

ASSUMPTION PARISH CLERK OF COURT
Napoleonville, Louisiana

Annual Financial Report
For the Year Ended June 30, 2017

ASSUMPTION PARISH CLERK OF COURT
Annual Financial Report
For the Year Ended June 30, 2017

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ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017

As management of the Assumption Parish Clerk of Court's (the Clerk) we offer readers of the financial statements this narrative overview and analysis of the financial activities as of and for the fiscal year end. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

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

- The net position of our governmental activities increased by \$393,578; \$35,686 is invested in capital assets and the remainder is unrestricted.
- At the close of the current year, the General Fund, reported combined ending fund balance of \$1,326,831, an increase of \$443,835 in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was 134% of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (Statement of Net Position and the Statement of Activities) provide information about the governmental activities as a whole and present a longer-term view of the finances. Fund Financial Statements (Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance, and Combining Statement of Fiduciary Net Assets) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing varying degrees of assurance. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

Government-Wide Financial Statements

The *government-wide financial statements* present the financial picture from the economic measurement resources focus using the accrual basis of accounting. These statements include all assets (including capital assets) and deferred outflows of resources as well as all liabilities (including non-current liabilities) and deferred inflows of resources. They are intended to provide a broad overview in a manner similar to a private-sector business.

ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017

The *Statement of Net Position* presents information on all of the assets and liabilities, with the difference between the two being reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes other funds to help it control and manage resources for particular purposes or to show it is meeting legal responsibilities for using certain taxes, grants and other money.

All of the funds are considered governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. All of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the operations and basic services provided to residents. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the near-term financing decisions. The reconciliation of differences between the governmental fund financial statements and the government-wide financial statements is explained in a section following each governmental fund financial statement.

The Clerk adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the financial position of a government. Assets exceeded liabilities by \$430,318 at the close of the most recent fiscal year.

The largest portion of total assets is cash and cash equivalents (\$1,129,115 or 82%). The unrestricted net position was \$394,631. The other portion of net position of \$35,686 reflects its investment in capital assets (e.g., office furniture, vehicles, and equipment), less accumulated depreciation. The Clerk uses these capital assets to provide services to residents; consequently, the assets are not available for future spending.

The following table reflects the current and prior year condensed Statement of Net Assets:

	FY 2017	FY 2016	Increase (Decrease)	
Cash and cash equivalents	\$ 1,129,115	\$ 789,815	\$ 339,300	30.1%
Other assets	212,478	107,854	104,624	49.2%
Capital Assets	35,686	45,231	(9,545)	-26.7%
Total Assets	1,377,279	942,900	434,379	31.5%
Deferred outflows of resources	352,446	232,056	120,390	34.2%
Current Liabilities	14,762	14,673	89	0.6%
Non-current liabilities	1,224,823	1,037,128	187,695	15.3%
Total Liabilities	1,239,585	1,051,801	187,784	15.1%
Deferred inflows of resources	59,823	86,417	(26,594)	-44.5%
Net Invested in Capital Assets	35,686	45,231	(9,545)	-26.7%
Unrestricted	394,631	(8,493)	403,124	102.2%
Total Net Position	\$ 430,317	\$ 36,739	\$ 393,578	91.5%

The net position increased from a \$36,739 to \$430,317. Key elements of these activities are as follows:

- Cash & cash equivalents increased by \$339,300 due to operating efficiencies, while total assets increased by \$434,379.
- Deferred outflows of resources increased by approximately \$120,390
- Total liabilities increased by \$187,784, conversely deferred inflows of resources decreased by \$26,594.

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

The following table reflects the condensed Statement of Activities:

	FY 2017	FY 2016	Increase (Decrease)	
Total program expenses	\$ (1,089,001)	\$ (1,149,443)	\$ 60,442	5.3%
Total program revenues	1,422,050	1,166,338	255,712	21.9%
Net program income	333,049	16,895	316,154	1871.3%
General revenues	60,529	79,558	(19,029)	-23.9%
Change in Net Position Net Position:	393,578	96,453	297,125	-308.1%
Beginning of the year	36,739	(59,715)	96,454	-161.5%
End of the year	<u>\$ 430,317</u>	<u>\$ 36,739</u>	<u>\$ 393,578</u>	<u>1071.3%</u>

FINANCIAL ANALYSIS OF THE CLERK OF COURT'S FUNDS

The General Fund, reported an unassigned fund balance of \$ 1,326,831, which is an increase of \$443,835 or 50% compared to last year. Unassigned fund balance represents 134% of the total general fund expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was not revised during the fiscal year. All variances from budget were favorable and accordance with the Local Government Budget Act.

CAPITAL ASSETS

Capital assets included furniture and fixtures, and office equipment recorded at historical cost of \$325,419. Accumulated depreciation of \$289,733 recorded from the cost of assets resulted in the net book balance of assets of \$35,686.

This year, there were \$4,336 additions to capital assets and no disposals. Depreciation expense of \$13,882 was recorded for the year. More detailed information about the capital assets is presented in Note 3 to the financial statements.

LONG TERM LIABILITIES

The Clerk has long-term liabilities recorded for Other Post-Employment Benefits of \$315,268 and Net Pension Liability of \$909,555. More detailed information about the long-term debt is presented in Note 4 and Note 5 to the basic financial statements

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk of Court considered many factors when budgeting for the next year, including increased or decreased rates and fees to be charged. Another one of those factors is the new laws and regulations.

Following is a condensed summary of next year's budget:

Condensed Summary of Budgeted Finances	
	<u>FY 2018</u>
Anticipated revenues	\$1,121,000
Expenditures:	
Current	1,088,000
Capital outlay	<u>25,000</u>
Anticipated expenditures	<u>1,113,000</u>
Excess of revenues	8,000
Fund Balance:	
Beginning of the year	<u>882,996</u>
End of the year	<u><u>\$ 890,996</u></u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of our finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, contact:

Honorable Darlene Landry
Assumption Parish Clerk of Court
P.O. Drawer 249
Napoleonville, LA 70390
(985) 369-6653
dlandry@assumptionclerk.com

Financial Section



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Darlene Landry
Assumption Parish Clerk of Court
Napoleonville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Assumption Parish Clerk of Court, a component unit of Assumption Parish Police Jury, as of and for the year ended June 30, 2017, and the notes to the financial statements, which collectively comprise the 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 an opinion on these basic 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 Statements*, 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 basic financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence supporting 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 evaluation 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 financial position of the governmental activities and each major fund 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information 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 statement that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits, and Other Payment to the Agency Head as listed in the table of contents as other supplementary information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. This schedule is the responsibility of management and is 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 statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 4, 2017, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
December 4, 2017



ASSUMPTION PARISH CLERK OF COURT

Statement of Net Position

June 30, 2017

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,129,115
Receivables	212,397
Due from Advanced Deposit Fund	81
Capital assets, net of accumulated depreciation	35,686
Total assets	<u>1,377,279</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Pension contributions	86,743
Pension other	265,703
Total Deferred outflows of resources	<u>352,446</u>
LIABILITIES	
Accounts payable and accrued expenses	14,762
Non-current liability - net OPEB liability	315,268
Non-current liability - Net Pension liability	909,555
Total liabilities	<u>1,239,585</u>
DEFERRED INFLOWS OF RESOURCES	59,823
NET POSITION	
Investment in Capital Assets	35,686
Unrestricted	394,631
Total net position	<u>\$ 430,317</u>

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT

Statement of Activities

For the Year Ended June 30, 2017

EXPENSES	Governmental Activities
<i>Judicial:</i>	
Salaries	\$ 529,451
Retirement benefits	182,595
Group insurance	145,621
Deferred compensation	23,090
Payroll taxes	6,337
Clerk supplemental compensation	9,248
Seminars & training	9,136
Professional and technical services	12,794
Equipment maintenance	50,199
Office supplies and maintenance	57,250
Insurance	9,374
Marriage and birth certificate costs	26,386
Book binding and restoration	2,250
LCRAA Portal Fees	8,977
Other	2,411
Depreciation	13,882
<i>Total program expenses</i>	<u>1,089,001</u>
 PROGRAM REVENUES	
Charges for services	<u>1,422,050</u>
<i>Total program revenues</i>	<u>1,422,050</u>
 <i>Net Program (Income) Expense</i>	333,049
 GENERAL REVENUES	
Revenue from nonemployer contributing entities	51,573
Interest earned and other	8,956
Gain from sale of asset	
<i>Total general revenues</i>	<u>60,529</u>
 <i>Change in Net Position</i>	393,578
 NET POSITION	
Beginning of year	36,739
End of year	<u>\$ 430,317</u>

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT

Balance Sheet - Governmental Fund

June 30, 2017

ASSETS	General Fund
Cash and cash equivalents	\$ 1,129,115
Receivables	212,397
Due from Advanced Deposit Fund	<u>81</u>
<i>Total assets</i>	<u><u>\$ 1,341,593</u></u>
LIABILITIES AND FUND BALANCES	
<i>Liabilities :</i>	
Accounts payable and accrued expenses	\$ 14,762
<i>Total liabilities</i>	<u>14,762</u>
<i>Fund Balance :</i>	
Unassigned	<u>1,326,831</u>
Total fund balance	<u>1,326,831</u>
<i>Total liabilities and fund balances</i>	<u><u>\$ 1,341,593</u></u>

***Reconciliation of the Governmental Fund Balance Sheet
to the Government-wide Statement of Net Position***

Total fund balance - governmental fund (Fund Financial Statement) \$ 1,326,831

Amounts reported for *governmental activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - Capital Assets	\$ 325,419	
Deduct - Accumulated Depreciation	<u>(289,733)</u>	35,686

Certain non-current liabilities are not due and payable in the current period and therefore are not reported in the funds.

Deduct OPEB Liability		(315,268)
Deduct Net Pension Liability		(909,555)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds

Add - Deferred outflows of resources - contributions	86,743	
Add - Deferred outflows of resources - pensions other	265,703	
Deduct - Deferred inflows of resources related to pensions	<u>(59,823)</u>	292,623

Total net position of governmental activities (Government-Wide Financial Statements)		<u><u>\$ 430,317</u></u>
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See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2017

REVENUES	General Fund
Recording fees	\$ 225,852
Xerox copies	23,469
Certified copies	13,953
Civil fees	960,058
Mortgage certificates	2,280
Criminal fees	51,573
Cancellations	5,760
Court attendance	5,080
Research fees	50,836
Marriage licenses	3,410
Birth certificates and cards	46,032
Passport fees	9,404
Other fees and charges	1,593
State supplemental pay	22,750
Interest earned	5,907
Other	3,047
<i>Total revenues</i>	<u>1,431,004</u>
EXPENDITURES	
Current - Judiciary:	
Salaries	529,451
Retirement benefits	124,353
Group insurance	111,579
Deferred compensation	23,090
Payroll taxes	6,337
Clerk supplemental compensation	9,248
Seminars & training	9,136
Professional and technical services	12,794
Equipment maintenance	50,199
Office supplies and maintenance	57,250
Insurance	9,374
Marriage and birth certificate costs	26,386
Book binding and restoration	2,250
LCRAA Portal Fees	8,977
Other	2,409
	<u>982,833</u>
Capital outlay	4,336
<i>Total expenditures</i>	<u>987,169</u>
Net change in fund balance	443,835
FUND BALANCES	
Beginning of year	882,996
End of year	<u>\$ 1,326,831</u>

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund to the Statement of Activities
For the Year Ended June 30, 2017*

Net change in fund balance - governmental fund (Fund Financial Statements) \$ 443,835

Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense.

Add - capital outlay	\$ 4,336	
Miscellaneous adjustments	-	
Deduct - depreciation expense	<u>(13,882)</u>	(9,546)

Other postemployment expenses are reported in the
government-wide statement of activities, but do not require the
use of current financial resources and therefore are not
reported as expenditures in governmental funds.

OPEB Cost	(35,564)	
Employers Contribution	<u>1,522</u>	(34,042)

Governmental funds report clerk pension contributions as expenditures.
However in the Statement of Activities, the cost of pension benefits
earned net of employee contributions is reported as pension expense.

Deferred Pension Contributions	86,743	
Cost of benefits earned net of employee contributions	(144,985)	
Revenue from nonemployer contributing entities	<u>51,573</u>	<u>(6,669)</u>

Change in net assets of governmental activities (Government -Wide Financial Statements)		<u>\$ 393,578</u>
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ASSUMPTION PARISH CLERK OF COURT
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2017

	Advance Deposit Fund	Registry of the Court Fund	Total
ASSETS			
Cash and cash equivalents	<u>\$ 1,148,369</u>	<u>\$ 674,579</u>	<u>\$ 1,822,948</u>
<i>Total assets</i>	<u><u>\$ 1,148,369</u></u>	<u><u>\$ 674,579</u></u>	<u><u>\$ 1,822,948</u></u>
LIABILITIES			
Due to (from) General Fund	\$ 81	\$ -	\$ 81
Held for others pending court action	<u>1,148,288</u>	<u>674,579</u>	<u>1,822,867</u>
<i>Total liabilities</i>	<u><u>\$ 1,148,369</u></u>	<u><u>\$ 674,579</u></u>	<u><u>\$ 1,822,948</u></u>

See notes to the financial statements.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

INTRODUCTION

The Clerk of Court (LSA-RS 13:781) serves as the parish recorder of conveyances, mortgages, notary public, et cetera. As provided by Article 5, Section 28 of the Louisiana Constitution of 1974, the Clerk serves a four-year term of office. The current term expires June 30, 2017 and was re-elected for another term which will expire June 30, 2020. The Clerk may appoint deputies with duties and powers provided by law, with the approval of the district judge.

The financial statements have been prepared in conformity with generally accepted accounting principles (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 more significant accounting policies established in GAAP and used is discussed below.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The accompanying financial statements present information only on the funds maintained by the Clerk and do not present information on the Assumption Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Measurement Focus and Basis of Accounting

The basic financial statements include both government-wide (reporting the entity as a whole) and fund financial statements (reporting the entity's major funds). Both the government-wide and fund financial statements categorize primary activities as the governmental type.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements (GWFS)

In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. It is the policy to first utilize restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions. General government revenues also support the functions. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants, if any. The net costs by function are normally covered by general revenue (interest income, etc.).

This government-wide focus is more on the sustainability as an entity and the change in its net assets resulting from the current year's activities. Information contained in these statements reflects 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 non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Fund Financial Statements (FFS)

The financial transactions are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

The amounts reflected in the General 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 balances 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 General Fund 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, except certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

In the governmental funds revenues such as recordings, cancellations, court attendance, criminal costs, and other fees and charges are recorded in the year they are earned. All other revenues are recorded when received. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

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 of the Clerk of Court. The following are the governmental funds:

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the primary operating fund of the Clerk of Court and accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to clerk policy.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category 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 following agency funds are utilized by the Clerk:

- The Advance Deposit Fund – provided for under LRS 13:842, is used to account for advance deposits in suits filed by litigants.
- The Registry of Court Fund – provided by LRS 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary.

C. Budgets

Annually a budget is adopted for the General Fund. The budget is prepared on the modified accrual basis of accounting. All appropriations contained in the budget lapse at year end. Formal budget integration (within the accounting records) is employed as a management control device. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

D. Deposits and Investments

Cash includes amounts in demand deposits, money market accounts and time deposits. Under state law, the Clerk may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Investments

Investments are limited by Louisiana Revised Statute 25 33:2955 and the investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities of investments are 90 days or less, they are classified as cash and cash equivalents.

F. Capital Assets

Capital assets purchased or acquired with a cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other cost incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Office Equipment	5 years
Furniture & Fixtures	10 years

G. Interfund Activities

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Compensated Absences

Employees earn from one to three weeks of vacation leave each year depending on the length of service. Unused vacation leave is forfeited at the end of each fiscal year. In addition, employees earn 10 days of sick leave each year of which a maximum of 10 days may be carried forward to the next year. Because unused sick leave is forfeited upon termination, no accrual for unused sick leave is necessary.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Fund Equity / Net Position

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Governmental Fund Balance – Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

The Clerk applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available.

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office, which amount shall be limited to no more than that which was received by the clerk in accordance with R.S. 1784 (A) during said term in office. At June 30, 2017, which was the close of the four year term, there was no amount due the parish treasurer as no funds were received from the parish during the said term.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. 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. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents 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. The Clerk has multiple items that qualify for reporting in this category:

- The Deferred Outflow of resources related to pension contributions. This deferred charge is the amount of the contributions the district paid after the pension plan measurement dates (June 30, 2016) with regards to GASB 68. These employer contributions from July 2016-June 2017 were \$86,743. This amount will be amortized using a straight line amortization method over a period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.
- Another amount in the deferred outflows category is the deferral of other pension liability related outflows. This deferred charge is the proportionate share of deferred outflows at June 30, 2016 (the pension plan measurement date), which includes the changes in employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date and were recognized in the pension expense/(benefit) using a straight amortization method over a period equal to the average of the expected remaining services lives (3 years) of all employees that are provided pensions through the pension plan. The difference between expected and actual experience was \$9,282, the net difference between projected and actual investment earnings on pension plan investments was \$156,928, and the change in proportion was \$43,476 for the current measurement period.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

K. Deferred Outflows/Inflows of Resources (continued)

- This category also includes the change of assumptions about future economic or demographic factors or of other inputs were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives (3 years) of the employees in the pension plans. The change in assumption accounts for \$56,017.
- Total deferred outflows of resources-other is \$265,703.
- The deferred inflows of 59,823 is for the Clerk's proportionate share of the differences between the expected and actual experience with regard to economic or demographic factors (\$30,959) and changes in proportion (\$28,864). The measurement of the total pension liability was recognized in pension expense using the straight line amortization method over a period equal to the average of the expected remaining service lives of all employees that are provided with pension through the pension plans.

Note 2 DEPOSITS AND INVESTMENTS

Deposits - State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank or with a trust company for the account of the political subdivision.

Deposit balances at year-end consist of the following:

	Balances	
	Reported	Bank
Checking accounts	\$2,191,637	\$2,410,225
Savings accounts	385,125	385,381
Totals	\$2,576,763	\$2,795,606

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. As of year-end \$2,295,606 of the bank balance was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Clerk's name.

At year-end, cash and cash equivalents in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the depositors. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand.

Cash and cash equivalents also includes \$375,301 in the Louisiana Asset management Pool, Inc. (LAMP), a local government investment pool. In accordance with GASB Codification Section 150, 165, the investment in LAMP is not categorized in the three risk categories provided by GASB 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 non-profit corporation organized under the laws of the State of Louisiana. Only local governments 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 RS 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the US Treasury, the US government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

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 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 2 DEPOSITS AND INVESTMENTS (CONTINUED)

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 CAPITAL ASSETS

Capital assets and depreciation activity for the year follows:

Cost:	Furniture & Fixtures	Office Equipment	Autos	TOTALS
Beginning Balance	\$ 134,502	\$ 186,581	\$ -	\$ 321,083
Additions	333	4,003	-	4,336
Deletions/Adjustments	-	-	-	-
Total Cost	\$ 134,835	\$ 190,584	\$ -	\$ 325,419
Accumulated Depreciation				
Beginning Balance	\$ 120,262	\$ 155,589	\$ -	\$ 275,851
Additions	3,863	10,019	-	13,882
Deletions	-	-	-	-
Total Accumulated Depreciation	\$ 124,125	\$ 165,608	\$ -	\$ 289,733
Net Capital Assets	\$ 10,710	\$ 24,976	\$ -	\$ 35,686
Current Depreciation	\$ 3,863	\$ 10,019	\$ -	\$ 13,882

There was \$4,336 in additions and no disposals to Capital Assets. Depreciation expense charged on capital assets was \$13,882.

Note 4 PENSION PLAN

Plan Description and Provisions

Substantially all employees of the Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. Contributions of participating clerks are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

All regular employees earning a minimum of \$500 per month and who are under the age of 60 at the time of original employment are eligible to participate in the system. The System also provides death and disability benefits. Benefits are established by state statute. The following is a brief description of the plan benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

A member or former member is eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3-1/3% of the member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. Monthly average final compensation is based on the highest compensated 36 consecutive months, with a limit of increase of 10% in each of the last 3 years of measurement. For those members hired on or after July 1, 2006, compensation is based on the highest compensated 60 consecutive months with a limit of 10% increase in each of the last 6 years of measurement. Act 273 of the 2010 regular session applied the sixty consecutive months to all members. This Act has a transition period for those members who retire on or after January 1, 2011 and before December 31, 2012. Additionally, Act 273 of the 2010 regular session increased a member's retirement to age 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

Disability Benefits

Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits. Effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008 if certified to be totally and permanently disabled pursuant to R.S.11:218 and one of the following applies:

- The member's disability was caused solely as a result of injuries sustained in the performance of their official duties.
- The member has at least 10 years of service credit.

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

- 40% of their monthly average final compensation
- 75% of their monthly regular retirement benefit computed pursuant to RS 11:1521(c).

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

Survivor Benefits

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in DROP for up to 36 months and defer the receipt of benefits.

Cost of Living Adjustments

The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of \$40 per month. The LA statutes allow the board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later.

Contributions

Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Clerk of Court is required to contribute at an actuarially determined rate of 19.00% of annual covered payroll for the year ending June 30, 2017. The contribution requirements of plan members and the Clerk of Court are established as amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

Effective July 1, 1999, the Louisiana Senate passed Bill #556 allowing the Clerk's of Court to elect to pay both the employee and employer contributions into this retirement system. The Assumption Parish Clerk of Court has elected to do so for the year ending June 30, 2016. The Clerk also contributes for its plan members in addition to its actuarially determined contributions bringing the total contribution to 27.25% of annual covered payroll. Contributions to the system also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

The Clerk's contribution for the years ending June 30, 2017 totaled \$124,353 \$86,798 were equal to the required employer contributions and \$37,555 was the employee contribution covered by the Clerk.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2017, the Clerk reported a liability of \$909,555 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 proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the proportion of the plan was 0.491658%.

For the year ended June 30, 2017, pension expense of \$58,242 was recognized and the following deferred outflows and inflows of resources related to pensions from the following sources:

Source	Deferred outflows of resources	Deferred inflows of resources
Changes in assumptions	\$ 56,017	\$ -
Differences between expected and actual experience	9,282	30,959
Net difference between projected and actual earnings on pension plan investments	156,928	-
Changes in proportion and differences between contributions and proportionate share of contributions	43,476	28,864
Contributions subsequent to the measurement date	86,743	-
	\$ 352,446	\$ 59,823

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

The deferred outflows of resources related to pensions resulting from 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:	
2017	\$53,496
2018	\$53,496
2019	\$59,013
2020	\$39,875

Actuarial Assumptions

The actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation date	June 30, 2016
Actuarial cost method	Entry Age Normal
Investment rate of return	7.00%, net of investment expense
Projected salary increases	5.00%
Inflation Rate	2.5%
Expected remaining service lives	2016- 5 years 2015- 5 years 2014- 5 years

Mortality rates were based on the RP-2000 Employee Table (set back 4 years for males and 3 year for females), RP-2000 Disabled Lives Mortality Tables (set back 5 years for males and 3 years for females), and the RP-2000 Healthy Annuitant Table (set forward 1 year for males).

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

Cost of Living Adjustments include the present value of the 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 long-term expected real rates 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 are 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 7.2% as of June 30, 2016.

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Core Fixed Income	5.00%	1.00%
Core plus fixed income	15.00%	1.50%
Large cap domestic Equity	21.00%	4.25%
Non-large cap domestic equity	7.00%	4.00%
Large cap international Equity	15.50%	5.25%
Small cap international equity	5.00%	5.00%
Emerging markets	6.50%	7.25%
Real Estate	10.00%	4.75%
Master Limited Partnerships	5.00%	6.50%
Hedge Funds	10.00%	3.50%
Totals	100.00%	
Inflation		2.50%
Expected Arithmetic Nominal Return		7.20%

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 4 PENSION PLAN (continued)

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 Plan's actuary. Based on these assumptions, the Plan'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 period of projected benefit payments to determine the total pension liability.

Sensitivity to changes in the discount rate

The following presents the net pension liability of the participating employers calculated using the discount rates as shown above, as well as what the net pension liability would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease 6.00%</u>	<u>Current Discount Rate 7.00%</u>	<u>1% Increase 8.00%</u>
Net Pension Liability	\$1,294,279	\$ 909,555	\$ 583,001

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans and can be found at: lclerkofcourt.org/retirement.htm.

Support of Non-employer contributing entities:

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Clerk recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2017, revenue as a result of support received from non-employer contributing entities of \$51,573 was recorded for its participation in LCCRF.

Payables to the pension plans:

At June 30, 2017, there were no amounts due to the retirement system for employer and employee contributions.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 5 OTHER POST-RETIREMENT BENEFITS

Plan Description. The defined benefit postemployment health care plan (the plan) provides medical, dental and life insurance benefits to eligible retired employees and their beneficiaries. The Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), and agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.

Funding Policy. The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT Board of Trustees. The Clerk contributes 50% of the cost of the current-year premiums for eligible retired plan members and 0% of the cost for retired plan members' spouses and dependent children. For fiscal year 2017, the Clerk contributed \$1,522 to the plan and the retirees/surviving spouses contributed \$13,794.

Annual OPEB Cost and Net OPEB Obligation. For 2017, the Clerk's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation to the Plan:

Annual Required Contribution	\$ 40,494
Interest on Net OPEB Obligation	9,844
Adjustment to ARC	(14,774)
Annual OPEB Cost (Expense)	35,564
Contributions Made	(1,522)
Increase in Net OPEB Obligation	34,042
Net OPEB Obligation - beginning of year	281,226
Net OPEB Obligation - end of year	\$315,268

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 5

POST-RETIREMENT BENEFITS (continued)

Year End	Annual OPEB Cost	Annual OPEB Cost Contributed	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$ 51,060	\$7,067	13.8%	\$ 253,197
6/30/2016	\$ 36,054	\$8,025	22.3%	\$ 281,226
6/30/2017	\$ 35,564	\$1,522	4.3%	\$ 315,268

Funded Status and Funding Progress. As of June 30, 2016, (the latest actuarial report available) the actuarial accrued liability for benefits was \$435,587, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$507,612, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 85.81%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and the new estimates are made about the future. The schedule of funding progress that follows presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 5 POST-RETIREMENT BENEFITS (continued)

In the July 1, 2015 actuarial valuation, the entry age actuarial cost method was used. Based on the short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 5.0% after 13 years. Medicare Supplement trend starts at 4.0% and decreases to 3.0% after 8 years. Dental trend decreases from 4.0% to 3.0% over 5 years and vision trend is 3.0% in all years. The unfunded actuarial liability is being amortized as a level dollar, open basis over 30 years.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
6/30/2009	\$ -	\$ 457,354	\$ 457,354	0.0%	\$ 367,635	124.4%
6/30/2012	\$ -	\$ 485,741	\$ 485,741	0.0%	\$ 410,690	118.27%
6/30/2015	\$ -	\$ 435,587	\$ 435,587	0.0%	\$ 504,821	86.28%

Note 6 DEFERRED COMPENSATION

The Clerk of Court employees participate 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. Participants defer federal or state income tax on their contributions. In addition, interest or earnings on the participant's account accumulate tax-deferred.

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 10% for the current fiscal year. During the year, employees deferred \$23,090 and the Clerk matched that amount.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 7 EXPENSES PAID BY POLICE JURY

LRS 13:784 provides that upon request of the Clerk, the Assumption Parish Police Jury shall provide all necessary office furniture, equipment, and records and books. During the current fiscal year, the Clerk has not requested that the police jury purchase any of the expenses noted. The Assumption Parish Police Jury does however provide office space located in the Parish Courthouse and pays for utilities and maintenance for the Clerk's office. The value of these expenditures paid cannot be reasonably estimated and have not been included in the accompanying financial statements.

Note 8 RISK MANAGEMENT

The Clerk of Court is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and automobile liability. 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.

Note 9 LITIGATION AND CLAIMS

There is no pending litigation against the Clerk of Court. However, the Louisiana Clerks of Court, of which the Assumption Parish Clerk of Court is a party, are defendants of lawsuits filed in the US District Court, Middle District. Although the suit is still pending, the Association of Clerks of Court denies any liability and is actively defending its position. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2017

Note 10 OPERATING LEASES

In July 2013, the Clerk entered into a Master Agreement for Products and Services with Cott Systems, Inc. to lease equipment and to provide for the use, support and maintenance of software upgrades related to the recording and advance cost hosted systems. The contract added a third layer to the hosted system. The initial term of the lease will begin at the signing of the Addendum and continue from the Initial Service Term specified in the schedule. Upon expiration of the initial term, the Addendum will automatically renew for successive (1) one year periods at the current renewal rate. The Customer may elect not to renew the term by giving Cott notice of non-renewal at least 30 days before the scheduled expiration of the then current term. The monthly lease/maintenance payment for the 2016-2017 fiscal years under this agreement is \$2,990 per month.

Required Supplemental Information

ASSUMPTION PARISH CLERK OF COURT
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues				
Self-Generated Fees	\$1,190,000	\$1,190,000	\$1,431,004	\$ 241,004
Total revenues	1,190,000	1,190,000	1,431,004	241,004
Expenditures				
Current-Judiciary:				
Personal services & Related Benefits	880,000	880,000	804,058	75,942
Materials and Supplies	66,000	66,000	57,250	8,750
Travel and other charges	8,000	8,000	9,136	(1,136)
Operation Services	160,000	160,000	112,389	47,611
Total current expenditures	1,114,000	1,114,000	982,833	131,167
Capital outlay	40,000	40,000	4,336	35,664
Total expenditures	1,154,000	1,154,000	987,169	166,831
Net change in fund balance	36,000	36,000	443,835	407,835
Fund Balances				
Beginning of year	559,049	882,996	882,996	-
End of year	<u>\$ 595,049</u>	<u>\$ 918,996</u>	<u>\$1,326,831</u>	<u>\$ 407,835</u>

ASSUMPTION PARISH CLERK OF COURT
Last Ten Fiscal Years*
Louisiana Clerks' of Court Retirement & Relief Fund

For fiscal year ended Measurement Date	June 30, 2015 June 30, 2014	June 30, 2016 June 30, 2015	June 30, 2017 June 30, 2016
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY:			
Proportion of the net pension liability	0.519232%	0.503924%	0.491658%
Proportionate share of the net pension liability	\$ 700,372	\$ 755,902	\$ 909,555
Covered employee payroll	\$ 506,191	\$ 455,900	\$ 448,757
Proportionate share of the net pension liability as a % of its covered employee payroll	138.36%	165.80%	202.68%
Plan fiduciary net position as a % of the total pension liability	79.37%	78.13%	74.17%

SCHEDULE OF CONTRIBUTIONS:

Contractually required contribution	\$ 122,015	\$ 85,264	\$ 86,743
Contributions paid	122,015	85,598	86,798
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (334)</u>	<u>\$ (55)</u>
Covered employee payroll	\$ 455,900	\$ 448,757	\$ 456,544
Contribution as a percentage of covered employee payroll	26.76%	19.07%	19.01%

* Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information:

Changes of Benefit Terms include:

There were no changes of benefit terms for the year ended June 30, 2017.

<i>Changes of Assumptions</i>		Increase / Decrease	Increase / Decrease
Investment Rate of Return	7.25% 7.00%	-0.25%	0.25%
Projected Salary Increases	5.75% 5.00%	-0.75%	0.75%

Other Supplementary Information

ASSUMPTION PARISH CLERK OF COURT

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2017

Agency Head Name: Darlene Landry, Clerk of Court

Purpose	Amount
Salary	\$110,154
Salary - Supplemental	\$22,800
Salary - Statutory Allowance	\$13,295
Salary - Election Expense	\$2,100
Benefits - insurance	\$9,464
Benefits - retirement	\$27,956
Benefits - Deferred Compensation	\$9,800
Benefits - Medicare tax	\$0
Car Allowance	\$21,838
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements - auto maintenance	\$0
Travel	\$0
Registration fees (non-CLE)	\$0
Conference travel	\$3,927
Continuing professional education fees	\$1,550
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$1,326
Other	\$35

This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on Supplemental Reporting

*Reports Required by
Government Auditing Standards*



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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 Darlene Landry
Assumption Parish Clerk of Court
Napoleonville, 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 and each major fund of the Assumption Parish Clerk of Court, a component unit of Assumption 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 basic financial statements as listed in the table of contents and have issued our report thereon dated December 4, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
December 4, 2017



ASSUMPTION PARISH CLERK OF COURT
Napoleonville, Louisiana

**Statewide Agreed Upon Procedures Report
With Schedule of Findings and Management's Responses
For the Year Ended June 30, 2017**



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Darlene Landry, Assumption Parish Clerk of Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Assumption Parish Clerk of Court and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity's management is responsible for those C/C 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 described in the following schedule.

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 C/C 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 C/C 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.

Stagni & Company

Thibodaux, Louisiana
November 20, 2017

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

The required procedures and our findings are as follows:

Procedures performed on the written policies and procedures:

1. Obtain the 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
Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - 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.
Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - c) **Disbursements**, including processing, reviewing, and approving
Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - d) **Receipts**, including receiving, recording, and preparing deposits
Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the written policies and procedures (continued):

- 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
Performance: Obtained and read the written policy for contracting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- 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
Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- 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.
Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable – there were no procedures performed for debt service.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

The Clerk of Court is an independently elected official and there is no Board, therefore the procedures required for Board is not applicable.

Procedures performed on the bank reconciliations:

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

Performance: Obtained the listing of bank accounts from management, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

4. 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 5 accounts). 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;

Performance: Selected 5 bank accounts out of a total of 5 accounts Inspected documentation for accuracy of bank reconciliations.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Inspected documentation for written evidence of proper review of each bank reconciliation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Performance: Inspected bank reconciliations for items outstanding for more than 6 months.

Exceptions: In our observation we noted that there was no documentation reflecting such research for any of the reconciliations for the fiscal period.

Management's response: The Clerk of Court began in August 2017 to research and refund to the State of Louisiana any old outstanding checks. We observed copies of the "notice of unclaimed property" that is attached to refunded checks.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the collections:

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

Performance: Obtained the listing of cash/check/money order (cash) collection locations from management, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

6. 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 5 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.

Performance: Inspected the Assumption Parish Clerk of Court Policy Manual, and inquired of management as to all of the requirements.

Exceptions: As needed, the Administrative Assistant collects cash when the other collectors are busy or at lunch. She also makes the deposits.

Management's response: Because of the small staff size, it is not possible to separate the duty of collections and making deposits.

- 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.

Performance: Obtained the daily summary of receipts that are reconciled daily for Salary Fund and Advanced Deposit Fund and inquired of separation of duties.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- 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.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the collections (continued):

Performance: Traced collections from the highest dollar week of the cash collections to the deposit date on the corresponding bank statement noting number of days from receipt to deposit for each day at each collection location.

Exceptions:

- For collection location #1 – Salary Fund – 5 days of deposits were tested: 2 of the deposits were made 2 days later; 1 deposit was made 3 days later, and 1 was deposited 4 days later.
- For collection location #2 – Advanced Cost Fund – 5 days of deposits were tested: 2 of the deposits were made 5 days later; 2 deposits were made 6 days later; 1 deposit was made 7 days later.

Management's response: Management's policy is to make deposits when the amount to deposit is enough to justify the trip to the bank. All payments are immediately entered into the system and reconciled daily then placed in a designated file drawer until the time of deposit. Bank deposits according to their policy are made at least twice per week.

- 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.

Performance: Noted that all collections are supported by adequate documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

7. 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 by a person who is not responsible for collections.

Performance: Inspected the Assumption Parish Clerk of Court Policy Manual, and inquired of management as to separation of duties.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on the disbursements:

8. 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.

Performance: Obtained the completed general ledger for the fiscal period, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the disbursements (continued):

9. 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.

Performance: Randomly selected 25 disbursements. Inquired of management and reviewed the written policies on requisition/purchase orders and how invoices are approved for payment.

Exceptions: The Clerk does not use nor is there a written policy requiring a purchase order. None of the support for the disbursements selected had written approval for payment.

Management's response: The current policy for the fiscal period tested only required oral approval for payments of invoices. The Clerk will consider changing the policy to a written approval.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Performance: Inquired of management and reviewed written policy for purchase approval.

Exceptions: The Clerk does not use nor is there a written policy requiring a purchase order. None of the support for the disbursements selected had written approval for payment.

Management's response: The current policy for the fiscal period tested only required oral approval for payments of invoices. The Clerk will consider changing the policy to a written approval.

- 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.

Performance: Reviewed and tested the selected 25 disbursements for approval documentation.

Exceptions: The Clerk does not use nor is there a written policy requiring a purchase order. None of the support for the disbursements selected had written approval for payment. The Clerk processes and pays all disbursements.

Management's response: The current policy for the fiscal period tested only required oral approval for payments of invoices. The Clerk will consider changing the policy to a written approval.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the disbursements (continued):

10. 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.

Performance: Inspected the Assumption Parish Clerk of Court Policy Manual, and inquired of management as to separation of duties.

Exceptions: According to their policy, vendors are approved and paid by the Clerk of Court.

Management's response: It is very seldom that a new vendor is added, it will be noted for the future that the Clerk of Court will approve all new vendors in writing before the Chief Deputy can add the vendor for payment into the system.

11. 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.

Performance: Inspected the Assumption Parish Clerk of Policy Manual, and inquired of management as to authorization for disbursements.

Exceptions: According to their policy, disbursements are approved and paid by the Clerk of Court.

Management's response: There is no higher authority than the Clerk and she has the authority to process and pay disbursements for her office.

12. 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.

Performance: Inquired of management, as well as observed that the all supplies of unused checks are maintained in a locked location.

Exceptions: We noted 3 locations where checks are maintained and according to the policy should be locked at all times, however, we noted that the locations were not locked when observed.

Management's response: From now on the locations will be locked at all times not just when the office is closed.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the disbursements (continued):

13. 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.

Performance: Inquired of management the details of signing checks, noting that all checks are manually signed.

Exceptions: No exceptions were noted.

Management's response: Not applicable.

Procedures performed on the credit cards, debit cards, fuel cards, p-cards:

14. 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.

Performance: Obtained a listing of all active credit cards including the above-mentioned information for each card, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

15. 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.

Performance: Obtained all monthly statements for all 1 cards issued to the Clerk of Court and observed for supporting documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the credit cards, debit cards, fuel cards, p-cards (continued):

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Performance: Reviewed all credit card statements for any late fees or finance charges.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

16. 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)

Performance: Traced each transaction to an original itemized receipt.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Performance: Observed documentation for the purpose of each transaction noting clear purpose as business/public. There were no transactions for meal charges.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

Performance: Observed written approvals of credit card transactions. Management reviews all transactions and then agrees to support before payment.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Compared transaction detail to the Assumption Parish Clerk of Court Policy Manual and Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Assumption Parish Clerk of Court
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the credit cards, debit cards, fuel cards, p-cards (continued):

- 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

Performance: Inspected all transactions for compliance with Article 7, Section 14 of the Louisiana Constitution.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on the travel and expense reimbursements:

17. 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.

Performance: Obtained a listing of all travel and related expense reimbursements including the above-mentioned information, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

18. 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) and report any amounts that exceed GSA rates.

Performance: Compared transaction detail to the Assumption Parish Clerk of Court Policy Manual; and to the per diem and mileage rates established by the U.S. General Services Administration.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

19. 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:

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Procedures performed on the travel and expense reimbursements (continued):

- 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.

Performance: Selected the 3 employees with the most travel costs during the period and the highest travel expenditure reimburse for each of the 3. Compared documentation to the applicable rates listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.]

Performance: Traced each expense to the original itemized receipt with detail of reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

Performance: Traced each expense to the original itemized receipt with detail of reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

Performance: Traced each expense to the original itemized receipt with documentation for reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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). Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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Procedures performed on the travel and expense reimbursements (continued):

Performance: Inspected all transactions for compliance with Article 7, Section 14 of the Louisiana Constitution.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Performance: Inspected all transactions for documentation of review and approval in writing other than the person receiving the reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on contracts:

20. 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.

Performance: Obtained a listing of all contracts, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

21. 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.

Performance: Obtained a copy and reviewed the 4 contracts in effect for the fiscal year.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on contracts (continued):

- 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)

Performance: Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. None of the contracts were subject to the Louisiana Public Bid Law or Procurement Code.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Performance: Reviewed supporting contract documentation and report whether the entity solicited quotes as a best practice. None of the contracts required quotes to be obtained as a best practice.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inspected contract to agree to the actual expenditure. One contract was amended during the year. The contract was for the software vendor. We observed the contract price increase noted on an updated form from the company.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inspected contract to agree to the actual expenditure.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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).

Performance: Observed approval of contract by management.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on payroll and personnel:

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete.

Performance: Obtained a listing of employees with their related salaries, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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.

Performance: Compared compensation from the approved pay letter in personnel folders with payments made to employees during the fiscal year.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Observed the written policy and traced all salary adjustments approved by the Clerk of Court in writing as per the policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

23. 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.)

Performance: Randomly selected one pay period to test leave taken during that period. Inspected 25 daily attendance and leave records for proper documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

Performance: Reviewed documentation of daily attendance and leave records for proper approval.

Exceptions: There were no exceptions noted.

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Procedures performed on payroll and personnel (continued):

Management's response: Not applicable.

- 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.

Performance: Reviewed documentation of daily attendance and leave records each employee eligible for leave.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

24. 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.

Performance: Inquired and confirmed that there were no terminated employees during the fiscal period and management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

25. 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.

Performance: Reviewed payroll and retirement forms filed along with cancelled checks and EFT documentation for the fiscal year to determine if all forms were submitted to the proper agencies by the required deadlines.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on ethics:

26. 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.

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Procedures performed on ethics (continued):

Performance: Performed a search on the LA Ethics Board website for the 5 employees selected for compliance documentation certificates.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

27. 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.

Performance: Inquired of management whether any alleged ethics violations were reported during the fiscal year and management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on debt service:

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

Performance: No debt was issued during the fiscal period.

Exceptions: Not applicable.

Management's response: Not applicable.

29. 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.

Performance: Not applicable.

Exceptions: Not applicable.

Management's response: Not applicable.

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Procedures performed on debt service (continued):

30. 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.

Performance: Not applicable.

Exceptions: Not applicable.

Management's response: Not applicable.

Other Procedures performed:

31. 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.

Performance: Inquired of management whether any misappropriations of public funds or assets during the fiscal year and management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

32. 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.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Performance: Inquired of management and observed such notice posted as required.

Exceptions: We observed that the notice was posted at the Clerk's office however not on the website.

Management's response: The Clerk will put immediately on the website.

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

Performance: Inspected all procedures, and the results of such procedures and compared them to management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.