u>	<u>0</u>	<u>(860,536)</u>
<b>Total Fund Balances</b>			
<b>TOTAL LIABILITIES AND FUND BALANCES</b>			
	<u>\$ 6,323,895</u>	<u>\$ 936,273</u>	<u>\$ 546,763</u>

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

Statement C

	DEBT	CAPITAL	OTHER	
	SERVICE	IMPROVEMENTS	GOVERNMENTAL	TOTAL
\$	1,962,248	\$ 3,811,762	\$ 260,667	\$ 8,503,613
	0	0	0	74,829
	1,667	0	865,026	3,427,019
	0	0	23,667	2,604,493
	0	0	0	122,014
	<u>1,963,915</u>	<u>3,811,762</u>	<u>1,149,360</u>	<u>14,731,968</u>
	0	426,507	317,050	4,291,967
	0	4,003	566,918	2,604,493
	0	0	0	21,092
	0	<u>430,510</u>	<u>883,968</u>	<u>6,917,552</u>
	0	0	0	46,596
	1,963,915	0	0	1,963,915
	0	0	0	3,064,393
	0	0	74,515	(832,617)
	0	<u>3,381,252</u>	<u>190,877</u>	<u>3,572,129</u>
	<u>1,963,915</u>	<u>3,381,252</u>	<u>265,392</u>	<u>7,814,416</u>
\$	<u>1,963,915</u>	\$ <u>3,811,762</u>	\$ <u>1,149,360</u>	\$ <u>14,731,968</u>

**MOREHOUSE PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2008**

**Statement D**

Total fund balances - governmental funds \$ 7,814,416

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

Costs of capital assets	\$	46,358,362	
Depreciation expense to date		<u>(24,407,702)</u>	
			21,950,660

Investment in land and school building that is closed. 45,806

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

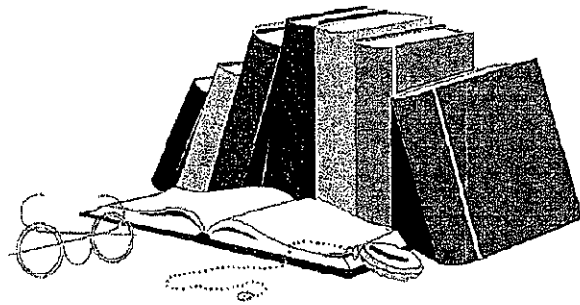
Balances at June 30, 2008 are:

Long-term liabilities			
Bonds payable		(18,215,000)	
Notes payable		(245,319)	
Compensated absences payable		(1,411,408)	
Interest payable		<u>(276,045)</u>	
			<u>(20,147,772)</u>

**Net Assets - Governmental Activities \$ 9,663,110**

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

**Morehouse Parish School Board**



**MOREHOUSE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2008**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 3,841,927	\$ 0	\$ 0
Sales and use	5,955,015	0	0
Interest earnings	360,586	0	0
Food services	0	0	216,796
Other	589,410	0	0
State sources:			
Equalization	27,539,043	0	147,252
Other	453,329	0	0
Federal sources	0	2,995,730	2,241,314
<b>Total Revenues</b>	<u>38,739,310</u>	<u>2,995,730</u>	<u>2,605,362</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	17,666,805	0	0
Special programs	4,264,991	0	0
Other instructional programs	1,429,922	1,504,934	0
Support services:			
Student services	2,309,511	0	0
Instructional staff support	1,101,218	1,082,976	0
General administration	534,014	262,433	0
School administration	2,372,644	0	0
Business services	677,966	8,417	0
Plant services	3,225,347	28,473	0
Student transportation services	2,148,979	7,256	0
Central services	515,471	94,683	0
Food services	375,706	0	2,469,132
Community service programs	73	0	0
Capital outlay	886,861	6,558	0
Debt service:			
Principal retirement	37,003	0	0
Interest and bank charges	45,546	0	0
<b>Total Expenditures</b>	<u>37,592,057</u>	<u>2,995,730</u>	<u>2,469,132</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 1,147,253</u>	<u>\$ 0</u>	<u>\$ 136,230</u>



Statement E

DEBT SERVICE	CAPITAL IMPROVEMENTS	OTHER GOVERNMENTAL	TOTAL
\$ 1,351,788	\$ 0	\$ 308,163	\$ 5,501,878
0	0	398	5,855,413
47,897	72,520	3,650	484,653
0	0	0	216,796
16,743	0	31,840	637,993
0	0	0	27,686,295
0	0	1,025,849	1,479,178
0	0	2,964,647	8,201,691
<u>1,416,428</u>	<u>72,520</u>	<u>4,334,547</u>	<u>50,163,887</u>
0	233,730	589,356	18,489,891
0	0	766,713	5,031,704
0	25,648	1,212,169	4,172,673
0	0	265,070	2,574,581
0	0	745,455	2,929,649
43,139	45,078	203,298	1,087,962
0	0	13,786	2,386,430
0	0	31,473	717,856
0	0	82,751	3,336,571
0	0	80,401	2,236,636
0	0	195,806	805,960
0	0	2,174	2,847,012
0	0	0	73
0	1,507,020	85,193	2,485,632
485,000	0	15,000	537,003
<u>709,292</u>	<u>0</u>	<u>4,420</u>	<u>759,258</u>
<u>1,237,431</u>	<u>1,811,476</u>	<u>4,293,066</u>	<u>50,398,891</u>
\$ 178,997	\$ (1,738,956)	\$ 41,482	\$ (234,994)

(CONTINUED)

**MOREHOUSE PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2008**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ 8,392	\$ 0	\$ 0
Transfers out	0	0	0
Bond proceeds	0	0	0
Sale of capital assets	<u>705,739</u>	<u>0</u>	<u>1,339</u>
 Total Other Financing Sources (Uses)	 <u>714,131</u>	 <u>0</u>	 <u>1,339</u>
 Net Change in Fund Balances	 1,861,384	 0	 137,569
 Fund Balances (Deficit) - Beginning	 <u>1,203,009</u>	 <u>0</u>	 <u>(998,105)</u>
 Fund Balances (Deficit) - Ending	 <u>\$ 3,064,393</u>	 <u>\$ 0</u>	 <u>\$ (860,536)</u>

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

Statement E

DEBT SERVICE	CAPITAL IMPROVEMENTS	OTHER GOVERNMENTAL	TOTAL
\$ 0	\$ 0	\$ 0	8,392
0	0	(8,392)	(8,392)
0	5,070,000	0	5,070,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>707,078</u>
0	5,070,000	(8,392)	5,777,078
178,997	3,331,044	33,090	5,542,084
<u>1,784,918</u>	<u>50,208</u>	<u>232,302</u>	<u>2,272,332</u>
<u>\$ 1,963,915</u>	<u>\$ 3,381,252</u>	<u>\$ 265,392</u>	<u>\$ 7,814,416</u>

(CONCLUDED)

**MOREHOUSE PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2008**

**Statement F**

Total net change in fund balances - governmental funds \$ 5,542,084

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

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

Depreciation expense	\$ (2,494,749)	
<u>Capital outlays</u>	<u>2,485,632</u>	
Net capital outlays		(9,117)

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 537,003

Proceeds from bonds are revenue in the governmental funds, but a liability on Statement of Activities (5,070,000)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$667,761) exceeded the amounts used (\$601,938) by \$65,823. (65,823)

In the Statement of Activities, scrapping of capital assets are reported as a gain or loss net of the book value. Whereas in the governmental funds there is no recognition because there is no inflow/outflow of current financial resources:

Cost of assets scrapped	\$289,560	
<u>Accumulated depreciation</u>	<u>(278,326)</u>	
Net loss		(11,234)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The change in accrued interest payable for the current year was \$73,193. (73,193)

**Change in net assets of governmental activities \$ 849,720**

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

MOREHOUSE PARISH SCHOOL BOARD

FIDUCIARY FUND  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
June 30, 2008

Statement G

AGENCY  
FUND

ASSETS

Cash and cash equivalents

\$ 388,017

Total assets

388,017

LIABILITIES

Deposits due others

388,017

Total liabilities

\$ 388,017

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

**Morehouse Parish School Board  
Notes to the Financial Statements  
June 30, 2008**

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**Morehouse Parish School Board**  
**Notes to the Financial Statements**  
**June 30, 2008**

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

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

The School Board operates twelve schools within the parish with a total enrollment of approximately 4,780 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

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

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:

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

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

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

**Morehouse Parish School Board**  
**Notes to the Financial Statements**  
**June 30, 2008**

**School Food Service** - Through cash grants and food donations, the school food services fund assist in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**Capital Improvements** - The capital improvements fund is used to acquire and improve sites for school buildings and playgrounds, to purchase, erect, and/or improve school buildings and other school-related facilities, and to acquire the necessary equipment and furnishings for these facilities.

**Debt Service** - revenues received from ad valorem taxes and interest earnings are used to make principal and interest payments on bond indebtedness.

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

*Agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. This fund is used to account for assets that the government holds for others in an agency capacity. The agency fund is as follows:

**School activity agency fund** - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

**Cox Scholarship fund** - accounts for assets held for an endowed scholarship fund.

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

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

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

**Program revenues** Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

**Allocation of indirect expenses** The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Other indirect expenses are not allocated.



**Morehouse Parish School Board  
Notes to the Financial Statements  
June 30, 2008**

**Fund Financial Statements (FFS)**

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

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

**Revenues**

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

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

**Entitlements and shared revenue** (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible and accrual criteria are met.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

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

**Expenditures**

**Salaries** are recorded as paid. Salaries for nine-month employees are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability has been incurred.

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

**Fiduciary Funds** The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting.

**D. DEPOSITS AND INVESTMENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit amounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits,

**Morehouse Parish School Board**  
**Notes to the Financial Statements**  
**June 30, 2008**

interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31: Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

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

Definitions:

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

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

**E. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet.

**F. INVENTORIES** Inventories of the governmental fund type are recorded as expenditures when purchased, except for inventory of the school food service fund.

Inventory of the school food service (special revenue fund) consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditure when consumed. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture. In 2007, School Food Service also implemented an inventory for all paper products purchased which are recorded as expenditure when consumed.

**G. CAPITAL ASSETS** Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

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

Interest during construction is not capitalized on capital assets.

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

**I. COMPENSATED ABSENCES** All twelve-month employees earn from twelve to eighteen days of sick leave each year, depending on their length of service. All employees working on a nine-month basis earn ten days of sick leave each year. Nine-month employees who work during the summer receive an additional one day of sick leave for each four weeks of summer work. Sick leave may be accumulated and carried forward to succeeding years without limitation. Upon retirement or death, employees or their heirs are paid for the value of accumulated sick leave not to exceed twenty-five days at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

All twelve-month employees earn from ten to fifteen days of vacation leave each year, depending upon their length of service with the School Board. Twelve-month employees may accumulate and carry forward a maximum of fifteen days' vacation time to succeeding years. Any employee's vacation leave in excess of fifteen days is forfeited at year end without compensation. Upon separation of employment, all employees are paid for unused vacation leave.

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

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

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

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The School Board uses approach B to calculate the accrued sick leave liability.

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

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For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

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

Imposed by law through constitutional provisions or enabling legislation.

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

**L. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

**Reserves** Reservations of fund balance represent those amounts that are not appropriable or are legally segregated for a specific purpose.

**Designated Fund Balances** Designated fund balances represent tentative management plans that are subject to change.

**M. INTERFUND TRANSACTIONS** Quasi-external transactions are accounted for as revenues, expenditures, 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 reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

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

**N. SALES TAXES** The Morehouse Parish School Board has three sales tax ordinances as follows:

The School Board has a one cent parish-wide sales and use tax as authorized in a special election held November 18, 1989. In accordance with the proposition approved by the voters of the parish, the net "revenues derived from said sales and use tax is to be dedicated and used solely for the purpose of providing funds for the payment of salaries of school employees in the Parish of Morehouse."

The School Board has a one half cent parish-wide sales and use tax. It was authorized in a special election held July 18, 1992. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is "to be dedicated and used for the purpose of acquiring, constructing, renovating, improving, equipping, furnishing, maintaining and operating public schools and school-related facilities in Morehouse parish and for paying salaries and benefits for teachers and other personnel employed by the Morehouse Parish School Board." The tax was renewed in a special election held July 19, 2003 for a period of ten years ending September 30, 2014.

An additional ½% sales tax was approved by the voters in a special election held July 19, 2003. The net revenues derived from this additional tax are "to be dedicated and used for acquiring, constructing, renovating,

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improving, equipping, furnishing, maintaining and operating public schools and school-related facilities in Morehouse Parish, and for paying salaries and benefits for teachers and other personnel employed by the Morehouse Parish School Board". The new sales tax is effective for eleven years commencing on October 1, 2003 and ending on September 30, 2014.

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

**P. ELIMINATION AND RECLASSIFICATIONS** In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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

**A. Excess of Expenditures Over Appropriations in Individual Funds** The following individual funds had budgeted expenditures over actual expenditures for the year ended June 30, 2008:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$39,136,853	\$39,592,057	\$455,204
School Food Service	2,292,730	2,469,132	176,402

**B. Deficit Fund Balance** The following fund has a deficit in the fund balance at June 30, 2008:

<u>Fund</u>	<u>Deficit Amount</u>
School Food Service	<u>\$860,536</u>

Management expects to correct this deficit by reducing expenditures.

**NOTE 3 - LEVIED TAXES** The School Board levies taxes on real and business personal property located within Morehouse Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Morehouse Parish Tax Assessor and approved by the state of Louisiana Tax Commission. The Morehouse Parish Sheriff's Office bills and collects all property taxes for the School Board except for the property located in the city of Bastrop which is billed and collected by the city of Bastrop. Collections are remitted to the School Board monthly.

Property Tax Calendar

	<u>Parish (Except City of Bastrop)</u>	<u>City of Bastrop</u>
Tax bills mailed	November 2, 2007	November 2, 2007
Total taxes are due	December 31, 2007	December 31, 2007
Lien date	January 1, 2008	March 15, 2008
Penalties and interest are added	January 1, 2008	March 15, 2008

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

10% land	25% public service properties, excluding land
10% residential improvements	15% other property
15% electronic cooperative properties, excluding land	

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2004. Total assessed value was \$171,673,850 in calendar year 2007. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$34,408,686 of the assessed value in calendar year 2007.

State law requires the Morehouse Parish Sheriff's Department to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent *January 1 and March 15* as noted in the above property tax calendar of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Morehouse Parish Sheriff's Department is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2008 property taxes because the lien date is subsequent to year end.

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

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
Constitutional	5.57	5.22	Statutory
Maintenance and operation	6.45	6.45	2014
Special leeway maintenance and operations	6.01	6.01	2014
Special 1998 capital program tax	10.00	10.00	2013
East Morehouse School District	9.95	9.95	2014
General obligation bonds debt service	Variable	10.00	2028
District taxes:			
Beekman (District 12)	5.00	5.00	2013

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**NOTE 4 - DEPOSITS AND INVESTMENTS** At June 30, 2008, the School Board has deposits as follows:

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

**Credit Risk:** The School Board invests in certificates of deposit which do not have credit ratings. The School Board's policy does not address credit rate risk.

**Custodial credit risk-Deposits:** In the case of deposits, this is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it. At year end, the School Board's carrying amount of deposits was \$8,966,459 (Statement A -Cash and cash equivalents of \$8,503,613, Investments of \$74,829 and Statement G - \$388,017) and the bank balance was \$11,856,228. Of the bank balance, \$272,159 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining \$11,584,069 of the bank balance was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's policy does not address custodial credit risk.

**NOTE 5 - RECEIVABLES** The receivables at June 30, 2008, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Title I</u>	<u>School Food</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:						
Ad Valorem	\$ 5,807	\$ -	\$ -	\$ 1,667	\$ 92	\$ 7,566
Sales Tax	839,803	-	-	-	32	839,835
Intergovernmental - gran						
Federal	-	933,734	460,423	-	681,602	2,075,759
State	131,212	-	7,977	-	183,300	322,489
Other	174,698	-	6,672	-	-	181,370
Total	<u>\$ 1,151,520</u>	<u>\$ 933,734</u>	<u>\$ 475,072</u>	<u>\$ 1,667</u>	<u>\$ 865,026</u>	<u>\$ 3,427,019</u>

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

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**NOTE 6 - CAPITAL ASSETS** Capital assets balances and activity for the year ended June 30, 2008, are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital asset not being depreciated				
Land	\$ 240,013	\$ 79,000	\$ -	\$ 319,013
Construction in progress	-	787,526	-	787,526
Total capital assets not being depreciated	<u>240,013</u>	<u>866,526</u>	<u>-</u>	<u>1,106,539</u>
Capital assets being depreciated				
Buildings	36,772,291	909,825	-	37,682,116
Furniture and equipment	7,149,986	709,281	289,560	7,569,707
Total capital assets being depreciated	<u>43,922,277</u>	<u>1,619,106</u>	<u>289,560</u>	<u>45,251,823</u>
Less accumulated depreciation				
Buildings	17,351,570	1,567,259	-	18,918,829
Furniture and equipment	4,839,709	927,490	278,326	5,488,873
Total accumulated depreciation	<u>22,191,279</u>	<u>2,494,749</u>	<u>278,326</u>	<u>24,407,702</u>
Total capital assets being depreciated, net	<u>21,730,998</u>	<u>(875,643)</u>	<u>11,234</u>	<u>20,844,121</u>
Governmental activities				
Capital assets, net	<u>\$ 21,971,011</u>	<u>\$ (9,117)</u>	<u>\$ 11,234</u>	<u>\$ 21,950,660</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 1,687,952
Special programs	105,220
Vocational programs	34,701
Other instructional programs	80,392
Student services	112,240
Instructional staff support	68,850
General administration	825
School administration	1,719
Business services	38,840
Plant services	65,523
Student transportation services	199,179
Central services	41,815
Food services	56,601
Community services	892
Total depreciation expense	<u>\$ 2,494,749</u>

**NOTE 7 - RETIREMENT SYSTEMS**

**Plan description** Substantially all School Board employees participate in either the Teachers' Retirement System or the Louisiana School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan B. In general, professional employees (such as teachers and principals) and lunchroom workers are



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members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with ten years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally 2% (with less than 25 years of service) or 2.5% (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan B, normal retirement is at age 55 with at least 30 years of creditable service or at age 60 with at least ten years of creditable service. The retirement benefit formula is generally 2% times the years of creditable service times the retirees' average salary of the 36 highest successive months.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after ten years of service at age 60. The maximum retirement allowance is computed at 2.5% times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

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

Teachers' Retirement System of Louisiana Post Office Box 94123 Baton Rouge, Louisiana 70804-9123 (225) 925-6446	Louisiana School Employees' Retirement System Post Office Box 44516 Baton Rouge, Louisiana 70804 (225) 925-6484
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**Funding Policy** Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by annual appropriations.

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

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2008 are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.0%	16.6%
Plan B	5.0%	16.6%
Louisiana School Employees' Retirement System	7.5%	18.1%

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Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan B, and LSERS for the year ended June 30, 2008, amounted to \$23,121,493, \$733,686 and \$1,664,127, respectively. Employer contributions for the year ended June 30, 2008, and each of the two preceding years are as follows:

<u>Fiscal year ended</u>	<u>TRS</u>	<u>LSERS</u>
June 30, 2006	\$3,311,875	\$280,381
June 30, 2007	3,355,363	297,479
June 30, 2008	3,838,170	301,207

The School Board paid 100% of the annually required contributions.

**NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS** State statutes require the School Board to provide the certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program. The cost of benefits for current retired employees is paid jointly by the employee and by the School Board. The School Board's portion of the cost is recognized as expenditure when the monthly premiums are paid. The cost of retiree benefits for 2008 totaled \$2,631,265 for 491 retirees and is based on a pay-as-you go plan.

**NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES** The payables at June 30, 2008, are as follows:

	<u>General</u>	<u>Title I</u>	<u>School Food Service</u>	<u>Capital Improvements</u>	<u>Other Governmental</u>	<u>Total</u>
Salaries and withholding	\$3,112,669	\$ 177,930	\$ 120,304	\$ -	\$ 297,636	\$3,708,539
Accounts	123,166	1,398	12,943	426,507	19,414	583,428
Total	<u>\$3,235,835</u>	<u>\$ 179,328</u>	<u>\$ 133,247</u>	<u>\$ 426,507</u>	<u>\$ 317,050</u>	<u>\$4,291,967</u>

**NOTE 10 - COMPENSATED ABSENCES** At June 30, 2008, employees of the School Board have accumulated and vested \$1,411,408 of employee leave benefits, including \$20,173 of salary related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60. This amount is not expected to be paid from current available resources; therefore, the liability of \$1,411,408 is recorded as a long-term liability.

**NOTE 11 - AGENCY FUND - DEPOSITS DUE OTHERS** A summary of changes in agency fund deposits due others for the year ended June 30, 2008, are as follows:

Balance, beginning	\$ 346,124
Additions	1,475,442
Deductions	<u>1,433,549</u>
Balance, ending	<u>\$ 388,017</u>

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**NOTE 12 - LONG-TERM LIABILITIES** The following is a summary of the long-term obligation transactions for the year ended June 30, 2008:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One year</u>
Governmental Activities					
Bonds payable:					
General Obligation debt	\$13,645,000	\$ 5,070,000	\$ 500,000	\$18,215,000	\$ 525,000
Notes payable	282,322		37,003	245,319	37,003
Revenue Recognition Note	-	2,000,000	2,000,000	-	-
Other liabilities:					
Compensated absences	1,345,585	667,761	601,938	1,411,408	601,938
Governmental activities					
Long-term liabilities	<u>\$15,272,907</u>	<u>\$7,737,761</u>	<u>\$3,138,941</u>	<u>\$19,871,727</u>	<u>\$1,163,941</u>

In the past, the liability for compensated absences has been liquidated by the general fund.

Individual obligation issues are as follows:

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest Outstanding</u>
<u>General obligation</u>					
Certificate of indebtedness					
Series 2004	\$ 175,000	3.55%	March 1, 2014	\$ 115,000	\$ 18,245
General Obligation Bonds					
Series 2003	9,800,000	4.58%	March 1, 2028	8,685,000	4,816,360
General Obligation Bonds					
Series 2004	4,900,000	4.30%	March 1, 2029	4,470,000	2,458,876
General Obligation Bonds					
Series 2007	5,070,000	4.75%	March 1, 2032	4,945,000	3,269,282
<u>Notes payable</u>					
EPA note	98,364	4.55%	December 31, 2009	5,298	-
QZAB note	440,040	3.90%	November 1, 2015	240,021	-
Total				<u>\$18,460,319</u>	<u>\$10,562,763</u>

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The obligations are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2009	\$ 525,000	\$ 831,729	\$ 1,356,729
2010	560,000	804,704	1,364,704
2011	590,000	775,854	1,365,854
2012	615,000	747,148	1,362,148
2013	640,000	715,618	1,355,618
2014-2018	3,575,000	3,127,016	6,702,016
2019-2023	4,455,000	2,292,348	6,747,348
2024-2028	5,625,000	1,192,232	6,817,232
2029-2032	1,630,000	172,146	1,802,146
Total	<u>\$ 18,215,000</u>	<u>\$ 10,658,795</u>	<u>\$ 28,873,795</u>

The School Board was loaned \$98,364 from the Environmental Protection Agency to fund asbestos clean-up. The loan has no stated interest rate. Accounting principles generally accepted in the United States of America require that interest be imputed on loans with no stated rate. Interest was imputed at the rate of 4.551%, which was the effective rate available for the Certificates of Indebtedness that were used to finance similar projects.

Also, in November 2001, the School Board entered into a Qualified Zone Academy Bond Program (QZAB), with the Louisiana Local Government Environmental Facilities and Community Development Authority. This program allows qualified public schools within the state of Louisiana to borrow monies for various projects authorized under the QZAB Regulations. In November 2001, the School Board received \$440,040 from Qualified Zone Academy Bonds. The Qualified Zone Academy Bond Program is a federal program offered to school districts to acquire interest-free debt for selected projects. The federal government covers all the interest on the bonds.

The annual requirements to amortize these notes outstanding as of June 30, 2008, are as follows:

Year Ending June 30,	EPA Principal Payments	EPA Interest Payments	Total	QZAB Principal Payments
2009	\$ 4,818	\$ 182	\$ 5,000	\$ 32,003
2010	286	12	298	32,003
2011	-	-	-	32,003
Thereafter	-	-	-	144,012
Total	<u>\$ 5,104</u>	<u>\$ 194</u>	<u>\$ 5,298</u>	<u>\$ 240,021</u>

In August, 2007, the School Board received a bank loan in the amount of \$2,000,000 for operating purposes. The loan was in the form of a Revenue Anticipation Note, Series 2007. In February, 2008, the School Board paid principal of \$2,000,000. Interest paid on the loan was \$45,547 paid in February, 2008.

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term debt in excess of 35% of the assessed value of taxable property. At June 30, 2008, the statutory limit is \$62,329,747 and outstanding net bonded debt totals \$16,251,085.

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**NOTE 13 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)**

**Due from/to others:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Title I	\$ 756,945
General	School Food Service	1,252,960
General	Other Governmental	566,918
School Food Service	Capital Improvement	4,003
Other Governmental	General	23,667
Total		<u>\$ 2,604,493</u>

The general fund receivable from other governmental funds and school food service is to cover payroll expenses paid by the payroll and sales tax funds. The school food service receivable from other governmental funds is for an expense that should have been paid by the capital improvement fund, but was miscoded to school food service. The other governmental receivable from the general fund was to correct salaries and benefits that were paid out of the sales tax funds, but should have been paid out of other governmental funds. The payable from School Food Service is not expected to be repaid within one year.

**Transfers in/out:**

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Total</u>
General Fund	Other Governmental	<u>\$8,392</u>

The transfer to the General Fund is to repay a deficit from the ROTC fund for the past two years.

**NOTE 14 - RESERVED FUND BALANCES (FFS LEVEL ONLY)**

**Reservations:**

**Inventory** This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

**NOTE 15 - LITIGATION AND CONTINGENCIES**

**Litigation** The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

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

**Morehouse Parish School Board  
Notes to the Financial Statements  
June 30, 2008**

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

**Construction in Progress** The School Board had ongoing construction projects for most of the schools in the parish. The School Board has spent \$3,608,442 on these projects. Estimated costs to complete these projects are \$1,461,558.

**NOTE 16 - RISK MANAGEMENT** The School Board is at risk for worker's compensation, property damage, liability and theft which are covered by insurance policies. There was no substantial reduction of insurance coverage during 2008.

**NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$10,213 for the 2007-2008 year. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**NOTE 18 - SUBSEQUENT EVENTS** In December 2008, International Paper announced that they would be closing their paper mill in Bastrop in January 2009. This will have an effect on the tax base for Morehouse Parish School Board.

**NOTE 19 - ECONOMIC DEPENDENCY** Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than ten percent of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$27,686,295 which is 54% of total revenues.

**NOTE 20 - ENCUMBRANCES (FFS LEVEL ONLY)** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2008, the School Board had entered into purchase orders and commitments as follows:

<u>Fund</u>	<u>General</u>	<u>Title I</u>	<u>School Food Service</u>	<u>Other Governmental</u>	<u>Total</u>
Totals	<u>\$12,795</u>	<u>\$10,194</u>	<u>\$4,647</u>	<u>\$327</u>	<u>\$27,963</u>

**NOTE 21 - CHANGES IN PRESENTATION** The School Board's major funds for fiscal year ended June 30, 2008 were General fund, Title I, School Food Service, Capital Improvements, and Debt Service. However, for fiscal year ended June 30, 2007, the major funds were General fund, School Food Service, and Debt Service.

**Morehouse Parish School Board**

**REQUIRED SUPPLEMENTAL INFORMATION**

**Morehouse Parish School Board  
Budgetary Comparison Schedule**

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

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

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



**MOREHOUSE PARISH SCHOOL BOARD**

**GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2008**

Exhibit 1-1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>		FINAL BUDGET
				<u>POSITIVE (NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 716,279	\$ 1,203,009	\$ 1,203,009	\$ 0
Resources (inflows)				
Local sources:				
Ad valorem	3,797,750	3,797,750	3,841,927	44,177
Sales tax	6,000,000	6,000,000	5,955,015	(44,985)
Interest earnings	173,769	240,769	360,586	119,817
Other	566,100	500,100	1,295,149	795,049
State sources:				
Equalization	27,557,135	27,557,135	27,539,043	(18,092)
Other	334,440	421,174	453,329	32,155
Transfers from other funds	0	0	8,392	8,392
Proceeds from loan	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>
Amounts available for appropriations	<u>41,145,473</u>	<u>41,719,937</u>	<u>42,656,450</u>	<u>936,513</u>
Charges to appropriations (outflows)				
Instruction:				
Regular programs	17,888,553	17,973,177	17,666,805	306,372
Special programs	4,482,266	4,482,266	4,264,991	217,275
Other instructional programs	1,473,592	1,473,592	1,429,922	43,670
Support services:				
Student services	2,124,923	2,124,923	2,309,511	(184,588)
Instructional staff support	974,101	976,911	1,101,218	(124,307)
General administration	560,835	561,135	534,014	27,121
School administration	2,489,142	2,489,142	2,372,644	116,498
Business services	651,556	651,556	677,966	(26,410)
Plant services	3,166,357	3,166,357	3,225,347	(58,990)
Student transportation services	2,226,637	2,226,637	2,148,979	77,658
Central services	594,187	594,187	515,471	78,716
Community services	700	700	73	627
Food services	289,267	289,267	375,706	(86,439)
Capital Outlay	0	0	886,861	(886,861)
Debt service:				
Principal retirement	2,037,003	2,037,003	2,037,003	0
Interest and bank charges	<u>90,000</u>	<u>90,000</u>	<u>45,546</u>	<u>44,454</u>
Total charges to appropriations	<u>39,049,119</u>	<u>39,136,853</u>	<u>39,592,057</u>	<u>(455,204)</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>2,096,354</u>	\$ <u>2,583,084</u>	\$ <u>3,064,393</u>	\$ <u>481,309</u>

**MOREHOUSE PARISH SCHOOL BOARD**

**TITLE I  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2008**

Exhibit 1-2

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
	BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0
Resources (inflows)				
Federal sources	3,220,755	3,345,329	2,995,730	(349,599)
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>3,220,755</u>	<u>3,345,329</u>	<u>2,995,730</u>	<u>(349,599)</u>
Charges to appropriations (outflows)				
Regular programs	0	844	0	844
Other instructional programs	1,617,094	1,644,639	1,504,934	139,705
Support services:				
Instructional staff support	1,101,493	1,223,285	1,082,976	140,309
General administration	284,177	294,139	262,433	31,708
Business services	8,417	0	8,417	(8,417)
Plant services	83,854	45,558	28,473	17,085
Student transportation services	2,867	2,867	7,256	(4,389)
Central services	122,853	133,997	94,683	39,314
Capital outlay	0	0	6,558	(6,558)
Total charges to appropriations	<u>3,220,755</u>	<u>3,345,329</u>	<u>2,995,730</u>	<u>349,599</u>
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	0

**MOREHOUSE PARISH SCHOOL BOARD**

**SCHOOL FOOD SERVICE  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2008**

Exhibit 1-3

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
BUDGETARY FUND BALANCES, BEGINNING	\$ (989,501)	\$ (998,105)	\$ (998,105)	0
<i>Resources (inflows)</i>				
<i>Local sources:</i>				
Food services	216,809	218,256	216,796	(1,460)
<i>State sources:</i>				
Equalization	147,252	147,252	147,252	0
Federal sources	<u>1,976,944</u>	<u>2,199,944</u>	<u>2,241,314</u>	<u>41,370</u>
 Amounts available for appropriations	 <u>1,351,504</u>	 <u>1,567,347</u>	 <u>1,607,257</u>	 <u>39,910</u>
 <i>Charges to appropriations (outflows)</i>				
<i>Support services:</i>				
Food services	<u>2,337,670</u>	<u>2,292,730</u>	<u>2,469,132</u>	<u>(176,402)</u>
 Total charges to appropriations	 <u>2,337,670</u>	 <u>2,292,730</u>	 <u>2,469,132</u>	 <u>(176,402)</u>
 BUDGETARY FUND BALANCES, ENDING	 <u>\$ (986,166)</u>	 <u>\$ (725,383)</u>	 <u>\$ (861,875)</u>	 <u>\$ (136,492)</u>

**Morehouse Parish School Board  
Notes to the Budgetary Comparison Schedule**

**A. BUDGETS**

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

State statute requires budgets to be adopted for the general fund and all special revenue funds.

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

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. There were no budget revisions during the year.

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

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

**B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The following individual funds had budgeted expenditures over actual expenditures for the fiscal year ended June 30, 2008:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$39,136,853	\$39,592,057	\$455,204
School Food Service	2,292,730	2,469,132	176,402

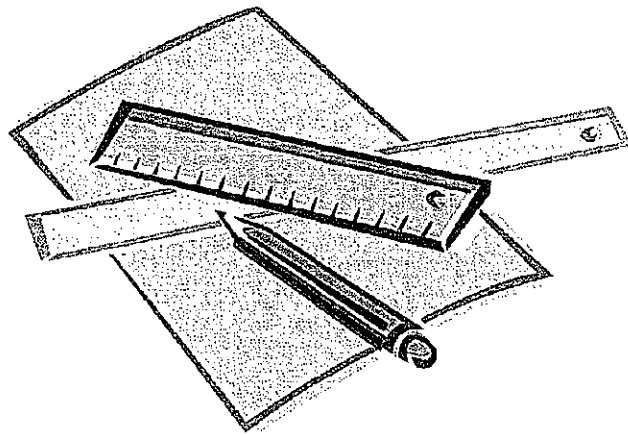
**MOREHOUSE PARISH SCHOOL BOARD**

**Notes to Budgetary Comparison Schedule  
For the Year Ended June 30, 2008**

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

	<u>GENERAL FUND</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>
<u>Sources/inflows of resources:</u>			
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 42,656,450	\$ 2,995,730	\$ 1,607,257
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(1,203,009)	0	998,105
Transfers from other funds are inflows of budgetary resources but are not revenue for reporting purposes	(8,392)	0	0
Capital asset sale proceeds are inflows for budgetary purposes but are not revenue for reporting purposes	(705,739)	0	0
Proceeds from revenue recognition loan are inflows of budgetary resources but are not revenue for reporting purposes	<u>(2,000,000)</u>	<u>0</u>	<u>0</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>38,739,310</u>	<u>2,995,730</u>	<u>2,605,362</u>
<u>Uses/outflows of resources:</u>			
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	39,592,057	2,995,730	2,469,132
Principal retirement of revenue recognition loan is an outflow of resources for budgetary purposes but not for reporting purposes	<u>(2,000,000)</u>	<u>0</u>	<u>0</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 37,592,057</u>	<u>\$ 2,995,730</u>	<u>\$ 2,469,132</u>

**Morehouse Parish School Board**



**Morehouse Parish School Board**

**OTHER SUPPLEMENTAL INFORMATION**

**Morehouse Parish School Board**

**COMBINING  
NONMAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**



**MOREHOUSE PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2008**

Exhibit 2

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<b>ASSETS</b>			
Cash and cash equivalents	\$ 68,975	\$ 191,692	\$ 260,667
Receivables	864,902	124	865,026
Interfund receivables	23,667	0	23,667
<b>TOTAL ASSETS</b>	<b>957,544</b>	<b>191,816</b>	<b>1,149,360</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	316,312	738	317,050
Interfund payables	566,717	201	566,918
<b>Total Liabilities</b>	<b>883,029</b>	<b>939</b>	<b>883,968</b>
 <b>Fund Balances:</b>			
Unreserved and reported in special revenue and capital projects	74,515	190,877	265,392
<b>Total Fund Balances</b>	<b>74,515</b>	<b>190,877</b>	<b>265,392</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 957,544</b>	<b>\$ 191,816</b>	<b>\$ 1,149,360</b>

MOREHOUSE PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - By Fund Type  
 For the Year Ended June 30, 2008

Exhibit 3

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 0	\$ 308,163	\$ 308,163
Sales and use	0	398	398
Interest earnings	0	3,650	3,650
Other	23,340	8,500	31,840
State sources:			
Other	1,025,849	0	1,025,849
Federal sources	2,964,647	0	2,964,647
<b>Total Revenues</b>	<b>4,013,836</b>	<b>320,711</b>	<b>4,334,547</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	522,383	66,973	589,356
Special programs	746,093	20,620	766,713
Other instructional programs	1,191,237	20,932	1,212,169
Support services:			
Student services	262,119	2,951	265,070
Instructional staff support	742,179	3,276	745,455
General administration	193,592	9,706	203,298
School administration	0	13,786	13,786
Business services	31,473	0	31,473
Plant services	1,567	81,184	82,751
Student transportation services	30,681	49,720	80,401
Central services	195,806	0	195,806
Food services	0	2,174	2,174
Capital outlay	77,128	8,065	85,193
Debt service:			
Principal retirement	0	15,000	15,000
Interest and bank charges	0	4,420	4,420
<b>Total Expenditures</b>	<b>3,994,258</b>	<b>298,807</b>	<b>4,293,065</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 19,578</b>	<b>\$ 21,904</b>	<b>\$ 41,482</b>

(CONTINUED)

MOREHOUSE PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances- By Fund Type  
 For the Year Ended June 30, 2008

Exhibit 3

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
OTHER FINANCING SOURCES (USES)			
Transfers out	\$ (8,392)	\$ 0	\$ (8,392)
Total Other Financing Sources (Uses)	(8,392)	0	(8,392)
Net Change in Fund Balances	11,186	21,904	33,090
FUND BALANCES (Deficit) - BEGINNING	63,329	168,973	232,302
FUND BALANCES - ENDING	\$ 74,515	\$ 190,877	\$ 265,392

(CONCLUDED)

**Morehouse Parish School Board  
Nonmajor Special Revenue Funds**

**TITLE VI** This grant assists state and local educational agencies in improving elementary and secondary education. Grants are awarded for students at risk of failure in school; instructional materials; school-wide improvements and effective school programs; training and professional development; early identification of children with reading disabilities, personal excellence of students and student achievements; and innovative enhancements projects to the educational program and climate of the school.

**TITLE II** This program is designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

**TITLE V** This grant assists state and local educational agencies in the reform of elementary and secondary education

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

**MISCELLANEOUS STATE GRANTS** These funds provide financial assistance for contracted services such as speech, physical and occupational therapy.

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

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

**VOCATIONAL EDUCATION** The purpose of these grants are to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

**DRUG FREE - TITLE IV** This program was designed to establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)** The purpose of this program is to provide grants to states, territories, or tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

**8C** These grants are used to improve student academic achievement or vocational-technical skills. Other uses are the purchase of superior textbooks and providing support for teachers in critical shortage areas.

**EDUCATION EXCELLENCE** This fund accounts for the tobacco settlement money received from the state.

**RURAL EDUCATION ACHIEVEMENT** This grant provides financial assistance to carry out activities to help improve the quality of teaching and learning.

**MISCELLANEOUS FUNDS** These include various small federal and state grants, such as Math and Science – Title II.

**Morehouse Parish School Board  
Nonmajor Special Revenue Funds**

**SPECIAL FEDERAL**

**TECH-PREP EDUCATION** The purpose of this grant is to develop and operate a four-year program designed to provide a tech-prep education program leading to a two-year associate degree or a two-year certification and to provide links between secondary schools and post-secondary educational institutions.

**WORKPLACE INVESTMENT ACT (WIA)** The WIA program provides job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers. The ultimate goal of the Workforce Investment Act is to move trainees into permanent, self-sustaining employment.

**ROTC** ROTC is a federally funded program through the Department of Defense.

**COMPREHENSIVE SCHOOL REFORM DEMONSTRATION** The purpose of this program aims to enable all children in the schools served, particularly low-achieving children, to meet challenging state content and student performance standards.

MOREHOUSE PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2008

	TITLE VI	TITLE II	TITLE V	SPECIAL EDUCATION
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	0
Receivables	0	98,164	780	219,181
Interfund receivables	0	0	0	0
<b>TOTAL ASSETS</b>	<b>0</b>	<b>98,164</b>	<b>780</b>	<b>219,181</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	0	20,177	0	102,943
Interfund payable	0	77,987	780	116,238
<b>Total Liabilities</b>	<b>0</b>	<b>98,164</b>	<b>780</b>	<b>219,181</b>
<b>Fund Balances:</b>				
Unreserved - undesignated	0	0	0	0
<b>Total Fund Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 0</b>	<b>\$ 98,164</b>	<b>\$ 780</b>	<b>\$ 219,181</b>

Exhibit 4

MISCELLANEOUS STATE GRANTS	PRESCHOOL	ADULT EDUCATION	VOCATIONAL EDUCATION	DRUG FREE- TITLE IV	TANF
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	32,068
6,824	3,258	29,299	216,209	311	15,687
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>6,824</u>	<u>3,258</u>	<u>29,299</u>	<u>216,209</u>	<u>311</u>	<u>47,755</u>
3,338	0	8,358	101,078	0	6,748
<u>3,486</u>	<u>3,258</u>	<u>20,941</u>	<u>115,131</u>	<u>311</u>	<u>8,939</u>
<u>6,824</u>	<u>3,258</u>	<u>29,299</u>	<u>216,209</u>	<u>311</u>	<u>15,687</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,068</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,068</u>
<u>\$ 6,824</u>	<u>\$ 3,258</u>	<u>\$ 29,299</u>	<u>\$ 216,209</u>	<u>\$ 311</u>	<u>\$ 47,755</u>

(CONTINUED)

**MOREHOUSE PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

	<u>8 (g)</u>	<u>EDUCATIONAL EXCELLENCE</u>	<u>RURAL EDUCATION ACHIEVEMENT</u>	<u>MISCELLANEOUS FUNDS</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 31,223	\$ 0	\$ 0
Receivables	22,207	0	23,590	61,504
Interfund receivables	<u>23,667</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<u>45,874</u>	<u>31,223</u>	<u>23,590</u>	<u>61,504</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	20,970	10,545	7,064	5,573
Interfund payable	<u>24,904</u>	<u>0</u>	<u>16,526</u>	<u>55,931</u>
<b>Total Liabilities</b>	<u>45,874</u>	<u>10,545</u>	<u>23,590</u>	<u>61,504</u>
 <b>Fund Balances:</b>				
Unreserved - undesignated	<u>0</u>	<u>20,678</u>	<u>0</u>	<u>0</u>
<b>Total Fund Balances</b>	<u>0</u>	<u>20,678</u>	<u>0</u>	<u>0</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <u>\$ 45,874</u>	 <u>\$ 31,223</u>	 <u>\$ 23,590</u>	 <u>\$ 61,504</u>



Exhibit 4

SPECIAL	
FEDERAL	TOTAL
\$ 5,684	\$ 68,975
167,888	864,902
<u>0</u>	<u>23,667</u>
<u>173,572</u>	<u>957,544</u>
29,518	316,312
<u>122,285</u>	<u>566,717</u>
<u>151,803</u>	<u>883,029</u>
<u>21,769</u>	<u>74,515</u>
<u>21,769</u>	<u>74,515</u>
<u>\$ 173,572</u>	<u>\$ 957,544</u>

(CONCLUDED)

**MOREHOUSE PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2008**

	<u>TITLE VI</u>	<u>TITLE II</u>	<u>TITLE V</u>	<u>SPECIAL EDUCATION</u>
<b>REVENUES</b>				
Local sources:				
Other	\$ 0	\$ 0	\$ 0	\$ 0
State sources:				
Other	0	0	0	26,218
Federal sources	<u>20,373</u>	<u>510,197</u>	<u>7,606</u>	<u>1,202,771</u>
 Total Revenues	 <u>20,373</u>	 <u>510,197</u>	 <u>7,606</u>	 <u>1,228,989</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	0	97,352	0	5,575
Special programs	0	0	0	731,515
Other instructional programs	18,780	0	6,935	0
Support services:				
Student services	0	0	0	250,942
Instructional staff support	0	366,267	0	91,100
General administration	1,593	44,863	671	106,345
Business services	0	0	0	22,587
Plant services	0	0	0	67
Student transportation services	0	284	0	19,312
Central services	0	1,431	0	0
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,546</u>
 Total Expenditures	 <u>20,373</u>	 <u>510,197</u>	 <u>7,606</u>	 <u>1,228,989</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 OTHER FINANCING SOURCES (USES)				
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Other Financing Sources (Uses)	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 Net Change in Fund Balances	 0	 0	 0	 0
 FUND BALANCES (Deficit) - BEGINNING	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCES - ENDING	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

Exhibit 5

MISCELLANEOUS	STATE	PRESCHOOL	ADULT	VOCATIONAL	DRUG FREE-	TANF
GRANTS			EDUCATION	EDUCATION	TITLE IV	
\$	0 \$	0 \$	0 \$	0 \$	0 \$	0
	76,850	0	58,350	218,206	0	0
	0	36,692	72,057	89,673	11,400	107,366
	<u>76,850</u>	<u>36,692</u>	<u>130,407</u>	<u>307,879</u>	<u>11,400</u>	<u>107,366</u>
	42,290	0	0	165,835	0	0
	0	14,542	0	0	0	0
	13,937	0	119,192	90,741	0	97,888
	0	0	0	0	11,177	0
	20,623	18,912	0	1,700	0	0
	0	3,238	3,431	0	223	9,478
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	8,955	0	0
	0	0	0	0	0	0
	0	0	7,784	40,648	0	0
	<u>76,850</u>	<u>36,692</u>	<u>130,407</u>	<u>307,879</u>	<u>11,400</u>	<u>107,366</u>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	0	0	0	0	0
	0	0	0	0	0	32,068
\$	0 \$	0 \$	0 \$	0 \$	0 \$	32,068

(CONTINUED)

**MOREHOUSE PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2008**

	<u>8 (g)</u>	<u>EDUCATIONAL EXCELLENCE</u>	<u>RURAL EDUCATION ACHIEVEMENT</u>	<u>MISCELLANEOUS FUNDS</u>
<b>REVENUES</b>				
Local sources:				
Other	\$ 0	\$ 0	\$ 0	\$ 23,340
State sources:				
Other	158,114	231,489	0	59,870
Federal sources:	<u>0</u>	<u>0</u>	<u>108,407</u>	<u>176,060</u>
 Total Revenues	<u>158,114</u>	<u>231,489</u>	<u>108,407</u>	<u>259,270</u>
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	18,557	0	0	192,474
Special Programs	0	0	0	0
Other instructional programs	134,507	14,848	97,529	144
Support services:				
Student services	0	0	0	0
Instructional staff support	4,231	77,324	1,325	53,607
General administration	0	0	9,553	11,987
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	819	0	0	0
Central services	0	102,039	0	0
Capital outlay	<u>0</u>	<u>26,092</u>	<u>0</u>	<u>1,058</u>
 Total Expenditures	<u>158,114</u>	<u>220,303</u>	<u>108,407</u>	<u>259,270</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>11,186</u>	<u>0</u>	<u>0</u>
 OTHER FINANCING SOURCES (USES)				
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Net Changes in Fund Balances	0	11,186	0	0
 FUND BALANCES (Deficit) - BEGINNING	<u>0</u>	<u>9,492</u>	<u>0</u>	<u>0</u>
 FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 20,678</u>	<u>\$ 0</u>	<u>\$ 0</u>

Exhibit 5

SPECIAL		TOTAL	
FEDERAL			
\$	0	\$	23,340
	196,752		1,025,849
	622,045		2,964,647
	<u>818,797</u>		<u>4,013,836</u>
	300		522,383
	36		746,093
	596,736		1,191,237
	0		262,119
	107,090		742,179
	2,210		193,592
	8,886		31,473
	1,500		1,567
	1,311		30,681
	92,336		195,806
	0		77,128
	<u>810,405</u>		<u>3,994,258</u>
	<u>8,392</u>		<u>19,578</u>
	<u>(8,392)</u>		<u>(8,392)</u>
	<u>(8,392)</u>		<u>(8,392)</u>
	0		11,186
	21,769		63,329
\$	<u>21,769</u>	\$	<u>74,515</u>

(CONCLUDED)

**Morehouse Parish School Board  
Nonmajor Capital Projects Funds**

**SCHOOL DISTRICT 12 CONSTRUCTION**

The capital projects funds are used to acquire and improve sites for school buildings and playgrounds, to purchase, erect, and/or improve school buildings and other school-related facilities, and to acquire the necessary equipment and furnishings for these facilities.

**EAST MOREHOUSE PARISH TAX DISTRICT**

The capital projects funds are used to acquire and improve sites for school buildings and playgrounds, to purchase, erect, and/or improve school buildings and other school-related facilities, and to acquire the necessary equipment and furnishings for these facilities.

**MOREHOUSE PARISH SCHOOL BOARD**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**Combining Balance Sheet**  
**June 30, 2008**

Exhibit 6

	<u>SCHOOL DISTRICT 12 CONSTRUCTION</u>	<u>EAST MOREHOUSE PARISH TAX DISTRICT</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 27,717	\$ 163,975	\$ 191,692
Receivables	<u>0</u>	<u>124</u>	<u>124</u>
<b>TOTAL ASSETS</b>	<u>27,717</u>	<u>164,099</u>	<u>191,816</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries, and other payables	0	738	738
Interfund payables	<u>0</u>	<u>201</u>	<u>201</u>
<b>Total Liabilities</b>	<u>0</u>	<u>939</u>	<u>939</u>
<b>Fund Balances:</b>			
Unreserved	<u>27,717</u>	<u>163,160</u>	<u>190,877</u>
<b>Total Fund Balances</b>	<u>27,717</u>	<u>163,160</u>	<u>190,877</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 27,717</u>	<u>\$ 164,099</u>	<u>\$ 191,816</u>

**MOREHOUSE PARISH SCHOOL BOARD**

**NONMAJOR CAPITAL PROJECTS FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes In Fund Balances  
For the Year Ended June 30, 2008**

Exhibit 7

	<u>SCHOOL DISTRICT 12 CONSTRUCTION</u>	<u>EAST MOREHOUSE PARISH TAX DISTRICT</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 45,098	\$ 263,065	\$ 308,163
Sales and use	0	398	398
Interest earnings	1,032	2,618	3,650
Other	0	8,500	8,500
<b>Total Revenues</b>	<u>46,130</u>	<u>274,581</u>	<u>320,711</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	0	66,973	66,973
Special programs	0	20,620	20,620
Other instructional programs	0	20,932	20,932
Support services:			
Student services	0	2,951	2,951
Instructional staff support	0	3,276	3,276
General administration	1,402	8,304	9,706
School administration	0	13,786	13,786
Plant services	79,391	1,793	81,184
Student transportation	0	49,720	49,720
Food services	0	2,174	2,174
Capital outlay	8,065	0	8,065
Debt service:			
Principal retirement	15,000	0	15,000
Interest and bank charges	4,420	0	4,420
<b>Total Expenditures</b>	<u>108,278</u>	<u>190,529</u>	<u>298,807</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(62,148)	84,052	21,904
<b>FUND BALANCES - BEGINNING</b>	<u>89,865</u>	<u>79,108</u>	<u>168,973</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 27,717</u>	<u>\$ 163,160</u>	<u>\$ 190,877</u>



**Morehouse Parish School Board  
Agency Funds**

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

**COX SCHOLARSHIP FUND** The proceeds are used to provide scholarships.

**MOREHOUSE PARISH SCHOOL BOARD**

**AGENCY FUNDS**  
**Statement of Changes In Assets and Liabilities**  
**For the Year Ended June 30, 2008**

Exhibit 8

	<u>Balance,</u> <u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance,</u> <u>Ending</u>
<b>*****SCHOOL ACTIVITIES FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 345,424	\$ 1,475,442	\$ 1,432,849	\$ 388,017
	<u>345,424</u>	<u>1,475,442</u>	<u>1,432,849</u>	<u>388,017</u>
<b>LIABILITIES</b>				
Deposits due others	<u>345,424</u>	<u>1,475,442</u>	<u>1,432,849</u>	<u>388,017</u>
	<u>345,424</u>	<u>1,475,442</u>	<u>1,432,849</u>	<u>388,017</u>
<b>*****COX SCHOLARSHIP FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>700</u>	<u>0</u>	<u>700</u>	<u>0</u>
	<u>700</u>	<u>0</u>	<u>700</u>	<u>0</u>
<b>LIABILITIES</b>				
Deposits due others	<u>700</u>	<u>0</u>	<u>700</u>	<u>0</u>
	<u>700</u>	<u>0</u>	<u>700</u>	<u>0</u>
<b>*****TOTAL*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>346,124</u>	<u>1,475,442</u>	<u>1,433,549</u>	<u>388,017</u>
	<u>346,124</u>	<u>1,475,442</u>	<u>1,433,549</u>	<u>388,017</u>
<b>LIABILITIES</b>				
Deposits due others	<u>346,124</u>	<u>1,475,442</u>	<u>1,433,549</u>	<u>388,017</u>
	<u>\$ 346,124</u>	<u>\$ 1,475,442</u>	<u>\$ 1,433,549</u>	<u>\$ 388,017</u>

**MOREHOUSE PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2008**

Exhibit 9

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
H. V. ADAMS	\$ 12,131	\$ 28,684	\$ 31,452	\$ 9,363
MOREHOUSE JUNIOR HIGH	16,463	92,807	97,389	11,881
BASTROP HIGH	239,341	736,125	708,852	266,614
BEEKMAN	5,389	61,369	65,376	1,382
CARVER	5,900	46,457	49,522	2,835
CHERRY RIDGE	4,634	67,173	62,807	9,000
DELTA HIGH	10,957	76,035	71,032	15,960
EAST SIDE	4,220	40,067	40,152	4,135
MOREHOUSE MAGNET SCHOOL	252	116,792	113,924	3,120
OAK HILL	1,496	48,789	45,484	4,801
PINE GROVE	9,201	116,894	105,522	20,573
SOUTH SIDE	<u>35,440</u>	<u>44,250</u>	<u>41,337</u>	<u>38,353</u>
TOTAL	<u>\$ 345,424</u>	<u>\$ 1,475,442</u>	<u>\$ 1,432,849</u>	<u>\$ 388,017</u>

**Morehouse Parish School Board  
Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2008**

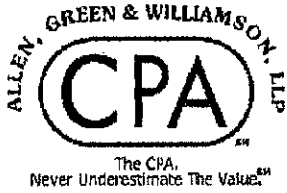
**Exhibit 10**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$200 per month, and the president receives an additional \$50 per month for performing the duties of his office.

<u>Board Member</u>	<u>Amount</u>
** Phillip Wayne McCready, President, January, 2008 forward	\$ 2,700
** Hamp Lenoir, Vice President, January, 2008 forward	2,400
* Loe Dunn	2,700
Sylvia Reese	2,400
Richard W. Hixon	2,400
Melissa Chain	2,400
Jeffrey S. Churchwell	<u>2,400</u>
Total	<u>\$17,400</u>

\* Term ended December 31, 2007

\*\*Term began January 1, 2008



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Cindy Thomason, CPA  
Angie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2009

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

Board Members  
Morehouse Parish School Board  
Bastrop, Louisiana

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Morehouse Parish School Board, as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 31, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School Board's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph in this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Boards' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings and Questioned Costs as item 08-F1.

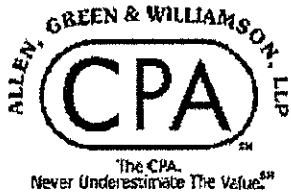
The School Board's response to the findings identified in our audit is described in the accompanying corrective action plan for current-year findings. We did not audit the School Board's responses and, accordingly, we express no opinion on it.

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

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 31, 2008



# ALLEN, GREEN & WILLIAMSON, LLP

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

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

Board Members  
Morehouse Parish School Board  
Bastrop, Louisiana

### Compliance

We have audited the compliance of Morehouse Parish School Board with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination 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, 2008.

### Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the 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 the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 31, 2008



**Morehouse Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008**

Exhibit 11

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Grantor No.	<u>Expenditures</u>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$641,182
National School Lunch Program	10.555	N/A	1,465,395
Total United States Department of Agriculture			<u>\$ 2,106,577</u>
United States Department of Education			
Direct: Migrant Evenstart in NE LA			
Passed Through Louisiana Department of Education:	84.214	S214A060032	368,804
Adult Education - State Grant Program			
	84.002	28-07-13-34	72,057
		28-08-13-34	
		28-07-44-34	
		28-08-44-34	
Title I Grants to Local Educational Agencies	84.010	28-08-TI-34	2,877,299
Title I-School Improvement	84.010A	28-07-TA-34	118,431
		28-06-TA-34	
Special Education Cluster:			
Grants to States (Part B)	84.027	08-B1-34	1,202,771
Preschool Grants	84.173	08-P1-34	36,692
Total Special Education Cluster			<u>1,239,463</u>
Vocational Education			
Basic Grants to States	84.048	28-08-02-34	89,673
		28-07-02-34C	
Tech-Prep Education	84.243	07-VE-34-3-FE	144,095
Title II (Mathematics and Science Partnerships)	84.366	28-06-MC-34	176,060
		28-07-MC-34	
Title II (Improving Teacher Quality)	84.367	28-08-50-34	510,197
Title IV (Safe and Drug-Free Schools - State Grant)	84.186	28-08-70-34	11,400
Comprehensive School Reform Demonstration			
Rural Education Achievement Program (REAP)	84.332	N/A	20,373
Enhancing Education Through Technology	84.358	N/A	108,407
	84.318	28-07-49-34	25,984
		28-08-49-34	
Reading First State Grant	84.357	N/A	25
Title V (State Grants For Innovative Programs)	84.298	28-08-80-34	7,606
Total United States Department of Education			<u>\$ 5,769,874</u>

**Morehouse Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008**

**Exhibit 11**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-Through Grantor No.</u>	<u>Expenditures</u>
United States Department of Health and Human Services			
Passed Through the Louisiana Department of Education:			
TANF	93.558	28-08-EP-34	<u>107,366</u>
United States Department of Defense			
Direct Programs			
Department of The Army			
ROTC	12.UNK	N/A	<u>83,137</u>
Total Cash Awards			
United States Department of Agriculture			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution (Commodities)	10.550	N/A	<u>134,737</u>
TOTAL FEDERAL AWARDS			<u><u>\$8,201,691</u></u>

**Morehouse Parish School Board  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008**

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

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in note 1 to the School Board's basic financial statements.

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

Federal Sources

Title I	\$ 2,995,730
School Food Service	2,241,314
Title VI	20,373
Title II	510,197
Title V	7,606
Special Education	1,202,771
Preschool	36,692
Adult Education	72,057
Vocational Education	89,673
Drug Free -- Title IV	11,400
TANF	107,366
Rural Education Achievement	108,407
Miscellaneous Funds	176,060
Special Federal	622,045
Total	\$ 8,201,691

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

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

**NOTE 6 - NONCASH PROGRAMS AND LOANS OUTSTANDING** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture. The School Board has an outstanding loan with the United States Environmental Protection Agency. The loan was for asbestos abatement and the amount outstanding at June 30, 2008, is \$5,491.

**Morehouse Parish School Board  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended June 30, 2008**

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

**Financial Statement Audit**

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

**Audit of Federal Awards**

- iv. There were no significant deficiencies required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:
  - CFDA #84.010            Title I Grants to Local Educational Agencies
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Morehouse Parish School Board  
Schedule of Findings and Questioned Costs  
As of and for the Year Ended June 30, 2008**

**PART II – Findings related to the basic financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and title:**                **08-F1**                    **Local Government Budget Act**

**Criteria or specific requirement:** The Louisiana Local Government Budget Act calls for amendments to be made to the budget when budgeted revenues exceed actual revenues by a variance of greater than 5% or actual expenditures exceeds budgeted expenditures by a variance of greater than 5%. The adopted budget should be balanced with approved expenditures not exceeding the total of estimated funds available.

**Condition:** Actual expenditures of the School Food Service Fund were more than budgeted expenditures by an amount greater than 5% which is in violation of the Louisiana Local Government Budget Act. Also, an ending deficit was budgeted.

**Possible asserted effect (cause and effect):**

**Cause:** The School Food Service Fund budget was not amended when the variance between budgeted and actual revenues were greater than 5%.

**Effect:** The School Food Service budget is in violation of Louisiana Local Government Budget Act.

**Recommendations to prevent future occurrences:** The School Board should amend the budget for funds when variances between actual expenditures and budgeted expenditures is 5% or greater to ensure compliance with the Louisiana Local Government Budget Act. A plan should be developed to bring School Food Service out of a deficit.

**Morehouse Parish School Board  
Summary Status of Prior Audit Findings  
June 30, 2008**

**Finding reference # and title:**                **07-F1**                **Local Government Budget Act**

**Fiscal Year Initially Reported:** June 30, 2007

**Condition:** The Louisiana Local Government Budget Act calls for amendments to be made to the budget when budgeted revenues exceed actual revenues by a variance of greater than 5% or actual expenditures exceeds budgeted expenditures by a variance of greater than 5%. The adopted budget should be balanced with approved expenditures not exceeding the total of estimated funds available. Actual revenue of the School Food Service Fund was less than budgeted revenue by an amount greater than 5% which is in violation of the Louisiana Local Government Budget Act. Also, an ending deficit was budgeted.

**Corrective action taken:** See current year finding 08-F1.

**Finding reference # and title:**                **07-F2**                **School Activity Funds**

**Condition:** Schools should follow the best practices stated in the Louisiana Legislative Auditor's School Accounting Procedures Manual. The follow findings were found at the six schools audited for the 2006-2007 school year:

- Three schools lacked adequate internal control over check disbursements.
- Three schools did not maintain physical inventory over concessions.
- Two schools did not pay invoices timely.
- One school did not have adequate controls over teacher collections of monies.
- One school did not have adequate controls over school fundraising events.
- One school maintained a non-interest bearing bank account.
- One school did not reconcile bank account with receipts and disbursements records and did not have adequate control over deposits (collections).
- One school did not have adequate control over athletic ticket sales.

**Corrective action taken:** Schools are being audited consistently. They have had training in accounting procedures. They now have a new software program to aid them in their accounting. They are being held more accountable. Therefore, I anticipate that the internal control and accounting of school activity funds will continue to improve annually.

**Morehouse Parish School Board  
Corrective Action Plan for Current-year Findings  
As of and for the Year Ended June 30, 2008**

**Reference # and title:**            **08-F1**            **Local Government Budget Act**

**Condition:** The Louisiana Local Government Budget Act calls for amendments to be made to the budget when budgeted revenues exceed actual revenues by a variance of greater than 5% or actual expenditures exceeds budgeted expenditures by a variance of greater than 5%. The adopted budget should be balanced with approved expenditures not exceeding the total of estimated funds available.

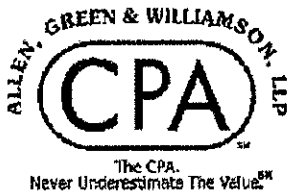
Actual expenditures of the School Food Service fund were more than budgeted expenditures by an amount greater than 5% which is in violation of the Louisiana Local Government Budget Act. Also, an ending deficit was budgeted.

**Corrective action planned:** The School Food Service budget is in a deficit situation with a slow gradual climbing out. We are budgeting very cautiously, but sometimes increased costs cause unexpected variances in the actual amount as compared to the budgeted amounts. We will strive to budget with the 5% limit to ensure compliance with the law and continue to make strides to get the School Food Service out of a deficit.

**Person responsible for corrective action:**

Tom Thrower, Superintendent	Telephone: (318) 281-5784
Morehouse Parish School Board	Fax: (318) 283-3456
P. O. Box 872	
Bastrop, LA 71221-0872	

**Anticipated completion date:** As soon as financially possible.



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

Board Members  
Morehouse Parish School Board  
Bastrop, Louisiana

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

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

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

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

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

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



Education Levels of Public School Staff (Schedule 2)

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

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

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

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

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

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

Number and Type of Public Schools (Schedule 3)

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

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

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

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

**Comment:** The total years experience per the list could not be verified by supporting information in the personnel file for one employee. Enough years of experience were able to be verified to determine that the employee was reported in the correct category on the schedule.

**Management's Response:** The employee's out of parish experience verification form could not be found in her personnel file. We will send another form and get the verification and place it in the employee's personnel file.

Public Staff Data (Schedule 5)

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

**Comment:** Extra compensation was reported as base salary for thirteen employees. A base salary amount was reported as extra compensation for one employee. Sick dockage was not deleted from base salary for three employees. The full-time equivalents for five employees were not properly calculated on the schedule.

**Management's Response:** A new computer program was purchased this year to help with Schedule 5. There were some bugs in the program that we did not realize were there. We are working with the programmer to get all of this corrected. Therefore, this report should be correct in the near future.

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

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

*Class Size Characteristics Schedule 6)*

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

**Comment:** Three students were listed on a roll book and not on the homeroom affidavit. Three students were listed on a homeroom affidavit and not on the roll book. Three classes were reported in the incorrect class size range on the schedule.

**Management's Response:** The difference in the roll book and the homeroom affidavit is probably a timing difference. The students on the data file are not getting added/deleted by the schools in a timely manner. We will work with the schools to ensure a more accurate and timely posting of students adding, transferring, and dropping. This should also help with the correction of the class size range on Schedule 6.

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

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

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

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

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

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

*The Iowa Tests (Schedule 9)*

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

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

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

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

*Allen, Green + Williamson, LLP*  
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 31, 2008

**MOREHOUSE PARISH SCHOOL BOARD**  
**Bastrop, Louisiana**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2008**

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 14,522,355	
Other Instructional Staff Activities	\$ 1,157,431	
Employee Benefits	\$ 7,009,368	
Purchased Professional and Technical Services	\$ 25,563	
Instructional Materials and Supplies	\$ 520,925	
Instructional Equipment	\$ -	
Total Teacher and Student Interaction Activities		\$ 23,235,642

Other Instructional Activities \$ 18,014

Pupil Support Activities \$ 2,309,513  
Less: Equipment for Pupil Support Activities \$ 1,164  
Net Pupil Support Activities \$ 2,308,349

Instructional Staff Services \$ 1,098,443  
Less: Equipment for Instructional Staff Services \$ -  
Net Instructional Staff Services \$ 1,098,443

School Administration \$ 2,372,644  
Less: Equipment for School Administration \$ -  
Net School Administration \$ 2,372,644

Total General Fund Instructional Expenditures \$ 29,033,092

Total General Fund Equipment Expenditures \$ 177,216

**Certain Local Revenue Sources**

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 705,658
Renewable Ad Valorem Tax	\$ 3,343,808
Debt Service Ad Valorem Tax	\$ 1,351,768
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	\$ 100,626
Sales and Use Taxes	\$ 5,955,413
Total Local Taxation Revenue	\$ 11,457,291

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 229,332
Earnings from Other Real Property	\$ 1,778
Total Local Earnings on Investment in Real Property	\$ 231,110

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 77,792
Revenue Sharing - Other Taxes	\$ 132,343
Revenue Sharing - Excess Portion	\$ -
Other Revenue in Lieu of Taxes	\$ -
Total State Revenue in Lieu of Taxes	\$ 210,135

Nonpublic Textbook Revenue \$ 8,681

Nonpublic Transportation Revenue \$ -

Schedule 2

MOREHOUSE PARISH SCHOOL BOARD  
Bastrop, Louisiana

Education Levels of Public School Staff  
As of October 1, 2007

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1.00	0.272	2.00	0.545	0	0.00	0.00	0.00
Bachelor's Degree	228.46	62.254	10.00	2.725	0	0.00	0.00	0.00
Master's Degree	71.00	19.347	1.00	0.272	3.50	0.954	0.00	0.00
Master's Degree + 30	34.00	9.266			12.02	3.275	0.00	0.00
Specialist in Education	2.00	0.545			1.00	.272	0.00	0.00
Ph. D. or Ed. D.	1.00	0.272			0	0.00	0.00	0.00
<b>Total</b>	<b>337.46</b>	<b>91.955</b>	<b>13.00</b>	<b>3.542</b>	<b>16.52</b>	<b>4.501</b>	<b>0.00</b>	<b>0.00</b>

Schedule 3

**MOREHOUSE PARISH SCHOOL BOARD**  
**Bastrop, Louisiana**

**Number and Type of Public Schools  
 For the Year Ended June 30, 2008**

Type	Number
Elementary	10
Middle/Jr. High	2
Secondary	2
Combination	0
<b>Total</b>	<b>14</b>

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

**MOREHOUSE PARISH SCHOOL BOARD**  
**Bastrop, Louisiana**

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers**  
**As of October 1, 2007**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals			1.00			1.00	3.00	5.00
Principals			1.00		3.50	1.00	6.02	11.52
Classroom Teachers	39.00	37.00	103.46	41.00	52.00	20.00	58.00	350.46
<b>Total</b>	<b>39.00</b>	<b>37.00</b>	<b>105.46</b>	<b>41.00</b>	<b>55.50</b>	<b>22.00</b>	<b>67.02</b>	<b>366.98</b>

**MOREHOUSE PARISH SCHOOL BOARD**  
 Bastrop, Louisiana

**Public School Staff Data: Average Salaries**  
**For the Year Ended June 30, 2008**

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Retired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	46,327	45,873
Average Classroom Teachers' Salary Excluding Extra Compensation	45,447	45,044
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	350.83550	332.50280

**Note:** Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.



**MOREHOUSE PARISH SCHOOL BOARD**  
 Bastrop, Louisiana

**Class Size Characteristics**  
 As of October 1, 2007

School Type	Class Size Range											
	1 - 20		21 - 26		27 - 33		34+					
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	59.25	462	34.91	294	5.84	48						
Elementary Activity Classes	57.54	172	35.00	119	6.82	22			0.62			2
Middle/Jr. High	83.20	127	16.10	46	0.70	2						
Middle/Jr. High Activity Classes	98.00	70	1.00	1	1.00	1						
High	74.45	285	22.70	148	2.60	20			0.25			2
High Activity Classes	89.70	76	5.70	5	4.60	4						
Combination												
Combination Activity Classes												

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

**MOREHOUSE PARISH SCHOOL BOARD**  
**Bastrop, Louisiana**

**Louisiana Educational Assessment Program (LEAP)**  
**For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	6	1	12	3	11	2	5	1	14	3	10	2
Mastery	31	8	48	11	67	16	52	13	29	7	57	15
Basic	179	44	169	39	174	51	161	39	190	43	173	50
Approaching Basic	131	32	127	29	67	20	119	29	108	25	80	22
Unsatisfactory	64	16	82	19	41	11	74	18	97	22	40	11
<b>Total</b>	<b>411</b>	<b>101</b>	<b>438</b>	<b>101</b>	<b>360</b>	<b>100</b>	<b>411</b>	<b>100</b>	<b>438</b>	<b>100</b>	<b>360</b>	<b>100</b>

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	1	0	3	1	3	1	4	1	2	1	0	0
Mastery	29	9	45	13	42	13	26	8	43	12	28	9
Basic	108	35	127	37	119	36	114	36	157	45	137	44
Approaching Basic	104	33	108	31	97	31	89	28	90	26	108	35
Unsatisfactory	71	23	64	18	52	17	80	26	55	16	39	13
<b>Total</b>	<b>313</b>	<b>100</b>	<b>347</b>	<b>100</b>	<b>313</b>	<b>100</b>	<b>313</b>	<b>99</b>	<b>347</b>	<b>100</b>	<b>312</b>	<b>101</b>

**MOREHOUSE PARISH SCHOOL BOARD**  
 Bastrop, Louisiana

**Graduation Exit Examination (GEE)  
 For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	1	0	2	1	2	1	8	4	9	4	16	7
Mastery	21	9	21	10	12	5	31	14	27	13	40	18
Basic	123	55	91	43	101	45	107	48	90	42	75	34
Approaching Basic	57	25	70	33	67	30	40	18	47	22	46	20
Unsatisfactory	23	10	29	14	43	19	38	17	40	19	47	21
Total	225	99	213	101	225	100	224	101	213	100	225	100

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	2	1	3	1	2	1	1	0	1	0	3	1
Mastery	7	3	18	9	21	10	24	12	17	8	15	7
Basic	74	37	69	34	82	41	97	48	10	50	94	47
Approaching Basic	70	35	71	35	54	27	46	23	46	23	58	29
Unsatisfactory	48	24	41	20	42	21	33	16	37	18	31	15
Total	201	100	202	99	201	100	201	99	202	99	201	99

Schedule 9

**MOREHOUSE PARISH SCHOOL BOARD**  
Bastrop, Louisiana

**IOWA and iLEAP Tests**  
**For the Year Ended June 30, 2008**

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	3	1	9	2	14	3	1	
Mastery	47	11	53	12	38	9	57	13
Basic	178	41	181	42	201	46	183	42
Approaching Basic	136	31	118	27	132	30	125	29
Unsatisfactory	71	16	72	17	48	11	65	15
Total	433	100	433	100	433	99	433	100

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0	17	4	2	1	1	0
Mastery	25	6	29	7	34	9	18	5
Basic	169	43	178	45	134	34	176	45
Approaching Basic	130	33	88	22	155	39	124	32
Unsatisfactory	69	18	81	21	68	17	73	19
Total	393	100	393	99	393	100	393	101

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	4	1	13	4	10	3	22	7
Mastery	47	15	35	12	40	14	33	11
Basic	173	59	149	51	139	47	116	39
Approaching Basic	58	20	66	22	85	29	81	27
Unsatisfactory	13	4	32	11	21	7	43	15
Total	295	100	295	100	295	100	295	99

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	9	2	8	2	4	1	0	0
Mastery	46	11	27	6	44	10	30	7
Basic	223	53	184	43	142	34	209	50
Approaching Basic	111	26	120	28	170	40	119	28
Unsatisfactory	34	8	85	20	62	15	63	15
Total	423	100	424	99	422	100	421	100

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
	Number	Percent	Number	Percent
Grade 9				
Advanced	3	1	11	4
Mastery	29	11	31	11
Basic	149	55	138	51
Approaching Basic	78	29	59	22
Unsatisfactory	13	5	33	12
Total	272	101	272	100

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	7	2	13	3	11	3	2	0
Mastery	50	12	44	11	44	11	41	10
Basic	180	43	167	40	166	40	183	44
Approaching Basic	120	29	117	28	146	35	114	27
Unsatisfactory	60	14	76	18	50	12	76	18
Total	417	100	417	100	417	100	416	99

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	4	1	7	2	5	1	2	1
Mastery	22	6	30	8	33	9	15	4
Basic	132	35	138	38	113	31	139	38
Approaching Basic	120	33	93	25	148	40	115	31
Unsatisfactory	90	24	100	27	69	19	97	26
Total	368	100	368	100	368	100	368	100

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	2	1	13	4	5	1	18	5
Mastery	31	9	31	9	37	10	20	6
Basic	180	50	175	48	145	40	151	42
Approaching Basic	122	34	86	24	132	36	115	32
Unsatisfactory	27	7	58	16	43	12	58	16
Total	362	101	363	101	362	99	362	101

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	6	2	14	4	2	1	1	0
Mastery	36	10	20	5	27	7	27	8
Basic	174	47	177	48	142	39	172	48
Approaching Basic	104	28	104	28	141	39	106	29
Unsatisfactory	47	13	52	14	51	14	54	15
Total	367	100	367	99	363	100	360	100

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
	Number	Percent	Number	Percent
Grade 9				
Advanced	1	0	6	2
Mastery	24	8	28	10
Basic	155	54	131	46
Approaching Basic	78	27	54	19
Unsatisfactory	29	10	67	23
Total	287	99	286	100

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	1	0	6	2	9	2	6	2
Mastery	40	11	28	7	36	9	42	11
Basic	163	44	163	44	161	43	165	44
Approaching Basic	107	29	93	25	125	33	96	26
Unsatisfactory	63	17	84	22	44	12	65	17
Total	374	101	374	100	374	99	374	100

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	Grade 5							
Advanced	5	1	8	2	9	3	1	2
Mastery	38	11	27	8	37	11	13	43
Basic	133	39	158	47	137	41	46	155
Approaching Basic	118	35	73	22	109	32	24	81
Unsatisfactory	43	13	71	21	45	13	17	56
Total	337	99	337	100	337	100	101	337

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	Grade 6							
Advanced	1	0	14	4	3	1	5	1
Mastery	20	6	25	7	26	8	18	5
Basic	188	56	148	44	141	42	148	44
Approaching Basic	97	29	89	26	129	38	95	28
Unsatisfactory	30	9	61	18	37	11	69	21
Total	336	100	337	99	336	100	336	99

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	Grade 7							
Advanced	9	2	7	2	0	0	5	1
Mastery	34	9	17	4	26	7	22	6
Basic	169	43	164	42	144	37	159	41
Approaching Basic	131	33	122	31	145	37	108	28
Unsatisfactory	49	13	82	21	76	19	97	28
Total	392	100	392	100	391	100	391	101

District Achievement Level Results	English Language Arts 2008		Mathematics 2008	
	Number	Percent	Number	Percent
	Grade 9			
Advanced	2	1	11	4
Mastery	29	10	17	6
Basic	181	61	171	58
Approaching Basic	74	25	73	25
Unsatisfactory	10	3	24	8
Total	296	100	296	101