

**EVANGELINE PARISH SHERIFF**  
**Ville Platte, Louisiana**

**Financial Report**

**Year Ended June 30, 2017**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Eddie Soileau  
Evangeline Parish Sheriff  
Ville Platte, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Evangeline Parish Sheriff (Sheriff), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## *Opinions*

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

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of funding progress, schedule of employer's share of net pension liability, and schedule of employer contributions (pages 35-39) 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.

Management has omitted management's discussion and analysis 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The Agency Fund combining statements on pages 43 through 45 and Tax Collector affidavit on page 46 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Agency Fund combining statements 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Tax Collector affidavit has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
December 13, 2017

## **BASIC FINANCIAL STATEMENTS**

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

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Statement of Net Position  
June 30, 2017

ASSETS	
Cash and interest-bearing deposits	\$ 838,562
Revenue receivable	32,397
Due from other governmental units	172,673
Prepaid items	77,479
Capital assets, net	<u>97,878</u>
Total assets	<u>1,218,989</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	<u>854,626</u>
LIABILITIES	
Accounts and other payables	111,813
Long-term liabilities:	
Portion due after one year - compensated absences	59,424
Net OPEB obligation payable	2,978,710
Net pension liability	<u>1,314,728</u>
Total liabilities	<u>4,464,675</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	<u>616,504</u>
NET POSITION	
Net investment in capital assets	97,878
Unrestricted (deficit)	<u>(3,105,442)</u>
Total net position	<u>\$ (3,007,564)</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Statement of Activities  
For the Year Ended June 30, 2017

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Public safety	\$ 2,709,414	\$ 1,460,687	\$ 40,565	\$(1,208,162)
Interest on long-term debt	<u>8,587</u>	<u>-</u>	<u>-</u>	<u>(8,587)</u>
Total governmental activities	<u>2,718,001</u>	<u>1,460,687</u>	<u>40,565</u>	<u>(1,216,749)</u>
General revenues:				
Taxes -				
Property taxes, levied for general purposes				1,444,720
State revenue sharing				70,949
State supplemental pay				60,298
Non-employer pension contribution				80,466
Interest and investment earnings				2,147
Miscellaneous				<u>192,159</u>
Total general revenues				<u>1,850,739</u>
Change in net position				633,990
Net position - July 1, 2016				<u>(3,641,554)</u>
Net position - June 30, 2017				<u><u>\$(3,007,564)</u></u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Balance Sheet  
Governmental Fund  
June 30, 2017

ASSETS

Cash and interest-bearing deposits	\$ 838,562
Revenue receivable	32,397
Due from other governmental units	172,673
Prepaid items	<u>77,479</u>
Total assets	<u>\$ 1,121,111</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 64,776
Other accrued liabilities	45,450
Due to defendants	<u>1,587</u>
Total liabilities	<u>111,813</u>
Fund balances:	
Nonspendable (prepaid items)	77,479
Unassigned	<u>931,819</u>
Total fund balances	<u>1,009,298</u>
Total liabilities and fund balance	<u>\$ 1,121,111</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2017

Total fund balance for governmental fund at June 30, 2017	\$ 1,009,298
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Building improvements, net of \$16,102 accumulated depreciation	\$ 37,363
Furniture and equipment, net of \$106,485 accumulated depreciation	14,586
Vehicles, net of \$417,474 accumulated depreciation	<u>45,929</u>
	97,878
The deferred outflows of expenditures for the Sheriff's Pension and Relief Fund are not a use of current resources, and therefore, are not reported in the fund financial statements.	
	854,626
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. Long-term liabilities at year end consist of:	
Compensated absences payable	(59,424)
Net OPEB obligation payable	(2,978,710)
Net pension liability	(1,314,728)
The deferred inflows of contributions for the Sheriff's Pension and Relief Fund are not available resources, and therefore, are not reported in the fund financial statements.	
	<u>(616,504)</u>
Net position at June 30, 2017	<u>\$ (3,007,564)</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

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

Revenues:	
Ad valorem taxes	\$ 1,444,720
Intergovernmental revenues -	
Federal grants	22,783
State revenue sharing	70,949
State supplemental pay	60,298
Parish appropriations	17,782
Fees, charges, and commissions for services -	
Civil and criminal fees	146,576
Court attendance	8,677
Feeding and keeping prisoners	1,001,942
Fines and forfeitures	303,492
Interest	2,147
Miscellaneous	194,681
Total revenues	<u>3,274,047</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	1,245,046
Operating services	478,731
Operations and maintenance	692,521
Travel and other charges	2,068
Capital outlay	11,024
Debt service	<u>1,032,087</u>
Total expenditures	<u>3,461,477</u>
Deficiency of revenues over expenditures	(187,430)
Other financing sources:	
Proceeds from issuance of bonds	<u>1,000,000</u>
Net change in fund balance	812,570
Fund balance, beginning	<u>196,728</u>
Fund balance, ending	<u><u>\$ 1,009,298</u></u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

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

Total net change in fund balance for the year ended June 30, 2017 per statement of revenues, expenditures and changes in fund balance		\$ 812,570
The change in net position reported for governmental activities in the statement of activities is 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.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 11,024	
Depreciation expense	(64,341)	
Current year disposition of capital assets net of accumulated depreciation	<u>(2,522)</u>	(55,839)
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds.		
Increase in compensated absences	(6,150)	
Increase in OPEB obligation payable	<u>(132,619)</u>	(138,769)
Pension (expense) benefit not requiring the use of current economic resources and therefore, not recorded as a fund expenditure		(64,438)
Non-employer pension contribution to the Sheriff's Pension and Relief Fund		<u>80,466</u>
Change in net position for the year ended June 30, 2017 per statement of activities		<u>\$ 633,990</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Statement of Fiduciary Assets and Liabilities  
Fiduciary Fund Type - Agency Fund  
June 30, 2017

ASSETS

Cash and interest-bearing deposits	<u>\$2,018,884</u>
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LIABILITIES

Due to taxing bodies and others	<u>\$2,018,884</u>
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The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Evangeline Parish Sheriff (Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff'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 of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The major governmental fund of the Sheriff is described below:

Governmental Fund –

The General Fund is the primary operating fund of the Sheriff. It is used to account for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Sheriff policy.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary assets and liabilities and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the "current financial resources" measurement focus is used. Only current assets and current liabilities are generally included on the balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Use of Restricted Resources

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Interest-bearing Deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Sheriff.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities consist of fees for housing and feeding prisoners.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives as follows:

Buildings and improvements	7-40 years
Equipment and furniture	5-20 years
Vehicles	5 years

Compensated Absences

Six days vacation leave are earned after one complete year of work. Twelve days of vacation are earned per year after completing two years of service. Vacation leave accumulates and vests. For employees having worked one to three years of service, twelve days of sick leave per year are allowed. After the fourth year of service, fifteen days of sick leave per year are allowed. Sick leave accumulates and is available for employees when needed, however, it does not vest nor is it payable at termination of employment.

For fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are recorded as non-current liabilities.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Since the Sheriff doesn't have a proprietary fund, all long-term debt is used in governmental fund operations.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. There is no long-term debt at June 30, 2017.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2017, the Sheriff's deferred outflows and inflows of resources are attributable to its pension plan.

Equity Classifications

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form 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.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority for the Sheriff.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff's adopted policy, only the Sheriff may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in his commitment or assignment actions.

E. Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$2,857,446 as follows:

	Governmental Activities	Fiduciary Funds	Total
Demand deposits	<u>\$ 838,562</u>	<u>\$ 2,018,884</u>	<u>\$ 2,857,446</u>

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017, are secured as follows:

Bank balances	<u>\$2,969,859</u>
Federal deposit insurance	250,000
Pledged securities	<u>2,719,859</u>
Total	<u>\$2,969,859</u>

Deposits in the amount of \$2,719,859 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in June and are actually billed to taxpayers by the Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Evangeline Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2017, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 5.52 mills on property with net assessed valuations totaling \$245,154,853. Total law enforcement taxes levied were \$1,353,256.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2017 consist of the following:

Evangeline Parish Police Jury	\$ 45,562
Evangeline Parish Communications District for salary reimbursements	11,676
City of Ville Platte	50,022
Department of the Treasury for state supplemental pay	13,500
Department of the Treasury for inmate housing	51,913
	<u>\$ 172,673</u>

(5) Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Governmental activities:				
Building improvements	\$ 53,465	\$ -	\$ -	\$ 53,465
Furniture and equipment	121,071	-	-	121,071
Vehicles	477,924	11,024	25,545	463,403
Total	652,460	11,024	25,545	637,939
Less accumulated depreciation				
Building improvements	13,429	2,673	-	16,102
Furniture and equipment	106,351	134	-	106,485
Vehicles	378,963	61,534	23,023	417,474
Total	498,743	64,341	23,023	540,061
Net capital assets	\$ 153,717	\$ (53,317)	\$ 2,522	\$ 97,878

Depreciation expense in the amount of \$64,341 was charged to the public safety function.

(6) Accounts and Other Accrued Payables

The accounts and other accrued payables consisted of the following at June 30, 2017:

Accounts	\$ 64,776
Pension	15,633
Payroll tax	29,817
Seized funds liability	1,587
	<u>\$ 111,813</u>

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Long-term Liabilities

The following is a summary of long-term liability transactions during the year:

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017	Amount due in one year
Revenue anticipation notes	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
Compensated absences	77,313	23,602	41,491	59,424	-
	<u>\$ 477,924</u>	<u>\$ 477,924</u>	<u>\$ 477,924</u>	<u>\$ 477,924</u>	<u>\$ -</u>

\$1,000,000 Revenue Anticipation Notes, Series 2016, were issued and repaid during the year ended June 30, 2017. These notes were secured by all available revenues accruing to the General Fund.

(8) Changes in Agency Fund Balances

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Sheriff's Fund	Tax Collector Fund	Bond and Fine Fund	Prisoner Maintenance Fund	Prisoners' Money Fund	Total
Balances, July 1, 2016	\$ 117,072	\$ 868,799	\$ 227,963	\$ 1,563,973	\$ 4,082	\$ 2,781,889
Additions	943,879	18,307,336	869,577	16,593,507	45,100	36,759,399
Reductions	<u>(948,527)</u>	<u>(19,060,669)</u>	<u>(964,770)</u>	<u>(16,513,006)</u>	<u>(35,432)</u>	<u>(37,522,404)</u>
Balances, June 30, 2017	<u>\$ 112,424</u>	<u>\$ 115,466</u>	<u>\$ 132,770</u>	<u>\$ 1,644,474</u>	<u>\$ 13,750</u>	<u>\$ 2,018,884</u>

(9) Pension Plan

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 Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as report 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. The Fund's financial statements are prepared using the accrual basis of accounting. Detailed information about the Fund's fiduciary net position is available in the separately issued Fund's financial report.

**Plan Description**

Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a stand-alone audit report that can be found on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov).

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

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.

**Eligibility**

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For members whose first employment making them eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began on or after July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 115% of the preceding twelve-month period.

**Cost-of-Living Adjustments**

Cost of living provisions for the Fund allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

**Contributions**

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 13.75% and the member's required contribution rate was 10.25%. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium 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. Contributions from non-employer contributing entities were \$80,466. Contributions to the pension plan from the Sheriff were \$112,805 for the year ended June 30, 2017.

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

At June 30, 2017, the Sheriff reported a liability of \$1,314,728 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 Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2016, the Sheriff's proportion was .207145%, which was an increase of .003192% from its proportion measured as of June 30, 2015.

The Sheriff's payable to the Fund at June 30, 2017 was \$15,633, and is the legally required contribution owed for the 2<sup>nd</sup> quarter of the 2017 calendar year.

Changes in the pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2017, the Sheriff recognized \$177,243 in pension expense.

At June 30, 2017, the Sheriff reported deferred outflows or 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	\$ -	\$ 137,900
Changes of assumptions	107,409	-
Net differences between projected and actual earnings on plan investments	329,274	-
Change in proportion and differences between employer's contributions and the employer's proportionate share of contributions	305,138	478,604
Contributions subsequent to measurement date	112,805	-
Total	\$ 854,626	\$ 616,504

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$112,805 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	
2018	\$ 11,941
2019	11,941
2020	107,853
2021	(16,686)
2022	5,133
2023	5,135
	\$ 125,317

**Actuarial Assumptions**

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	6 years
Investment Rate of Return	7.6%, net of investment expense
Discount Rate	7.50%
Inflation Rate	5.5% (2.875% Inflation, 2.625% Merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries; RP-2000 Disabled Lives Mortality Table
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.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

The mortality rate assumptions were set after reviewing an experience study performed 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 rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2016 were as follows:

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity securities	60.0%	6.4%	3.9%
Bonds	25.0%	1.9%	0.5%
Alternative investments	15.0%	4.3%	0.6%
Cash and cash equivalents	<u>0.0%</u>	0.0%	<u>0.0%</u>
Total	<u>100.0%</u>		5.0%
Inflation			<u>2.7%</u>
Expected arithmetic nominal return			<u>7.7%</u>

The discount rate used to measure the total pension liability was 7.5%. 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 to Changes in the Discount Rate**

The following presents the net pension liability using the discount rate of 7.5%, as well as what the employer's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.5%) or one percentage-point higher (8.5%) than the current rate:

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

	1.0% Decrease 6.6%	Current Discount Rate 7.6%	1.0% Increase 8.6%
Employer's proportionate share of the net pension liability	\$ 2,230,569	\$ 1,314,728	\$ 558,809

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that were used in the measurement of the Sheriff's net pension liability are available in the separately issued plan financial report at [www.lla.la.gov](http://www.lla.la.gov).

(10) Deferred Compensation Plan

The Evangeline Parish Sheriff offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

(11) Post Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2010, the Sheriff began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2010 liability.

**Plan Description:** The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. These benefits are provided through the Louisiana Sheriff's Association. The plan is an agent multiple-employer defined benefit health care plan administered by the Louisiana Sheriff's Insurance Advisory Committee. The plan provisions and contribution rates are contained in the official plan documents. The plan does not issue a publicly available financial report.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

**Funding Policy:** The Sheriff pays 100% of the monthly premiums for retirees and active employees. Retirees may choose to continue coverage for their spouse at the retiree's expense. The Sheriff recognizes the cost of providing these benefits as expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

**Annual OPEB Cost:** The Sheriff's annual other postemployment benefit (OPEB) cost 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 a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Sheriff utilizes the level percentage of payroll amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the Sheriff's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Sheriff's net OPEB obligation:

Annual required contribution	\$ 187,197
Interest on net OPEB obligation	113,844
Adjustment to annual required contribution	<u>(109,812)</u>
Annual OPEB cost	191,229
Contributions made	<u>(58,610)</u>
Increase in net OPEB obligation	132,619
Net OPEB obligation - beginning of year	<u>2,846,091</u>
Net OPEB obligation - end of year	<u><u>\$2,978,710</u></u>

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017, 2016, and 2015 follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$490,742	8.7%	\$2,429,001
6/30/2016	\$482,163	13.5%	\$2,846,091
6/30/2017	\$191,229	30.6%	\$2,978,710

**Funded Status and Funding Progress:** The funded status of the plan as of June 30, 2017, was as follows:

Actuarial accrued liability (AAL)	\$2,624,082
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 2,624,082</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	<u>\$ 1,590,170</u>
UAAL as a percentage of covered payroll	165.02%

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Sheriff's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. GASB Statement No. 45 requires an actuarial valuation at least triennially for plans with less than 200 participants.

Actuarial 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.

The Evangeline Parish Sheriff qualified to use the Alternative Measurement Method (AMM) to calculate the actuarial accrued liability and annual required contribution. The AMM calculation process is similar to an actuarial valuation, but with simplifications of several assumptions permitted per GASB guidelines. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. The entry age actuarial cost method was used.
2. Investment return of 4.0% per annum, compounded annually.
3. Payroll growth rate of 2.50% was used.
4. Health care cost trend rates were developed consistent with the Getzen model promulgated by the Society of Actuaries for use in long-term trend projection.
5. The mortality rate was determined by using the RP-2000 Mortality Table for males and females projected 10 years.
6. Age adjustment factor is 1.

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Expenditures of the Sheriff's Office Paid by the Parish Police Jury

The Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the parish courthouse, as required by statute, is paid by the Evangeline Parish Police Jury. These expenditures are not included in the accompanying financial statements.

(13) Risk Management

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(14) Ex-officio Tax Collector

The amount of cash on hand in the tax collector account at June 30, 2017 consists of interest and other taxes totaling \$115,466.

The amount of taxes collected for the current year by taxing authority was as follows:

Department of Agriculture & Forestry	\$ 14,291
Evangeline Parish Police Jury	821,292
Evangeline Parish Council on Aging	243,738
Evangeline Parish Library	1,245,499
Evangeline Parish Health Unit	487,475
Evangeline Parish Law Enforcement	1,345,432
Evangeline Parish Road Districts	2,476,597
Evangeline Parish Cemetery Districts	260,876
Evangeline Parish Fire Districts	2,145,006
Evangeline Parish School Board	6,591,325
Evangeline Parish Assessor	765,336
Evangeline Parish Gravity Drainage Districts	90,412
Evangeline Parish Water Districts	624,947
Evangeline Parish Communication District	243,737
Louisiana Tax Commission	30,108
Total	<u>\$ 17,386,071</u>

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

The amount of taxes assessed and uncollected, and the reason for failure to do so is as follows:

	Louisiana Tax			
	Commission decreases	Adjudications or Exempt	Taxes not collected	Total
Department of Agriculture & Forestry	\$ 12	\$ 592	\$ 3	\$ 607
Evangeline Parish Police Jury	2,399	30,310	1,563	34,272
Evangeline Parish Council on Aging	792	8,351	560	9,703
Evangeline Parish Library	4,045	42,673	2,863	49,581
Evangeline Parish Health Unit	1,583	16,702	1,121	19,406
Evangeline Parish Law Enforcement	4,370	46,097	3,093	53,560
Evangeline Parish Road Districts	7,046	46,278	5,425	58,749
Evangeline Parish Cemetery Districts	711	15,688	594	16,993
Evangeline Parish Fire Districts	5,265	90,278	3,258	98,801
Evangeline Parish School Board	22,401	221,513	15,604	259,518
Evangeline Parish Assessor	2,486	26,221	1,759	30,466
Evangeline Parish Gravity Drainage Districts	396	340	228	964
Evangeline Parish Water Districts	444	323	46	813
Evangeline Parish Communication District	792	8,351	560	9,703
Total	<u>\$ 52,742</u>	<u>\$ 553,717</u>	<u>\$ 36,677</u>	<u>\$ 643,136</u>

(15) Compensation, Benefits, and Other Payments to Agency Head

A detail of compensation, benefits, and other payments to Sheriff, Eddie Soileau, for the year ended June 30, 2017 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 134,875
Retirement	20,530
Health insurance	7,451
Payroll taxes	2,174
Conference registration	419
Auto allowance	15,045
Reimbursements	272
	<u>\$ 180,766</u>

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(16) Litigation and Claims

There is no litigation pending against the Sheriff at June 30, 2017.

(17) Tax Abatements

The Evangeline Parish Sheriff is subject to property tax abatements as follows:

A lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, in connection with, the issuance of the \$50,000,000 Industrial Development Revenue Bonds, allowed for the exemption of ad valorem taxes. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. The tax exemption will continue for the term of the lease. For the year ended June 30, 2017 the Sheriff abated ad valorem tax in the amount of \$122,548.

The Industrial Ad Valorem Tax Exemption Program (ITEP) provided through the Louisiana Department of Economic Development, (authorized pursuant to Article VII, Part II, Section 21(F) of the Louisiana Constitution of 1974). This program authorizes the abatement of ad valorem taxes for a period of up to ten years on capital improvements and equipment related to manufacturing. The Sheriff abated property taxes to entities in the parish through the ITEP in the amount of \$67,508 for the year ended June 30, 2017.

(18) New Accounting Pronouncements

In June 2015, the GASB approved Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits other than Pensions". GASB Statement No. 75 replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Sheriff for the year ending June 30, 2018. The effect of implementation of these statements on the Sheriff's financial statements has not yet been determined.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

Evangeline Parish Sheriff  
Ville Platte, Louisiana

General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 1,366,346	\$ 1,410,700	\$ 1,444,720	\$ 34,020
Intergovernmental revenues -				
Federal grants	5,000	4,373	22,783	18,410
State revenue sharing	70,000	70,949	70,949	-
State supplemental pay	72,000	62,076	60,298	(1,778)
Parish appropriations	84,038	26,650	17,782	(8,868)
Fees, charges, and commissions for services -				
Civil and criminal fees	95,855	148,800	146,576	(2,224)
Court attendance	-	8,000	8,677	677
Feeding and keeping prisoners	275,000	995,500	1,001,942	6,442
Fines and forfeitures	147,793	298,500	303,492	4,992
Interest income	2,000	2,000	2,147	147
Miscellaneous	<u>153,133</u>	<u>267,880</u>	<u>194,681</u>	<u>(73,199)</u>
Total revenues	<u>2,271,165</u>	<u>3,295,428</u>	<u>3,274,047</u>	<u>(21,381)</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	1,112,247	1,284,313	1,245,046	39,267
Operating services	464,591	521,392	478,731	42,661
Operations and maintenance	561,167	600,450	692,521	(92,071)
Travel and other charges	2,000	2,000	2,068	(68)
Capital outlay	6,000	6,000	11,024	(5,024)
Debt service	-	1,032,087	1,032,087	-
Total expenditures	<u>2,146,005</u>	<u>3,446,242</u>	<u>3,461,477</u>	<u>(15,235)</u>
Excess (deficiency) of revenues over expenditures	125,160	(150,814)	(187,430)	(36,616)
Other financing sources:				
Proceeds from issuance of bonds	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Net change in fund balance	125,160	849,186	812,570	(36,616)
Fund balance, beginning	<u>196,728</u>	<u>196,728</u>	<u>196,728</u>	<u>-</u>
Fund balance, ending	<u>\$ 447,048</u>	<u>\$ 1,045,914</u>	<u>\$ 1,009,298</u>	<u>\$ (36,616)</u>

Evangeline Parish Sheriff  
Ville Platte, Louisiana

General Fund  
Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2017

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Current:				
Public safety -				
Personal services and related benefits:				
Sheriff salary	\$ 140,881	\$ 134,875	\$ 134,875	\$ -
Deputies salaries	844,742	1,021,442	952,263	69,179
Pension and payroll taxes	111,061	113,496	143,477	(29,981)
Sheriff's expense allowance	<u>15,563</u>	<u>14,500</u>	<u>14,431</u>	<u>69</u>
Total personal services and related benefits	<u>1,112,247</u>	<u>1,284,313</u>	<u>1,245,046</u>	<u>39,267</u>
Operating services:				
Hospitalization and life insurance	310,258	365,000	353,015	11,985
Auto insurance	87,607	87,607	90,366	(2,759)
Other liability insurance	<u>66,726</u>	<u>68,785</u>	<u>35,350</u>	<u>33,435</u>
Total operating services	<u>464,591</u>	<u>521,392</u>	<u>478,731</u>	<u>42,661</u>
Operations and maintenance:				
Auto fuel and oil	60,000	78,000	78,207	(207)
Auto maintenance	36,000	43,000	47,333	(4,333)
Operating expenses	354,667	314,600	395,475	(80,875)
Materials and supplies	32,500	44,600	38,660	5,940
Prisoner medical	1,000	1,000	944	56
Prisoner feeding and maintenance	77,000	119,250	118,430	820
Misappropriation of funds	<u>-</u>	<u>-</u>	<u>13,472</u>	<u>(13,472)</u>
Total operations and maintenance	<u>561,167</u>	<u>600,450</u>	<u>692,521</u>	<u>(92,071)</u>
Travel and other charges	<u>2,000</u>	<u>2,000</u>	<u>2,068</u>	<u>(68)</u>
Capital outlay	<u>6,000</u>	<u>6,000</u>	<u>11,024</u>	<u>(5,024)</u>
Debt service:				
Principal retirement	-	1,000,000	1,000,000	-
Bond issue costs	-	23,500	23,500	-
Interest	<u>-</u>	<u>8,587</u>	<u>8,587</u>	<u>-</u>
Total debt service	<u>-</u>	<u>1,032,087</u>	<u>1,032,087</u>	<u>-</u>
Total expenditures	<u>\$ 2,146,005</u>	<u>\$ 3,446,242</u>	<u>\$ 3,461,477</u>	<u>\$(15,235)</u>

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Schedule of Funding Progress  
For the Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2015	\$ -	\$2,624,082	\$2,624,082	0.0%	\$1,590,170	165.02%
July 1, 2012	\$ -	\$2,181,975	\$2,181,975	0.0%	\$1,509,880	144.51%
July 1, 2009	\$ -	\$1,768,992	\$1,768,992	0.0%	\$1,278,255	138.39%

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2017\*

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer'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
2015	0.315554%	\$ 1,249,595	\$ 1,488,658	83.9%	87.34%
2016	0.203953%	\$ 909,124	\$ 1,355,049	67.1%	86.61%
2017	0.207145%	\$ 1,314,728	\$ 1,417,619	92.7%	82.10%

\* The amounts presented have a measurement date of the previous fiscal year end.

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

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Schedule of Employer Contributions  
For the Year Ended June 30, 2017

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 193,094	\$ 193,094	\$ -	\$ 1,355,049	14.25%
2016	\$ 194,923	\$ 194,923	\$ -	\$ 1,417,619	13.75%
2017	\$ 112,805	\$ 112,805	\$ -	\$ 820,397	13.75%

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

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Notes to Required Supplementary Information  
For the Year Ended June 30, 2017

(1) Budgets and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. 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.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. 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.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. 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 Sheriff.

(2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations totaling \$15,235 for the year ended June 30, 2017.

(3) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

**OTHER SUPPLEMENTARY INFORMATION**

## **FIDUCIARY FUND TYPE - AGENCY FUNDS**

### **Sheriff's Fund**

To account for funds held in connection with civil suits, sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

### **Tax Collector Fund**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

### **Bond and Fine Fund**

To account for the collection of bonds, fines and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

### **Prisoner Maintenance Fund**

To account for the collection and payment of prisoner maintenance revenue as per the agreement entered into between the Evangeline Parish Law Enforcement District and GEO, Inc.

### **Prisoner' Money Fund**

To account for the receipts and disbursements made to the individual prison inmate accounts.

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Fiduciary Fund Type - Agency Funds  
Combining Balance Sheet  
June 30, 2017

	Sheriff's Fund	Tax Collector Fund	Bond and Fine Fund	Prisoner Maintenance Fund	Prisoners' Money Fund	Totals
ASSETS						
Cash and interest-bearing deposits	<u>\$ 112,424</u>	<u>\$ 115,466</u>	<u>\$ 132,770</u>	<u>\$ 1,644,474</u>	<u>\$ 13,750</u>	<u>\$ 2,018,884</u>
LIABILITIES						
Due to taxing bodies and others	<u>\$ 112,424</u>	<u>\$ 115,466</u>	<u>\$ 132,770</u>	<u>\$ 1,644,474</u>	<u>\$ 13,750</u>	<u>\$ 2,018,884</u>

EVANGELINE PARISH SHERIFF  
Ville Platte, Louisiana

Fiduciary Fund Type - Agency Funds  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2017

	Sheriff's Fund	Tax Collector Fund	Bond and Fine Fund
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Balances, beginning of year	\$ 117,072	\$ 868,799	\$ 227,963
Additions:			
Deposits -			
Sheriff's sales, suits, and seizures	783,264	-	-
Garnishments	97,050	-	-
Bonds	-	-	74,665
Feeding and keeping prisoners	-	-	-
Other deposits	63,565	-	243,033
Fines	-	-	365,748
Warrant fees	-	-	16,766
Court costs	-	-	169,365
Taxes, fees, etc., paid to tax collector	-	18,307,336	-
Total additions	<u>943,879</u>	<u>18,307,336</u>	<u>869,577</u>
Total	<u>1,060,951</u>	<u>19,176,135</u>	<u>1,097,540</u>
Reductions:			
Taxes, fees, etc. distributed to taxing bodies and others	-	19,060,669	-
Deposits settled to -			
Sheriff's General Fund and Clerk of Court	194,011	-	295,586
Police jury	-	-	167,905
District attorney expense fund	-	-	172,576
Indigent defender board	-	-	69,775
Crime lab	-	-	61,437
Judicial expense fund	-	-	22,144
Appraisers fees	8,370	-	-
Wrecker and storage	4,825	-	-
Advertising	17,355	-	-
Other settlements	<u>723,966</u>	<u>-</u>	<u>175,347</u>
Total reductions	<u>948,527</u>	<u>19,060,669</u>	<u>964,770</u>
Balances, end of year	<u>\$ 112,424</u>	<u>\$ 115,466</u>	<u>\$ 132,770</u>

<u>Prisoner Maintenance Fund</u>	<u>Prisoners' Money Fund</u>	<u>Totals</u>
<u>\$ 1,563,973</u>	<u>\$ 4,082</u>	<u>\$2,781,889</u>
-	-	783,264
-	-	97,050
-	-	74,665
16,593,507	-	16,593,507
-	45,100	351,698
-	-	365,748
-	-	16,766
-	-	169,365
-	-	18,307,336
<u>16,593,507</u>	<u>45,100</u>	<u>36,759,399</u>
<u>18,157,480</u>	<u>49,182</u>	<u>39,541,288</u>
-	-	19,060,669
-	-	489,597
-	-	167,905
-	-	172,576
-	-	69,775
-	-	61,437
-	-	22,144
-	-	8,370
-	-	4,825
-	-	17,355
<u>16,513,006</u>	<u>35,432</u>	<u>17,447,751</u>
<u>16,513,006</u>	<u>35,432</u>	<u>37,522,404</u>
<u>\$ 1,644,474</u>	<u>\$ 13,750</u>	<u>\$2,018,884</u>

STATE OF LOUISIANA, PARISH OF EVANGELINE

AFFIDAVIT

Eddie Soileau, Sheriff of Evangeline

BEFORE ME, the undersigned authority, personally came and appeared, Eddie Soileau, the Sheriff of Evangeline Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$115,466 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2016, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.

  
Sheriff of Evangeline

SWORN to and subscribed before me, Notary, this 13th day of December 2017, in my office in Ville Platte, Louisiana.

Doris D Johnson (Signature)  
Doris D Johnson (Print), # 039412  
Notary Public  
Life (Commission)

**INTERNAL CONTROL  
AND  
COMPLIANCE**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Retired  
Conrad O. Chapman, CPA\* 2006

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Eddie Soileau  
Evangeline Parish Sheriff  
Ville Platte, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Evangeline Parish Sheriff (Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated December 13, 2017.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff'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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action plan, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 2017-002 to be a material weakness.

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. We consider deficiencies 2017-001 and 2017-003 through 2017-012 described in the accompanying summary schedule of current and prior year audit findings and corrective action plan to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Evangeline Parish Sheriff'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 or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 2017-013 through 2017-015.

### **Evangeline Parish Sheriff's Response to Findings**

The Evangeline Parish Sheriff's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
December 13, 2017

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>CURRENT YEAR (6/30/2017) --</u>						
<u>Internal Control:</u>						
2017-001	Unknown	Due to the small number of employees, the Sheriff did not have adequate segregation of accounting functions.	No	It was determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.	Eddie Soileau, Sheriff	N/A
2017-002	2007	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Sheriff to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Eddie Soileau, Sheriff	N/A
2017-003	2012	Internal control procedures over the use of fuel are weak. Therefore, it could not be determined whether fuel purchases were reasonable and used for the intended purposes.	No	Effective 6/1/17, the sheriff's office began monthly fuel analysis by unit in order to determine reasonableness of fuel usage.	Eddie Soileau, Sheriff	Immediately
2017-004	2013	The Sheriff's list of outstanding cash bonds did not reconcile to the cash balance.	No	The Sheriff will maintain a list of outstanding cash bonds that reconciles to the cash balance.	Eddie Soileau, Sheriff	Immediately
2017-005	2013	The civil account daily holding report was not reconciled to the civil account cash balance.	No	The civil account daily holding report will be reconciled to the civil account cash balance on a monthly basis. Discrepancies will be investigated	Eddie Soileau, Sheriff	Immediately
2017-006	2016	The Sheriff's list of outstanding commissary funds did not reconcile to the cash balance.	No	The Sheriff will maintain a list of outstanding commissary funds that reconciles to the cash balance.	Eddie Soileau, Sheriff	Immediately

(continued)

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<b>CURRENT YEAR (6/30/2017) --</b>						
<u>Internal Control:</u>						
2017-007	2016	The monthly prison attendance reports did not reconcile to the number of days billed.	No	The monthly prison attendance reports will be reconciled to the number of days billed. Discrepancies will be investigated immediately.	Eddie Soileau, Sheriff	Immediately
2017-008	2014	Several timesheets were submitted without proper approval of employee or supervisor. On several timesheets, hours worked did not match actual hours paid.	No	The Sheriff will ensure that timesheets are properly approved and will pay employees for actual hours worked.	Eddie Soileau, Sheriff	Immediately
2017-009	2015	As of June 30, 2017, the Sheriff had incurred penalties and interest totaling \$13,606 to the Internal Revenue Service for delinquent payroll taxes.	No	All payroll taxes will be remitted to the appropriate agencies by the required due date.	Eddie Soileau, Sheriff	Immediately
2017-010	2015	The Sheriff is not depositing cash collections in a timely manner.	No	All cash collections will be deposited in a timely manner.	Eddie Soileau, Sheriff	Immediately
2017-011	2015	The Sheriff has inadequate formal written policies and procedures over budgeting, purchasing, receipts and collections, disbursements, payroll, capital assets, gasoline dispensing and accounting for usage, and evidence room.	No	Adequate written policies and procedures will be prepared and implemented.	Eddie Soileau, Sheriff	Immediately
2017-012	2017	In May of 2017, the Chief Civil Deputy for the Sheriff admitted to misappropriation of miscellaneous cash collections in the General Fund and was terminated from her administrative duties. The Sheriff reported to the Evangeline Parish District Attorney and the Louisiana Legislative Auditor that \$13,472 was misappropriated and the case is pending.	No	Internal control procedures over cash collections will be followed.	Eddie Soileau, Sheriff	Immediately
<u>Compliance:</u>						
2017-013	2017	Quotes for the purchase of a vehicle were not obtained as required by RS 38:2212.1 of the public bid law.	No	The Sheriff will follow the public bid law.	Eddie Soileau, Sheriff	Immediately

(continued)

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/2017) --						
<u>Compliance:</u>						
2017-014		See internal control finding 2017-009.				
2017-015		See internal control finding 2017-012.				
PRIOR YEAR (6/30/2016) --						
<u>Internal Control:</u>						
2016-001	Unknown	Due to the small number of employees, the Sheriff did not have adequate segregation of functions.	No	It was determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.	Eddie Soileau, Sheriff	N/A
2016-002	2007	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Sheriff to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Eddie Soileau, Sheriff	N/A
2016-003	2012	Internal control procedures over the use of fuel are weak. Therefore, it could not be determined whether fuel purchases were reasonable and used for the intended purposes.	No	Effective 10/1/16, the sheriff's office will begin using Fuelman to monitor gas purchases.	Eddie Soileau, Sheriff	Immediately
2016-004	2013	The Sheriff's list of outstanding cash bonds and bond fees did not reconcile to the cash balance.	Partial	The Sheriff will maintain a list of outstanding cash bonds and bond fees that reconciles to the cash balance.	Eddie Soileau, Sheriff	Immediately

(continued)

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
PRIOR YEAR (6/30/2016) --						
<u>Internal Control:</u>						
2016-005	2013	The civil account daily holding report was not reconciled to the civil account cash balance.	No	The civil account daily holding report will be reconciled to the civil account cash balance on a monthly basis. Discrepancies will be investigated immediately.	Eddie Soileau, Sheriff	Immediately
2016-006	2016	The Sheriff's list of outstanding commissary funds did not reconcile to the cash balance.	No	The Sheriff will maintain a list of outstanding commissary funds that reconciles to the cash balance.	Eddie Soileau, Sheriff	Immediately
2016-007	2016	The monthly prison attendance report did not reconcile to the number of days billed.	No	The monthly prison attendance report will be reconciled to the number of days billed. Discrepancies will be investigated immediately.	Eddie Soileau, Sheriff	Immediately
2016-008	2014	Occasionally, timesheets are submitted and processed before the end of the payroll period and before all time is labored. Subsequently, there are no procedures in place to ensure that the time paid was actually worked. Also, numerous timesheets are submitted without proper approval.	Partial	The Sheriff will issue payroll checks after the end of the payroll period. All timesheets will be approved by the appropriate person.	Eddie Soileau, Sheriff	Immediately
2016-009	2015	The Sheriff had \$63,949 of delinquent payroll taxes owed to various payroll taxing agencies. These amounts do not include penalties and interest which have not been assessed at this time. Penalties and interest totaling \$3,480 were paid on prior year delinquent payroll taxes.	No	All payroll taxes will be remitted to the appropriate agencies by the required due date.	Eddie Soileau, Sheriff	Immediately
2016-010	2015	The Sheriff is not depositing cash collections in a timely manner.	No	All cash collections will be deposited in a timely manner.	Eddie Soileau, Sheriff	Immediately
2016-011	2015	The Sheriff has no formal written policies and procedures over budgeting, purchasing, receipts and collections, disbursements, payroll, capital assets, gasoline dispensing and accounting for usage, and evidence room.	No	Adequate written policies and procedures will be prepared and implemented.	Eddie Soileau, Sheriff	Immediately

(continued)

Evangeline Parish Sheriff  
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>PRIOR YEAR (6/30/2016) --</u>						
<u>Compliance:</u>						
2016-012	2014	The Sheriff did not make timely distributions from the bond fee account as required by RS 15:85.1. In addition, the Sheriff was collecting a bond fee in the amount of \$25 per bond from July 2015 to October 2015. In accordance with RS 15:85.1, the correct amount of the bond fee to be collected per bond is \$15.	Yes		Eddie Soileau, Sheriff	
2016-013	2014	The Sheriff did not disburse the ad valorem taxes collected in the month of January 2016, by the 10th of the following month as required by RS 47:2060.	Yes		Eddie Soileau, Sheriff	
2016-014	2016	The Sheriff did not comply with the requirements of RS 39:1311, the Local Government Budget Act. Actual expenditures exceeded budgeted expenditures by five percent or more in the General Fund.	Yes		Eddie Soileau, Sheriff	
2016-015		See internal control finding 2016-009.				

**EVANGELINE PARISH SHERIFF**  
**Ville Platte, Louisiana**

**Statewide Agreed-Upon Procedures Report**  
**Year Ended June 30, 2017**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

\* A Professional Accounting Corporation

Retired

Conrad O. Chapman, CPA\* 2006

To the Management of the Evangeline Parish Sheriff Office,

We have performed the procedures enumerated below, which were agreed to by the Evangeline Parish 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 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.

### ***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.

*Written policies and procedures were obtained and address the functions noted 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.

*No written policies and procedures were noted.*

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

*No written policies and procedures were noted.*

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

*No written policies and procedures were noted.*

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

*No written policies and procedures were noted.*

- 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.

*No written policies and procedures were noted.*

- 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.

*No written policies and procedures were noted.*

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

*No written policies and procedures were noted.*

- 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.

*Written policies and procedures were not adequate.*

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

*No written policies and procedures were noted.*

***Board (or Finance Committee, if applicable)***

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- 2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*N/A*

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

*N/A*

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

*N/A*

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.)

*N/A*

## ***Bank Reconciliations***

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

*Obtained listing of client bank accounts from management and management's representation that listing is complete.*

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

*Obtained bank statements and reconciliations for all months in the fiscal period, noting that reconciliations have been prepared for all months.*

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

*The bank reconciliations prepared for accounts examined did not have evidence of management review.*

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

*Obtained bank statements and reconciliations for all months in the fiscal period noting management has no documentation reflecting reconciling items that have been outstanding more than 6 months.*

## ***Collections***

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

*Obtained listing of cash collection locations and management's representation that listing is complete*

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

*No written policy and procedures. The person responsible for collecting cash is bonded and is not responsible for depositing cash in the bank. The person responsible for collecting cash is responsible for recording the deposit and reconciling the bank statement.*

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

*There is no formal process to reconcile cash collections to the general ledger by revenue source, or by a person who is not responsible for cash collections*

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

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

*Collection documentation was obtained and two of the deposits were not made within one day of collection.*

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

*One of the receipts for cash collection was not supported by documentation.*

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

*There is no written documentation specifically defined to determine the completeness of all collections by a person who is not responsible for collections.*

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

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

*Obtained listing of disbursements and management's representation that the listing is complete was obtained.*

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

*Twelve exceptions were noted.*

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

*Examined supporting documentation for each of the 25 disbursements selected and found there was no appropriate approval of purchase orders.*

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

*Examined supporting documentation for each of the 25 disbursements and found no payments were processed with proper approval, receiving report (if applicable), and approved invoice.*

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

*The person responsible for processing payments is not prohibited from adding vendors to the system.*

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

*No written policies and procedures. The person with signatory authority can initiate purchases.*

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

*The supply of unused checks is in a locked location and person with signatory authority does not have access to those checks.*

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

*Signature stamp is used and is used only with the knowledge and consent of the signer.*

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

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

*Obtained listing of active credit cards, bank debit cards, fuel cards and name of person who maintain possession of cards and management's representation that the listing is complete was obtained.*

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

*Listing was obtained and randomly selected one of the two cards.*

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

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

*There was no evidence or indication that monthly statements or supporting documentation were reviewed or approved.*

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

*No finance charges or late fees were noted.*

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

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

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

*Monthly statements were obtained and address the functions noted above.*

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

*Monthly statements were obtained and do not address the functions noted above.*

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

*No written policies were available. Purchase orders were not utilized.*

- 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.

*No written purchasing/disbursement policies available. Transactions examined did not require solicitation of bids or quotes.*

- 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.

*No exceptions noted.*

## ***Travel and Expense Reimbursement***

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

*Obtained listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.*

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

*No written policies were noted.*

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

*No expense documentation was available.*

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

*No receipt was available.*

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

*Documentation was not available.*

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

*N/A*

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*Documentation was not available.*

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

*Documentation was not available.*

## ***Contracts***

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

*Listing of all contracts in effect and management's representation that the listing is complete was obtained.*

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

*No exceptions noted.*

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

*Not applicable.*

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

*Not applicable.*

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

*N/A*

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

*No noncompliance noted.*

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

*Not applicable.*

## ***Payroll and Personnel***

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

*Obtained listing of employees with their related salaries and management's representation that the listing is complete was obtained.*

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

*Unable to review compensation paid to each employee due to lack of employment contracts or pay rate structure in personnel files.*

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

*No documentation noting changes to pay rates/salaries during the fiscal period were in personnel files.*

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Seven of the 25 employees selected did not document daily attendance and leave.

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

*Seven of the 25 employees selected did not document daily attendance and leave. One employee did not have documentation noting supervisor's approval of leave.*

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

*No exceptions noted.*

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

*Not able to determine that one of the termination payments was made in strict accordance with policy and/or contract.*

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

*Payroll taxes were not paid by required deadlines and retirement reports were not sent in by required dates.*

***Ethics (excluding nonprofits)***

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

*One of the five employees selected did not have documentation to demonstrate that required ethics training was completed.*

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

*Management asserted that they have received no allegations during the fiscal period.*

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

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

*Debt was issued during the fiscal period and State Bond Commission approval was obtained.*

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

*All scheduled debt service payments were made and debt reserves were maintained as required by debt covenants.*

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

*N/A*

***Other***

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

*Management has asserted that the entity did have misappropriations of public funds or assets and it was reported to both the legislative auditor and the district attorney.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

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

*Kolder, Champagne, Slaven & Company, LLC*  
Certified Public Accountants

Ville Platte, Louisiana  
December 13, 2017