

**BIENVILLE PARISH CLERK OF COURT**  
Arcadia, Louisiana

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 2017**  
**With Supplemental Information Schedules**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

Annual Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended June 30, 2017  
With Supplemental Information Schedules

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Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

## **Independent Auditor's Report**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and major fund of the Bienville Parish Clerk of Court, a component unit of the Bienville Parish Police Jury, as of June 30, 2017, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Clerk'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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 Bienville Parish Clerk of Court'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 Bienville Parish Clerk of Court's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
Independent Auditor's Report,  
June 30, 2017

***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Bienville Parish Clerk of Court as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matters***

***Other Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 35 through 36, and the schedule of funding progress for the retiree healthcare plan on page 37, and the schedule of the Clerks' proportionate share of the net pension liability on pages 38 through 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. I 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 managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Clerk of Court's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 41 is presented for purposes of additional analysis and is not a required part of 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 my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
Independent Auditor's Report,  
June 30, 2017

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

In accordance with *Government Auditing Standards*, I have also issued a report dated January 18, 2018, on my consideration of the Bienville Parish Clerk of Court's internal control over financial reporting and on my 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 my 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 Bienville Parish Clerk of Court's internal control over financial reporting and compliance.



West Monroe, Louisiana  
January 18, 2018

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

**Management's Discussion and Analysis**  
June 30, 2017

As management of the Bienville Parish Clerk of Court, I offer readers of the Bienville Parish Clerk of Court's financial statements this narrative overview and analysis of the financial activities of the Bienville Parish Clerk of Court for the fiscal year ended June 30, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Clerk's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Clerk of Court's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Bienville Parish Clerk of Court's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's Net Position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).



**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bienville Parish Clerk of Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Bienville Parish Clerk of Court can be divided into two categories: governmental funds and fiduciary (agency) funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Bienville Parish Clerk of Court adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

**Fiduciary funds.** Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Bienville Parish Clerk of Court's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

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

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Bienville Parish Clerk of Court's performance.

The combining schedule for nonmajor governmental funds is presented immediately following the required supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, liabilities of the Bienville Parish Clerk of Court exceeded assets by \$648,719. Assets of the Bienville Parish Clerk of Court exceed net position due to the Net OPEB and Net Pension Liabilities. These assets are not available for future spending.

An additional portion of the Bienville Parish Clerk of Court's Net Position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted Net Position is affected by two factors: 1) resources expended, over time, by the Bienville Parish Clerk of Court to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets being included in the statement of Net Position.

STATEMENT OF NET POSITION  
Governmental Funds

	2017	2016
<b>ASSETS</b>		
Cash and cash equivalents	\$236,843	\$148,742
Investments	1,593	1,529
Receivables	40,439	30,600
Capital assets (net of accumulated depreciation)	5,443	9,796
TOTAL ASSETS	284,318	190,667
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	338,700	166,390
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$623,018	\$357,057
<b>LIABILITIES</b>		
Accounts payable	\$8,005	\$3,023
Due to other funds	26,000	20,000
Net pension liability	918,708	794,883
Net OPEB Obligation	229,441	212,220
TOTAL LIABILITIES	1,182,154	1,030,126
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	89,583	47,200
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	5,443	9,796
Unrestricted	(654,162)	(760,065)
TOTAL NET POSITION	(648,719)	(750,269)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$623,018	\$327,057

STATEMENT OF ACTIVITIES

	2017	2016
Judicial:		
Personal services	\$713,330	\$688,082
Operating services	78,602	78,801
Materials and supplies	9,113	15,276
Travel	1,345	2,587
Intergovernmental	9,089	9,116
Depreciation expense	4,353	5,822
Total Program Expenses	815,832	799,684
Program revenues:		
License and permits	1,590	12,330
Clerk's supplemental compensation	22,750	21,850
Court cost, fees, and charges	424,562	388,698
Fees for recording legal documents	218,698	205,029
Fees for certified copies of documents	88,598	146,352
Intergovernmental	75,000	
Miscellaneous revenues	52,822	54,358
Total program revenues	884,020	828,617
Net Program Expenses	68,188	28,933
General revenues - Interest earned	3,362	1,753
Change in Net Position	71,550	30,686

Net Position - Beginning of year - as restated	<u>(\$720,269)</u>	<u>(\$750,955)</u>
Net Position - End of year	<u>(\$648,719)</u>	<u>(\$720,269)</u>

## Financial Analysis of the Government's Funds

As noted earlier, the Bienville Parish Clerk of Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2017, combined governmental fund balances of \$244,870 showed an increase of \$87,022 over June 30, 2016. The General Fund's portion of the unreserved, undesignated fund balance of \$71,645 shows an increase (of approximately \$49,229) from the prior year amount.

## General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget were due to a decrease in licenses and permits and court costs, fees, and charges and an increase in clerks supplemental compensation and miscellaneous revenues. Differences between expenditures of the original budget and the final budget were due primarily to increases in operating services and decreases in personal services and related benefits.

## Capital Asset and Debt Administration

**Capital assets.** The Bienville Parish Clerk of Court's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$5,443 (net of accumulated depreciation). This investment includes furniture and equipment. There were no increases or decrease in capital assets for the year.

**Long-term debt.** The Bienville Parish Clerk of Court contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the clerk's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at June 30, 2017 is \$229,441. Net pension obligation associated with the Pension Plan at June 30, 2017 is \$918,708.

## Requests for Information

This financial report is designed to provide a general overview of the Bienville Parish Clerk of Court's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bienville Parish Clerk of Court, 100 Courthouse Drive, Room 100, Arcadia, LA 71001.

January 18, 2018

**BASIC FINANCIAL STATEMENTS**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

STATEMENT OF NET POSITION  
June 30, 2017

**ASSETS**

Cash and cash equivalents	\$236,843
Investments	1,593
Receivables	40,439
Capital assets (net of accumulated depreciation)	<u>5,443</u>
TOTAL ASSETS	284,318

**DEFERRED OUTFLOWS OF RESOURCES**

Pension related	<u>338,700</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$623,018</u></u>

**LIABILITIES**

Accounts payable	\$8,005
Due to other funds	26,000
Net pension liability	918,708
Net OPEB obligation	<u>229,441</u>
TOTAL LIABILITIES	1,182,154

**DEFERRED INFLOWS OF RESOURCES**

Pension related	<u>89,583</u>
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**NET POSITION**

Invested in capital assets, net of related debt	5,443
Unrestricted	<u>(654,162)</u>
TOTAL NET POSITION	(648,719)

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$623,018</u></u>
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The accompanying notes are an integral part of this statement.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

STATEMENT OF ACTIVITIES  
June 30, 2017

Judicial:	
Personal services	\$713,330
Operating services	78,602
Materials and supplies	9,113
Travel	1,345
Intergovernmental	9,089
Depreciation expense	4,353
Total Program Expenses	<u>815,832</u>
Program revenues:	
License and permits	1,590
Clerk's supplemental compensation	22,750
Local funds	75,000
Court cost, fees, and charges	424,562
Fees for recording legal documents	218,698
Fees for certified copies of documents	88,598
Miscellaneous revenues	52,822
Total program revenues	<u>884,020</u>
Net Program Expenses	68,188
General revenues - Interest earned	<u>3,362</u>
Change in Net Position	71,550
Net Position - Beginning of year - as restated	<u>(720,269)</u>
Net Position - End of year	<u><u>(\$648,719)</u></u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2017

	GENERAL FUND	OTHER GOVERNMENTAL FUND WITNESS FEE FUND	TOTAL
<b>ASSETS</b>			
Cash and cash equivalents	\$63,618	\$173,225	\$236,843
Investments	1,593		1,593
Receivables - fees, charges, and commissions	40,439		40,439
<b>TOTAL ASSETS</b>	<b>\$105,650</b>	<b>\$173,225</b>	<b>\$278,875</b>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts payable	\$8,005		\$8,005
Due to other funds	26,000		26,000
<b>TOTAL LIABILITIES</b>	<b>34,005</b>	NONE	<b>34,005</b>
Fund Equity - fund balances:			
Restricted - Other General Government		\$173,225	173,225
Unassigned	71,645		71,645
<b>TOTAL FUND EQUITY - FUND BALANCES</b>	<b>71,645</b>	<b>173,225</b>	<b>244,870</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$105,650</b>	<b>\$173,225</b>	<b>\$278,875</b>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

Reconciliation of Governmental Funds  
Balance Sheet to the Statement of Net Position

For the Year Ended June 30, 2017

Total Fund Balances at June 30, 2017 - Governmental Funds (Statement C)		<u>\$244,870</u>
Deferred outflows of resources		338,700
Cost of capital assets at June 30, 2017	\$313,684	
Less: Accumulated depreciation as of June 30, 2017	<u>(308,241)</u>	<u>5,443</u>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Net pension liability		(918,708)
Net OPEB		(229,441)
Deferred inflows of resources		<u>(89,583)</u>
Net Position at June 30, 2017 (Statement A)		<u><u>(\$648,719)</u></u>

The accompanying notes are an integral part of this statement.



BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,  
and Changes in Fund Balances

For the Year Ended June 30, 2017

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS WITNESS FEE FUND	TOTAL
<b>REVENUES</b>			
Licenses and permits - marriage	\$1,590		\$1,590
Intergovernmental revenues - state grants - Clerk's supplemental compensation	22,750		22,750
Local funds	75,000		75,000
Fees, charges, and commissions for services:			
Court costs, fees, and charges	361,105	\$63,457	424,562
Fees for recording legal documents	218,698		218,698
Fees for certified copies of documents	88,598		88,598
Use of money and property - interest earnings	3,362		3,362
Miscellaneous revenues	730		730
Total revenues	<u>771,833</u>	<u>63,457</u>	<u>835,290</u>
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Personal services	624,455	25,664	650,119
Operating services	78,602		78,602
Materials and supplies	9,113		9,113
Travel and other charges	1,345		1,345
Intergovernmental	9,089		9,089
Total expenditures	<u>722,604</u>	<u>25,664</u>	<u>748,268</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	49,229	37,793	87,022
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	22,416	135,432	157,848
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$71,645</u>	<u>\$173,225</u>	<u>\$244,870</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2017

Total net change in fund balances - governmental funds (Statement D)	\$87,022
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation	(4,353)
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(17,221)
Non-employer contributions to cost-sharing pension plan	52,092
Pension expense	<u>(45,990)</u>
Change in Net Position of governmental activities (Statement B)	<u>\$71,550</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2017

	<u>ADVANCE DEPOSIT</u>	<u>REGISTRY OF COURT</u>	<u>CHILD SUPPORT</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$556,170	\$861,348	\$881	\$1,418,399
Investments	8,556	2,136		10,692
Due from other funds	<u>26,000</u>			<u>26,000</u>
TOTAL ASSETS	<u>\$590,726</u>	<u>\$863,484</u>	<u>\$881</u>	<u>\$1,455,091</u>
<b>LIABILITIES</b>				
Unsettled deposits held for others	<u>\$590,726</u>	<u>\$863,484</u>	<u>\$881</u>	<u>\$1,455,091</u>
TOTAL LIABILITIES	<u>\$590,726</u>	<u>\$863,484</u>	<u>\$881</u>	<u>\$1,455,091</u>

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The accompanying financial statements of the Bienville Parish Clerk of Court have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Bienville Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Bienville Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Bienville Parish financial reporting entity.

## **B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

The clerk of court's basic financial statements include both government-wide (reporting the clerk of court as a whole) and fund financial statements (reporting the clerk's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the clerk are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the clerk, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net Position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The clerk first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

BIENVILLE PARISH CLERK OF COURT  
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Notes to the Financial Statements (Continued)

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the clerk's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the clerk's general revenues.

**Allocation of Indirect Expenses** - The clerk reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

### C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the clerk are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

#### **Governmental Fund Type**

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

BIENVILLE PARISH CLERK OF COURT

Arcadia, Louisiana

Notes to the Financial Statements (Continued)

**Special Revenue Funds** - The Court Reporter and Witness Fee Funds are used by the clerk's office to account for the proceeds of specific revenue sources which are restricted to expenditures for specified purposes.

**Fiduciary Fund Type - Agency Funds**

The Advance Deposit, Registry of Court, Child Support and Judicial Expense agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The clerk considers all revenues available if they are collected within 60 days after the fiscal year end.

BIENVILLE PARISH CLERK OF COURT  
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Notes to the Financial Statements (Continued)

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are recorded in the year in which they are earned.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above criteria, intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**E. CASH AND CASH EQUIVALENTS**

Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the clerk of court has cash and cash equivalents (book balances) totaling \$1,655,242

Demand deposits	\$325,540
Time deposits	<u>1,329,702</u>
Total	<u>\$1,655,242</u>

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 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 are secured as follows:



BIENVILLE PARISH CLERK OF COURT  
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 Notes to the Financial Statements (Continued)

Bank Balances	<u>\$1,686,411</u>
Federal deposit insurance	\$1,200,710
Pledged securities (uncollateralized)	<u>530,147</u>
Total	<u>\$1,730,857</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the clerk, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand.

**F. INVESTMENTS**

Investments held at June 30, 2017 consist of \$12,285, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2017 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, clerks, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is

BIENVILLE PARISH CLERK OF COURT  
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Notes to the Financial Statements (Continued)

determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

### G. 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 clerk maintains a threshold level of \$300 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the clerk, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

### H. ANNUAL AND SICK LEAVE

All employees of the clerk of court's office earn two weeks of non-cumulative vacation leave each year. Sick leave is granted on a case-by case basis, at the discretion of the clerk.

### I. RISK MANAGEMENT

The clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years which

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 Notes to the Financial Statements (Continued)

exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2017.

**J. TOTAL COLUMN ON THE BALANCE SHEET**

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**K. PENSION PLANS**

The Bienville Parish Clerk's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 3. 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 each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**2. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings and equipment follows:

Balance, June 30, 2016	\$313,684
Additions	NONE
Deletions	<u>NONE</u>
Balance, June 30, 2017	313,684
Less accumulated depreciation	<u>(308,241)</u>
Net Capital Assets	<u><u>\$5,443</u></u>

**3. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER**

The Louisiana Clerks' of Court Retirement Fund (Fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:1501 to provide retirement, disability and survivor benefits to clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees.

BIENVILLE PARISH CLERK OF COURT  
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Notes to the Financial Statements (Continued)

Substantially all employees of the Bienville Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

***Summary of Significant Accounting Policies.***

The Louisiana Clerks' of Court Retirement and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Louisiana Clerks' of Court Retirement and Relief Fund employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2016.

***Plan Fiduciary Net Position***

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

***Plan Description.***

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

BIENVILLE PARISH CLERK OF COURT  
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Notes to the Financial Statements (Continued)

through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov).

***Plan Benefits***

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

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

According to the state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2016, the actual employer contribution rate was 19%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance any unfunded accrued liability. In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

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

At June 30, 2017, the Clerk reported a liability of \$918,708 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 Clerks' proportion of the net pension liability was based on a projection of the Clerks' long-term share of

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 Notes to the Financial Statements (Continued)

contributions to the pension plan relative to the projected contributions of all participating clerks' actuarially determined. At June 30, 2016, the Clerks' proportion was .4966 percent, which was a decrease of .0033 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Clerk recognized pension expense of \$45,990. At June 30, 2016, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance	\$202,258	\$83,068
Change in system deferred outflows and inflows of resources	138,679	(39,376)
Differences between Clerk of Court contributions and proportionate share of contributions		(66)
Changes in proportionate share		45,957
Contributions subsequent to measurement period	(86,122)	
Clerk of Court contributions subsequent to the measurement date	83,885	
Total	\$338,700	\$89,583

\$83,885 reported as deferred outflows of resources related to pensions resulting from the Clerks' 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:

Year ended June 30:	
2016	\$37,535
2017	37,535
2018	57,202
2019	34,115
Thereafter	166,387

**Actuarial assumptions.** The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

BIENVILLE PARISH CLERK OF COURT  
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 Notes to the Financial Statements (Continued)

Valuation Date	June 30, 2016
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.00%, net of investment expense
Projected salary increases	5.0%
Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Healthy Annuitant Table for healthy annuitants (set forward 1 year for males) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)
Expected remaining service lives	2014 - 5 years, 2015 - 5 years, 2016 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

The discounted rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method.

*Sensitivity of the Clerks' proportionate share of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated

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 Notes to the Financial Statements (Continued)

using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2016.

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Clerks' proportionate share of the net pension liability	\$1,307,305	\$918,708	\$588,868

**4. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Description.** The Bienville Parish Clerk of Court's defined benefit postemployment healthcare plan ("the Retiree Healthcare Plan") provides medical, dental, vision and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.

**Funding Policy.** The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT board of trustees. Retirees are required to pay 50% of the premium charged by the LCCA for retirees and 50% for their dependents. Surviving spouses are required to pay 100% of the premiums. For the year ended June 30, 2017, the Bienville Parish Clerk contributed \$26,192 to the plan and the retirees/surviving spouses contributed \$18,836.

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

Annual required contribution	\$47,134
Interest on net OPEB obligation	7,428
Adjustment to annual required contribution	(11,149)
Annual OPEB cost (expense)	<u>43,413</u>
Contributions made	(26,192)
Increase in net OPEB obligation	17,221
Net OPEB obligation at beginning of year	<u>\$212,220</u>
Net OPEB obligation at end of year	<u><u>\$229,441</u></u>



BIENVILLE PARISH CLERK OF COURT  
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 Notes to the Financial Statements (Continued)

The clerk's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2017, was \$43,413, 60.3%, and \$229,441, respectively.

**Funded Status and Funding Progress.** As of June 30, 2017, the actuarial accrued liability for benefits was \$592,783, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$424,351 and ratio of the unfunded actuarial accrued liability to the covered payroll was 136.69%.

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

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

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

**5. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances deposits due others follows:

	Advance Deposit Fund	Registry of Court Fund	Child Support Fund	Total
Balance, July 1, 2016	\$566,806	\$6,621,549	\$881	\$7,189,236
Additions	5,552,068	67,594	17,094	5,636,756
Deletions	(5,528,148)	(5,825,659)	(17,094)	(11,370,901)
Balance June 30, 2017	<u>\$590,726</u>	<u>\$863,484</u>	<u>\$881</u>	<u>\$1,455,091</u>

**6. LITIGATION AND CLAIMS**

The Bienville Parish Clerk of Court is not involved in any litigation at June 30, 2017, nor is he aware of any unasserted claims.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
License and permits	\$21,800	\$15,200	\$1,590	(\$13,610)
Intergovernmental revenues-state grants-				
Clerk's supplemental compensation	72,500	97,750	22,750	(75,000)
Local			75,000	75,000
Fees, charges, and commissions for services:				
Court costs, fees, and charges	701,000	643,150	361,105	(282,045)
Fees for recording legal documents			218,698	218,698
Fees for certified copies of documents			88,598	88,598
Miscellaneous	100	750	730	(20)
Use of money and property - interest earnings	1,000	1,000	3,362	2,362
Total revenues	<u>796,400</u>	<u>757,850</u>	<u>771,833</u>	<u>13,983</u>
<b>EXPENDITURES</b>				
Current:				
General government - judicial				
Personal services and related benefits	643,484	631,944	624,455	7,489
Operating services	69,650	81,425	78,602	2,823
Materials and supplies	12,500	11,900	9,113	2,787
Travel and other charges	18,065	17,965	1,345	16,620
Capital outlay	600	100		100
Intergovernmental	9,300	9,500	9,089	411
Total expenditures	<u>753,599</u>	<u>752,834</u>	<u>722,604</u>	<u>30,230</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	42,801	5,016	49,229	44,213
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>45,000</u>	<u>45,000</u>	<u>22,416</u>	<u>(22,584)</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$87,801</u></u>	<u><u>\$50,016</u></u>	<u><u>\$71,645</u></u>	<u><u>\$21,629</u></u>

See accompanying note to budgetary comparison schedule.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2017

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Bienville Parish Clerk's office during the month of June for comments from taxpayers. The budget is then legally adopted by the clerk and amended during the year, as necessary. The budget is established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

**Bienville Parish Clerk of Court  
Retiree Healthcare Plan  
June 30, 2017**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	\$0	\$658,434	\$658,434	0.00%	\$532,380	123.68%
June 30, 2012	\$0	\$769,571	\$769,571	0.00%	\$443,016	173.71%
June 30, 2015	\$0	\$592,783	\$592,783	0.00%	\$435,411	136.14%

Note:

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations.

**Bienville Parish Clerk of Court**  
**Schedule of Employer's Share of Net Pension Liability**  
**June 30, 2017**

Actuarial Valuation Date	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
June 30, 2014	0.533434%	\$719,530	\$478,698	150.31%	79.37%
June 30, 2015	0.529911%	\$794,883	\$453,272	175.37%	78.13%
June 30, 2016	0.496606%	\$918,708	\$441,500	208.09%	74.17%

Note: - Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Bienville Parish Clerk of Court  
Schedule of Employer Contributions  
June 30, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2014	\$90,953	\$90,953	\$0	\$478,698	19.00%
June 30, 2015	\$86,122	\$86,122	\$0	\$453,272	19.00%
June 30, 2016	\$83,885	\$83,885	\$0	\$441,500	19.00%

Note: - Schedule is intended to show information for ten years. Additional years will be displayed as they become available.



**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

BIENVILLE PARISH CLERK OF COURT  
Arcadia, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2017

JAMES MARTIN, CLERK OF COURT

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$110,154
Expense Allowance	13,295
Supplemental Compensation	22,800
Election expense	2,100
Benefits-insurance	13,473
Benefits-retirement	40,219
Benefits-Medicare	2,089
Other membership dues	104
Housing and lodging	781
Cellphone	1,310
Registration fees	500
Membership dues-Clerk's Association	2,104

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and For the Year Ended June 30, 2017

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**ADVANCE DEPOSIT FUND**

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

**REGISTRY OF COURT FUND**

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgement has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

**CHILD SUPPORT FUND**

The Child Support Fund accounts for the collection and distribution of child support obligations and the assessment and remittance of a five per cent fee on the child support payments.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled  
Balances Due to Taxing Bodies and Others  
For the Year Ended June 30, 2017

	ADVANCE DEPOSIT FUND	REGISTRY OF COURT FUND	CHILD SUPPORT FUND	TOTAL
<b>UNSETTLED DEPOSITS AT BEGINNING OF YEAR</b>	<u>\$566,806</u>	<u>\$6,621,549</u>	<u>\$881</u>	<u>\$7,189,236</u>
<b>ADDITIONS</b>				
Deposits - suits and successions	5,552,064	60,096		5,612,160
Interest earned on investments	4	7,498		7,502
Other additions			17,094	17,094
Total additions	<u>5,552,068</u>	<u>67,594</u>	<u>17,094</u>	<u>5,636,756</u>
Total	<u>6,118,874</u>	<u>6,689,143</u>	<u>17,975</u>	<u>12,825,992</u>
<b>REDUCTIONS</b>				
Clerk's costs to General Fund	106,740		13,719	120,459
Deposits settled to:				
Sheriff's fees	16,558		3,375	19,933
Other reductions	<u>5,404,850</u>	<u>5,825,659</u>		<u>11,230,509</u>
Total reductions	<u>5,528,148</u>	<u>5,825,659</u>	<u>17,094</u>	<u>11,370,901</u>
<b>UNSETTLED DEPOSITS AT END OF YEAR</b>	<u>\$590,726</u>	<u>\$863,484</u>	<u>\$881</u>	<u>\$1,455,091</u>

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART IV**

**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
*A PROFESSIONAL ACCOUNTING CORPORATION*  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 329-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

**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 *Government Auditing Standards***

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

I 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 Bienville Parish Clerk of Court, a component unit of the Bienville Parish Police Jury, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Bienville Parish Clerk of Court's basic financial statements, and have issued my report thereon dated January 18, 2018.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exist 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. 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.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
June 30, 2017

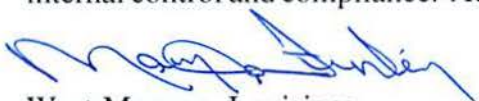
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bienville Parish Clerk of Court's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is included as finding 17-001 in the accompanying schedule of findings and questioned costs.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bienville Parish Clerk of Court's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bienville Parish Clerk of Court's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana  
January 18, 2018



BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

Schedule of Findings & Questioned Costs  
For the Year Ended June 30, 2017

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Bienville Parish Clerk of Court.
2. One instance of noncompliance material to the financial statements of the Bienville Parish Clerk of Court was disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

**2017-001 Failing to file Financial Statements Pursuant to R.S. 24:513**

**Finding:** The Bienville Parish Clerk of Court's financial statements were due to the legislative auditor by December 31, 2017. The Bienville Parish Clerk of Court did not provide the information needed to file the financial statements with the Statewide Agreed Upon Procedures by the due date.

**Recommendation:** The Bienville Parish Clerk of Court should submit financial information to the auditor in a timely manner in order for the financial statements to be submitted to the legislative auditor by the due date.

BIENVILLE PARISH CLERK OF COURT  
Arcadia, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2017

There were no findings reported in the audit report for the year ended June 30, 2016.

**JAMES W. "JIM" MARTIN**  
— Clerk of Court —  
BIENVILLE PARISH

100 Courthouse Drive, Suite 1100  
Arcadia, LA 71001

Phone (318) 263-2123  
FAX (318) 263-7426

[jimmartin@bienvilleparish.org](mailto:jimmartin@bienvilleparish.org)

January 26, 2018

Louisiana Legislative Auditor  
Baton Rouge, LA

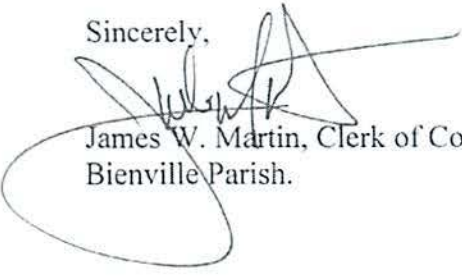
Please accept this as the apology from the Bienville Parish Clerk of Court's office for the delay in submitting this year's Audit Report. I do not have any excuses for the delay in the report, however I do have what I feel are mitigating circumstances. During the first 2 weeks of attempting to work on our audit, most of our state experienced extremely cold weather, snow, ice, and many road closures.

Topping all of that off, all of the southern states experienced the worst flu epidemic in years. Every member of my family including myself, was struck with the illness and several of my staff members.

With regard to the fact that our employees did not complete the Ethics Training this year, I can only say that this is the first year we have missed completion of the class. We had turnover of employees and this caused a great deal of problem with making sure everyone had done all of the requirements necessary for each year. We are currently publishing a schedule for all of the staff to make sure the requirements are met.

I realize excuses never make up for missing deadlines, but I do feel these circumstances were extenuating at this time. Please consider them in reviewing this audit.

Sincerely,



James W. Martin, Clerk of Court  
Bienville Parish.

# MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

## Independent Accountant's Report on Applying Agreed-Upon Procedures

Bienville Parish Clerk of Court  
100 Courthouse Drive, Room 100  
Arcadia, LA 71001

To the Bienville Parish Clerk of Court's Office

I have performed the procedures enumerated below, which were agreed to by the management of the Bienville Parish Clerk of Court's Office and the Louisiana Legislative Auditor, State of Louisiana, 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. Management of Bienville Parish Clerk of Court's Office 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, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### **AGREED-UPON PROCEDURES**

#### **WRITTEN POLICIES AND PROCEDURES**

1. The Bienville Parish Clerk of Court has no written policies and procedures for the test period.

#### **BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)**

2. The Bienville Parish Clerk of Court's office does not have a board or a finance committee therefore this procedure is not applicable.

#### **BANK RECONCILIATIONS**

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

The agency provided me with a certified list of all bank accounts.

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:

The agency had a total of 10 bank accounts, so a random sample of 5 bank accounts were selected to test the following:

A) Bank reconciliations have been prepared;

For the 5 bank accounts selected above, all were reconciled each month for the period tested.

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;

For the 5 bank accounts selected above, it was determined that the bank reconciliations for the general fund and advance deposit fund are performed by the Clerk. The smaller fund bank reconciliations are performed by a deputy and then reviewed by the Clerk.

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

For the 5 bank accounts selected above, 3 of the 5 accounts had outstanding reconciling items over six months old.

## **COLLECTIONS**

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

Agency provided me with a certified list of collection locations and I verified that it was 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:**

The agency has 1 collection location. It was selected for testing for the following:

- 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.

The clerk's office has a risk management policy but it does not cover employee theft. The agency has 1 cash register. Multiple deputies work out of the cash register. All collection payments are posted to the GRID software when received by the deputies. At the end of the day a 'summary report' is printed to determine which funds are advance deposit and which are salary funds monies. One of the deputies reconciles the cash drawer and prepares the deposit. The deposits are made the following day. The Clerk posts the salary fund deposits to the Quickbooks accounting system once a month. Bank reconciliations are prepared by the Clerk. The advance deposit funds are recorded in the GRIDS system when collected and the GRIDS system is used for the accounting reporting. The Clerk reconciles the bank statements for all accounts.

- 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.

The cash register is reconciled daily and deposits are made daily. The deposit is made by an employee that also may also be reconciling the cash register. Several deputies take turns reconciling the cash register and making the deposits. The collections for the advanced deposit fund are posted to the GRIDS accounting system when collected. The salary fund deposits are posted by the Clerk to the quickbooks accounting system once a month when reconciling the bank statement.

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

The agency provided a certified list of the highest (dollar) week of cash collections for each collection location. We verified the highest week was October 3, 2016 thru October 9, 2016, which was tested for the following:

- ▶ 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.

The 5 funds were tested for deposits of collections. For the week tested, all of the 5 funds made daily deposits.

- ▶ 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.

The 5 funds were tested for deposits of collections. All collections for the week tested had proper 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.

The agency has no written policies or procedures to determine completeness of collections or revenue sources.

#### **DISBURSEMENTS-GENERAL (EXCLUDING CREDIT CARD/DEBIT 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.

Agency provided a complete year to date general ledger for every fund and represented that the general ledgers were complete.

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/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.

The Clerk does not use a purchase order system. The Clerk has ultimate approval on all purchases.

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

The Clerk does not use a purchase order system. The Clerk has ultimate approval on all purchases.

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.

Of the disbursements selected to be tested, all were processed with all of the required support. One payment was made with 6 of the 8 receiving reports not signed by anyone in the office verifying receipt of the goods purchased. The Clerk does not use purchase orders or requisitions.

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.

Bienville Clerk uses Quickbooks software which does not allow them to restrict any user from adding vendors.

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.

The Clerk prepares checks, signs all checks and reconciles all of the bank accounts. The Clerk has ultimate approval on all purchases.



12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those person 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 unused checks are stored in a secure location, but are not restricted to the employees with signatory authority.

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.

The Bienville Clerk's office does not use a signature check stamp.

#### **CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS**

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

The agency provided me with a certified list of all active credit cards, fuel cards, etc.

15. Using the listing prepared by management, randomly select 1 card, the only card the Clerk's office has (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.

From the list in #14, 1 debit card (the only card the Clerk has) was randomly selected to test the following:

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.]]

The Clerk reviews all debit card statements and attaches proper support to the statement.

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

For the card tested, there were no service charges or interest charges noted.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for the card selected (i.e. each of the 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)

4 of the 9 credit card transactions tested did not have the original itemized receipts.

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

The transactions tested appear to be for business purposes.

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

There is no other documentation required for credit card purchases.

- 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.

There were no transactions on the credit card that required compliance with the public bid law. The agency had no written policies or procedures concerning purchases/disbursements during the test period.

- 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.

For the card selected there was no evidence of Article 7, Section 14 violations.

## TRAVEL AND EXPENSE REIMBURSEMENT

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.

The agency provided me with a certified statement that no employees received travel or related expense reimbursements during the testing period.

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.

Agency has no written policy and procedures for travel. No employees were paid for travel or related expenses during the test period. However, one of the hotel stays charged on the agency credit card exceeded the GSA rates. For a hotel stay in Baton Rouge, Louisiana on July 28, 2016 the agency paid a rate of \$159 per night, GSA rate was \$98 per night.

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 expense selected:

The 3 employees with the most travel costs during the test period were selected and tested for the following:

The Bienville Clerk has no employees that received travel or related expenses.

- 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.

The agency has no written policies or procedures travel and no employees received any reimbursements for travel and related.

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 employees received any travel and related reimbursements during the test period.

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

No employees received any travel and related reimbursements during the test period.

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

No other documentation is required by the agency for travel reimbursements.

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.

No violations of Article 7 Section 14 were noted during testing.

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

No employees received any travel or related expense reimbursements during the test period.

## CONTRACTS

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

Agency provided a certified list of all contracts in effect during the test period.

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:

The contracts that were paid the most money were selected from the list of contracts from #20 and tested for the following:

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

Agency has a formal/written contract for all selected to be tested.

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

For the contracts tested, none of them required compliance with the public bid law. The agency did solicit quotes to get the best deal for the Clerk's office.

- 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.

None of the contracts selected were amended.

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

The contract payments that were tested were in compliance with the contract terms and conditions.

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

This is not applicable to the Clerk.

## **PAYROLL AND PERSONNEL**

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

Agency provided a certified list of all employees with their authorized salaries. Five employees were selected to test the following:

- 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.

The 5 employees chosen were paid in accordance with the terms and conditions of their employment.

- 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.

All changes to the salaries of the 5 employees chosen were approved by the Clerk in writing.

- 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/official 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.)

Of the employees selected, all employees that are eligible to earn leave time documented their daily attendance. The agency tracks leave time earned and used, to make sure no excess leave time is taken. .

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

Of the employees that were selected, the Clerk does not approve the employees attendance and leave time. A deputy in the office tracks and approves all leave time.

- 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.

The agency prepares an annual schedule of leave time earned and used and tracks it manually on an excel spreadsheet.

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.

Agency provided a list of employees terminated during the testing period. The agency certified that it was complete. The two employees terminated with the largest payments were selected and tested to determine that their termination payments were in accordance with the policy - no exceptions noted.

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.

During testing of the agency it was determined that the Bienville Clerk of Court's office is submitting payroll tax, retirement contributions and required forms by the required deadlines.

## **ETHICS (EXCLUDING NONPROFITS)**

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.

Agency was unable to provide support for ethics training for the five randomly selected employees above. No employees received ethics training during the test period.

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.

There were no ethics violations reported to the Clerk's office during the test period.

## **DEBT SERVICE (EXCLUDING NONPROFIT)**

The Clerk has no debt outstanding, therefore this section is not applicable.

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

The Bienville Clerk of Court had no debt outstanding during the test period that required bond commission approval.

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.

The Bienville Clerk of Court has no debt outstanding during the test period.

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.

The Bienville Clerk of Court has no debt outstanding, therefore, this does not apply.



## OTHER

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.

The clerk's office has no known misappropriation of funds during the test period.

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.

I observed the fraud hotline notice posted on the premises.

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

There were no other exceptions noted during procedures.

I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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.



Mary Jo Finley, CPA  
January 18, 2018

**JAMES W. "JIM" MARTIN**  
— Clerk of Court —  
BIENVILLE PARISH

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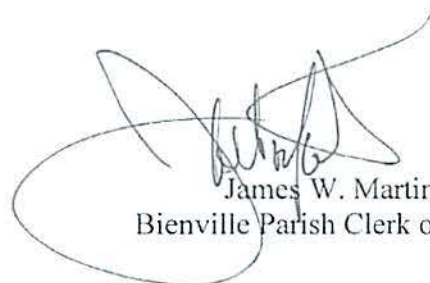
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January 18, 2018

The following are the answers to the AAUP section of our audit:  
Written Policies:

1. A static written policy for procedures is not currently in place because we found that it takes more time to keep the policy current, that it does to teach employees their duties. An office with a larger number of employees may find the opposite to be true, but for a small office, teaching each employee his duties and let them rely upon their own notes to perform their jobs works best. Besides their notes, they are always able to ask their co-worker for assistance. We will attempt to write a very broad policy in an attempt to meet this requirement.
  
- 2 N/A
  
- 3 n/a
  
- 4 A n/a  
B The Clerk or Chief Deputy initiates all purchases and signs all checks. The Clerk reconciles the salary fund and reviews all other funds.  
C A closer review of older outstanding items is under review and a policy will be adopted for the manner these items will be handled.
  
- 5 n/a
  
6. Multiple location for the collection of cash is necessary for the efficient operation of our office.. The Clerk's Office does maintain a Risk Management Policy, however it does not cover each individual policy for theft. The requirement that the Clerk of Court and each Deputy be bonded was terminated by the legislature several years ago. Our office is in compliance with current law. Our office attaches a number to every transaction we carry out. A filing, gets a registry number, a suit, gets a suit number, and everything that is filed that pertains to that suit will be marked with the suit number. Marriage License have Numbers on them and well as Birth Records. We do our best to control every charge we make to an action we perform.
  
- 6C N/A
  
- 7 We have recently begun a new method of collections on past due account. The accounts are being handled by the clerk, and once completed, will be written for others to use.
  
- 8 N/A
  
- 9 A,B,C All have to do with the fact that the office does not use a purchase order system.

9. In my opinion, a purchase order system would create mounds of paperwork for which no practical service would be satisfied. An office as small as this one, 1 part time deputy, 5 deputy clerks, 1 chief deputy clerk and a clerk of court. Our system is simple yet effective. Salary Fund checks can be written by the chief deputy clerk and the clerk of court. The checks can be signed by on one of the two. Checks for the advance deposit #2 fund can be written by any of the deputies that work in civil. Once the checks are written, they must be signed by either the Clerk of Chief Deputy Clerk of Court. The Clerk of Court Reviews all of the bank reconciliations at the end of every month after reconciliations are completed.
10. Quickbooks does not allow individual users to be restricted in terms of adding vendors.
11. The clerk has ultimate approval on all purchases.
12. The unused checks are stored in secure locations but are not restricted to the employees with signatory authority.
13. The office does not use an office signature check stamp.
14. N/A
15. N/A
16. A.  
We were unable to produce 4 of the original charge slips for credit card charges  
I failed to note the name of the Clerk who ate with me.  
B) We will attempt to prepare a policy that will meet the intent of this section.
17. n/a
18. Currently we have no written policy, we have in the past used the mileage rage set by the IRS and whatever room rates were negotiated for us by our host.  
We are working on a policy that will meet all of the guidelines.
19. A Office now has a written policy and procedure manual.
20. N/A
21. N/A
22. N/A
23. Leave is tracked by the chief deputy on a monthly basis. The clerk reviews this on a quarterly basis.
24. N/A
25. N/A
26. Our agency was unable to complete the required ethics training courses for this audit period. This was due to changes in personnel and other issues related to freeing up time to take the class. We will have this done in the future and are working on a schedule to insure this is completed timely.
27. N/A
28. N/A
29. n/A
30. N/A
31. N/A
32. N/A
33. N/A



James W. Martin  
Bienville Parish Clerk of Court