

**St. John the Baptist Parish
Clerk of Court**

FINANCIAL STATEMENTS

June 30, 2017



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Report



Carr, Riggs & Ingram, LLC
111 Veterans Memorial Blvd.
Suite 350
Metairie, Louisiana 70005

(504) 833-2436
(504) 484-0807 (fax)
www.CRIcpa.com

INDEPENDENT AUDITORS' REPORT

Honorable Eliana DeFrancesch
St. John the Baptist Parish Clerk of Court
Edgard, Louisiana

We were engaged to audit the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Clerk of Court (the Clerk of Court) as of and for the year ended June 30, 2017, and the related notes to financial statements, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion.

Basis for Disclaimer of Opinion

Due to turnover in accounting staff and the implementation of new accounting systems, the Clerk of Court could not provide sufficient appropriate documentation to substantiate all material account balances in cash, receivables, revenue, accrued liabilities, and expenses.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements referred to in the first paragraph.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of Court's basic financial statements. The Combining Statement of Changes in Assets and Liabilities- Agency Funds and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

The Combining Statement of Changes in Assets and Liabilities - Agency Funds and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Changes in Assets and Liabilities- Agency Funds and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are 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 our report dated August 30, 2019 on our consideration of the Clerk of Court's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk of Court's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

August 30, 2019



Financial Statements

St. John the Baptist Parish Clerk of Court
Statement of Net Position

June 30, 2017

Governmental Activities

Assets

Cash and cash equivalents	\$	304,095
Certificates of deposit		100,056
Receivables		1,003
Due from other governments		36,947
Prepaid expenses		28,591
Capital assets being depreciated, net		12,093
<hr/>		
Total Assets		482,785

Deferred Outflows of Resources

Pension deferrals	679,969
<hr/>	
Total Deferred Outflows of Resources	679,969

Liabilities

Accounts payable and other current liabilities	93,609
Long term liabilities:	
Due in more than one year	2,459,874
<hr/>	
Total Liabilities	2,553,483

Deferred Inflows of Resources

Pension deferrals	88,690
<hr/>	
Total Deferred Inflows of Resources	88,690

Net Position

Net investment in capital assets	12,093
Unrestricted deficit	(1,491,512)
<hr/>	
TOTAL NET POSITION (DEFICIT)	\$ (1,479,419)

The accompanying notes are an integral part of this statement.

St. John the Baptist Parish Clerk of Court
Balance Sheet
Governmental Funds

<i>June 30, 2017</i>	General Fund	East Bank Expense Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 284,970	\$ 19,125	\$ 304,095
Certificates of deposit	100,056	-	100,056
Receivables, net of allowance for uncollectibles	1,003	-	1,003
Due from other governments	28,084	8,863	36,947
Due from other funds	-	8,740	8,740
Prepaid expenses	28,591	-	28,591
Total Assets	\$ 442,704	\$ 36,728	\$ 479,432
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 54,568	\$ -	\$ 54,568
Accrued expenses	39,041	-	39,041
Due to other funds	8,740	-	8,740
Total Liabilities	102,349	-	102,349
Fund balance			
Nonspendable	28,591	-	28,591
Restricted	-	36,728	36,728
Unassigned	311,764	-	311,764
Total Fund Balance	340,355	36,728	377,083
Total Liabilities and Fund Balances	\$ 442,704	\$ 36,728	\$ 479,432

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Clerk of Court
Reconciliation of the Balance Sheet
to the Statement of Net Position
June 30, 2017**

Fund Balances, Total Governmental Funds **\$ 377,083**

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 governmental funds.

Governmental capital assets	\$ 374,879	
Less accumulated depreciation	<u>(362,786)</u>	
		12,093

Deferred outflows of resources related to the pension plan		679,969
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Deferred inflows of resources related to the pension plan		(88,690)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Compensated absences	(12,680)	
Net pension liability	(1,937,648)	
Net OPEB obligation	<u>(509,546)</u>	
		(2,459,874)

Net Position of Governmental Activities **\$ (1,479,419)**

The accompanying notes are an integral part of this statement.

St. John the Baptist Parish Clerk of Court
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

<i>For the year ended June 30, 2017</i>	General Fund	East Bank Expense Special Revenue Fund	Total Governmental Funds
Revenues			
Licenses and permits	\$ 6,568	\$ -	\$ 6,568
Fees, charges and commissions:			
Court costs, fees and charges	1,106,442	106,062	1,212,504
Recording legal documents	426,043	-	426,043
Certified copies	26,778	-	26,778
Intergovernmental revenues:			
State - child support fees	23,757	-	23,757
Other intergovernmental revenues	88,806	-	88,806
Interest	24,600	10	24,610
Total Revenues	1,702,994	106,072	1,809,066
Expenditures			
Current:			
General government:			
Personnel salaries and related benefits	1,515,396	69,344	1,584,740
Operating services	307,904	-	307,904
Materials and supplies	47,525	-	47,525
Capital outlay	9,125	-	9,125
Total Expenditures	1,879,950	69,344	1,949,294
Net Change in Fund Balances	(176,956)	36,728	(140,228)
Fund Balances, Beginning of Year	517,311	-	517,311
Fund Balances, End of Year	\$ 340,355	\$ 36,728	\$ 377,083

The accompanying notes are an integral part of this statement.

**St. John the Baptist Parish Clerk of Court
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2017**

Net Change in Fund Balances, Total Governmental Funds **\$ (140,228)**

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. This represents the amount that capital outlays exceeded depreciation expense in the current period.

Capital Outlay	9,125
Depreciation expense	(9,417)

In the Statement of Activities, certain pension-related outflows and inflows of resources are recognized in the current year, while others are deferred. The net effect of these pension-related transactions are as follows:

Current year pension (expense) per the retirement system	(286,885)
Current year amortization of certain deferred outflows and inflows	639
Deferral of current year pension contributions made by employer	181,884
Recognition of on-behalf payments made to pension plan by non-employer entities	109,867

Some activity reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Increase in net OPEB obligation	(36,955)
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In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).

Compensated absences use exceeded the amounts earned by:	697
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Change in Net Position of Governmental Activities **\$ (171,273)**

The accompanying notes are an integral part of this statement .

**St. John the Baptist Parish Clerk of Court
Statement of Assets and Liabilities
Fiduciary Funds**

<i>June 30, 2017</i>		Agency Funds
ASSETS		
Cash and cash equivalents	\$	1,578,338
Certificates of deposit		1,971,660
Total Assets	\$	3,549,998
LIABILITIES		
Due to litigants and others	\$	3,549,998
Total Liabilities	\$	3,549,998

The accompanying notes are an integral part of this statement.

St. John the Baptist Clerk of Court Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the St. John the Baptist Parish Clerk of Court (the “Clerk of Court”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Clerk of Court’s accounting policies are described below.

Reporting Entity

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

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official.

As an independently elected official, the Clerk of Court is solely responsible for the operations of their office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the St. John the Baptist Parish (the “Parish”) School Board, other independently elected officials, and municipalities within the Parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk of Court.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Clerk of Court. The effect of interfund activity has been removed from these statements.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

Governmental Funds:

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

East Bank Expense Special Revenue Fund - As provided by Louisiana Revised Statute 13:851, an additional cost is assessed in all criminal cases of which the Fortieth Judicial District Court has jurisdiction. This additional cost provides support for the Clerk of Court's branch office located on the east bank of the Mississippi River. The collection of the additional cost and related expenses of the east bank office are accounted for in this fund.

Additionally, the Clerk of Court reports the following fund type:

Fiduciary Funds:

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in this category by the Clerk of Court are the agency funds. The agency funds are as follows:

Advance Deposit Fund - accounts for advance deposits on suits filed by litigants.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Registry of the Court Fund - accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Criminal Juror Fund - accounts for funds from the Parish for criminal court proceedings pending court actions.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk of Court considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required by accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Budgetary Accounting

A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted. All budgetary appropriations lapse at the end of each fiscal year.

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court.

Cash and Cash Equivalents

For the purpose of the Statement of Net Position, cash includes all demand, savings accounts, and certificates of deposit with less than three months of maturity of the Clerk of Court.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include furniture, fixtures, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalizing assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the accompanying Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Furniture, fixtures and equipment have an estimated useful life of 5 to 10 years.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report 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 and so will not be recognized as an expense until then. The Clerk of Court has one item that meet the criterion for this category, pension-related deferrals. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Clerk of Court has one item that meet the criterion for this category, pension-related deferrals.

Compensated Absences

Employees of the Clerk of Court's office earn five (5) to twenty (20) days of vacation leave each year depending on length of service. In addition, employees earn twelve (12) days of sick leave each year. Employees may carry over five (5) days of vacation leave based on their anniversary date. Sick leave may accumulate indefinitely up to two hundred forty (240) hours. Upon resignation or retirement, employees may, at the discretion of the Clerk of Court, be paid for unused vacation at the employee's current rate of pay.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net Investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of net positions with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - all other net positions that do not meet the definition of "restricted" or "net investment in capital assets".

Fund Balance

Fund balance for the Clerk of Court's governmental funds is reported depicting the relative strength of the spending constraints placed on the purposes for which resources can be used. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in non-spendable form (such as inventories and prepaid amounts) or because they are legally or contractually required to be maintained intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal action of the government's highest level of decision-making authority.
- d. Assigned - amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.
- e. Unassigned - amounts that are available for any purpose.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements address:

- Accounting and financial reporting for Other Post-Employment Benefits
- Fiduciary activities
- Omnibus; and
- Leases.

The Clerk of Court is currently evaluating the effects that these statements will have on its financial statements.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Clerk of Courts’ Pension and Relief Fund (“the Fund”) and additions to/deductions from the Fund’s fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Subsequent events have been evaluated through August 30, 2019, the date the financial statements were available to be issued, and no events material to the financial statements were noted for disclosure.

NOTE 2: CASH AND CERTIFICATES OF DEPOSIT

At June 30, 2017, the Clerk of Court had the following cash and certificates of deposit as follows:

Governmental Funds	\$ 404,151
Fiduciary Funds	3,549,998
Total	\$ 3,954,149

Under State law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. At year-end, the bank balance was fully secured by the amount insured by the FDIC or collateralized with securities held by the Clerk of Court’s agent in the Clerk’s name.

NOTE 3: DUE FROM OTHER GOVERNMENTS

At June 30, 2017, the Clerk of Court had the following amounts due from other governments:

<i>General Fund</i>	
St. John the Baptist Parish Sheriff’s Department	\$14,663
District Attorney for the Fortieth Judicial District	7,000
State of Louisiana – Child Support Fund	2,310
State of Louisiana	1,400
LA Dept. of Public Safety & Corrections	1,338
State of Louisiana Dept. of Treasury	1,023
Public Defender for the Fortieth District	200
District Court for the Fortieth Judicial District	110
St. John the Baptist Parish Council	20
St. John the Baptist Parish Assessor’s Office	20
	28,084
<i>Eastbank Expenses Fund</i>	
St. John the Baptist Parish Sheriff’s Department	8,863
Total	\$36,947

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 4: CAPITAL ASSETS

A summary of changes in governmental fund type fixed assets for the year ended June 30, 2017 is as follows:

	Balance June 30, 2016	Additions	Disposals	Balance June 30, 2017
Furniture, fixtures & equipment	\$ 365,754	\$ 9,125	\$ -	\$ 374,879
Less: Accumulated depreciation	(353,369)	(9,417)	-	(362,786)
Net capital assets	\$ 12,385	\$ (292)	\$ -	\$ 12,093

Depreciation expense of \$9,417 was charged to the general government function.

NOTE 5: PENSION PLAN

Plan Description

The Louisiana Clerks' of Court Retirement and Relief Fund (the "Fund") was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R. S. Title 11:1501 for eligible employees of the clerk of the supreme court, each of the district courts, each of the courts of appeal, each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of entrance into the Fund, the Louisiana's Clerks' of Court Association, the Louisiana Clerks of Court Insurance Fund, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

A member or former member shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3 1/3 percent 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 thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For those members hired on or

NOTE 5: PENSION PLAN (CONTINUED)

after July 1, 2006, compensation is based on the highest compensated sixty consecutive months with a limit of 10% increase in each of the last six 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.

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

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 determined and computed as follows:

- 1) A member who is totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of one-half of his monthly average final compensation or, at the option of the disability retiree, two and one-half percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed twenty-five dollars for each year of his credited service or two-thirds of his monthly average final compensation, whichever is less.
- 2) A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to three percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

The following is effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008. The provisions related to the calculation of benefits will apply to any disability retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.

A member is eligible to receive disability retirement benefits from the Fund if he or she is certified to be totally and permanently disabled pursuant to R.S. 11:218 and one of the following applies:

NOTE 5: PENSION PLAN (CONTINUED)

- 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 ten 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:
 - 1) Forty percent of their monthly average final compensation.
 - 2) Seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(c).
- A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

Survivor's 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. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced 1/4 of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid 1/2 of the member's accrued retirement benefit in equal shares. Upon the death of any former member with 12 or more years of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

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 the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. During the year ended June 30, 2007 participants had to have been an active contributing member for one full year before becoming eligible for DROP. Upon commencement of participation in the plan,

NOTE 5: PENSION PLAN (CONTINUED)

active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan.

The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account.

Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the Fund. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf, or a true annuity based on his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

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 forty dollars per month. The Louisiana 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. In lieu of granting a cost of living increase as described above, Louisiana statutes allow the board to grant a cost of living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed \$1.

In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2017, the actual employer contribution rate was 19.00%. For

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 5: PENSION PLAN (CONTINUED)

the year ended June 30, 2017, the actuarially determined employer contribution rate was 19.00%. The actual rate can differ from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. 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.

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

At June 30, 2017, the Clerk of Court reported a liability of \$1,937,648 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Clerk of Court's proportion of the Net Pension Liability was based on a projection of the Clerk of Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Clerk of Court's proportion was 1.047392%, which was a decrease of 0.01429% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Clerk of Court recognized pension expense of \$286,885 plus the Clerk of Court's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of (\$752).

At June 30, 2017, the Clerk of Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,774	\$ (65,953)
Net difference between projected and actual earnings on pension plan investments	334,308	-
Change in assumptions	119,336	-
Differences between employer contributions and proportion of shared contributions	24,667	(22,737)
Employer contributions subsequent to the measurement date	181,884	-
Total	\$ 679,969	\$ (88,690)

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 5: PENSION PLAN (CONTINUED)

Deferred outflows of resources of \$181,884 related to pensions resulting from the Clerk of Court's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2018	\$ 91,526
2019	91,528
2020	138,046
2021	88,295

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation date	June 30, 2016
Actuarial cost method	Entry age normal
Investment rate of return	7.00%, net of investment expense, including inflation
Projected salary increases	5.00%
Mortality rates	RP-2000 Employee Mortality Table (set back 4 years for males and 3 years for females) RP-2000 Disabled Lives Mortality Table(set back 5 years for males and 3 years for females) RP-2000 Healthy Annuitant Table(set forward 1 year for males)
Expected remaining service lives	5 years
Cost of Living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

St. John the Baptist Clerk of Court Notes to Financial Statements

NOTE 5: PENSION PLAN (CONTINUED)

The actuarial assumptions used are based on the assumptions used in the 2016 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2009 – June 30, 2014 unless otherwise specified.

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

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

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

The best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2016 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income:		
Core fixed income	5.00%	1.00%
Core plus fixed income	15.00%	1.50%
Domestic Equity:		
Large cap domestic equity	21.00%	4.25%
Non-large cap domestic equity	7.00%	4.00%
International Equity:		
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%	

NOTE 5: 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 Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Clerk of Court's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Clerk of Court's proportionate share of the Net Pension Liability using the discount rate of 7.00%, as well as what the Clerk of Court's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Clerk of Court's proportionate share of the net pension liability	\$ 2,757,237	\$ 1,937,648	\$ 1,241,982

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 of Court 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, the Clerk of Court recognized revenue as a result of support received from non-employer contributing entities of \$109,867 for its participation in the Clerk of Courts' Pension and Relief Fund.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Clerk of Courts' Pension and Relief Fund Audit Report at www.la.gov. The Clerk of Courts' Pension and Relief Fund issues a publicly available audit report that includes financial statements and required supplementary information.

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 5: PENSION PLAN (CONTINUED)

Payables to the Pension Plan

Payables to the Pension Plan for contractually required contributions were \$19,855 as of June 30, 2017. Outstanding balances will be applied to the Clerk of Court's required monthly contribution.

NOTE 6: OTHER POST EMPLOYMENT BENEFIT PLAN

Plan Description. The Clerk of Court's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental, vision and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an 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 of Court are established and may be amended by the LCCIT board of trustees. Retirees are required to pay 50% of the premium charged by the LCCA for retirees and 100% for their dependents. For fiscal year 2017, the Clerk of Court contributed \$28,871 to the plan and the retirees/surviving spouses contributed \$15,848.

Annual OPEB Cost and Net OPEB Obligation. For 2017, the Clerk of Court'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 Clerk of Court's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk of Court's net OPEB obligation to the Retiree Health Plan:

Beginning Net OPEB Obligation July 1, 2016	\$ 472,591
Annual Required Contribution	71,665
Interest on Net OPEB Obligation	16,541
ARC Adjustment	(24,826)
Annual OPEB Cost	63,379
Contributions Made	(26,424)
Increase in Net OPEB Obligation	36,955
Ending Net OPEB Obligation June 30, 2017	509,546

St. John the Baptist Clerk of Court Notes to Financial Statements

NOTE 6: OTHER POST EMPLOYMENT BENEFIT PLAN (CONTINUED)

The Clerk of Court's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations are as follows:

Fiscal Year End	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2017	\$ 63,379	42%	\$ 509,546
June 30, 2016	\$ 63,995	45%	\$ 472,591
June 30, 2015	\$ 107,071	29%	\$ 437,467

Funded Status and Funding Progress. As of June 30, 2017, the actuarial accrued liability for benefits was \$699,484, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$957,284, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 73.07%.

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 new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, 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 actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation, the unit credit cost method was used. Based on the Clerk's short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual medical healthcare cost trend rate of 8.0% 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 Clerk's unfunded actuarial liability is being amortized on a level dollar, open basis over 30 years.

**St. John the Baptist Clerk of Court
Notes to Financial Statements**

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of long-term liabilities of the Clerk of Court at June 30, 2017:

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017	Due within one year
Compensated absences	\$ 13,377	\$ 35,660	\$ (36,357)	\$ 12,680	\$ -
Net pension liability	1,592,559	345,089	-	1,937,648	-
Net OPEB obligation	472,591	63,379	(26,424)	509,546	-
Total long-term liabilities	\$ 2,078,527	\$ 444,128	\$ (62,781)	\$ 2,459,874	\$ -

NOTE 8: DEFERRED COMPENSATION PLAN

The Clerk of Court employees have the option of becoming participants in the State of Louisiana Deferred Compensation Plan. This Plan was established pursuant to IRC Section 457 and Louisiana R.S. 42:1301-1308. The Plan provides state, parish, and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction. Participants defer federal or state income tax on their contributions. In addition, interest or earnings on the participant's account accumulate tax-deferred.

Participants can contribute up to a maximum of 100% of compensation, not to exceed \$18,000 beginning in the 2015 calendar year. Additionally, if age 50 or older, participants may elect the Age 50+ provision to defer an additional \$6,000 beginning in 2015 above the annual deferral limit.

The Clerk of Court agreed to match each participant's contribution up to a maximum of 6% for the year ended June 30, 2017. Total contributions made by the Clerk of Court on behalf of the employees for the year ended June 30, 2017 were \$27,502. Withdrawals from the plan occur at retirement, separation from service, death, or proven financial hardship (unforeseeable emergency as defined by the Plan).

NOTE 9: INTERFUND ASSETS/LIABILITIES

The balances due to/from individual funds are as follows:

<i>June 30,</i>	<i>2017</i>
<i>General Fund</i>	
Due to Eastbank Expense Fund	\$ 8,740
<i>Eastbank Expense Fund</i>	
Due from General Fund	\$ 8,740



St. John the Baptist Clerk of Court Notes to Financial Statements

NOTE 10: EXPENDITURES PAID BY THE ST. JOHN THE BAPTIST PARISH COUNCIL

The Clerk of Court's office is located in the Parish courthouse. The expenditures for maintenance and operation of the Parish courthouse are paid by the St. John the Baptist Parish Council and are not included in the accompanying financial statements. The amount of these expenditures paid by the Parish Council is indeterminate.



**Required Supplementary
Information**

St. John the Baptist Parish Clerk of Court
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
General Fund Budget and Actual

<i>For the year ended June 30, 2017</i>	Original Budget	Actual	Variance with Final Budget
Revenues			
Licenses and permits	\$ 9,000	\$ 6,568	\$ (2,432)
Fees, charges and commissions:			
Court costs, fees and charges	748,000	1,106,442	358,442
Fees for recording legal documents	1,098,900	426,043	(672,857)
Fees for certified copies	86,500	26,778	(59,722)
Intergovernmental	44,200	112,563	68,363
Interest	8,900	24,600	15,700
Total Revenues	1,995,500	1,702,994	(292,506)
Expenditures			
Current:			
General government:			
Personnel services and related benefits	1,342,300	1,515,396	(173,096)
Operating services	269,300	307,904	(38,604)
Materials and supplies	90,900	47,525	43,375
Capital outlay	39,000	9,125	29,875
Total Expenditures	1,741,500	1,879,950	(138,450)
Net Change in Fund Balance	254,000	(176,956)	(430,956)
Fund Balance, Beginning of Year	517,311	517,311	-
Fund Balance, End of Year	\$ 771,311	\$ 340,355	\$ (430,956)

St. John the Baptist Parish Clerk of Court
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
East Bank Expense Fund Budget and Actual

<i>For the year ended June 30, 2017</i>	Original Budget	Actual	Variance with Final Budget
Revenues			
Fees, charges and commissions:			
Court costs, fees and charges	\$ 175,000	\$ 106,062	\$ (68,938)
Interest	20	10	(10)
Total Revenues	175,020	106,072	(68,948)
Expenditures			
Current:			
General government:			
Personnel services and related benefits	217,300	69,344	147,956
Operating services	15,800	-	15,800
Materials and supplies	2,100	-	2,100
Total Expenditures	235,200	69,344	165,856
Net Change in Fund Balance	(60,180)	36,728	(96,908)
Fund Balance (Deficit), Beginning of Year	-	-	-
Fund Balance (Deficit), End of Year	\$ (60,180)	\$ 36,728	\$ 96,908

**St. John the Baptist Clerk of Court
Schedule of Funding Progress - Other Post-Employment Benefits**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability Entry Age	Unfunded AAL	Funded Ratio	Covered Payroll	UAAAL as Percentage Covered Payroll
July 1, 2009	-	\$1,022,249	\$1,022,249	- %	\$922,234	110.8%
July 1, 2012	-	\$1,023,818	\$1,023,818	- %	\$935,563	109.4%
July 1, 2015	-	\$ 699,484	\$ 699,484	- %	\$935,563	73.5%

**St. John the Baptist Parish Clerk of Court
Schedule of Proportionate Share of Net Pension Liability
for Clerk of Courts' Pension and Relief Fund
Last Three Fiscal Years**

For the Year Ended June 30,	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered- employee payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Clerks' of Court Pension and Relief Fund					
2017	1.047392%	\$ 1,937,648	\$ 951,753	203.59%	74.17%
2016	1.061684%	\$ 1,592,559	\$ 963,786	165.24%	78.13%
2015	1.066099%	\$ 1,438,020	\$ 942,173	152.63%	79.37%

*Amounts presented were determined as of the measurement date (previous fiscal year end).

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.*

St. John the Baptist Parish Clerk of Court
Schedule of Employer Contributions to Clerk of Courts' Pension and Relief Fund
Last Three Fiscal Years

For the Year Ended June 30,	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered- employee payroll	Contributions as a percentage of covered-employee payroll
Clerks' of Court Pension and Relief Fund					
2017	\$ 181,884	\$ 181,884	\$ -	\$ 957,284	19.0%
2016	\$ 180,833	\$ 180,833	\$ -	\$ 951,753	19.0%
2015	\$ 183,119	\$ 183,119	\$ -	\$ 963,786	19.0%

*Amounts presented were determined as of the end of the fiscal year.

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.*



St. John the Baptist Clerk of Court
Notes to Required Supplementary Information

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Budgets for the General Fund and Eastbank Expense Special Revenue Fund are legally adopted by the Clerk of Court on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 2: NET PENSION LIABILITY

Changes of Benefit Terms

There were no changes of benefit terms for the three valuation years ended June 30, 2017.

Changes of Assumptions

For the actuarial valuation for the year ended June 30, 2015, the discount rate was reduced from 7.25% to 7.0%, the salary increase assumption was reduced from 5.75% to 5%, and the inflation assumption was reduced from 2.75% to 2.5%.

For the actuarial valuation for the year ended June 30, 2014, the discount rate was reduced from 7.5% to 7.25%, and the inflation assumption was reduced from 3% to 2.75%.



**Other Supplementary
Information**



St. John the Baptist Clerk of Court Fiduciary Fund Type Descriptions

Agency Funds

Advance Deposit Fund - accounts for advance deposits on suits filed by litigants.

Registry of the Court Fund - accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Criminal Juror Fund - accounts for funds from the Parish for criminal court proceedings pending court actions.

**St. John the Baptist Parish Clerk of Court
Combining Statement of Changes in
Assets and Liabilities - Agency Funds**

	June 30, 2016	Additions	Deductions	June 30, 2017
Advanced Deposit Fund				
ASSETS				
Cash and cash equivalents	\$ 268,873	\$ 2,985,801	\$ 1,699,229	\$ 1,555,445
Certificates of deposit	2,200,000	-	1,000,000	1,200,000
Total Assets	\$ 2,468,873	\$ 2,985,801	\$ 2,699,229	\$ 2,755,445
LIABILITIES				
Due to litigants and others	\$ 2,468,873	\$ 2,985,801	\$ 2,699,229	\$ 2,755,445
Total Liabilities	\$ 2,468,873	\$ 2,985,801	\$ 2,699,229	\$ 2,755,445
Registry of Court				
ASSETS				
Cash and cash equivalents	\$ 4,388	\$ 113,194	\$ 113,003	\$ 4,579
Certificates of deposit	641,242	241,989	111,571	771,660
Total Assets	\$ 645,630	\$ 355,183	\$ 224,574	\$ 776,239
LIABILITIES				
Due to litigants and others	\$ 645,630	\$ 355,183	\$ 224,574	\$ 776,239
Total Liabilities	\$ 645,630	\$ 355,183	\$ 224,574	\$ 776,239
Criminal Juror				
ASSETS				
Cash and cash equivalents	\$ 4,818	\$ 49,677	\$ 36,181	\$ 18,314
Total Assets	\$ 4,818	\$ 49,677	\$ 36,181	\$ 18,314
LIABILITIES				
Due to litigants and others	\$ 4,818	\$ 49,677	\$ 36,181	\$ 18,314
Total Liabilities	\$ 4,818	\$ 49,677	\$ 36,181	\$ 18,314
Total Agency Funds				
ASSETS				
Cash and cash equivalents	\$ 278,079	\$ 3,148,672	\$ 1,848,413	\$ 1,578,338
Certificates of deposit	2,841,242	241,989	1,111,571	1,971,660
Total Assets	\$ 3,119,321	\$ 3,390,661	\$ 2,959,984	\$ 3,549,998
LIABILITIES				
Due to litigants and others	\$ 3,119,321	\$ 3,390,661	\$ 2,959,984	\$ 3,549,998
Total Liabilities	\$ 3,119,321	\$ 3,390,661	\$ 2,959,984	\$ 3,549,998

St. John the Baptist Parish Clerk of Court
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2017

Agency Head Name: Eliana DeFrancesch, Clerk of Court

PURPOSE	Amount
Salary	\$ 142,093
Benefits-health insurance	3,488
Benefits-retirement	11,572
Deferred compensation	4,676
Workers compensation	-
Benefits-life insurance	431
Benefits-long term disability	-
Benefits-FICA & Medicare	2,249
Car allowance	7,720
Vehicle provided by government	-
Cell phone	-
Dues	2,463
Vehicle rental	-
Per diem	60
Reimbursements	-
Travel	-
Registration fees	525
Conference travel	-
Unvouchered expenses	-
Meetings & conventions	-
Other	-



**Reports Required By
*Government Auditing
Standards***



Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, Louisiana 70005

(504) 837-9116
(504) 837-0123 (fax)
www.CRIcpa.com

INDEPENDENT AUDITORS' 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 Eliana DeFrancesch
St. John the Baptist Parish Clerk of Court
Edgard, Louisiana

We were engaged to audit, 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, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish Clerk of Court (the "Clerk of Court"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Clerk of Court's basic financial statements and have issued our report thereon dated August 20, 2019. Our report disclaims an opinion on such financial statements because the Clerk of Court could not provide sufficient appropriate documentation to substantiate all material account balances in cash, receivables, revenue, accrued liabilities, and expense due to turnover in accounting staff and the implementation of new accounting systems. We were unable to obtain sufficient appropriate audit evidence about the areas mentioned above through application of other auditing procedures.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Clerk of Court'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be material weaknesses. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items **2017-001**, **2017-002**, and **2017-003** to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk of Court's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items **2017-004**, **2017-005**, **2017-006**, and **2017-007**.

The Clerk of Court's Response to Findings

The Clerk of Court's responses to the findings identified in our audit is described in the accompanying corrective action plan. The Clerk of Court's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk of Court'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 Clerk of Court'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.

Carly Riggs & Ingram, L.L.C.

August 30, 2019

**St. John the Baptist Parish Clerk of Court
Schedule of Findings and Responses
For the Year Ended June 30, 2017**

SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report expresses a disclaimer of opinion on the financial statements of the St. John the Baptist Parish Clerk of Court (the "Clerk of Court") as described in the Basis of Disclaimer paragraph in our report.
2. Material weaknesses in internal control over financial reporting are reported in the *Independent Auditors' 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*. (**2017-001, 2017-002 and 2017-003**).
3. Four (4) instances of noncompliance material to the financial statements of the Clerk of Court, which is required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit. (**2017-004, 2017-005, 2017-006 and 2017-007**).
4. A management letter was not issued for the year ended June 30, 2017.

FINDINGS

2017-001 Inadequate Segregation of Accounting Duties (Originated in 2010)

<i>Criteria:</i>	The Clerk of Court should have systems of internal accounting control which provide for appropriate segregation of accounting duties.
<i>Condition:</i>	The Clerk of Court does not have adequate segregation of functions within the accounting function.
<i>Cause:</i>	The Clerk of Court has a limited number of employees in the accounting department.
<i>Effect:</i>	This condition represents a material weakness in internal controls.
<i>Recommendation:</i>	The Clerk of Court should implement systems of control which provide for proper segregation of accounting duties.
<i>Response:</i>	See Management's Corrective Action Plan for their response.

2017-002 Application of GAAP (Originated in 2010)

<i>Criteria:</i>	The Clerk of Court should have systems of internal accounting control which ensure the basic financial statements are presented in accordance with U. S. generally accepted accounting principles.
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**St. John the Baptist Parish Clerk of Court
Schedule of Findings and Responses
For the Year Ended June 30, 2017**

<i>Condition:</i>	The Clerk of Court does not have adequate policies, procedures, and related internal controls to prepare accurate and complete financial statements. During our audit, we noted the accounting personnel of the Clerk of Court recorded transactions on a cash basis.
<i>Cause:</i>	The Clerk of Court does not have adequate policies and procedures to prepare accurate and complete financial statements in accordance with U. S. generally accepted accounting principles. We identified multiple incorrectly recorded or unrecorded transactions which impacted the financial statements of the Clerk of Court as of and for the year ended June 30, 2017.
<i>Effect:</i>	Several material adjustments to the financial statements to record year end accruals that were able to be determined were recorded as part of our audit procedures.
<i>Recommendation:</i>	The Clerk of Court should implement systems of control which ensure the basic financial statements are presented in accordance with U.S. generally accepted accounting principles.
<i>Response:</i>	See Management's Corrective Action Plan for their response.

2017-003 Internal Control over Financial Reporting (Originated in 2017)

<i>Criteria:</i>	The Clerk of Court should have systems of internal control over financial reporting that include timely and complete reconciliation of material account balances.
<i>Condition:</i>	The Clerk of Court could not provide sufficient documentation to substantiate all material account balances in cash, receivables, revenue, accrued liabilities, and expenses.
<i>Cause:</i>	The Clerk of Court had a change in accounting personnel and accounting software during the fiscal year.
<i>Effect:</i>	The financial statements contain material unsubstantiated balances in cash, receivables, revenue, accrued liabilities, and expenses.
<i>Recommendation:</i>	The Clerk of Court should have systems of internal control over financial reporting that include timely and complete reconciliation of material account balances.
<i>Response:</i>	See Management's Corrective Action Plan for their response.

**St. John the Baptist Parish Clerk of Court
Schedule of Findings and Responses
For the Year Ended June 30, 2017**

2017-004 Failure to Remit Outstanding Checks (Originated in 2013)

<i>Criteria:</i>	The Clerk of Court should remit checks outstanding for greater than one year to the State Treasurer's Unclaimed Property Division in accordance with Louisiana Revised Statutes 9:151-181 - Uniform Unclaimed Property Act.
<i>Condition:</i>	The Clerk of Court had 381 checks approximating \$63,914 that were outstanding greater than one year at June 30, 2017.
<i>Cause:</i>	The Clerk of Court does not have adequate policies and procedures to identify and remit stale outstanding checks to the State.
<i>Effect:</i>	The Clerk of Court is not in compliance with State law.
<i>Recommendation:</i>	The Clerk of Court should remit checks outstanding for greater than one year to the State Treasurer's Unclaimed Property Division in accordance with Louisiana Revised Statutes 9:151-181 - Uniform Unclaimed Property Act.
<i>Response:</i>	See Management's Corrective Action Plan for their response.

2017-005 Non-Return of Cash Deposits (Originated in 2014)

<i>Criteria:</i>	Louisiana Revised Statute 13:842, paragraph (B) states "After an ordinary suit has been filed, if a period of five years elapses without any pleadings being filed and the suit has been completely inactive during this five-year period, the clerk shall refund any unused balance remaining in the clerk's advance deposit fund (to the credit of this particular suit) to the person who made the original deposit, after paying all fees or other charges of record in the suit."
<i>Condition:</i>	The Clerk of Court's Office has not returned all unused balances remaining on the docket after five (5) years of inactivity without new pleadings filed. Due to the large volume of refunds that have to be issued, the Clerk of Court's office has not completed this process.
<i>Cause:</i>	In prior years, the Clerk of Court's Office was not returning any unused balances remaining on the docket after five (5) years of inactivity without new pleadings filed.
<i>Effect:</i>	The Clerk of Court is not in full compliance with Louisiana Revised Statutes 13:842.

**St. John the Baptist Parish Clerk of Court
Schedule of Findings and Responses
For the Year Ended June 30, 2017**

Recommendation: The Clerk of Court's Office should continue to return all unused balances in the advanced deposit fund until they are in compliance with RS 13:842.

Response: See Management's Corrective Action Plan for their response.

2017-006 Timely Submission to Louisiana Legislative Auditor

Criteria: Louisiana Revised Statute 24:513, requires local auditees to submit audit reports to the Louisiana Legislative Auditor (LLA) no later than six months after the local auditee's fiscal year end.

Condition: Governmental agencies must follow Louisiana Revised Statutes.

Cause: The Clerk of Court's Office did not submit their audit report to the LLA within six months of their year-end.

Effect: The Clerk of Court is not in compliance with Louisiana Revised Statutes 24:513.

Recommendation: The Clerk of Court should submit audit reports to the Louisiana Legislative Auditor no later than six months after the fiscal year end.

Response: See Management's Corrective Action Plan for their response.

2017-007 Compliance with the Louisiana Local Budget Act

Criteria: Louisiana Revised Statute 39:1311 requires governments to amend their budgets when budgeted revenues exceed actual revenues by more than 5 percent.

Condition: For the year ended June 30, 2017, the General Fund budgeted revenues exceed the actual by approximately 16% and actual expenses exceed the budgeted expenses by approximately 7%, and the Eastbank Expense fund budgeted revenues exceed the actual by approximately 65%.

Cause: The Clerk of Court's Office did not appropriately amend the budgets to comply with LA Revised Statute 39:1311.

Effect: The Clerk of Court is not in compliance with Louisiana Revised Statutes 39:1311.



**St. John the Baptist Parish Clerk of Court
Schedule of Findings and Responses
For the Year Ended June 30, 2017**

Recommendation: The Clerk of Court should amend budgets when the actual amounts exceed the budgeted amounts by more than RS 39:1311 allows.

Response: See Management's Corrective Action Plan for their response.



**St. John the Baptist Parish Clerk of Court
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2017**

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Finding 2016-1	Unresolved. See finding 2017-001
Finding 2016-2	Unresolved. See finding 2017-002
Finding 2016-3	Unresolved. See finding 2017-004
Finding 2016-4	Unresolved. See finding 2017-005

ST. JOHN THE BAPTIST PARISH
2393 Highway 18
P.O. BOX 280
EDGARD, LOUISIANA 70049

ELIANA DeFRANCESCH CLERK OF COURT

Phone No. 985-497-3331
Fax No. 985-497-3972
E-MAIL edefrancesch @ stjohnclerk.org
www.stjohnclerk.org

August 30, 2019

Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, LA 70005

RE: St. John the Baptist Clerk of Court Response to CRI Audit

To Whom It May Concern,

The following represents the response of the St. John the Baptist Clerk of Court to the independent auditors' report performed by CRI.

2017-001 Inadequate Segregation of Accounting Duties (Originated in 2010)

To the extent staff and budget limitations allow, the Clerk will implement and achieve adequate segregation of accounting duties.

2017-002 Application of GAAP (Originated in 2010)

The additional costs required to achieve the desired benefit may not be economically feasible.

2017-003 Internal Control over Financial Reporting (Originated in 2017)

To the extent staff and budget limitations allow, the Clerk will implement systems of internal control over financial reporting that include timely and complete reconciliations of all material balance accounts.

2017-004 Failure to Remit Outstanding Checks (Originated in 2013)

The Clerk of Court will monitor stale outstanding checks monthly and remit checks to the State as required.

2017-005 Non-Return of Cash Deposits (Originated in 2014)

The Clerk of Court's Office has identified all such cases and has begun the process of refunding applicable unused balances. The Clerk of Court has implemented a process to refund outstanding balances on cases as they approach five (5) years of inactivity.

2017-006 Timely Submission to Louisiana Legislative Auditor

The Clerk of Court will submit its audited report to the Louisiana Legislative Auditor as soon as possible. To the extent submission is within its control, the Clerk of Court will submit its audited report within six months of the fiscal year end.

2017-007 Compliance with the Louisiana Local Budget Act

The Clerk of Court will adhere to the Louisiana Local Budget Act going forward.

Sincerely,



Eliana DeFrancesch
St. John the Baptist Clerk of Court

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Eliana DeFrancesch
St. John the Baptist Parish Clerk of Court
2393 Hwy. 18
Edgard, LA 70049
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by management of the Washington Parish Sheriff's Office (the "Sheriff") 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 Sheriff'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 results are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.
 - 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.

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- c) **Disbursements**, including processing, reviewing, and approving

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- d) **Receipts**, including receiving, recording, and preparing deposits

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- 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

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- 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

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

Results: We noted that the Clerk of Court does not have written policies and procedures in place for the procedures listed above.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Not applicable as the Clerk of Court had no outstanding or issued debt during the year.

Bank Reconciliations

2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and all remaining accounts. Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Results: No exceptions noted as a result of applying the procedure.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Results: Bank reconciliations were not reconciled within 2 months of the related statement closing date.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Results: Bank reconciliations did not include evidence that a member of management reviewed.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: Management did not have documentation that reconciling items that have been outstanding for more than 12 months were researched.

Collections

3. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Select all deposit sites.

Results: No exceptions noted as a result of applying the procedure.

4. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site, obtain and inquire of employees about their job duties at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Results: No exceptions noted as a result of applying the procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Results: No exceptions noted as a result of applying the procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: No exceptions noted as a result of applying the procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results: No exceptions noted as a result of applying the procedure.

- 5. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results: No exceptions noted as a result of applying the procedure.

- 6. Randomly select two deposit dates for each bank account. Obtain supporting documentation for each of the 4 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Results: No exceptions noted as a result of applying the procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: No exceptions noted as a result of applying the procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions noted as a result of applying the procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

Results: No exceptions noted as a result of applying the procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions noted as a result of applying the procedure.

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

7. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Select all locations.

Results: No exceptions noted as a result of applying the procedure.

8. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Inquire of employees about their job duties, and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Results: No documentation noted of segregation of duties.

- b) At least two employees are involved in processing and approving payments to vendors.

Results: No documentation noted of segregation of duties.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Results: No documentation noted of segregation of duties.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: No documentation noted of segregation of duties.

9. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

Results: No exceptions noted as a result of applying the procedure.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: No documentation noted of segregation of duties.

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

10. 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.

Results: No exceptions noted as a result of applying the procedure.

11. Using the listing prepared by management, select all 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 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.

Results: Management was unable to provide evidence that statements are reviewed and approved by someone other than the authorized card holder.

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

Results: No exceptions noted as a result of applying the procedure.

12. Using the monthly statements or combined statements selected under #11 above, obtain supporting documentation for all transactions for each of the cards selected.

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

1) An original itemized receipt (i.e., identifies precisely what was purchased)

Results: 8 instances of transactions missing business purpose documentation and receipts.

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

Results: 8 instances of transactions missing business purpose documentation and receipts.

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

Results: There was no written policy around credit cards.

- 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.

Results: There was no written policy around purchasing and disbursements.

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

Results: 8 instances of transactions missing business purpose documentation and receipts.

Travel and Expense Reimbursement

- 13. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Results: No exceptions noted as a result of applying the procedure.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results: No exceptions noted as a result of applying the procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Results: No exceptions noted as a result of applying the procedure.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: No exceptions noted as a result of applying the procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions noted as a result of applying the procedure.

Contracts

14. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Select all contracts and:

Results: No exceptions noted as a result of applying the procedure.

a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results: No exceptions noted as a result of applying the procedure.

b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

Results: No exceptions noted as a result of applying the procedure.

c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Results: No exceptions noted as a result of applying the procedure.

d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions noted as a result of applying the procedure.

Payroll and Personnel

15. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions noted as a result of applying the procedure.

16. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #10 above, obtain attendance records and leave documentation for the pay period, and:

a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Results: No exceptions noted as a result of applying the procedure.

b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Results: No exceptions noted as a result of applying the procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: No exceptions noted as a result of applying the procedure.

- 17. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results: Not applicable due to no termination payments during the year.

- 18. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results: No exceptions noted as a result of applying the procedure.

Ethics

- 19. Using the 5 randomly selected employees/officials from procedure #15 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Results: No exceptions noted as a result of applying the procedure.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results: No exceptions noted as a result of applying the procedure.

Other

- 20. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: No exceptions noted as a result of applying the procedure.

- 21. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: No exceptions noted as a result of applying the procedure.

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 procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, 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.

Carr, Riggs & Ingram, L.L.C.

August 30, 2019

ST JOHN THE BAPTIST PARISH
2393 Highway 18
P.O. BOX 280
EDGARD, LOUISIANA 70049

ELIANA DeFRANCESCH

CLERK OF COURT

Phone No. 985-497-3331
Fax No. 985-497-3972
E-MAIL edefrancesch@stjohnclerk.org
www.stjohnclerk.org

August 30, 2019

Louisiana Legislative Auditor
1600 North 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

And

Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, LA 70005

RE: Management's Response to Statewide Agreed-Upon Procedures
St. John the Baptist Clerk of Court

Dear Sirs:

St. John the Baptist Clerk of Court will review policies and procedures in regard to the comments for each financial function and make appropriate changes that will improve operations and internal controls in each area that are cost effective and within our budget constraints.

Sincerely,



Eliana DeFrancesch
Clerk of Court