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Report Highlights

East Baton Rouge Parish Clerk of Court

Audit Control # 70160008
Advisory Services • March 2017

Why We Conducted This Audit

We visited the East Baton Rouge Parish Clerk of Court's Office (Clerk or Clerk's office) to perform an assessment of the Clerk's internal controls over credit cards, service and lease contracts, payroll and human resources, collections, and equipment.

What We Found

Written Policies and Procedures

The Clerk's office did not have a comprehensive policies and procedures manual addressing all critical functions of the office.

Credit Cards

While we did not note any exceptions relating to credit card purchases, we identified areas where internal controls should be strengthened, including credit card user documentation, segregation of duties, and related administrative functions.

Service and Lease Contracts

The Clerk's office had multiple agreements for leases and services but did not always have controls to ensure that contracting was based on a formally established need, that services were procured at competitive prices, and that contract provisions were clearly stated and monitored to ensure the receipt of contract deliverables.

Payroll and Human Resources

The Clerk's office did not have an adequate segregation of duties relating to payroll. We also noted issues related to the tracking of payroll changes made in the payroll system, approval of overtime, and completion of performance appraisals. In addition, we found that the Clerk has been accruing leave, although he does not complete timesheets. This could present a problem if he receives compensation for unused leave upon separation from the office/position, possibly exceeding his statutory compensation.

Collections

The Clerk's office did not have an adequate segregation of duties over cash collections. We also identified issues relating to physical control of collections and general accountability for collections. For example, we observed cash collections that were left unsecured during the work day and were informed that staff has been sharing cash drawers used for the collection of payments to the Clerk's office.

Continued on next page

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What We Found (Cont.)

Equipment

The Clerk's office did not properly tag, track, or inventory office equipment and other movable assets. We also noted that equipment record-keeping duties were not properly segregated.

Local Government Budget Act

The Clerk's office did not meet certain requirements of the Local Government Budget Act, as provided for in state law.

Paying for Services Not Used/Received

The Clerk's office paid a monthly fee of \$125 and an annual fee of \$400 to an auction house for procurement services, but the Clerk's staff represented to us that the office had not used or received services from the auction house during fiscal year 2016. This may be a violation of the state Constitution, prohibiting the donation of public funds.

Monthly Financial Statements with Budget-to-Actual Variances

The Clerk's office did not prepare monthly financial budget-to-actual comparisons. Without such information, the Clerk may find it difficult to effectively manage the financial operations of his office.

Services Provided by Baker City Court

From July 2015 to March 2016, the Clerk's office received \$3,100 in fees from marriage licenses issued by Baker City Court employees while paying approximately \$5,600 for these services. Fiscally sound business practices generally provide that operations should be self-supporting.

Remitting Unclaimed Property to the State Treasurer's Office

The Clerk did not forward outstanding checks to the State Treasury as unclaimed property as required by state law.

Purchasing Promotional Items

The Clerk's office purchased drink "koozies" with the Clerk's name and seal on them that were given to employees and visitors, possibly in violation of state law.

Notice to Report Fraud and Abuse to LLA

The Clerk's office did not post a required notice on its premises concerning the reporting of misappropriation, fraud, waste, or abuse of public funds, as provided for in state law.