

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia  
Parish Police Jury)  
VIDALIA, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED  
JUNE 30, 2017

WITH  
INDEPENDENT AUDITOR'S REPORT



**SILAS SIMMONS** LLP  
CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS



**CONCORDIA PARISH CLERK OF COURT**  
**(A Component Unit of the Concordia Parish Police Jury)**  
**VIDALIA, LOUISIANA**

Annual Financial Statements  
As of and for the Year Ended June 30, 2017

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**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

Annual Financial Statements  
As of and for the Year Ended June 30, 2017

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## INDEPENDENT AUDITOR'S REPORT

Honorable Clyde Ray Webber, Jr.  
Concordia Parish Clerk of Court  
Vidalia, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Concordia Parish Clerk of Court, a component unit of the Concordia Parish Police Jury, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Concordia Parish Clerk of Court's basic financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Concordia Parish Clerk of Court as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 4 through 7 and 27 through 28, and the Louisiana Clerks of Court Retirement and Relief Fund's schedules of the proportionate share of the net pension asset and contributions on pages 29 through 30, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Concordia Parish Clerk of Court's basic financial statements. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Reimbursements, Benefits, and Other Payments is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2017, on our consideration of the Concordia Parish Clerk of Court'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Concordia Parish Clerk of Court's internal control over financial reporting and compliance.

This report is intended for the information of the Members of the Concordia Parish Clerk of Court, the Concordia Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Silas Simmons, LLP*

Natchez, Mississippi  
October 4, 2017

**SECTION I**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED JUNE 30, 2017**

**INTRODUCTION**

This discussion and analysis (MD&A) of the Concordia Parish Clerk of Court's financial performance provides an overview of the financial activities as of and for the fiscal year ended June 30, 2017. This should be read in conjunction with the financial statements and the accompanying notes to the financial statements. The financial statements include the general fund (operating fund) and two agency funds (advanced deposit fund and registry of court fund).

The Concordia Clerk of Court is located in the Concordia Parish Courthouse in Vidalia, Louisiana. Concordia Parish is located along the Mississippi River in East Central Louisiana.

**FINANCIAL HIGHLIGHTS**

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

- The governmental activities reported total ending deficit fund balance of (\$20,434), at June 30, 2017. This compares to the prior year ending deficit fund balance of (\$58,101), at June 30, 2016, showing an increase of \$37,667 during the current year.
- Total spending for all judicial activities for 2017 was \$740,875 for the year, which was \$37,667 less than the total revenues of \$778,542. For 2016, spending was \$712,847 and revenues were \$754,456. Revenues in 2016 were \$41,609 more than expenditures.
- Total net position is comprised of the following:
  1. Capital assets of \$27,059 included office equipment, furniture, and fixtures, net of accumulated depreciation.
  2. Unrestricted net assets (deficit) of (\$47,493) represent the portion available to maintain the continuing operations.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Concordia Parish Clerk of Court's basic financial statements. The Clerk's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The financial statements include the following funds:

**General Fund**

The General Fund, as provided by Louisiana Revised Statute R.S. 13:781, is the principal fund of the Clerk of Court and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED JUNE 30, 2017**

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

**Agency Fund**

The Advance Deposit and Registry of Court Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature and do not involve measurement of results of operations.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Statement of Net Position**

The following table represents a condensed Statement of Net Position as of June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Current assets	\$ 493,405	\$ 451,312
Capital assets, net	<u>27,059</u>	<u>40,192</u>
<b>Total assets</b>	<b>\$ 520,464</b>	<b>\$ 491,504</b>
Deferred outflows of resources	<u>\$ 331,645</u>	<u>\$ 219,751</u>
<b>Liabilities and Net Position</b>		
Current liabilities	\$ 20,560	\$ 20,170
Noncurrent liabilities	<u>788,003</u>	<u>670,020</u>
<b>Total liabilities</b>	<b>\$ 808,563</b>	<b>\$ 690,190</b>
Deferred inflows of resources	<u>\$ 63,980</u>	<u>\$ 79,166</u>
<b>Net Position</b>		
Investment in capital assets, net of related debt	\$ 27,059	\$ 40,192
Unrestricted (deficit)	<u>(47,493)</u>	<u>(98,293)</u>
<b>Total net position (deficit)</b>	<b>\$ (20,434)</b>	<b>\$ (58,101)</b>

**CONCORDIA PARISH CLERK OF COURT**  
**(A Component Unit of the Concordia Parish Police Jury)**  
**VIDALIA, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED JUNE 30, 2017**

**OVERVIEW OF THE FINANCIAL STATEMENTS** (continued)

**Changes in Fund Balances**

The following table reflects the condensed Statement of Revenues, Expenditures, and Changes in Fund Balances for the years ended June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Total revenues	\$ 778,542	\$ 754,456
Total expenditures	<u>740,875</u>	<u>712,847</u>
Increase in fund balances	\$ 37,667	\$ 41,609
Net position, beginning	<u>(58,101)</u>	<u>(99,710)</u>
Net position, ending	<u>\$ (20,434)</u>	<u>\$ (58,101)</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues, \$770,929, were more than budgeted revenues, \$729,140, by \$41,789.

Actual expenditures, \$736,449, were more than budgeted expenditures, \$724,728, by \$11,721.

The original budget was not amended during this fiscal year.

**CAPITAL ASSETS**

The investment in capital assets, \$95,088, net of accumulated depreciation, \$68,029, for governmental activities as of June 30, 2017, was \$27,059.

**DEBT**

At year end, the Concordia Parish Clerk of Court had no debt outstanding.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Clerk of Court considered many factors when budgeting the fiscal year rates and fees that would be charged. One of those factors is the new laws and regulations.

Historically, the office staff and costs remain stable with small increases in operating expenses. If these costs remain consistent, the Concordia Parish Clerk of Court's General Fund balance is expected to remain the same by the close of the next fiscal year.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2017

*CONTACTING FINANCIAL MANAGEMENT*

This financial report is designed to provide a general overview of the Concordia Parish Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives and spends. If you have any questions about this report or need additional financial information, contact the Honorable Clyde Ray Webber, Jr., Clerk of Court for Concordia Parish, 4001 Carter Street, Vidalia, Louisiana 71373 or at phone number (318) 336-4204.

**SECTION II**  
**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

## STATEMENT OF NET POSITION

JUNE 30, 2017

ASSETS	
Cash and cash equivalents	\$ 475,352
Accounts receivable	18,053
Capital assets, net of accumulated depreciation	<u>27,059</u>
Total assets	<u>\$ 520,464</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	<u>\$ 331,645</u>
LIABILITIES	
Accounts payable and accrued expenses	\$ 20,560
Accrued compensated absences	2,500
Net pension liability	<u>785,503</u>
Total liabilities	<u>\$ 808,563</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	<u>\$ 63,980</u>
NET POSITION	
Investment in capital assets, net of related debt	\$ 27,059
Unrestricted (deficit)	<u>(47,493)</u>
Total net position (deficit)	<u>\$ (20,434)</u>

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2017

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expenses) Revenues and Changes of Primary Government</u>
Governmental Activities			
General government	\$ 740,875	\$ 724,886	\$ (15,989)
General revenues:			
Miscellaneous			\$ 52,140
Interest income			<u>1,516</u>
Total general revenues			<u>\$ 53,656</u>
Changes in net position			\$ 37,667
Net position - beginning of year (deficit)			<u>(58,101)</u>
Net position - end of year (deficit)			<u>\$ (20,434)</u>

The accompanying notes are an integral part of this statement.

**FUND FINANCIAL STATEMENTS**

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND

JUNE 30, 2017

ASSETS

Cash and cash equivalents	\$	475,352
Accounts receivable		<u>18,053</u>
Total assets	\$	<u>493,405</u>

LIABILITIES AND FUND BALANCES

Liabilities		
Accounts payable and accrued expenses	\$	<u>20,560</u>
Fund balance		
Unassigned	\$	<u>472,845</u>
Total liabilities and fund balances	\$	<u>493,405</u>

The accompanying notes are an integral part of this statement.

**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND  
TO THE STATEMENT OF NET POSITION**

JUNE 30, 2017

Total fund balance - governmental fund (Statement C)	\$	472,845
<p>Amounts reported for governmental activities in the statement of net position (government-wide financial statements) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.</p>		
Capital assets	\$ 95,088	
Less accumulated depreciation	(68,029)	27,059
<p>Deferred outflows and inflows are not financial resources or currently payable</p>		
Deferred outflows	\$ 331,645	
Deferred inflows	(63,980)	267,665
<p>Long-term liabilities are not due and payable in the current year and therefore are not reported in the governmental funds:</p>		
Net pension liability	\$ (785,503)	
Accrued compensated absences	(2,500)	(788,003)
Total net position of governmental activities (Statement A) (deficit)	\$	(20,434)

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANASTATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND

FOR THE YEAR ENDED JUNE 30, 2017

REVENUES		
Licenses and permits - marriage	\$	1,642
Fees, charges, and commissions for services		
Court costs, fees, and charges		438,794
Fees for recording legal documents		234,587
Fees for certified copies of documents		49,863
Use of money and property - interest earnings		1,516
Other		<u>52,140</u>
Total revenues	\$	<u>778,542</u>
EXPENDITURES		
General government - judicial		
Personnel services	\$	409,970
Related benefits		125,210
Operating expenses		153,254
Supplies		30,768
Other		<u>17,637</u>
Total expenditures	\$	<u>736,839</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$	41,703
Fund balance - beginning of year		<u>431,142</u>
Fund balance - end of year	\$	<u><u>472,845</u></u>

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TO THE  
STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2017

Net Change in Fund Balances - Total Governmental Fund (Statement E)	\$	41,703
<p>Amounts reported for <i>governmental activities</i> in the statement of activities (government-wide financial statements) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period:</p>		
Depreciation expense		(13,133)
<p>Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the statement of activities the net pension expense is reported according to estimates required by GASB 68:</p>		
Pension expenses paid	\$	108,150
Pension expenses per GASB 68		(111,544)
		(3,394)
<p>Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:</p>		
Change in compensated absences	\$	-
Changes in deferrals related to pensions		12,491
		12,491
Change in Net Position of Governmental Activities (Statement B)	\$	37,667

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2017

	<u>Advance Deposits Fund</u>	<u>Registry of the Court Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ <u>606,288</u>	\$ <u>549,796</u>	\$ <u>1,156,084</u>
LIABILITIES			
Unsettled deposits	\$ <u>606,288</u>	\$ <u>549,796</u>	\$ <u>1,156,084</u>
Net position	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

JUNE 30, 2017

	<u>Advance Deposits Fund</u>	<u>Registry of the Court Fund</u>	<u>Total</u>
ADDITIONS			
Deposits	\$ 555,172	\$ 133,564	\$ 688,736
Interest earned	<u>1,575</u>	<u>2,172</u>	<u>3,747</u>
Total deposits	<u>\$ 556,747</u>	<u>\$ 135,736</u>	<u>\$ 692,483</u>
DEDUCTIONS			
Distributed to litigants	\$ 89,588	\$ 66,841	\$ 156,429
Distributed to general fund	313,420	-	313,420
Distributed to others	<u>42,281</u>	<u>-</u>	<u>42,281</u>
Total deductions	<u>\$ 445,289</u>	<u>\$ 66,841</u>	<u>\$ 512,130</u>
CHANGES IN NET POSITION	\$ 111,458	\$ 68,895	\$ 180,353
Unsettled deposits - beginning of year	<u>494,830</u>	<u>480,901</u>	<u>975,731</u>
Unsettled deposits - end of year	<u>\$ 606,288</u>	<u>\$ 549,796</u>	<u>\$ 1,156,084</u>

The accompanying notes are an integral part of this statement.

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

## INTRODUCTION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of Presentation

The financial statements of the Concordia Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

### B. Reporting Entity

The Clerk of Court is an independently elected official; however, the Clerk of Court is fiscally dependent on the Concordia Parish Police Jury. The Police Jury maintains and operates the Parish courthouse in which the Clerk of Court's office is located and provides funds for equipment and furniture of the Clerk of Court's office. Because the Clerk of Court is fiscally dependent on the Police Jury, the Clerk of Court was determined to be a component unit of the Concordia Parish Police Jury, the financial reporting entity.

### C. Fund Accounting

The Clerk uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

#### Governmental Funds

Governmental funds account for all or most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations by the Clerk of Court. The following are the Clerk's governmental funds:

CONCORDIA PARISH CLERK OF COURT  
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NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting (continued)

General Fund

The general fund (salary fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary funds reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Clerk are agency funds. The agency funds account for assets held by the Clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus but use the modified accrual basis of accounting. The advance deposit and registry of court agency funds account for assets held as an agent for others.

D. Measurement Focus/Basis of Accounting

**Fund Financial Statements**

The amounts reflected in the balance sheet and statement of revenues, expenditures, and changes in fund balance – governmental fund, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Fees for certified copies, recording legal documents, marriage licenses, and commissions for services are recorded in the year they are earned. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Interest receivables are accrued in the advance deposit fund; all other revenues are recorded when received.

**CONCORDIA PARISH CLERK OF COURT**  
**(A Component Unit of the Concordia Parish Police Jury)**  
**VIDALIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Measurement Focus/Basis of Accounting (continued)**

*Expenditures*

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

*Government-Wide Financial Statements*

The statement of net position and the statement of activities display information about the Concordia Parish Clerk of Court as a whole. These statements include all the financial activities of the Concordia Parish Clerk of Court. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues**

Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from general revenues.

**E. Budgetary Practices**

The Clerk of Court annually adopts a budget for the general fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. Any amendments to the budget are published in the Clerk of Court's official journal. Budgetary integration is employed as a management tool.

**F. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include time deposits maturing within 90 days. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**G. Clerk's Fees Transferred from Advance Deposit Fund**

These fees represent revenue to the Clerk of Court earned from everyday operations such as copying and faxing for litigants. These fees are collected by a transfer of litigant's money deposited in the advance deposit fund to the salary fund.

**CONCORDIA PARISH CLERK OF COURT  
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VIDALIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**H. Capital Assets**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position and statement of activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Office equipment	5 years
Furniture and fixtures	10 years
Leased equipment	5 years

**I. Compensated Absences**

The Clerk of Court has the following policy relating to vacation and sick leave:

Employees of the Clerk’s office earn from 5 to 15 working days of annual leave each year depending on length of service. Vacation is noncumulative.

Each employee is allowed 10 days of sick leave per calendar year with pay. Sick leave is noncumulative.

In addition to the above, additional absences may be granted on an individual basis, giving consideration to individual needs, length of service, et cetera.

Each female employee is authorized six weeks of maternity leave with pay.

The cost of leave taken is recognized as current year expenditure when taken. The cost of accrued absences at June 30, 2017, is \$2,500.

**J. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**K. Net Position/Fund Balances**

In the statements of net position, the difference between a government’s assets and liabilities is recorded as net position. The two components of net position are as follows:

**CONCORDIA PARISH CLERK OF COURT**  
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**VIDALIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Net Position/Fund Balances (continued)**

*Invested in Capital Assets, Net of Related Debt* - This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

*Unrestricted* - This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

**Deferred Outflows/Inflows of Resources**

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

**Impact of Recently Issued Accounting Principles**

As of June 30, 2014, the Clerk of Court implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, which resulted in a cumulative change in accounting principle and also a restatement of net position, detailed in Note 6.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

At June 30, 2017, the Clerk of Court has cash and cash equivalents book balances as follows:

	<u>General Government</u>	<u>Fiduciary Activities</u>	<u>Total</u>
Demand deposit	\$ 319,108	\$ 922,917	\$ 1,242,025
Certificate of deposit	156,244	-	156,244
LAMP account	<u>-</u>	<u>233,167</u>	<u>233,167</u>
<b>Total</b>	<u>\$ 475,352</u>	<u>\$ 1,156,084</u>	<u>\$ 1,631,436</u>

These deposits are stated at cost, which approximates market. Under state law, federal deposit insurance or the pledge of securities owned by the fiscal agent banks must secure these deposits. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent banks in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2017, the Clerk has \$1,713,294 in deposits (collected bank balances). These deposits are secured from risk by \$557,915 of federal deposit insurance and \$1,540,986 in pledged securities owned by the fiscal agent bank.

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NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

NOTE 2 - CASH AND CASH EQUIVALENTS (continued)

LAMP:

Investments held at June 30, 2017, consist of \$233,167 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at \$233,167 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the state of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 regular session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the state to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's investment guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 297 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017, were as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Charges for services	\$ <u>18,053</u>
Net accounts receivable	\$ <u><u>18,053</u></u>

**CONCORDIA PARISH CLERK OF COURT**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 4 - CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Balance <u>6/30/2016</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>6/30/2017</u>
Capital assets being depreciated				
Furniture, fixtures, and equipment	\$ 95,088	\$ -	\$ -	\$ 95,088
Less accumulated depreciation	<u>(54,896)</u>	<u>(13,133)</u>	<u>-</u>	<u>(68,029)</u>
Total capital assets, net	<u>\$ 40,192</u>	<u>\$ (13,133)</u>	<u>\$ -</u>	<u>\$ 27,059</u>

**NOTE 5 - ACCOUNTS AND OTHER PAYABLES**

The following is a summary of payable at June 30, 2017:

Accounts	\$ 18,738
Withholdings	<u>1,822</u>
Total	<u>\$ 20,560</u>

**NOTE 6 - PENSION PLAN**

Substantially all employees of the Concordia Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund, a multiple-employer, public employee retirement system controlled and administered by a separate board of trustees.

All regular employees earning at least \$100 per month who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Members are required to contribute 8.25% of their annual covered salary and the Concordia Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 19.00% of annual covered payroll. The Concordia Parish Clerk of Court contributed the entire 27.25%. The Concordia Parish Clerk of Court's contributions for the year ending June 30, 2017, was \$108,150, equal to the required contributions of the year.

The Louisiana Clerks of Court Association issues a publicly available actuarial valuation and required supplementary information. That information may be obtained by writing to Louisiana Clerks of Court Association, 11745 Bricksome, Suite B-1, Baton Rouge, Louisiana 70816 or by calling (225) 293-1162.

**CONCORDIA PARISH CLERK OF COURT  
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VIDALIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 6 – PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the Clerk reported a liability of \$785,503 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk’s proportion of the net pension liability was based on a projection of the Clerk’s long-term share of contributions to the pension plan relative to the projected contributions of all participating clerks, actuarially determined. At June 30, 2016, the Clerk’s proportion was .4246 percent.

For the year ended June 30, 2017, the Clerk recognized pension expense of \$116,635, less net amortization of deferred amounts from changes in proportion of \$2,091. At June 30, 2017, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,016	\$ 26,737
Changes of assumptions	48,377	-
Net difference between projected and actual earnings on pension plan investments	135,525	-
Changes in proportion and differences between Clerk contributions and proportionate share of contributions	31,577	37,243
Clerk contributions subsequent to the measurement date	108,150	-
Total	\$ 331,645	\$ 63,980

\$108,150 reported as deferred outflows of resources related to pensions resulting from Clerk contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:			
2018	\$	32,608	
2019		32,608	
2020		62,756	
2021		31,543	

*Actuarial assumptions.* The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2016
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.00%, net of investment expense, including inflation
Projected salary increases	5.00%

**CONCORDIA PARISH CLERK OF COURT**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 6 - PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)
Expected remaining service lives	RP-2000 Healthy Annuitant Table (set forward 1 year for males) 2016 - 5 years 2015 - 5 years 2014 - 5 years
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used in the June 30, 2016, valuation (excluding mortality) was based on actuarial funding valuation and results of an actuarial experience study for the period July 1, 2009 to June 30, 2014, unless otherwise specified.

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2009 through June 30, 2014.

The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term expected rate of return was 7.20% as of June 30, 2016. Best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2016, are summarized in the following table:

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NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6 - PENSION PLAN (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income:		
Core fixed income	5.0%	1.00%
Core plus fixed income	15.0%	1.50%
Domestic Equity:		
Large cap domestic equity	21.0%	4.25%
Nonlarge cap domestic equity	7.0%	4.00%
International Equity:		
Large cap international equity	14.0%	5.25%
Small cap international equity	6.5%	5.00%
Emerging markets	6.5%	7.25%
Real Estate	10.0%	4.75%
Master Limited Partnerships	5.0%	6.50%
Hedge Funds	10.0%	3.50%
	<u>100.0%</u>	

*Discount Rate.* The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity to Changes in Discount Rate:*

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.00% or one percentage point higher 8.00% than the current date.

	Changes in Discount Rate 2014		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability	\$ 1,117,756	\$ 785,503	\$ 503,487

**CONCORDIA PARISH CLERK OF COURT  
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VIDALIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 7 - DEFERRED COMPENSATION PLAN**

Starting in October 1999, the Clerk of Court employees had the option of becoming participants in the State of Louisiana Deferred Compensation Plan. This Plan was established pursuant to IRC Section 457 and Louisiana R.S. 42:1301-1308. The Plan provides state, parish, and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction.

The participants may choose the amount to contribute with the maximums defined by the Internal Revenue Code and the investment option(s). The Clerk of Court agreed to match each participant's contribution up to a maximum of 3% for the year ending June 30, 2017.

**NOTE 8 - RISK MANAGEMENT**

*General Liability Insurance*

The Clerk of Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court purchases commercial insurance policies for any and all claims relating to the above types of risks.

The Clerk's payment of the deductible is the only liability associated with these insurance policies. There has been no significant reduction in insurance coverage in the prior year. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

*Health Insurance*

The Clerk of Court provides health and life insurance to employees through the Louisiana Clerks of Court Association. Under this insurance program, the Clerk pays initial premiums based on the level of the employee's participation and has no further liabilities on any claims.

**SECTION III**  
**REQUIRED SUPPLEMENTARY INFORMATION**

**CONCORDIA PARISH CLERK OF COURT**  
**(A Component Unit of the Concordia Parish Police Jury)**  
**VIDALIA, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUND**

FOR THE YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budget Basis</u>	<u>Differences Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Licenses and permits - marriage \$	2,400	\$ 2,400	\$ 1,642	\$ (758)
Fees, charges, and commissions for services:				
Court costs, fees, and charges	405,860	405,860	431,181	25,321
Fees for recording legal documents	231,000	231,000	234,587	3,587
Fees for certified copies of documents	50,640	50,640	49,863	(777)
Use of money and property	1,320	1,320	1,516	196
Other	37,920	37,920	52,140	14,220
Total revenues	<u>\$ 729,140</u>	<u>\$ 729,140</u>	<u>\$ 770,929</u>	<u>\$ 41,789</u>
<b>EXPENDITURES</b>				
General government - judicial				
Personnel services	\$ 397,752	\$ 397,752	\$ 409,580	\$ (11,828)
Related benefits	125,796	125,796	125,210	586
Travel	600	600	-	600
Operating expenses	153,600	153,600	153,254	346
Supplies	28,500	28,500	30,768	(2,268)
Other	18,480	18,480	17,637	843
Total expenditures	<u>\$ 724,728</u>	<u>\$ 724,728</u>	<u>\$ 736,449</u>	<u>\$ (11,721)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>				
	\$ 4,412	\$ 4,412	\$ 34,480	\$ 30,068
Fund balance - beginning of year	<u>440,872</u>	<u>440,872</u>	<u>440,872</u>	<u>-</u>
Fund balance - end of year	<u>\$ 445,284</u>	<u>\$ 445,284</u>	<u>\$ 475,352</u>	<u>\$ 30,068</u>

See Independent Auditor's Report.

**CONCORDIA PARISH CLERK OF COURT  
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VIDALIA, LOUISIANA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED JUNE 30, 2017**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

Budgetary Comparison Schedule

1. Basis of Presentation

The budgetary comparison schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, and variances between the final budget and the actual data.

2. Budget Amendments and Revisions

The budget is adopted by the Clerk of Court. A budgetary comparison is presented for the general fund consistent with accounting principles generally accepted in the United States of America. There were no nonmajor funds.

3. Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the general fund:

Net change in fund balance - budget basis	\$	34,480
Increase (decrease)		
Net adjustments for revenue accruals		7,613
Net adjustments for expenditure accruals		<u>(390)</u>
Net change in fund balance - GAAP basis	<u>\$</u>	<u>41,703</u>

See Independent Auditor's Report.

**CONCORDIA PARISH CLERK OF COURT**  
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**VIDALIA, LOUISIANA**

**SCHEDULE OF THE CLERK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**LOUISIANA CLERKS OF COURT RETIREMENT AND RELIEF FUND**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Clerk's proportion of the net pension liability (asset)	.42%	.45%	.41%
Clerk's proportionate share of the net pension liability (asset)	\$ 785,503	\$ 667,520	\$ 555,051
Clerk's covered-employee payroll	\$ 392,386	\$ 370,190	\$ 390,497
Clerk's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	200.19%	180.32%	142.14%
Plan fiduciary net position as a percentage of the total pension liability	74.17%	78.13%	79.37%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

**CONCORDIA PARISH CLERK OF COURT**  
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**VIDALIA, LOUISIANA**

**SCHEDULE OF THE CLERK'S CONTRIBUTIONS**

**LOUISIANA CLERKS OF COURT RETIREMENT AND RELIEF FUND**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 73,562	\$ 76,519	\$ 68,485
Contributions in relation to the actuarially determined contribution	<u>108,150</u>	<u>105,608</u>	<u>109,708</u>
Contribution deficiency (excess)	<u>\$ (34,588)</u>	<u>\$ (29,089)</u>	<u>\$ (41,223)</u>
Clerk's covered-employee payroll	\$ 396,881	\$ 392,336	\$ 370,190
Contributions as a percentage of covered-employee payroll	27.25%	26.92%	29.64%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

**SECTION IV  
OTHER INFORMATION**

**CONCORDIA PARISH CLERK OF COURT**  
**(A Component Unit of the Concordia Parish Police Jury)**  
**VIDALIA, LOUISIANA**

**SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS TO**  
**AGENCY HEAD**

Agency Head Name: Clyde Ray Webber, Jr., Clerk of Court

Salary	\$	148,049
Benefits - insurance		7,662
Benefits - retirement		12,066
Deferred compensation		4,080
Car allowance		1,651
Dues		<u>2,104</u>
	\$	<u>175,612</u>

See Independent Auditor's Report.

**SECTION V**  
**REPORTS REQUIRED BY**  
***GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S 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**

Honorable Clyde R. Webber, Jr.  
Concordia Parish Clerk of Court  
Vidalia, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Concordia Parish Clerk of Court, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Concordia Parish Clerk of Court's basic financial statements and have issued our report thereon dated October 4, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Concordia Parish Clerk of Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Concordia Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Concordia Parish Clerk of Court's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, 2017-01 described in the accompanying schedule of findings and responses, that we consider to be significant deficiencies.

### Compliance and Other Matters

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

### Concordia Parish Clerk of Court's Response to Findings

The Concordia Parish Clerk of Court's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Concordia Parish Clerk of Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management of Concordia Parish Clerk of Court and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Natchez, Mississippi  
October 4, 2017

**SECTION VI**  
**SCHEDULE OF FINDINGS AND RESPONSES**

**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

**SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017**

**SECTION 1: SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

- |  |             |
|--|-------------|
| 1. Type of auditor's report issued on the financial statements:                              | Unqualified |
| 2. Internal control over financial reporting:  |             |
| a. Material weakness(es) identified:   | No          |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | Yes         |
| 3. Material noncompliance relating to the financial statements?                              | No          |

**CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA**

**STATUS OF PRIOR AUDIT FINDINGS**

**FOR THE YEAR ENDED JUNE 30, 2017**

<u>Reference No.</u>	<u>Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Action/Partial Corrective Action Taken</u>
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**Section I - Internal Control and Compliance Material to the Financial Statements:**

None

**Section II - Internal Control and Compliance Material to Federal Awards:**

None

**Section III - Management Letter:**

None

CONCORDIA PARISH CLERK OF COURT  
(A Component Unit of the Concordia Parish Police Jury)  
VIDALIA, LOUISIANA

CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION PLANNED

FOR THE YEAR ENDED JUNE 30, 2017

**SECTION II: FINANCIAL STATEMENT FINDINGS**

2017-1	<u>Segregation of Duties (Internal Control Finding)</u>
Condition:	Due to the small size of the entity and the lack of separation of duties from employees, many important elements of good internal controls cannot be implemented to ensure adequate protection of the entity's assets.
Criteria:	The important elements of good internal controls require that the same employee does not handle the functions of collection, accounting, billing, collections, receiving, and check writing.
Cause of condition:	The small size of the entity and the lack of employees.
Effect of condition:	Significant deficiency in internal controls.
Recommendation:	We recommend that management continue to provide the necessary oversight in its internal control procedures, specifically in the areas of cash receipts, recording of transactions, deposits, and review of checks written.
Response:	Management indicates that it is not feasible or cost efficient to provide the internal control that a larger organization could provide. Management will continue to provide the necessary oversight in its current internal control procedures in order to safeguard assets.

**CONCORDIA PARISH CLERK OF COURT  
AGREED-UPON PROCEDURES REPORT  
FOR THE YEAR ENDED JUNE 30, 2017**



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**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Concordia Parish Clerk of Court  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Concordia Parish Clerk of Court and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the year ended June 30, 2017. The Clerk's management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation 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 this report. 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.

The procedures and associated findings are included in the attachment following this report.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Silas Simmons, LLP*

Natchez, Mississippi  
October 4, 2017

## CONCORDIA PARISH CLERK OF COURT

## SUPPLEMENTAL SCHEDULE OF AGREED-UPON PROCEDURES AND FINDINGS

FOR THE YEAR ENDED JUNE 30, 2017

Written Policies and Procedures

1. Procedures: Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.
  - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) *Disbursements*, including processing, reviewing, and approving.
  - d) *Receipts*, including receiving, recording, and preparing deposits.
  - e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
  - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
  - i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
  - j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Findings: We reviewed the written policies and procedures for the related functions listed above in the procedures. Through our review, we were able to determine that the entity has insufficient policies and procedures for the related topics with the exception of the travel and expense reimbursements.

We did not note the following topics in the policies and procedures: Budgeting, Purchasing, Disbursements, Receipts, Payroll/Personnel, Contracting, Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), Ethics, and Debt Service.

*Board (or Finance Committee, if applicable)*

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2. Procedures: Obtain and review the board/committee minutes for the fiscal period, and:
- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
  - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Findings: The entity does not have a board (or *Finance Committee*), as the Clerk of Court is an elected official responsible for all oversight of the entity. Therefore, these procedures were not applicable to the entity.

*Bank Reconciliations*

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3. Procedures: Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Findings: We reviewed a listing of the client's bank accounts with Concordia Bank & Trust, Delta Bank, and Tensas State Bank and compared them to management's representation to verify that management's listing is complete.

No exceptions were noted during the above procedures.

4. Procedures: Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
- a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

Findings: We selected all of the entity's bank accounts and obtained the related bank statements and reconciliations for all months in the fiscal period. We reviewed the bank reconciliations to report whether they were prepared, included evidence that management or a board member had reviewed each statement, and included documentation that management has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

During our review of the bank reconciliations, we noted that only one member of management had signed off on the reconciliation. That member was also involved with the transactions and reconciliation process.

## *Collections*

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5. Procedures: Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Findings: We reviewed a listing of cash/check/money order collection locations and management's representation to determine that the listing is complete. There is only one collection location, which is the office in Vidalia.

No exceptions were noted during the above procedures.

6. Procedures: Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period.
- d) Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
- e) Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Findings: We performed testing for the one and only location in Vidalia. During testing, we obtained written documentation verifying whether each person responsible for collecting cash was bonded, had no responsibilities for depositing cash in the bank, recording related transactions or reconciling bank statements, and had a separate cash register or drawer from other employees.

We obtained written documentation to determine whether the entity has a formal process to reconcile cash collections to the general ledger and subsidiary ledgers by a person that was not responsible for cash collections at the location. We selected the highest week of collections from the general ledger and traced daily collections to the deposit date on the bank statement to determine that the deposits were made within one day of collection. We also used sequentially numbered receipts to verify that cash collections were completely supported by documents.

During testing, we noted that the chief deputy clerk does collect cash and also has responsibilities for recording and reconciling the bank account.

7. Procedures: Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Findings: The entity does not have a written policy documenting the process used to determine completeness of all collections. Therefore, this procedure does not apply to the entity.

*Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)*

8. Procedures: Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Findings: We reviewed a management listing of entity disbursements from the general ledger.

No exceptions were noted during the above procedures.

9. Procedures: Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-Card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
  - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
  - c) Payments for purchases were not processed without an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Findings: We observed and inquired of management to determine that there is no purchase order system in place.

The clerk mainly purchases small, office supply type items. No large purchases were noted during the current year.

10. Procedures: Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Findings: We reviewed entity documentation to determine whether the party responsible for processing payment is prohibited from adding vendors to the entity's purchasing/disbursement system.

There was no written policy noted that prohibits the individual responsible for processing payment from adding new vendors. The person responsible for processing payments is also allowed to add vendors.

11. Procedures: Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Findings: We inquired of management regarding their practices in approving disbursements for the entity to determine that both the chief deputy clerk and the clerk of court have the authority to authorize disbursements.

The chief deputy clerk has authorization duties in small purchases and also has the ability to initiate transactions. The clerk of court has final say on large purchases.

12. Procedures: Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Findings: We observed the supply of unused checks being stored in a locked filing cabinet.

Checks are kept in a locked safe in the chief deputy clerk's office.

13. Procedures: If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Findings: We inquired of management to determine whether a signature stamp or signature machine was used. The chief deputy clerk has control of a signature stamp that is restricted to anyone other than the chief deputy clerk.

#### Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Procedures: Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-Cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Findings: The entity does not use any type of card. Therefore, this procedure does not apply to the entity.

15. Procedures: Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Findings: The entity does not use any type of card. Therefore, this procedure does not apply to the entity.

16. Procedures: Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).

a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)
- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
- Other documentation that may be required by written policy (e.g., purchase order, written authorization).

b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Findings: The entity does not use any type of card. Therefore, this procedure does not apply to the entity.

#### Travel and Expense Reimbursement

17. Procedures: Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Findings: We inquired of management to obtain records of all travel and related expense reimbursements by person during the fiscal period. Management stated that there was no travel during the fiscal year, and we reviewed various expense accounts for verification.

18. Procedures: Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

Findings: We obtained the entity's written policies related to travel and expense reimbursements and compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration.

No exceptions were noted during the above procedures.

19. Procedures: Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
  - b) Report whether each expense is supported by:
    - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
    - Documentation of the business/public purpose. (Note: For meal charges, there should also be documentation of the individuals participating.)
    - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
  - c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
  - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: There were no travel expense reimbursements during the fiscal period. Therefore, these procedures were not applicable to the entity.

### Contracts

20. Procedures: Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Findings: We inquired of management regarding all contracts in effect during the fiscal period to determine that the entity had no contracts in effect.

21. Procedures: Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
  - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Findings: The entity did not have any contracts in effect during the fiscal year. Therefore, this procedure does not apply to the entity.

### *Payroll and Personnel*

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22. Procedures: Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Findings: We obtained a listing of employees with their related salaries and randomly selected five employees to determine if compensation paid to them was in compliance with the terms of their employment contract. We also checked for any changes made to hourly pay rates/salaries during the fiscal period. Of the five employees selected, only one received a raise during the fiscal year. We reviewed the changes in writing in the personnel file of that employee.

No exceptions were noted during the above procedures.

23. Procedures: Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Findings: We selected one-third of the employees to determine if each selected employee documented their daily attendance and leave, whether there was written documentation that supervisors approved the attendance and leave of the selected employees/officials, and whether there is written documentation that the entity maintained written leave record on the selected employees.

No exceptions were noted during the above procedures.

24. Procedures: Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Findings: We inquired with management as to whether any employees/officials were terminated during the fiscal period. Only one employee was terminated during the year, which was a retiree. The employee had used all available compensated absence time, thus no termination payments were made. We reviewed the employee personnel file.

No exceptions were noted during the above procedures.

25. Procedures: Obtain supporting documentation (e.g., cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Findings: We inquired with management as to whether the entity participates in retirement plans. We reviewed remittances and cancelled checks to verify payroll taxes were remitted timely to appropriate agencies.

No exceptions were noted during the above procedures.

#### Ethics (excluding nonprofits)

26. Procedures: Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Findings: We obtained the personnel files on the five employees selected in procedure #22 from management to determine whether ethics training was completed.

No ethics training by the employees was noted during the fiscal year.

27. Procedures: Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Findings: We inquired with management whether any alleged ethics violations were reported to the entity during the year to determine that no ethics violations were noted during the year.

No exceptions were noted during the above procedures.

#### *Debt Service (excluding nonprofits)*

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28. Procedures: If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Findings: No debt was issued during the fiscal period. Therefore, this procedure was not applicable.

29. Procedures: If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Findings: The entity did not have any outstanding obligations during the fiscal year. Therefore, this procedure was not applicable.

30. Procedures: If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Findings: The entity did not have tax millages related to debt service. Therefore this procedure was not applicable.

#### *Other*

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31. Procedures: Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Findings: We inquired with management whether the entity had any misappropriations of public funds or assets. Per management, the entity was not aware of any appropriations.

No exceptions were noted during the above procedures.

32. Procedures: Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.la.gov/hotline](http://www.la.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings: We observed whether the entity had posted on its premises and website the notice required by R.S. 24:53:1.

The notice required by R.S. 24:523:1 was posted on the bulletin board in the break room.

33. Procedures: If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Findings: We did not observe or otherwise identify any exceptions regarding management's representations.

No exceptions were noted during the above procedures.