

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board
Arcadia, Louisiana**

**Financial Statements
As of and for the Year Ended June 30, 2012**

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

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ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jamicia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 2000

INDEPENDENT AUDITORS' REPORT

Board Members
Bienville Parish Tax Agency Fund
of the Bienville Parish School Board
Arcadia, Louisiana

We have audited the accompanying financial statement of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board as of June 30, 2012, as listed in the table of contents. This financial statement is the responsibility of the Bienville Parish School Board's management. Our responsibility is to express an opinion on this financial statement 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statement presents only the Bienville Parish Tax Agency Fund and do not purport to, and do not, present fairly the financial position of the Bienville Parish School Board, as of June 30, 2012, and the changes in its financial position for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board, as of June 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

The Bienville Parish Tax Agency Fund has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, we have also issued our report dated December 27, 2012, on our consideration of the Bienville Parish Tax Agency Fund'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 of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming our opinion on the financial statement that comprise of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board's basic financial statements. The information identified in the table of contents as other information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 27, 2012

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Statement of Fiduciary Assets and Liabilities
June 30, 2012**

ASSETS

| | |
|--|-------------------------|
| Cash | \$ 499,897 |
| Accounts receivable sales tax vendors, net | 779,141 |
| Cash restricted for taxes paid under protest | <u>334,218</u> |
| Total Assets | <u><u>1,613,256</u></u> |

LIABILITIES

| | |
|---|----------------------------|
| Deposits due others | 1,279,038 |
| Taxes paid under protest from restricted assets | <u>334,218</u> |
| Total Liabilities | <u><u>\$ 1,613,256</u></u> |

The notes to the financial statements are an integral part of this statement.

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Notes to the Financial Statements
June 30, 2012**

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**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Notes to the Financial Statements
June 30, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The Bienville Parish Tax Agency Fund has been formed under joint agreement of the Bienville Parish School Board, the Bienville Parish Police Jury, the City of Arcadia, the Town of Gibsland, the Town of Ringgold and the Village of Castor for the collection of sales, use taxes and other fees, in accordance with Louisiana Revised Statutes 33:2844. The Bienville Parish Tax Agency charges the joint governments a collection fee of 1.5% of total collections to cover operating costs for Bienville Parish Tax Agency Fund of the Bienville Parish School Board.

A. REPORTING ENTITY For financial reporting purposes, in conformance with GASB Statement No. 14, the Bienville Parish Tax Agency Fund is an agency fund of the Bienville Parish School Board. Accordingly, the accompanying financial statement presents only the accounts of the tax agency fund and is not intended to present fairly the financial position and results of operations of the Bienville Parish School Board in conformity with accounting principles generally accepted in the United States of America. The Bienville Parish Tax Agency Fund is included as part of the financial statements of the Bienville Parish School Board.

B. FUND ACCOUNTS A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Funds are classified into one category, fiduciary. The category, in turn, is divided into separate "fund types." Fiduciary funds are used to account for assets held for others. The tax agency fund requires the use of a fiduciary fund as described below:

Fiduciary Fund - The Bienville Parish Tax Agency Fund is used to account for the collection and distribution of sales and use taxes imposed by the various taxing authorities within the parish. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

C. BASIS OF ACCOUNTING The basis of accounting for an agency fund is the accrual basis. The measurement focus is custodial, since the fund is not involved with the performance of governmental services. An agency fund has no revenues or expenditures and therefore there is no fund balance or need to measure the results of operations for a period.

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

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Notes to the Financial Statements
June 30, 2012**

NOTE 2 - DEPOSITS At June 30, 2012, the Tax Agency has cash and cash equivalents (book balances) totaling \$834,115. Included in this amount \$334,218 is restricted assets, see Note 6 – Taxes Paid under Protest for further disclosure.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

At year-end, the Tax Agency's carrying amount of deposits was \$834,115 and the bank balance was \$810,929.

Custodial Credit Risk - Deposits: In the case of deposits this is the risk that in the event of a bank failure, the Tax Agency fund deposits may not be returned to it. The bank balance was either covered by federal depository insurance or pledged securities held by the Tax Agency's agent but not in the Tax Agency's name. Even though the pledge securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposed a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Tax Agency the fiscal agent has failed to pay deposited funds upon request.

NOTE 3 - DEPOSITS DUE OTHERS A summary of changes in deposits due others for the year ended June 30, 2012 on accrual basis, is as follows:

| | | |
|---------------------------------------|----|------------|
| BALANCE, Beginning | \$ | 2,748,116 |
| ADDITIONS: | | |
| Sales tax collections | | 13,616,373 |
| DEDUCTIONS: | | |
| Taxes distributed to others: | | |
| Bienville Parish School Board | | 4,397,250 |
| Bienville Parish School Board Special | | 4,397,238 |
| Bienville Parish Police Jury | | 4,397,241 |
| City of Arcadia | | 1,346,333 |
| Town of Gibsland | | 68,810 |
| Town of Ringgold | | 412,768 |
| Village of Castor | | 65,811 |
| Total deductions | | 15,085,451 |
| BALANCE, Ending | \$ | 1,279,038 |

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Notes to the Financial Statements
June 30, 2012**

NOTE 4 - SALES TAX COLLECTIONS AND DISBURSEMENTS (CASH BASIS) The following is a schedule of the sales tax collections and disbursement on a cash basis collected in behalf of and payments made to local governmental entities for the fiscal year ended June, 30, 2012:

| | <u>Total Collection</u> | <u>Collection Fees</u> | <u>Attorney, & Audit Fees</u> | <u>Total Disbursements</u> |
|------------------------------------|-----------------------------|----------------------------|---------------------------------------|--------------------------------|
| Town of Arcadia (2%) | | | | |
| Town of Arcadia 1991 (1%) | \$ 673,167 | \$ 10,098 | \$ 9,493 | \$ 653,576 |
| Town of Arcadia 2002 (1%) | 673,166 | 10,097 | 9,492 | 653,577 |
| | <u>1,346,333</u> | <u>20,195</u> | <u>18,985</u> | <u>1,307,153</u> |
| Town of Gisbland (2%) | | | | |
| Town of Gisbland 1983 (1%) | 34,405 | 516 | 346 | 33,543 |
| Town of Gisbland 1986 (1%) | 34,405 | 516 | 346 | 33,543 |
| | <u>68,810</u> | <u>1,032</u> | <u>692</u> | <u>67,086</u> |
| Town of Ringgold (2%) | | | | |
| Town of Ringgold 1972 (1%) | 206,384 | 3,096 | 3,302 | 199,986 |
| Town of Ringgold 1992 (1%) | 206,384 | 3,095 | 3,303 | 199,986 |
| | <u>412,768</u> | <u>6,191</u> | <u>6,605</u> | <u>399,972</u> |
| Bienville Parish School Board (2%) | | | | |
| School Board 1978 (1%) | 4,397,250 | 65,959 | 74,732 | 4,256,559 |
| School Board Special 1994 (1%) | 4,397,238 | 65,959 | 74,732 | 4,256,547 |
| | <u>8,794,488</u> | <u>131,918</u> | <u>149,464</u> | <u>8,513,106</u> |
| Bienville Parish Police Jury (1%) | 4,397,241 | 65,959 | 74,732 | 4,256,550 |
| Village of Castor (1%) | <u>65,811</u> | <u>987</u> | <u>1,308</u> | <u>63,516</u> |
| Total | <u>\$ 15,085,451</u> | <u>\$ 226,282</u> | <u>\$ 251,786</u> | <u>\$ 14,607,383</u> |

NOTE 5 - ACCOUNTS RECEIVABLE The balance in accounts receivable represents sales tax collections in July, 2012 for June, 2012 sales. No allowance for doubtful accounts has been established as the Tax Agency expects to collect these balances in full.

NOTE 6 - COMMITMENTS AND CONTINGENCIES At June 30, 2012, the Bienville Parish Tax Agency was involved in a litigation. The lawsuit is in regards to \$285,112 in tax paid under protest. The vendor alleges that no use tax is due because the equipment that was used in the parish had been acquired by the Vendor outside the parish through nontaxable isolated or occasional sales transactions. It is the

**Bienville Parish Tax Agency Fund
Of the Bienville Parish School Board**

**Notes to the Financial Statements
June 30, 2012**

opinion of legal counsel for the Tax Agency that ultimate resolution of this lawsuit is uncertain and research is ongoing. If the Commission wins, the taxes paid under protest plus statutory interest will be retained by the Commission. If the Commission loses the taxes paid under protest plus statutory interest will be refunded to the vendor.

NOTE 7 - TAXES PAID UNDER PROTEST There is currently \$334,218 in Taxes Paid Under Protest attributable to five different vendors, included interest accrued, recorded in accounts payable. Interest totaling \$2,562 has been earned since the taxes were placed in escrow. Taxes paid under protest are being held in a separate bank account pending the outcome of the cases.

NOTE 8 - SUBSEQUENT EVENTS In December 2012, there were four tax propositions passed. The Town of Arcadia passed two 10 year propositions, the Town of Gibsland passed one 10 year proposition, and the Village of Castor passed one perpetual proposition; all are effective January 1, 2013.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205
www.allengreencpa.com

Tim Green, CPA
Mergie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jaucinia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1993 - 2009

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

Board Members

Bienville Parish Tax Agency Fund
of the Bienville Parish School Board
Arcadia, Louisiana

We have audited the financial statement of Bienville Parish Tax Agency Fund of the Bienville Parish School Board as of June 30, 2012 and have issued our report thereon dated December 27, 2012. 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.

As discussed in Note 1, the financial statement of the Bienville Parish Tax Agency Fund is intended to present only the assets and liabilities of the Bienville Parish School Board that is attributable to the transactions of the Bienville Parish Tax Agency Fund.

Internal Control Over Financial Reporting

Management of the Bienville Parish School Board is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Agency Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency Fund's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as 12-F1, 12-F2 and 12-F3 to be material weaknesses.

Compliance & Other Matters

As part of obtaining reasonable assurance about whether the Agency Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Questioned Costs as item 12-F3.

The Agency Fund's responses to the findings identified in our audit are described in the accompanying corrective action plan for current year findings and questioned costs. We did not audit the Agency Fund's responses and, accordingly, we express no opinion on the responses.

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

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

Monroe, Louisiana
December 27, 2012

Bienville Parish Tax Agency Fund
Schedule of Findings and Questioned Costs
June 30, 2012

Reference # and title: 12-F1 Untraceable Adjustments

Criteria or specific requirement: Effective internal controls should provide an audit trail for any adjustments (debit or credit memos) or waivers that are made in the system. Any adjustments to the vendor delinquent accounts should be made only after proper authorization and an audit trail should exist to confirm the authorization process.

Condition found: The Bienville Tax override report is designed to handle debit and credit memos. In reviewing the report it was determined that debit and credit memos are added for audits of vendors, but the memos are not always cleared when the vendor pays the audit adjustment. There were outstanding debit and credit memo balances on the report for several years dating back to 2006. This override report as of 06/30/12 was in excess of 400 pages. Three audited folders for the year were pulled and reviewed as to amount of extra sales tax owed based on the audit. Only one of the extra amounts was on the override report. The other two audits were not on the report. In addition, there is no audit trail for when debit or credit memos are removed from the system.

Possible asserted effect (cause and effect):

Cause: Lack of proper procedures in handling debit and credit memos.

Effect: There is not a sufficient audit trail for tracing the removal of memos from the system. Also, the override report is not complete or accurate.

Recommendations to prevent future occurrences: Procedures and policies should be drafted for the accounting of debit and credit memos. In addition, the override report should be cleaned up of all old inactive entries.

Reference # and title: 12-F2 Delinquent Accounts

Criteria or specific requirement: In order to be good stewards of the taxpayer's money, it is the responsibility of the sales tax agency to properly record delinquent payments and associated late payments and penalties, to notify vendors of any late payments due, and to vigorously pursue collections.

Condition found: Delinquent accounts are not being properly addressed as per policy. The Tax Agency does send out letters to the vendors at 30 days and 60 days intervals. However, if the vendor still does not pay the delinquent tax, no further actions appears to be taken. No delinquent accounts are being turned over to the DA when the agency is unable to collect the delinquent amounts through the usual process. The monthly delinquent tax report is not being actively worked. Also, there is no policy for writing off old delinquent accounts. The delinquent report listed several vendors who appear to have been out for business for quite some time. Also, one vendor had not submitted a tax return since November of 2010, but there was no proof of the vendor being contacted as to his business status or why he quit sending in tax returns.

Possible asserted effect (cause and effect):

Cause: Proper procedures for working the delinquent tax report are not being followed.

Effect: Taxes owed to the Tax Agency are not being collected.

Bienville Parish Tax Agency Fund
Schedule of Findings and Questioned Costs
June 30, 2012

Recommendations to prevent future occurrences: The Tax Agency staff should be advised of the proper procedures to follow regarding collection of delinquent taxes. Management should establish review procedures to ensure that the accounts are worked timely and referred to the District Attorney for legal action when required.

Reference # and title: **12-F3** **Collection of Expired Taxes**

Criteria or specific requirement: Taxes are approved by the voters with a specific starting and ending date. It is the responsibility of the Tax Agency to ensure that collections of these sales taxes start and end at the approved dates.

Condition found: The Bienville Parish Sales Tax Agency collected three expired sales taxes during the 2011-2012 fiscal year. The Town of Castor 1% sales had had expired in 1989, The Town of Gibsland 1% tax had expired in 1996, and the Town of Arcadia 1% tax had expired May 31, 2012. The collection of all three of these taxes did not stop after their expiration date.

Possible asserted effect (cause and effect):

Cause: No one at the Tax Agency is monitoring when to stop collection of the various taxes being collected.

Effect: These three taxes were being collected illegally after their expiration dates.

Recommendations to prevent future occurrences: The Tax Agency should establish procedures to monitor the starting and ending dates of all taxes that they collect and should work with the taxing bodies to ensure that they are informed of the expiration of their taxes.

Bienville Parish Tax Agency Fund
Summary Schedule of Prior Year Findings and Questioned Costs
June 30, 2012

Reference # and title: **11-F1** **Untraceable Adjustments**

Origination date: This finding originated June 30, 2008.

Condition found: Effective internal controls should provide an audit trail for any adjustments or deletions that are made in the system. Any adjustments to the vendor delinquent account should be made only after proper authorization and an audit trail should exist to confirm the authorization process. We noted that there is not an adequate review process over file maintenance changes or adjustments of delinquent accounts that can be reviewed to ensure that any changes are proper.

Corrective action planned: See current year finding 12-F1.

Bienville Parish Tax Agency Fund
Corrective Action Plan for Current Year Findings and Questioned Costs
June 30, 2012

Reference # and title: **12-F1** **Untraceable Adjustments**

Condition: Effective internal controls should provide an audit trail for any adjustments (debit or credit memos) or waivers that are made in the system. Any adjustments to the vendor delinquent accounts should be made only after proper authorization and an audit trail should exist to confirm the authorization process.

The Bienville Tax override report is designed to handle debit and credit memos. In reviewing the report it was determined that debit and credit memos are added for audits of vendors, but the memos are not always cleared when the vendor pays the audit adjustment. There were outstanding debit and credit memo balances on the report for several years dating back to 2006. This override report as of 06/30/12 was in excess of 400 pages. Three audited folders for the year were pulled and reviewed as to amount of extra sales tax owed based on the audit. Only one of the extra amounts was on the override report. The other two audits were not on the report. In addition, there is no audit trail for when debit or credit memos are removed from the system.

Corrective action planned: Management will discuss with software company the options available for tracing any adjustments.

Person responsible for corrective action:

| | |
|----------------------------------|--------------------------|
| Jarvis Osborne, Business Manager | Telephone (318) 263-9416 |
| Bienville Parish School Board | Facsimile (318) 263-3100 |
| P. O. Box 418 | |
| Arcadia, LA 71001-0418 | |

Anticipated completion date: June 30, 2013.

Reference # and title: **12-F2** **Delinquent Accounts**

Condition: In order to be good stewards of the taxpayer's money, it is the responsibility of the sales tax agency to properly record delinquent payments and associated late payments and penalties, to notify vendors of any late payments due, and to vigorously pursue collections.

Delinquent accounts are not being properly addressed as per policy. The Tax Agency does send out letters to the vendors at 30 days and 60 days intervals. However, if the vendor still does not pay the delinquent tax, no further actions appears to be taken. No delinquent accounts are being turned over to the DA when the agency is unable to collect the delinquent amounts through the usual process. The monthly delinquent tax report is not being actively worked. Also, there is no policy for writing off old delinquent accounts. The delinquent report listed several vendors who appear to have been out for business for quite some time. Also, one vendor had not submitted a tax return since November of 2010, but there was no proof of the vendor being contacted as to his business status or why he quit sending in tax returns.

Corrective action planned: Management will forward the DA a listing of all delinquent accounts over 60 days.

Person responsible for corrective action:

| | |
|----------------------------------|--------------------------|
| Jarvis Osborne, Business Manager | Telephone (318) 263-9416 |
| Bienville Parish School Board | Facsimile (318) 263-3100 |
| P. O. Box 418 | |
| Arcadia, LA 71001-0418 | |

Anticipated completion date: April 30, 2013.

Bienville Parish Tax Agency Fund
Corrective Action Plan for Current Year Findings and Questioned Costs
June 30, 2012

Reference # and title: **12-F3** **Collection of Expired Taxes**

Criteria or specific requirement: Taxes are approved by the voters with a specific starting and ending date. It is the responsibility of the Tax Agency to ensure that collections of these sales taxes start and end at the approved dates.

Condition found: The Bienville Parish Sales Tax Agency collected three expired sales taxes during the 2011-2012 fiscal year. The Town of Castor 1% sales had expired in 1989, The Town of Gibsland 1% tax had expired in 1996, and the Town of Arcadia 1% tax had expired May 31, 2012. The collection of all three of these taxes did not stop after their expiration date.

Corrective action planned: Management has obtained copies of all tax propositions and is tracking expiration dates.

Person responsible for corrective action:

| | |
|----------------------------------|--------------------------|
| Jarvis Osborne, Business Manager | Telephone (318) 263-9416 |
| Bienville Parish School Board | Facsimile (318) 263-3100 |
| P. O. Box 418 | |
| Arcadia, LA 71001-0418 | |

Anticipated completion date: December 2012.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Toll-free: (888) 741-0205
www.allengreencpa.com

Tim Green, CPA
Marge Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jaucia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1961 - 2000

Management Letter

Board Members
Bienville Parish Sales Tax Agency Fund
of the Bienville Parish School Board
Arcadia, Louisiana

In planning and performing our audit of the financial statement of the Bienville Parish Sales Tax Agency Fund of the Bienville Parish School Board, for the year ended June 30, 2012, we considered the Agency Fund's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control.

However, during our audit, we noted a certain matter involving internal control that is presented for your consideration. This letter does not affect our report dated December 27, 2012, on the financial statement of the Agency Fund. We will review the status of this comment during our next audit engagement. Our comment and recommendation, which has been discussed with appropriate members of management, is intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment and management's response are summarized as follows:

12-M1 Protested Taxes

Comment: In reviewing the amount shown as protested taxes, it was discovered that there were four vendors who paid protested taxes several years ago and no one in the Agency knew the status of these accounts. Supposedly these four cases had been turned over to the local District Attorney for handling, but there was no proof that this had actually been done.

Recommendation: Management should establish procedures for the review and tracking of all taxes paid under protest and ensure that the local District Attorney receives the necessary information to process these cases.

Management's response: Management will track all payments under protest and ensure that they are processed properly.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statement of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board as of and for the year ended June 30, 2012, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's responses to our current year management letter items. We have performed no audit work to verify the content of the responses.

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 27, 2012